

# Capitol Currents

November 20, 2006



Congr. Peter J. Visclosky (Indiana) to chair House Appropriations Subcommittee handling Corps funding. Page 2.



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## WRDA Issues Unresolved as Clock Ticks Down

**AFTER A SHORT POST-ELECTION SESSION** last week, Congress left town for a Thanksgiving break without taking up WRDA legislation or FY 2007 appropriations for civil works programs.

Lawmakers returned to Capitol Hill last Monday, but the House adjourned on Wednesday and the Senate the next day. Both chambers are to resume their lame-duck session on Tuesday, December 5.

Before recessing, the Congress passed a second Continuing Resolution (CR) to keep the Federal government operating until Friday, December 8. The resolution was flown to Vietnam for the President's signature, just before the first CR expired last Friday.

**WRDA PROSPECTS.** When Congress returns next month, it may be in session only one week, some predict. If so, time may run out on WRDA. House and Senate staffs are still working to resolve the outstanding issues, including peer review and environmental infrastructure. Even with everything resolved, however, there may not be enough time to pass the long-delayed measure.

The best bet, it appears, would be for the House and Senate to approve identical bills by unanimous consent. But that's a long shot. Besides, Sen. Russ Feingold (Wisconsin) has vowed he will not budge on tough independent project review as specified in an amendment which the Senate narrowly passed, 54-46, last summer.

**FY 2007 FUNDING.** When the current CR expires, Congressional observers expect lawmakers to pass another, longer-term CR. Appropriations Committee chairmen wanted to enact each of the pending spending bills but made little progress last week. Even passage of an omnibus appropriations package, which Congress has favored in recent years, seems to be in doubt. ♦



**WCI's 2006-07 leadership team.** Shown, from left, are Mark Knoy of AEP MEMCO, reelected as chairman; Dan Mecklenborg of Ingram Barge Co., first vice chairman and general counsel; Rick Calhoun of Cargo Carriers, vice chairman; and Barry Palmer, president and CEO. See item on WCI elections, Page 11.

### INSIDE THIS ISSUE:

House, Senate panels switch . . . . . 2  
Court stops Industrial Lock . . . . . 3

WCI Annual Meeting coverage . . . . . 4  
Sen. Frist voices WRDA support . . . . . 7

## ELECTION AFTERMATH: ALL COMMITTEES SWITCH



*Sen. Dorgan*

In the General Election, Democrats won control of both the House and Senate, causing a switch in the chairs of all committees and subcommittees in the 110th Congress, which begins in January. In the House, Congr. David R. Obey (Wisconsin) will take over the Appropriations Committee, and Congr. Peter J. Visclosky (Indiana) will become chairman of the Energy and Water Development Subcommittee.

His predecessor, Congr. David L. Hobson (Ohio), will be the ranking subcommittee

member. The current committee chairman, Congr. Jerry Lewis (California), is expected to assume that position for the full committee.

**IN THE SENATE.** Sen. Robert Byrd (West Virginia) will be the chairman of the Appropriations Committee, instead of Sen. Thad Cochran (Mississippi). Sen. Byron L. Dorgan (North Dakota) is expected to head the Energy and Water Subcommittee, replacing Sen. Harry M. Reid (Nevada), who will be the next Majority Leader. ♦

## Congr. Oberstar to Chair House T&I Committee

Congr. James L. Oberstar (Minnesota) will become chairman of the Transportation and Infrastructure Committee, the panel which authorizes water projects. Chairing the Water Resources and Environment Subcommittee will be Congr. Eddie Bernice Johnson (Texas).

The current subcommittee chairman, Congr. James J. Duncan, Jr. (Tennessee), is one of four vying to become the ranking member of the full committee, including current Chmn. Don Young (Alaska).

**IN THE SENATE.** Sen. Barbara Boxer (California) will assume the chairmanship of the Environment and Public Works

Committee, succeeding Sen. James M. Inhofe (Oklahoma). Normally, he would become ranking member, but he is being challenged for that post by Sen. John W. Warner (Virginia), now chairman of the Armed Services Committee, who because of term limits is barred from becoming its ranking member next year.

Sen. Christopher S. (Kit) Bond (Missouri) will have to give up his chairmanship of the Transportation and Infrastructure Subcommittee. Sen. Max Baucus (Montana) will become the next subcommittee chairman. ♦



*Congr. Johnson*



*Sen. Boxer*

## Short Profiles of New Leaders

In the next Congress, Congr. Nancy Pelosi (California) will be Speaker of the House. A native of Maryland, she is the daughter of long-time Baltimore Mayor Thomas L.J. D'Alesandro, Jr., and her brother Tom was also Baltimore mayor.

Another Californian, Sen. Boxer, will take over the Senate authorizing committee. Born in New York, she is the shortest Senator, standing only 4 ft., 11-in. She voted for the McCain-Feingold peer-review amendment but against prioritization of Corps projects.

Congr. Johnson, who will head the House authorizing subcommittee, began her career as a nurse, becoming chief psychi-

atric nurse at the VA Hospital in Dallas. She holds a BS from TCU and master's in public administration from SMU.

Congr. Visclosky, who will chair the panel with jurisdiction over civil works spending, has a law degree from Notre Dame and once taught a course on budgetary policy at Georgetown. He grew up in Gary, Ind., a steel town on Lake Michigan.

His likely Senate counterpart, Sen. Dorgan, began his public service career at age 26, when he was appointed (and then elected) state tax commissioner. He was raised in a farming community where his family was in the farm equipment business. ♦

## JUDGE STOPS WORK ON INDUSTRIAL LOCK



Federal District Judge Eldon E. Fallon has ordered the Corps of Engineers not to move forward with construction of a new Industrial Lock on New Orleans' inner-harbor navigation canal until it prepares a supplemental environmental impact statement (EIS), a process which could take at least 12 months and cost \$4.5 million.

"The court finds that the Corps failed to take a 'hard look' at the environmental impacts and consequences of dredging and disposing of the canal's contaminated sediment and should revisit the [lock] project in the light of recent catastrophic events." The President's FY 2007 budget did not request funding to continue final design and construction of Industrial Lock, but the House and Senate subcommittees each added \$18 million for the project. ♦

## Federal Judge Raises Dams or Fish Choice



In a recent ruling in Portland, Ore., Federal District Judge James A. Redden suggested he might halt operation of four Snake River navigation/hydropower dams to save endangered salmon runs. Having rejected two earlier plans to protect salmon, he warned he "will not allow another invalid" plan to remain in place while "urgent action" is needed.

Meanwhile, two Members of Congress, Doc Hastings and Brian Baird (both Washington), announced they plan to introduce legislation to allow officials to kill sea lions to keep them from feasting on Columbia River salmon. "These sea lions have bellied up to an endangered salmon buffet," Congr. Hastings said at a press conference at Bonneville Dam, "and they will be eating thousands and thousands of fish right here this spring if we don't do something about it." At least 100 hungry sea lions wait at the dam for returning salmon. ♦

## Court Dismisses Suit on Missouri 'Pulses'

In St. Paul, another Federal district judge, Paul A. Magnuson, ruled against the state of Missouri, which had argued that the Corps of Engineers violated the National Environmental Policy Act by preparing an "environmental assessment" instead of a supplemental EIS in revising its Missouri River master water control manual.

Missouri contended that a bimodal spring pulse on the Missouri River was a "substantial change from previously considered alternatives" and therefore required a supplemental EIS. But the judge decided "Missouri's argument lacks merit."

In another development, John R. Cooper of the South Dakota Game, Fish and Parks Department, who is chairman of the newly formed Missouri Assn. of States and Tribes, called on the Corps to "consider eliminating navigation flow support ... in the upper reaches of the navigation channel, if there is no commercial navigation scheduled to use those reaches. This is especially important," he wrote, "given two alternative sources of transportation are available 24/7, 365 days a year." ♦

**RIVER DIVERSION.** China has launched an ambitious plan to divert water from the Yangtze River north through 185 miles of tunnels to the Yellow River, the country's second longest, which loops north and then bends south as it flows generally eastward across central China. Eventually, the \$59 billion diversion project aims to deliver water to drought-stricken northern provinces where 300 million live.

As women in white outfits beat red drums, hundreds of bulldozers began work on the project, which includes three canals which will carry an estimated 45 billion cubic meters of water a year some 800 miles to the north. ♦

**Symposium headliners.**

Addressing the opening program were, from left, John Vickerman of TranSystems, Bruce Scherr of Informa Economics, and Jerry Welch of Marathon Petroleum Co. WCI Chmn. Mark Knoy is at right.



## WCI MEETING DRAWS ALMOST 200 ATTENDEES

On October 18-20, the Waterways Council, Inc. (WCI), held its 2006 Symposium and Annual Meeting at the Gaylord Opryland Hotel in Nashville. WCI Chmn. Mark K. Knoy of St. Louis, president of AEP MEMCO LLC, opened the program, with almost 200 waterways shippers, carriers and other stakeholders as well as Corps of Engineers officials in attendance.

This year's symposium, like last year's, was jointly sponsored by Informa Economics, Inc.; the Waterways Journal, and WCI. Following are accounts of some of the speeches and presentations. For more details, visit our website: [www.waterwayscouncil.org](http://www.waterwayscouncil.org). ♦

## Mr. Welch Commends Barge Transportation

The petroleum industry believes in water transportation, Jerry C. Welch, Marathon Petroleum Co.'s senior vice president for transportation logistics, told the opening session. "For my industry, the story of waterways transportation is one of day-in and day-out dependability and safety," he said in his keynote address. "No other mode can match the volume, the bidirectional capability, and the speed and flexibility of moving [cargoes] on the river."

"The necessity for and the opportunities in marine transportation are only going to increase in the future," Mr. Welch said. "Politicians need to understand that both those in government and those in business share equally in the stewardship of America's world-class river system."

Mr. Welch endorsed WCI's focus on the waterways' "infrastructure needs, reinvestment strategy and navigational improvements," and he pledged that "you can count on my company to join with you in educating policy-makers, markets and media" to support needed investments and to help "in securing America's energy future." ♦

**BEAN RECORD.** In Newton County, Mo., Kip Cullers harvested his soybean crop last month, averaging 139.39 bushels per acre. The Missouri Soybean Assn. said Mr. Cullers' yield sent a new world record. ♦

## DR. SCHERR FORECASTS TRANSPORT CHALLENGES



World economic growth is going to strain our transportation and cargo-handling systems, Dr. Bruce A. Scherr of Memphis told symposium attendees. He is president and CEO of Informa Economics, Inc., formerly known as the Sparks Companies, Inc.

“We are observing a number of factors and forces indicating an alignment of features of global growth that may be absolutely unprecedented,” he said, putting “an extraordinary amount of pressure on the logistics and handling capabilities of the entire world, most particularly the United States.” As evidence, he cited a “commodity boom” in energy, agriculture and metals.

“There has never ever been a more colossal event for American and global agriculture,” Dr. Scherr said, than “the rush to this new renewable fuels industry, be it ethanol, biodiesel or eventually cellulosal conversion into ethanol.” He views the demand for fuel as “unquenchable,” adding:

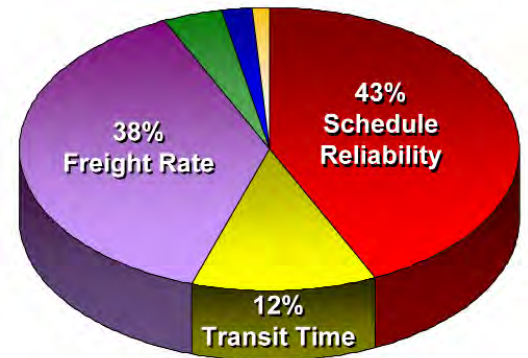
“The world is on a quest to utilize its renewable capacity to produce more energy and food out of the same productive base that has been available for eons. But we have got to find better ways to do it, and the only way it will be accomplished is if we have a handling and logistics system... to handle the magnitude of grain and energy and product that I think the world is going to demand of us.” ♦

## Limited Port Capacity Worries Mr. Vickerman

M. John Vickerman of Norfolk, senior associate of TranSystems, Inc., painted a bleak picture of U.S. port capacity in the next decade. “Today we have a North American freight paradox,” he said. “The nation’s ports and their intermodal linkages are experiencing the ‘best of times and the worst of times’ in terms of [cargo] growth and demands on capacity.”

“We are not developing freight logistics systems to the level we should be to match what’s coming at us. What’s coming at us,” he said, is “a tsunami of trade.” He pointed to Shanghai’s new 54-berth container port and growing container volume at Hong Kong, which already handles as many “boxes” as the top 15 U.S. ports combined. “We are severely running out of capacity, and we have got demand going off the charts.”

Containerships are getting larger, with Maersk Sealand’s newly launched *Emma* able to haul 13,000 TEUs (20-ft equivalent units).



*Multinational Shipper Priorities*

It’s too large for U.S. ports, so containers will have to be transferred at sea to smaller vessels. “This means,” Mr. Vickerman said, “that short-sea shipping which can take freight off congested highways is coming as a feeder to the mother ship’s distribution [system].” ♦

**FUEL SITES.** The Port of Greater Baton Rouge has leased land to Shaw Capital, Inc., to build two alternative fuel plants. An ethanol production facility is planned on an 184-acre site near Donaldsonville and a biodiesel plant is to be built on a 46-acre site at Port Allen. The port said the plants, expected to open late next year, could cost \$1.5 billion. ♦

## Large Increase Predicted in River Coal Shipments



Mr. Grech

A three-member panel explored trends in waterborne shipments of coal, cement and aggregates. James C. Grech of Pittsburgh, senior vice president-marketing of CONSOL Energy, Inc., said new power generation facilities, now planned or under construction, will need an additional 390 million tons of coal produced in the U.S. and moved on the inland waterways, a 35% increase.

Coal traffic patterns on the rivers are going to change, he said, with the addition of scrubbers at more and more coal-fired power plants. Some plants can then switch to closer coal sources. But with river-transported coal volume expected to grow, Mr. Grech doubts future barge supply can keep up with demand.

Jeffrey E. Brehmer, general manager-logistics operations for Holcim (US), said the cement industry had committed \$4.8 billion to expansion projects, including a new plant his company is building at Ste. Genevieve, Mo., on the Mississippi River. Keith G. Peavy of St. Rose, La., transportation manager for RECO Transportation LLC, a subsidiary of Vulcan Materials Co., said overall demand for construction aggregates in coastal markets remains high but that barge rates must be competitive with blue-water and rail service. ♦

## Gulf-to-Japan Rates Dip, Mr. Eriksen Says

In his presentation, Ken A. Eriksen, vice president of Informa Economics, Inc., discussed “some of the dynamics going on” and “what’s driving demand” for water transportation. He blamed insufficient rail and highway capacity as well as the aging waterways infrastructure as leading to “lower effective transportation capacity across the whole system.”

Whether cargo is shipped by rail, barge or truck, Mr. Eriksen said, “it reverberates throughout the whole system when we have a local event, because those things are just not local any more.” And lower effective transportation capacity, he said, leads to higher rates.

On a brighter note, he reported that the difference in ocean freight rates from the central Gulf to Japan as compared to rates from the Pacific Northwest had decreased in the last year. A year ago, the spread was about \$25 per metric ton; now it is only about \$10. Coupled with higher rail rates and fuel surcharges, this means that corn and other commodities moving down the Mississippi River can once again compete in Japanese markets. ♦

### Lunch with Senate Leader.

Sen. Bill Frist, right, the Senate’s Majority Leader, spoke at the opening luncheon. With him, from left, are Peter Stephaich of Campbell Transportation Co., Orrin Ingram of Ingram Barge Co. and Maj. Gen. Don Riley.



## Coming Soon to America's Rivers

In a surprise ending to his presentation, Mr. Grech announced that his company, CONSOL Energy, Inc., had decided to name one of its towboats after WCI's president and CEO, R. Barry Palmer. Then, he flashed a photo on the large projection screen showing a towboat with Mr. Palmer's name superimposed on it.

Barry has done a lot for the waterways industry, Mr. Grech explained, both as DINAMO's long-time president and also at WCI. The actual christening of the *Mv. R. Barry Palmer* will take place later, at a time and place to be announced. ♦

## Sen. Frist Expresses Optimism on WRDA

Sen. Bill Frist (Tennessee), the Senate Majority Leader, spoke at the opening luncheon, promising to push enactment of WRDA legislation. "We need to act, and we need to act now," he said. After detailing the difficulty in getting the measure to a House-Senate conference, Sen. Frist expressed optimism as to its final passage. "We have got a good shot" in the lame-duck session, he said.

The senator, a Nashville native, addressed the WCI luncheon shortly after arriving from a campaign visit to Texas and just before leaving for another in Florida. He spent a half-hour talking about the Chickamauga Lock replacement, port security, energy independence and other issues. He was introduced by Orrin H. Ingram, III, chairman of Ingram Barge Co., who the senator called "a good family friend." ♦

## GEN. RILEY DESCRIBES ON-GOING INITIATIVES

Maj. Gen. Don T. Riley, the Corps' Civil Works Director, briefed symposium attendees on several waterways issues. New economic models to help forecast waterways traffic and

show the value of new investments should be ready by next September, earlier than expected. The Corps wants to look at "other measures of performance" besides ton-miles of traffic to evaluate little-used waterways but, at the same time, is working on a "divestment strategy" in case it's decided "we are spending more money on [projects] than you need to."

An asset management plan is being developed for the approximately \$500 billion worth of land, reservoirs, dams, laboratories and other facilities in the Corps' inventory. The agency has been under pressure to "competitively source" lock-and-dam operations but may keep that mission within the agency, Gen. Riley said, by developing "a high-performing organization" to become much more efficient and effective. ♦



**Afternoon session speakers.** On the program were, from left, Norb Whitlock of ACBL, who moderated one of the sessions; and Steve Stockton and Gary Loew of the Corps' headquarters.

## Mr. Loew Sees Vision Driving Corps Budget

Gary A. Loew, Chief of the Programs Integration Division, wants Corps of Engineers' budgets to reflect the "vision we have for the future." Such long-term perspectives will come from five-year plans for the major waterways systems showing not only "progress levels" but also "what we are planning for the future."



Those plans, he said, "will become integral to a nationwide plan" and help "restore the regional perspective on what should be budgeted and give it the proper balance in our budget process." That doesn't mean that the President is going to implement those plans or that Congress is going to appropriate funds for them, Mr. Loew said, but the plans will "give you our thinking about what's out there in the future and what's not out there in the future." His hope is that, in time, "our vision will drive the budget." ♦

## WRDA Called Vital to Project Credibility

Steven L. Stockton, Deputy Civil Works Director, is a strong advocate of biennial water resources authorization acts. They are a "more systematic way" of building infrastructure for the future, he said, than "having a project here and a project there that may or may not complement one another." WRDA adds credibility and rigor to the system, he believes.

The Corps is supportive of both internal and external peer review, Mr. Stockton said, "because we want to have the best possible... engineering solutions to serve the American people." But he was critical of a provision in the Senate bill putting water policy under a Cabinet-level group, which he said was like putting the Coast Guard in charge of health policy for the Veterans Administration. ♦

## 'CHANGE MUST COME' IN WAY CORPS OPERATES

**Prioritizing risk.** Mike Rogers, left, and Steve Jones, right, with Jerry Barnes and Raymond Butler, who moderated symposium panels.

"Something has to change," Mr. Loew said. I can't be more clear about that." Otherwise, he foresees a shrinking Corps budget. Rather than negotiating with OMB on project-by-project decisions, he thinks the Corps and OMB should

concentrate on "programmatic decisions" – "looking at things over the long term... and putting policies and structures in place to insure that those happen. That's a major change."

Under OMB rules, the Corps was unable to comply with Congressional requests to produce a five-year development plan, Mr. Loew said, because outlays had to be tied to official budget ceilings, which are usually about \$1 billion under actual Congressional appropriations. Now, there are signs that this impasse may soon be resolved.

Mr. Loew said the Corps had also been pushing the Administration to broaden its criteria for prioritizing projects. Rather than putting so much weight on a single metric – the benefit/cost ratio or remaining benefits/remaining costs – he believes that safety, legal, environmental, watershed and other non-economic factors should also be considered. "It's really like we dumbed down our process, over-relying on just one metric." ♦



## Upper River Projects Ready in 2017 - 2026?



Michael B. Rogers of Vicksburg, Chief of Programs for the Mississippi Valley Division (MVD), discussed proposed navigation improvements and environmental restoration on the Upper Mississippi and Illinois Rivers – a project now known at the Navigation and Ecosystem Sustainability Program (NESP).

For the navigation component, he said present planning assumed authorization this year with construction of the six new 1,200-ft. locks beginning between FY 2009 and FY 2017. But if the lame-duck session fails to enact WRDA, the schedule below is going to slip. ♦

| Lock         | Start | Finish | Cost (M) |
|--------------|-------|--------|----------|
| No. 25, UM   | 2009  | 2018   | \$270    |
| No. 22, UM   | 2009  | 2017   | 191      |
| No. 24, UM   | 2013  | 2021   | 259      |
| No. 21, UM   | 2013  | 2021   | 268      |
| LaGrange, IL | 2013  | 2022   | 235      |
| Lock 20, UM  | 2016  | 2024   | 188      |
| Peoria, IL   | 2017  | 2026   | 232      |

## CARRY-OVER TOTALS ALMOST \$1.8 BILLION

When FY 2006 ended, the Corps carried over \$1.776 billion to the current fiscal year. The total included \$898.9 million which is obligated on fully funded contracts and \$877 million in unobligated funds, mostly earmarked in appropriations act language or Congressional adds. The total was swelled because of four supplementals during the year.

Mr. Loew, the Corps' top budget officer, believes the agency will eventually get the carry-over down to the \$1 billion range or about 12% to 15% of the total budget. Most carried-over funds are left on the projects for which the money was appropriated. But it's wasted, he said, if Corps documents "expressed a capability and we didn't achieve that capability." ♦

## Corps Leaders Detail Priority Maintenance

James R. Hannon, Jr., MVD's Chief of Operations, and M. Steve Jones, his deputy, brought symposium attendees up to date on prioritized maintenance on the Mississippi system and the Gulf Intracoastal Waterway. They detailed maintenance problems and plans to deal with them in future budgets.

"'Backlog' is a word we are moving away from," Mr. Hannon said. "Backlog has a connotation of looking back, something that we can't take care of." He continued, "priority maintenance is about about looking forward, having a working plane and moving in that direction." ♦

**WATER DICTIONARY.** PIANC, the international navigation association, is spearheading development of a new illustrated technical dictionary which will soon have almost 20,000 definitions on line in several languages. It's a "living document" with new entries continually being added, some with pictures and video clips, which you can access at: [www.waterdictionary.info](http://www.waterdictionary.info).

Before the end of the year, PIANC will have about 10,000 entries in six languages (English, French, Spanish, German, Italian and Dutch). Two other associations are cooperating in the project: the Central Dredging Assn. (CEDA), with 4,000 entries in five languages, and the International Hydrographic Organization (IHO), with 5,000 entries in three languages. ♦

## Mr. White's Advice: Manage Risk Together

Asset management is the vehicle which Michael B. White of Cincinnati believes the Corps must use to "get some kind of predictable, repeatable standard defining how we are going to maintain" the nation's waterways. He is the Director of Programs for the Great Lakes and Ohio River Division (LRD). "We can't leave any system behind, but we have to do a better job of articulating our [maintenance] needs..."

Managing risk on the navigation system requires the cooperation of the Corps, waterways shippers and bargelines, Mr. White said. "We cannot manage risk unless we manage it together. We have some of that input. You have some of that input. But if we don't put it together, integrate and synchronize it, we are not going to be good at managing risk." ♦



## Mr. Harder Explains 5-Year 'Perspective'

William T. Harder of Cincinnati, LRD's navigation business manager, outlined the division's five-year perspective, which has become a prototype for other divisions. "We know exactly where we need to be. We know exactly how to get there. And we show the funding stream," he said.

For O&M, the division is only \$25 million "off the mark" for FY 2007. "That's not bad," he said. In construction, "we have got a picture of what we need to start, when we need to finish, [and] when we need to do it – very comprehensive from the standpoint of the progression of elements that make sense on a systems basis." But he admitted that funding for construction and investigations, so far, is "off the mark." ♦

## 'CAT' OFFICIAL EXPLAINS \$12 MILLION PLEDGE

In 2004, Peoria-based Caterpillar, Inc., made a \$12 million commitment to the Nature Conservancy's "Great Rivers

Partnership" to protect and preserve river systems around the world. Vince Shay, director of the Conservancy's Upper Mississippi River Program, said his organization followed "a science-based, non-confrontational, collaborative approach" in pursuing environmental restoration.

William K. Luetzow of Nashville, general manager of Caterpillar's marine financing group, explained his company's contribution. "We make engines, and we make machinery," both of which impact the environment, he said. "For us to stay in business, our customers have to stay in business and your employees have to want to work for you and enjoy working where you are." He described Caterpillar's commitment "as a way of leveraging economic and environmental choices so we have intelligent decisions going forward." ♦



**Caterpillar underwrites partnership.** Bill Luetzow of Caterpillar, at left rear, is shown with Vince Shay and Diane Rudin of the Nature Conservancy.

## Waterways Council Keeps Mr. Knoy at Helm

Mark K. Knoy of AEP MEMCO LLC, chairman of the Waterways Council since March 2005, was re-elected to another term. He will be succeeded as Chairman next October by Daniel P. Mecklenborg of Nashville, senior vice president and chief legal officer of Ingram Barge Co., who was named first vice chairman and general counsel.

The Board of Directors also elected two vice chairmen: Richard R. (Rick) Calhoun of Minneapolis, president of Cargo Carriers, and

Peter B. Lilly of Pittsburgh, chief operating officer of CONSOL Energy, Inc. R. Barry Palmer was elected to another term as president and CEO and Kevin B. Sparks of Findlay, Ohio, manager-petrochemicals marketing of Marathon Petroleum Co., was named secretary-treasurer.

Additional members of the Executive Committee, besides officers, are H. Merritt Lane, III, of Canal Barge Co.; Berdon Lawrence of Kirby Corp.; and Peter H. Stephaich of Campbell Transportation Co.

Newly elected Directors include Cherrie D. Felder of Channel Shipyard, David C. Hanby of McDonough Marine Service, Mark K. Knoy of AEP MEMCO, Gary P. LaGrange of the Port of New Orleans, G. Scott Leininger of CGB Enterprises, Stephen D. Little of Crouse Corp., James D. McConnell of U.S. Steel Corp., Lee J. Nelson of Upper River Services, Carol M. Pfeiffer of LG&E, Paul C. Rohde of MARC 2000, Looman F. Stingo of Holcim (US), and Michael J. Toohey of Ashland Inc. ♦



**Corps LRD leaders.** Mike White, right, programs director at the Great Lakes and Ohio River Division, with Col. Steve Hill, Pittsburgh District Engineer.



**Symposium participants.** Pictured, from left, are William T. Harder, a panelist; James L. Adams of ACBL, and Teri H. Goodmann of the National Mississippi River Museum and Aquarium.



**BORN AGAIN.** The *Mississippi Monitor* has been reincarnated. It was launched in 1997 by American Rivers with Scott Faber, public policy director, as managing editor. Publication was suspended in 2000 after Mr. Faber moved to Environmental Defense, but the publication reappeared in 2003. Mr. Faber was still managing editor, but the *Monitor* had become an organ of the Upper Mississippi Basin Stakeholders Network at St. Mary's University in Winona, Minn.

Early in 2005, the newsletter ceased publication once again. But last month, the Dubuque-based National Mississippi River Museum and Aquarium took over the *Monitor*, with Director Jerry Enzler as editor-in-chief and Mr. Faber as managing editor. The 12-page October issue is available on line at

[www.mississippirivermuseum.com](http://www.mississippirivermuseum.com). ♦

## Foundation to Co-Sponsor New Modal Impact Study

Also meeting in Nashville last month, the National Waterways Foundation agreed to co-sponsor the second phase of a study comparing

truck, rail and barge freight transportation and their impacts on the environment. The project will be undertaken by the Center for Ports and Waterways (CPW), a unit of the Texas Transportation Institute. The first phase of the study identified information sources.

The Maritime Administration and the Foundation will split the \$150,000 cost of the study, which C. James Kruse of Houston, CPW's director, said should be finished by next August. It will compare modal cargo capacity, congestion, emissions, energy efficiency, safety, and infrastructure impacts. Also to be examined will be "the congestion mitigation effect of moving containers on barge rather than on trucks." ♦

**Foundation meeting.** Jim Kruse, left, of the Center for Ports and Waterways and James R. McCarville, right, of the Port of Pittsburgh Commission with Peter H. Stephaich of Campbell Transportation Co., who presided at the foundation meeting.



## BARGE ACCIDENTS DELAY TRAFFIC

Emergency lock closures continue to haunt the inland waterways. Runaway barges destroyed one gate and damaged another last month at Montgomery L&D on the Ohio River. A down-bound tow with nine coal barges struck the guide wall, causing three barges to break away. The Corps placed temporary bulkheads in the two gates to prevent loss of the navigation pool.

About the same time, at L&D 19 near Keokuk, Ia., on the Upper Mississippi, an up-bound barge loaded with coal hit the lower bullnose and the head end began to sink in the lock approach. Barge traffic was shut down for about 18 hours until the coal could be off-loaded and the damaged barge moved. The accident held up five tows which arrived at the lock while it was closed. ♦

**RAIL POLICY.** Since the Staggers Rail Act was passed in 1980, U.S. railroads' financial health has improved and many rail rates have dropped, the U.S. General Accountability Office (GAO) found in a recent report. While "significant increases" in freight traffic are forecast, GAO expressed concern about the railroads' future capacity.

"Investments in rail projects can produce public benefits, such as reducing highway congestion," GAO said. "In the years ahead, Congress is likely to receive further requests for funding and face additional decisions about potential Federal policy responses and the Federal role in the nation's freight railroad infrastructure." GAO also questioned whether rail rates in selected markets "reflect justified and reasonable pricing practices, or an abuse of market power..." ♦

## IN THE MAINSTREAM...



Mr. Bickel

John M. (Corky) Bickel of Cedar Rapids, Ia., a former cabin boy on the excursion steamer *Avalon* and now a widely known attorney, is the new president of the National Rivers Hall of Fame, which was founded by his father, John P. Bickel. He succeeds the late Gordon O. Kilgore, who had received the Hall of Fame's esteemed John P. Bickel Award just weeks before his death...

Steven E. Alley of Fort Mitchell, Ky., director of sales for Ingram Barge Co., was elected as chairman of the Tennessee-Tombigee Waterway Development Council... Billy V. Houston of Eufaula, Ala., a former bank president, is the new executive director of the Tri Rivers Waterway Development Assn., whose offices have been moved from Dothan to Eufaula...

The U.S. Senate has confirmed Brig. Gen. Robert Crear, commander of the Corps' Mississippi Valley Division, as president of the Mississippi River Commission... Collister (Terry) Johnson, Jr., a former chairman of the Virginia Port Authority, was sworn in last month as Administrator of the St. Lawrence Seaway Development Corporation, an agency of the U.S. Department of Transportation. He succeeds Albert S. Jacquez, whose seven-year term expired.

Julia A. Nelson is now Deputy Administrator of the Maritime Administration. She had been the agency's Chief Counsel. Replacing her as Acting Chief Counsel is Rand R. Pixa, who formerly worked as a senior trial attorney for the Corps of Engineers and earlier as admiralty counsel for the U.S. Navy... Deepak Varshney was named director of MarAd's central region. He had been serving as interim director...

Jerry A. Bridges, chief executive director of the Port of Oakland for the last two years, has been tapped to succeed J. Robert Bray, who plans to retire in January after serving for 28 years as executive director of the Virginia Port Authority... Herbert C. (Bill) Johnson was appointed as director of the Port of Miami-Dade; he was formerly an assistant Dade County manager overseeing the port...

The West Feliciana (La.) Parish Port Commission has voted to hire the first director of the port and transportation center it plans to build on the Mississippi River about 30 miles north of Baton Rouge. He is Roger P. Richard, who was CEO of the Port of Greater Baton Rouge from 1998 until earlier this year...

R. Anne Sudar of the Institute for Water Resources, a water resources planner who presents papers at waterways conferences and helps arrange the Inland Waterways Users Board's meetings, is an avid rowing enthusiast. At the recent World Master Rowing Regatta held on Lake Mercer in New Jersey, she rowed on three first-place teams and won the women's single in her age group in a come-from-behind finish...

Thomas C. Korologos, a lobbyist for inland waterways interests when he worked for Timmons & Co., plans to leave his post as Ambassador to Belgium early next year...

Bruce E. Babbitt, a former governor of Arizona who was Secretary of the Interior in the Clinton administration, has been named chairman of the World Wildlife Fund...

James E. (Jim) Walden of Helena, Ark., who died in 1997, was among four waterways leaders inducted into the Arkansas River Historical Society. He is credited with launching, in Memphis, the nation's first mid-stream refueling and supply business. Later, he moved down river and founded Helena Marine Service, Inc.

**RETIRING.** In February, Daniel H. Hitchings of Vicksburg, the Mississippi Valley Division's regional business manager and, since Hurricane Katrina struck, director of Task Force Hope. Dan's worked for the Corps since 1974. His acting replacement will be Karen Durham-Aguilera, presently programs director of the Northwestern Division.

**IN MEMORIAM.** Karl H. Senner, 75, German-born founder of Karl Senner, Inc., of Kenner, La.... Ronald E. Moore, 59, of Chesterfield, Mo., president (1989-2004) of Midwest Marine Management Co. To their families and friends, we express our condolences. ♦

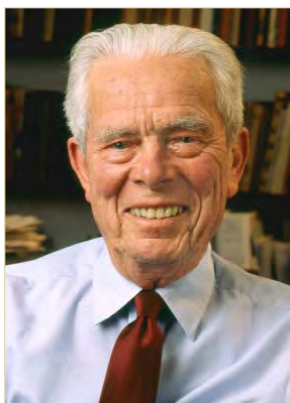


Gen. Crear



Mr. Hitchings

## Gilbert F. White, 94, Flood-Plain Advocate



Dr. White

“Floods are ‘acts of God,’ but flood losses are largely acts of man,” Dr. Gilbert F. White wrote in 1942 in his University of Chicago doctoral dissertation, *Human Adjustment to Floods: A Geographical Approach to the Flood Problem in the United States*. When it was published, his thesis had a profound impact on national flood policy.

Where feasible, Dr. White championed “adaptation to or accommodation of flood hazards” rather than structural solutions. In short, he didn’t believe man could “conquer nature solely by engineering force.”

While he was a graduate student at the University of Chicago, the Roosevelt administration asked him to study the flood-prone Mississippi River Basin. This experience undoubtedly influenced his doctoral thesis. He soon became known as the “father of flood plain management.”

Reservoirs, levees and other flood-control works entice people to live in flood plains, he maintained, putting them at risk in case of a levee failure or over-topping. Instead, Dr. White urged planners to consider a broad range of alternatives to minimize flood losses – non-structural measures such as land-use restrictions, upstream watershed treatment, flood-proofing buildings, emergency evacuation, and flood insurance – as well as dams and other structures.

Dr. White chaired President Johnson’s Task Force on Federal Flood Policy, which led to the creation of the National Flood Insurance Program. Later, he was chairman of the National Research Council’s Committee on Water (1964-68), Environmental Studies Board (1975-77), and Commission on Natural Resources (1977-80).

He was chair of the University of Chicago’s Department of Geography when he moved in 1970 to the University of Colorado, where he established the Natural Hazards Research Center. And he began studying flood losses in developing countries and applying flood-plain management practices to save lives, bringing him international recognition.

Until his death last month, he continued to champion wise stewardship – preserving nature while encouraging sustainable use of the earth’s resources. Dr. White’s papers are housed in the Arthur Maas-Gilbert White Library at the Institute for Water Resources in Fort Belvoir, Va. ♦

### ON THE HORIZON...

Nov. 29-Dec. 1, International WorkBoat Show, New Orleans... Dec. 5-6, Marine Transportation System (MTS) National Advisory Council, Jacksonville... Dec. 7-8, MARC 2000, St. Louis... Dec. 7-9, Mississippi Valley Flood Control Assn., New Orleans... Jan. 13-17, Transportation Research Board, Washington, D.C.... Feb. 15-16, Coosa-Alabama River



Improvement Assn., Prattville, Ala....

Feb. 26-28, WCI’s Board of Directors meeting, Seminar and Leadership Service Awards Dinner, Washington, D.C.... March 25-28, ASCE’s Ports 2007, San Diego... April 4-6, Inland Rivers Ports & Terminals, Inc., Memphis... April 26-27, Warrior-Tombigbee Waterway Assn., Mobile... April 27-May 4, International Assn. of Ports and Harbors, Houston... May 27-June 1, World Dredging Conference, Lake Buena Vista, Fla....

July 17-20, Australian Coasts and Ports 2007, Melbourne... Aug. 28-30, Tennessee-Tombigbee Waterway Opportunities Conference, Point Clear, Ala.... Oct. 1-3, Waterways Council’s Annual Meeting and Waterways Symposium, Houston... ♦

PROFILE

## Doug Svendson Praised for WCI Membership Work

*Another in an occasional series spotlighting waterways personalities.*

Douglass W. (Doug) Svendson, Jr., who has worked as a special assistant for our organization for the last five and a half years, is leaving next month to pursue other interests, mainly writing. He is a former Capitol Hill staffer and waterway association executive.

A Louisiana native and graduate of Notre Dame University, Doug has been dealing with navigation issues since he served for almost six years on the staff of Sen. Russell B. Long (Louisiana) in the late 1970s. At the time, Sen. Long was chairman of the Senate Finance Committee and a key player in the heated debate over enactment of the first inland waterways fuel tax.

Later, as a Washington consultant, Doug represented several transportation interests. In 1994, he signed on as the Gulf Intracoastal Canal Assn.'s first full-time executive director, initially working out of Lafayette and then New Orleans. When he left the organization in December 2000, he

received awards from both the Corps of Engineers and the Coast Guard.

In June 2001, Doug joined Waterways Work!, our predecessor, which became part of WCI in late 2003. As a special assistant, he helped expand our membership base. For his efforts, WCI Pres. R. Barry Palmer presented him with a desk clock at our annual meeting last month. Starting in January, Doug intends to write, perhaps about a great-great uncle who was a noted Washington architect.

Doug is married to the former Dorothy (Dot) Turnipseed, an Alabama native whom he met while both were staffers in Sen. Long's office. She still works on the Hill, for the Secretary of the Senate, arranging "protocol events" like dinners for foreign leaders. But Dot is best known as an artist who has exhibited at shows in several cities, including London. For a sampling of her colorful landscapes, check her website: [www.dotturnipseedsvendson.com](http://www.dotturnipseedsvendson.com) ♦



**Recording the river's majesty.** John Guider, right, a Nashville photographer, is working on an exhibit of river scenes, which Craig E. Philip, left, of Ingram Barge Co. said his company was financially supporting. In center is Teri H. Goodmann of the National Mississippi River Museum and Aquarium, where the exhibit will debut.

## FOR THE RECORD

In FY 2006, which ended on September 30, the Inland Waterways Trust Fund had revenues of \$90.2 million (\$80.1 million in fuel taxes and the rest in interest) and transferred \$175.1 million to the Corps of Engineers. The transfers provided matching funds for a record \$350.2 million in inland navigation construction and rehabilitation projects, leaving a Trust Fund balance of \$249.8 million.

The Harbor Maintenance Trust Fund, in FY 2006, took in \$1.32 billion, mostly from import taxes, and paid out \$798.1 million, primarily for maintenance dredging of deep-draft harbor access channels as well as shallow-draft ports and waterways not on the fuel-taxed system. As a result, the Trust Fund's balance swelled to \$3.3 billion. ♦

## Research Center Planned at Mel Price L&D

Some \$10.3 million is on hand to build a new National Great Rivers Research and Education Center adjacent to Melvin Price L&D on the Mississippi River. "This field station will be to river research what the world-renowned Scripps and Woods Hole Institutes are to ocean research," Illinois Gov. Rod Blagojevich said in releasing \$6.8 million in state funds for the project.

Another \$3.5 million came in Federal appropriations. Congr. Jerry Costello (Illinois) said the new facility would help foster a better understanding of the elements required to sustain a healthy river system, which he called critical to both environmental and economic health. He spoke at a ceremony at Lewis and Clark Community College, which now houses the river research center. ♦

## Are Right Whales in All the Wrong Places?

Despite the occasional presence of Northern right whales in its access channels, the Port of Charleston, S.C., is moving ahead with plans for a new three-berth, \$600 million cargo terminal. The National Marine Fisheries Service had questioned whether increased ship traffic could threaten the endangered whales, but the agency's concerns were apparently resolved when the port proposed certain harm-avoidance measures.

Fishery specialists estimate that only about 300 right whales remain in the North Atlantic after years of commercial whaling, ship collisions and fishing gear entanglements. The whales can grow to 50 feet in length and, rich in blubber, weigh up to 70 tons. They have mouths filled



**Right Whale at Peril.** It utilizes its comb-like teeth to skim the surface and filter food from the water close to Atlantic coast shipping lanes.

with long, needle-like teeth to filter plankton and tiny crustaceans. They were named by whalers who considered them the "right" whales to hunt. ♦

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**CANAL EXPANSION.** Panamanians voted overwhelmingly last month to double the capacity of the Panama Canal by adding a third set of locks. The \$5.25 billion project should be finished by 2014, officials said. "Panama is betting on its future," Panama Pres. Martin Torrijos said after casting his vote in the national referendum.

The project includes new channels and water reutilization basins as well as enlarged locks. The third set of locks will have a depth of 60 ft., width of 180 ft. and length of 1,400 ft. That's about 50% deeper, 65% wider and 40% longer than the current locks, build in 1914, which are too small to handle the largest tankers and containerships. ♦