

# Capitol Currents

March 2, 2018



## ADMINISTRATION INFRASTRUCTURE PLAN, FY 2019 BUDGET DISAPPOINT

**FEBRUARY 12 WAS MOMENTOUS**, with the release of the long-anticipated, “Building a Stronger America: President Donald J. Trump’s American Infrastructure Initiative,” whose opening statement said, “We will build gleaming new roads, bridges, highways, railways, and waterways all across our land. And we will do it with American heart, and American hands, and American grit.” The President’s FY 2019 budget request was also released on the same day.

Overarching objectives of the Administration’s infrastructure principles are to stimulate \$1.5 trillion using \$200 billion in direct spending, paid for by cuts in other Federal programs; to shorten the federal permitting process to two years; to invest in rural infrastructure via block grants; and to improve American workforce training.

Of the \$200 billion in direct Federal funding for infrastructure, \$100 billion would go toward incentives to increase non-federal investment, \$20 billion to expand loan programs and private activity bonds, \$50 billion in front-loaded block grants for rural infrastructure, \$20 billion for “transformative” programs, and \$10 billion for a new capital financing fund to help with government accounting rules.

As the infrastructure plan pertains to inland waterways, it authorizes the Secretary of the Army to enter into Public-Private Partnerships (P3s) or other alternative financing schemes, authorizes the Federal government and non-federal entities to levy and retain user fees

or tolls, authorizes the Corps of Engineers to enter into long-term (up to 50 years) contracts, and authorize Operations & Maintenance (O&M) expenses – in the past, a fully Federal responsibility – to additionally be drawn from the Inland Waterways Trust Fund. Re-patriated corporate taxes was a desired, but missed, funding opportunity, leaving unspecified cuts in spending as the funding source for infrastructure investment, plus new user fees.

More than just disappointing, the White House plan, if adopted, could cripple the inland

*(Continued on page 2)*



Photo by Marine Log.

*In his visit to the Ohio River last June, President Trump described, [the] “dilapidated system of locks and dams that are more than half a century old,” and said, “capital improvements of the system, which [are] so important, have been massively underfunded. And there’s an \$8.7 billion maintenance backlog that is only getting bigger and getting worse... citizens know firsthand that the rivers, like the beautiful Ohio River, carry the life blood of our heartland.”*

  
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## ADMINISTRATION INFRASTRUCTURE PLAN, FY 2019 BUDGET DISAPPOINT

(Continued from page 1)

waterways as a cost-competitive mode of freight transportation for American farmers, coal/energy producers, manufacturers, building trades, and other shippers who rely on the rivers.

With more than \$8 billion in identified 24 priority navigation projects across the system, nearly \$1.5 billion is needed after FY 2018 to finish four ongoing projects under construction.

WCI is urging a change in the current 50% Federal funding/50% Inland Waterways Trust Fund cost-share to 75% Federal funding/25% Inland Waterways Trust Fund to facilitate project construction over a 20-year period. The Olmsted project, whose cost-share was changed from 50%/50% to 85%/15% in 2014, expedited the project's completion by four years and saved \$330 million.

WCI is also advocating that a small portion of hydro-power generation revenue that currently generates \$1.5 billion annually to the General Treasury be redirected to the Inland Waterways Trust Fund to further expedite the completion of priority navigation projects.

“While we were extremely gratified that the President mentioned waterways in the State of the Union address and visited the Ohio River last June, where he said that ‘together we will fix it,’ the Administration infrastructure proposal actually seems to mean that commercial operators and shippers are the *only* ones who will be expected to pay, and significantly more, for the Nation’s waterways transportation system, despite being just one beneficiary of the lock and dam system,” WCI President Mike Toohey said in a press release. ♦

### FY 2019 Budget Blues

Also on February 12, the President released the FY 2019 budget request to Congress, cutting more than 20% of Corps’ Civil Works funding to \$4.78 billion from the \$6.16 billion proposed by the Senate Appropriations Committee for FY 2018.

Appropriations Committee funding level of \$3.52 billion.

The FY 2019 budget also proposed a New User Fee on Inland Waterways in addition to the existing revenue from the \$.29 per-gallon diesel fuel tax, as well as assumption of 10% of the cost of O&M, historically a Federal responsibility. The White House user fee proposal would raise approximately \$1.7 billion over a decade.

The President’s budget request for FY 2019 would also reduce the Harbor Maintenance Tax rate from \$1.6 billion collected into the Harbor Maintenance Trust Fund (currently) to around \$1.1 billion. “The Budget reflects our commitment to the safety, prosperity, and security of the American people. The more room our economy has to grow, and the more American companies are freed from constricting over-regulation, the stronger and safer we become as a Nation,” the President said of the FY 2019 budget. ♦

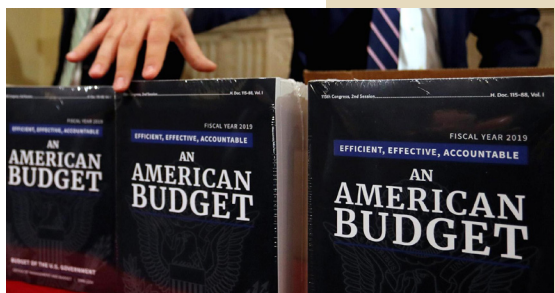


Photo courtesy of CNBC

The Corps’ Construction account was also reduced to \$1.02 billion from the FY 2018 Senate Appropriations Committee’s funding level of \$1.7 billion.

The FY 2019 budget only requested \$5.25 million of the \$114 million collected

in 2017 from the Inland Waterways Trust Fund, with only the Olmsted project receiving funds of \$35 million to completion. This request would create a ballooning surplus in the Trust Fund of around \$340 million if the budget were adopted.

The FY 2019 budget proposed \$2.07 billion for O&M, down from the FY 2018 Senate

## AN ALLY IN INDIANA



Congressman Todd Rokita (R-IN)

*The following remarks are excerpted from Rep. Rokita's remarks to WCI's Waterways Seminar on February 13, 2018 in Washington, DC:*

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People are often surprised to hear that an Indiana Congressman is so interested in modernizing our rivers, but when you look at how important waterways are to Indiana's economy, it makes a lot of sense.

Indiana relies on waterways for shipping coal, petroleum, steel, and grain throughout the country and the world. Over \$11 billion of goods shipped to and from Indiana in 2016, and the five Ohio River locks are the primary shipping source for small businesses and farmers in Indiana. And keeping Brandon Road open and ensuring that Olmsted is built and opens on time are also my priorities.

The waterways are also President Trump's priority. I'm not the only one that heard the President at the State of the Union speak of the need to modernize the "waterways." He understands we have too many locks and dams approaching the end of their lifespan but must be upgraded to keep goods moving to the Port of New Orleans and the world.

This is the first time a President has spoken about the importance of our waterways, and he actually showed his commitment when he visited Cincinnati last year.

President Trump was very clear there that we must focus on almost the forgotten part of our infrastructure network. As the President said, 60 percent of all U.S. grain and 25 percent of US energy relies on our inland waterways. But we cannot continue to rely on a system where many locks and dams are approaching the end of their life. We need to make sure that whatever infrastructure bill gets by Congress includes adequate funding for our rivers.

I intend to hold off my vote for an infrastructure bill unless and until we make worthwhile progress on funding the waterways and a

*“Your willingness to help pay for upgrades through an increased diesel tax means Congress shouldn't ask you to pay even more.”*

better process for those funds. I know many of you saw that the President released a budget yesterday that would have made some big changes to how inland waterway maintenance is funded. There is an old saying in Washington: “The President proposes, and Congress disposes.” The President can propose new ideas through his budget, but ultimately, it is Congress that decides on legislation. I will

not support any lockage fees or taxes that discourages waterways freight traffic.

We must look at options, but we must make sure that we don't punish the industries that will grow our economy. In 2014, your industry did something that you never see; you came to Congress and said you'd be willing to accept higher taxes. I

can probably count on one hand the number of times someone has come into my office to say they want to pay more taxes.

But there are tangible results. The Army Corps is redoubling their commitment to completing projects more quickly. The poster child for this is Olmsted, and Congress was very concerned with the project's ballooning costs. But the commitment from you and the Corps, plus the cost-share change, now means Olmsted will cost \$300 million less, and is on track to open this year.

Your willingness to help pay for upgrades through an increased diesel tax means Congress shouldn't ask you to pay even more.

We should look at whether the universe of people who currently pay the tax to support the IWTF is big enough, or if those who use the waterways without paying for it should contribute.

I will work with Chairman Shuster and Chairman Graves to pass a WRDA bill this year. Arguably one Chairman Shuster's biggest accomplishments was returning WRDA to a two-year schedule.

I am a friend of the waterways, and if there is anything that I can do to be a better ally in Congress, please let me know. ♦



## WCI Member Spotlight: EMR Southern Recycling

*The following is an excerpt from a feature which appeared in the January 8 issue of Maritime Executive. This article profiles the work of WCI member EMR Southern Recycling.*

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In 2016, 86 percent of the world's end-of-life vessels were broken up under rudimentary conditions on Asian beaches. To many shipowners, beaching appears to be an inexpensive means of recycling a marine vessel. But in reality, it comes at a steep cost to the environment and human life, with 52 deaths on South Asian shipbreaking beaches reported in 2016, and real figures feared to be much higher.

As a result, the International Labour Organisation has recently named shipbreaking as the most dangerous job in the world, and shipowners and recycling companies are under pressure to take responsibility.

Over the last decade, governments and global organizations have introduced numerous measures to address the health and environmental issues of unregulated shipbreaking. The U.S. Navy responded to criticisms over beaching by banning the export of ships for scrapping in 1997, with the Maritime Administration (MARAD) following suit in 1998.

In 2013, the E.U. introduced the Ship Recycling Regulation to effectively ban shipbreaking on beaches by requiring vessels sailing under a Member State's flag to be recycled at an E.U. approved facility which meets the standards for safe and sustainable recycling. However, there is a major loophole in the legislation – international maritime law enables shipowners to swap their ship's country flag for an alternative country outside the E.U. (often via a quick cash transaction).

Due to the structural complexity of marine vessels, shipbreaking is a multifaceted process. As well as the risks associated with metal cutting, elevated work and operating heavy machinery, the dismantling process can also expose workers to a number of hazardous materials. These can include asbestos found in gaskets, insulation and valve packing; polychlorinated biphenyls (PCBs) in cables, rubber products and paint; and toxic heavy metals in paint/coatings.

A number of companies across the world operate safe and responsible shipbreaking facilities which minimize worker and environmental exposure to these risks. At EMR, we have invested heavily in our facilities and established quality control procedures and best management practices to ensure that regulatory compliant, environmentally sound methods are followed throughout the ship recycling process.

Employee safety is the number one priority across our shipbreaking sites in Brownsville, Texas; New Orleans and Amelia, Louisiana. Our ultimate aim is to elevate the shipbreaking process so that ship recycling sites are not regarded as poorly regulated scrap yards but places that are safe, efficient and rewarding to work at.

Responsible shipbreaking requires extensive planning and constant safety considerations and, as such, preparation is key. Before submitting a bid to recycle a ship, a lot of work goes into assessing the vessel to create a bespoke recycling plan. This involves close inspection of the vessel, carrying out a series of tests to assess the materials on board and identifying any hazardous elements. Once this research and preparation is complete, the recycling bid is submitted to the government agency or owner of the ship.

If the bid is successful, the next port of call is to carry out further sampling to complete the environmental assessment when the ship arrives at the recycling facility. At this stage, specialists are brought in to conduct a complete safety assessment of the ship, including gas testing and certification of the work areas "Safe for Shipbreaking." Specialist HAZMAT teams wearing appropriate personal protective equipment (PPE) remove hazardous materials, fire hazards and cold cut/break and drain all pipes/equipment containing fuel. Before hot work can commence in any area on board the ship, each section is individually assessed and awarded a permit once declared safe. The ship cutting process can only begin once all the assessments have been carried out and any hazardous substances extracted.

In the U.S., OSHA and EPA standards exist to ensure that shipbreaking operations are completed in a safe and environmentally compliant manner. At EMR, we have built upon these standards

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## WCI Member Spotlight: EMR Southern Recycling

*(Continued from page 4)*

to create a strong culture of safety at our ship recycling sites. We maintain comprehensive fire protection measures and have appropriate emergency response, rescue and first-aid service and



personnel in place. All of our workers receive extensive training and proper PPE before work can begin on the ship recycling process.

The large proportion of the world's ships being dismantled in an unregulated manner emphasizes the importance of incentivizing shipowners to recycle their ships responsibly via an approved facility rather than opting for the low-cost, dangerous and polluting alternative.

There needs to be greater transparency over what happens to a ship at the end of its life and the recycling process. Exploring new ways to encourage shipowners to recycle their ships responsibly will go a long way to preventing ships being broken down on beaches. ♦

*Worker dismantles and recycles a ship, an EMR Southern area of expertise.*

## Rising River...

The lower half of the Ohio River continues to rise, with moderate flooding forecasted, as it is across other parts of the river system. For the first time in seven years, the city of Paducah, KY began installing floodgates to protect against the rising river and planned to declare a local state of emergency due

to flooding. Approximately 20 gates were to be installed and the city expects them to be in place for several days since the latest forecast shows the Ohio River at Paducah to hold above 48 feet until March 7. The City's pump stations are also in operation, according to local WPSD TV. ♦



*Flooding at Paducah's riverfront. Photo courtesy of Craig Currie, photonews247.*

## Olmsted Project to Open in 2018



*By David Dale, Programs Director, Great Lakes and Ohio River Division, U.S. Army Corps of Engineers*

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The \$2.7 billion Olmsted Lock and Dam project on the Ohio River, set to open in the summer of 2018, under budget and ahead of schedule, is the nation's largest civil works project for inland navigation infrastructure.

The two new 1,200-foot locks and 2,500-foot dam, across the river at Olmsted, Illinois, will be fully functional in the summer of 2018 with the entire project complete in 2020 after removal of Locks 52 and 53 at Brookport, Illinois.

Located on the Ohio River at mile 964.6, approximately 17 miles upstream from where the Ohio River merges with the Mississippi, Olmsted is situated on one of the busiest stretches of the inland waterways system for commercial navigation. Approximately 90 million tons of products – coal and grains as an example – transit through this area annually worth more than \$10 billion.

Due to the deteriorating conditions of the current Lock 52, at Brookport, Illinois, the navigation industry has been exposed to repeated and impactful river closures necessitated by low water conditions. Olmsted will provide a four times increase in efficiency at this location on the river and deliver hundreds of millions in net annual economic benefits.

Olmsted provides for one project with twin 1,200-foot locks rather than two locks each with a single 1,200-foot lock. Reliability of navigation will increase when Olmsted becomes operational, and the existing Locks 52 and 53 are replaced.

As the summer 2018 project opening nears, the Louisville District, under the leadership of Colonel Antoinette Gant (District Commander) and Olmsted Division Chief Mike Braden, is aggressively advancing the milestone to close

Lock and Dam 52 and 53 at the start of the low water locking season, which historically occurs around the June timeframe.

The final concrete shell of the dam was placed in December 2017 and a wicket lifter barge will be delivered to the project in February 2018 to round out the dam construction phase. The dam is done, and the remaining construction to prepare the project for a summer 2018 opening is in the works.

The Corps' efforts not only realize an earlier than previously projected completion date but also a costs savings of \$330 million less than estimated in 2013.

Getting the project online in 2018 will save tens of millions of dollars in project costs and will generate hundreds of millions of dollars in economic benefit to the nation. This will mean more reliable and quicker movement of commerce along

the river system.

The successes we have seen on the Olmsted project over the last few years is a shining example of how many diverse groups and organizations come together in a partnership focused on delivering a project ahead of schedule and under budget.

The U.S. Army Corps of Engineers and AECOM, the construction contractor, have a partnership which has genuinely added value to each organization and more importantly the nation's economy. It is also vitally important to reorganize the engagement and support provided by the commercial barge industry, the Inland Waterway Users Board, the efficient funding from the Congress along with many key stakeholders associated with the inland waterway systems. This partnership has come together and facilitated the timely completion of the Olmsted Locks and Dam project.

The Industry and the Corps have recently struggled with intermittent closures at locks

*“Getting the project online in 2018 will save tens of millions of dollars in project costs and will generate hundreds of millions of dollars in economic benefit to the nation.”*

*(Continued on page 7)*



## SECRETARY STOPS BY



*U.S. Secretary of Agriculture Sony Perdue stands in the WCI exhibit booth at Commodity Classic, held this week in Anaheim, CA, holding "Rivers Move America" signage. With him is WCI Vice President- Midwest Paul Rohde (left), and WCI Board Members Garry Niemeyer and Dale Roth (far right). Special thanks to Mr. Niemeyer for this opportunity.*

## Olmsted Project to Open in 2018

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and dam 52 that have caused severe financial impacts to barge companies. Four closures in the fall of 2017 meant long back-ups. The Corps and the navigation industry remained steadfast in its communication with each other on the situation. The navigation industry and the Corps conducted daily teleconference calls on Lock 52 closures to facilitate open and transparent dialogue while also allowing the Industry to contribute on how to best address the various technical issues.

From a regional and national perspective, the Corps continues to ensure the Olmsted project remains a priority as the largest inland navigation civil works project and a critical national economic driver. The early, summer of 2018, and under budget project delivery is another example of why the strong partnerships among the Corps, the Corps' contractors, and industry partners are an invaluable tool, which drives excellent project delivery results and brings tremendous value to our nation's economy. ♦

## Olmsted Operational in August?

The key location of the Olmsted Locks and Dam, at the confluence of the Mississippi, Tennessee and Cumberland rivers is where more commerce traverses the area than any other inland waterways location.



*Photo by U.S. Army Corps of Engineers.*

The Olmsted project consists of two 110' x 1,200' locks adjacent to the Illinois bank, and a dam comprised of five tainter gates, 1,400' of boat-operated wickets and a fixed weir. The Olmsted Locks and Dam will eliminate aging structures Ohio River Locks, and Dams 52 and 53, which were completed in 1929 with temporary lock chambers added later.

Approximately 90 million tons of goods travel this stretch of the Ohio River. Tows carry thousands of tons of grain, coal, and steel through the area. There will be a fourfold increase in efficiency as Olmsted provides for a single project with twin 1,200' locks rather than the status quo of two projects - Locks and Dam 52 and 53. Navigation reliability will also be significantly increased as the existing locks are decades beyond their designed service life. ♦



## Conservation Column: Union Sportsmen's Alliance

Our Conservation Column this issue looks at the Union Sportsmen's Alliance (USA), a unique “hook and bullet” nonprofit with a mission to unite the union community through conservation to preserve North America's outdoor heritage. In just a decade, the USA has amassed more than 230,000 members. USA members not only raise funds to deliver its mission, they put their skills to work on the ground through hands-on, community based projects, making the dollars raised substantially more impactful.

The USA is a true conservation powerhouse making a difference in hundreds of thousands of lives each year through its Work Boots on the Ground (WBG) and youth outreach programs. Started in 2011, the WBG program has improved access to public lands across the country and connected thousands of people to the outdoors. The USA celebrated its 100th WBG project in November 2017 by dedicating a restored fishing pier at Jones Point Park, a National Park Service property in Alexandria, Virginia. The project tied together the program's many developments—more than 100 dedicated union volunteers, its partnership with the Department of the Interior, a \$22,500 grant from American Water Charitable Foundation and a community outreach event that hosted 75 students for a morning of educational activities and fishing.

Each year, thousands of union members are connected through a shared passion for the outdoors at USA conservation dinners and sporting clays shoots. These events engage union members in the USA's mission, while raising funds for conservation projects and

supporting the USA's efforts to expand and improve public access to the outdoors, conserve critical wildlife habitats, restore America's parks and provide mentoring programs that introduce youth to the outdoors.

“Uniting patriotic, tireless, union members through conservation and for conservation leaves a legacy that will live on long after we all are gone,” said Scott Vance, USA executive director and CEO. “We put to work the innovation, knowledge, determination and drive of a labor community that has a resilient and an undying dedication to the progress and success of this country.”

As state and federal agency budgets continue shrinking, the USA will become even more important to building and sustaining the vital infrastructures of our nation's parks, wildlife management areas and public waters. The USA's goal is not only to continue these vitally important conservation infrastructure projects, but to substantially grow them in the future. As part of that effort, the USA is considering opportunities to partner with Waterways Council to support the Navigation and Ecosystem Sustainability Program (NESP) to modernize waterways' infrastructure and restore ecosystems.

The USA is a unique and remarkable pairing of skilled labor, tremendous passion and shared purpose. It brings committed, skilled and dedicated workers to help build, restore and maintain conservation and outdoor access and experiences for local communities.

As the USA continues to gain momentum among its peers, new partners – including Pure Fishing, Pheasants Forever/Quail Forever, Realtree and World Trophy Adventures – are noticing and committing to help the organization become a greater force for conservation. With strong support from its members and partners, the USA will improve communities, change lives and preserve North America's outdoor heritage for generations to come. ♦



*USA's 100<sup>th</sup> Work Boots on the Ground project restored a fishing pier at Jones Point Park, a National Park Service property in Alexandria, Virginia, with the help of over 100 volunteers, with just a few shown here.*





## Freight Transportation: Where We Need to Go

WCI Chairman Tim Parker testified on December 20, 2017 before the Subcommittee on Transportation and Infrastructure of the Senate Environment and Public Works Committee. The hearing addressed “Freight Movement: Assessing Where We are Now and Where We Need to Go,” and Mr. Parker’s testimony focused on the importance of the inland waterways transportation system, and potential reforms that could modernize this critically important system.

“Currently, the inland waterways have a portfolio of 25 high priority inland projects either under or awaiting construction. At the current rate, many of these projects will not even begin construction in the next 20 years. In the Water Resources Development Act of 2016, Congress changed the cost-share model for funding construction of deep draft ports with depths of 45-50 feet from 50% non-federal sponsor and 50% federal government, to 25% non-federal sponsor and 75% federal government in order to improve efficiency of this important work. By doing the same thing with the Inland Waterways Trust Fund, the Committee would allow for the inland navigation capital program to remain operating at or above a \$400 million level that has been achieved since the cost-share change at Olmsted, and accelerate project delivery on the



portfolio of critical inland waterways projects. As you move forward with an infrastructure package or potential Water Resources Development Act of 2018, I encourage you to consider the request to change the cost-share for construction of inland waterways projects. This important change would not only maintain, but advance the Nation’s competitiveness and keep America leading at the top,” Mr. Parker stated in his testimony. ♦

## R.D. James Confirmed As New ASA (CW)



R.D. James

On February 8, the Senate voted 89-1 to confirm Rickey Dale “R.D.” James to serve as the next Assistant Secretary of the Army for Civil Works. Senator Bernie Sanders (I-VT) was the only “nay” vote.

Secretary James was nominated by President Trump last October 2017. His nomination was approved in November 2017 by the Senate Armed Services Committee and the Senate Environment and Public Works (EPW) Committee the following month.

Mr. James was a farmer and manager of cotton gins and grain elevators for the A.C. Riley Company in New Madrid, Missouri, and served on the Mississippi River

Commission continuously since 1981. He had been reappointed for a fourth nine-year term in January 2017.

A native of Fulton County, Kentucky, he and his wife Jennye have two children.

While employed with the Kentucky Department of Water Resources engineering office, he attended the University of Kentucky and graduated with a degree in civil engineering in 1971.

In speaking of the nomination of Mr. James, Senate EPW Chairman John Barrasso (R-WY) noted that he was “experienced, qualified and ready to start.” ♦

## WCI 2018 WASHINGTON MEETINGS, WATERWAYS SEMINAR

WCI's members descended on Washington, DC February 13-15, for the WCI 2018 Washington Meetings. These included the WCI Board of Directors, followed by an Opening Lunch Address by The Honorable Ryan A. Fisher, Principal Deputy Assistant Secretary of the Army (Civil Works). WCI's Waterways Seminar was kicked off with a Keynote Seminar Address by The Honorable Mark Buzby, Administrator, U.S. Maritime Administration.

A Congressional Professional Staff Panel with Ian Bennitt, Staff Director, Subcommittee on Water Resources and Environment, House Transportation & Infrastructure Committee, and Jack Groarke, Deputy State Director, Senator Bob Casey (D-PA), was the perfect lead-in to remarks by Mark Copeland, Policy Advisor to Senator Tammy Duckworth (D-IL).

Representatives Bruce Westerman (R-AR) and Todd Rokita (R-IN), members of the House Transportation & Infrastructure Committee, offered insight into how Congress might approach the Administration's infrastructure plan and the FY2019 budget request.

Thomas P. Smith, P.E., SES, new Chief of the Operations and Regulatory Division for the U.S. Army Corps of Engineers, spoke of the Corps' important navigation mission and the tasks ahead. After the Seminar, WCI members met with their fly-in teams to prepare for nearly 100 meetings on Capitol Hill on February 14 to carry WCI messages on the importance of lock and dam infrastructure investment. ♦



**Photo 1:** WCI President/CEO Mike Toohey (left) facilitates a question to Waterways Seminar Opening Luncheon Speaker Ryan Fisher. Secretary Fisher said, "The rivers flow to the world." **Photo 2:** WCI Director of Government Relations Tracy Zea (left) moderates a panel discussion with Ian Bennitt, who said, "The WRDA 2018 bill will build on the WRRDA 2014 and WRDA 2016 (WIIN) bills." **Photo 3:** At the Waterways Seminar, Congressman Todd Rokita (R-IN) said, "I do not intend to vote for new user fees or taxes or lockage fees."





## WCI 2018 WASHINGTON MEETINGS, WATERWAYS SEMINAR



**Photo 1:** Mark Copeland, Infrastructure Policy Adviser to Sen. Tammy Duckworth (D-IL), addresses the WCI Waterways Seminar, noting that in just three years (2011-2013) China has used more cement to build things (6.6 gigatons) than the U.S. has used in 100 years (1901-2000, 4.5 gigatons). “China is in the race for global leadership, while the U.S. is simply maintaining what we have,” he said.

**Photo 2:** At the opening reception, Mike Somaes (left, Murray American Transportation) shares a laugh with Alan Goldstein (Goldstein & Price LC). **Photo 3:** WCI Board Members Jeff Kiefer (left, AEP – River Transportation) and Brent Nissen (right, ADM/ARTCO), with John Harms (center, Brown Brothers Harriman & Co.) **Photo 4:** Of WCI’s efforts to increase the diesel fuel tax in 2014, Congressman Bruce Westerman (R-AR) said, “I admire your industry for doing that,” he said. He spoke of the 13 locks and dams on the Arkansas River, saying, “that is critical infrastructure and if [they] fail, it will cost five times as much.”



## WCI LEADERSHIP SERVICE AWARD DINNER 2018



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On Valentine's Day 2018, WCI celebrated its love for two stalwart inland waterways champions, Kentucky Senator and Senate Majority Leader Mitch McConnell and Jeffrey A. McKee, recently retired Chief of the Corps' Navigation Branch, at its Leadership Service Award reception and dinner held at the Watergate Hotel in Washington, DC. ♦

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**Photo 1:** David Cobb (CHS, Inc.), Gretchen Benjamin (The Nature Conservancy) and Admiral Peter Gautier, U.S. Coast Guard Director of Governmental and Public Affairs. **Photo 2:** Joan McKee visits with Mike Toohey (WCI, center) and Eugene Pawlik (U.S. Army Corps of Engineers Public Affairs). **Photo 3:** Gangs all here! Left to right: Dale Roth (St. Louis/Kansas City Carpenters Regional Council); Kyle Makarios (United Brotherhood of Carpenters); Jim Tarmann and Rodney Weinzierl (Illinois Corn Growers Association); and Daryl Cates (Illinois Soybean Association). **Photo 4:** WCI Board members Caryl Pfeiffer (LG&E and KU Services Company) and Ken Applegate (Valero Energy Corporation). **Photo 5:** Matt Ricketts (Crounse Corporation) and Misty McGowan (Phillips 66).



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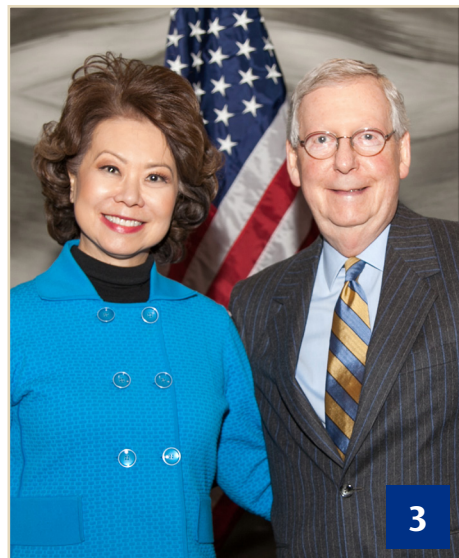
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## WCI LEADERSHIP SERVICE AWARD DINNER 2018... Continued



**Photo 1:** Gail Lierer (Ohio Corn Checkoff) and Garry Niemeyer (National Corn Growers Association) chat at the WCI reception. **Photo 2:** Pittsburgh Contingent: WCI Board Member Mary Ann Bucci (Port of Pittsburgh Commission) talks with Jack Groarke (Office of Senator Bob Casey of Pennsylvania). **Photo 3:** U.S. Secretary of Transportation Elaine Chao and her husband, Senator McConnell, enjoy the evening.

**Photo 4:** WCI Vice Chairman Peter Stepahich (left, Campbell Transportation Company) bestows the 2018 Waterways Counsel Award to Jeffrey McKee for exemplary leadership serving the inland waterways. **Photo 5:** Jeffrey McKee, happily and humbly accepting his award, thanked WCI and the inland industry for their recognition and support over his Corps career. **Photo 6:** Steve Little (Chairman of Crouse Corporation) presents the WCI 2018 Leadership Service Award to Senator Mitch McConnell.



## Navigation Branch Chief Jeff McKee Retires



Jeffrey A. McKee (left) receives recognition of his 41-year career with the U.S. Army Corps of Engineers from Lieutenant General Todd T. Semonite, Chief of Engineers and Commanding General of the Corps, at his retirement ceremony on February 1 at Corps' Headquarters.

McKee last served as Chief, Navigation Branch, Operations & Regulatory Division, leading Federal navigation projects and programs that were highly visible to the public, high risk, highly complex, and under Congressional scrutiny. ♦



*The Inland Waterways Users Board toured the new chamber at Chickamauga Lock on February 28. At this point it is slated for completion in 2024.*

## Representing the River

Marathon Petroleum CEO Gary Heminger appeared on CNBC and Fox News to discuss the state of the oil industry, as well as the company. During both interviews, Mr. Heminger mentioned the need for infrastructure investment on our river systems. Photo courtesy of CNBC. See the video clips below:



<http://cnb.cx/2E5h7N8> | <http://video.foxbusiness.com/v/5726358739001/> ♦

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## Industry Events Ahead

**March 5-7:** National Waterways Conference 2018 Legislative Summit (Washington, DC) <https://www.waterways.org>

**March 20-21:** Inland Waterways Conference (New Orleans). [www.maritime-meetings.com](http://www.maritime-meetings.com)

**April 17-19:** American Waterways Operators Spring Convention (Washington, DC) [www.americanwaterways.com](http://www.americanwaterways.com)

**April 23-26:** Inland Rivers, Ports & Terminals 2018 Annual Conference (Cincinnati) [www.irpt.net](http://www.irpt.net)



**April 24-27:** Greater New Orleans Barge Fleeting Association 36th River and Marine Industry Seminar (New Orleans) <http://gnobfa.com>

**May 16:** The Rail Supply Chain Summit (Chicago) [MPitz@MEPitzAssociates.com](mailto:MPitz@MEPitzAssociates.com)

**May 21-23:** Warrior-Tombigbee Waterway Association 2018 Annual Meeting (Orange Beach, AL) [www.warriortombigbee.com](http://www.warriortombigbee.com)

**May 21-24:** Waterways Journal 5th Annual Inland Marine Expo (St. Louis) [www.inland-marineexpo.com](http://www.inland-marineexpo.com) ♦