Summary Minutes Inland Waterways Users Board Meeting No 49 July 27, 2005 St. Paul, Minnesota

Executive Secretary Norman Edwards opened the meeting, announcing that it was open to the public, and that the proceedings were being recorded and a transcript would be available shortly after the meeting.

Executive Director, Major General Don T. Riley, welcomed Board members, federal observers, and members of the public to the meeting. He invited the federal observers to say a few words. Nick Marathon, representing the U.S. Department of Agriculture, emphasized the importance of the inland waterways system, especially the Upper Mississippi River and Illinois Waterway, to the transport of agricultural products in the Midwestern region. Margaret Blum of the Maritime Administration, Department of Transport, said that her agency appreciates their partnership with the Corps of Engineers, especially on the new Committee on Marine Transportation. Alan Bunn of the National Oceanic and Atmospheric Administration noted that his agency is working closely with the Corps on emergency response during this hurricane season. They are also organizing and preplanning for any disaster related to the waterways, with the goal of keeping commerce flowing.

In his opening comments, MG Riley noted the significance of the Marine Transportation System being addressed at the cabinet level, and is impressed with the bills that are moving through Congress. He thanked Board members and other partners for helping to move important legislation along.

Assistant Secretary of the Army for Civil Works, Mr. John Paul Woodley, Jr., said that he always looks forward to IWUB meetings. He discussed a new development in response to the Ocean Action Plan, the elevation of the Committee on the Marine Transportation System to a cabinet level committee, chaired by Secretary of Transportation Mineta. The Corps is an active member of this committee, and both Mr. Woodley and LTG Carl Strock, the Chief of Engineers, attended the inaugural meeting on July 11, 2005. Mr. Woodley said that this committee will be an excellent mechanism to better coordinate the marine transportation system. He said that a detailed presentation on it will be made at the next IWUB meeting.

Chairman Gerald Brown thanked the St. Paul District staff for handling the meeting arrangements, and for organizing the excellent field tour of Lock and Dam 3 on the previous afternoon. The minutes of the February 2005 meeting were then approved as written.

David Grier of the Institute for Water Resources, USACE, provided a status report on the Inland Waterways Trust Fund. The balance of the fund is currently \$363 million, and it is expected to drop to \$320 million by the end of FY 2005 as transfers to the Corps are

executed. Coal shipments have increased so far this year, but grain is down 17%. Overall, revenues from the fuel tax are down a little.

Mr. Grier then presented an analysis of the trust fund under various project funding scenarios. Table 4 showed the impact of current funding levels on construction schedules, and revealed that completion dates for many projects will be pushed quite far into the future.

Mr. Leonard Henry of the U.S. Army Corps of Engineers Headquarters discussed the funding of inland waterways projects. He presented a table showing for each project the amount in the Administration's budget, the House bill, and the Senate bill. He also discussed the Corps Five Year Plan, which extrapolates beyond the FY 2006 budget. The observation was made that the needs of the waterways don't align with the five year plan, and the reason for this is that the document is constrained by the President's budget. It was pointed out that no plan is ever final. This one provides information that can be used to take actions and get more support for the waterways.

The following technical presentations were then made:

- Achieving Navigation Systems Acceptable Levels of Risk by Mr. William Harder
- Waterways Action Plan Partnership and Portfolio Risk Assessment by Mr. Michael Kidby
- Introduction to St. Paul District by COL Pfenning
- Navigation and Ecosystem Sustainability Program (NESP) Update by Mr. Spitzack
- Mississippi River Adaptive Management by Mr. DeZellar
- Mississippi Valley Division Navigation Challenges and Successes by Mr. Hannon
- Infrastructure Research and Development Activities by Dr. Sandra Knight

During the public comment period, the following statements were made. Ms. Worth Hager, President of the National Waterways Conference, announced that the next meeting of the Marine Transportation System National Advisory Council will be in Memphis September 27 and 28. This is the industry counterpart to the cabinet-level CMTS mentioned earlier by Mr. Woodley and Ms. Blum. The group is putting together a powerpoint presentation on the importance of navigation to the country and to the other Corps missions, and she will make it available to the Board. Also, the National Waterways Conference Annual Meeting will be held September 14 to 16 in New Orleans.

Mr. Nick Pansic of the American Society of Civil Engineers Waterways Committee, housed within the Coasts, Oceans, Ports, and Rivers Institute, expressed the desire of his committee to work with the Board to improve the waterways. He mentioned the recent ASCE Infrastructure report card, on which the waterways scored a D- (down from a D+). He encouraged the Board members to support the new Water Resources Development Act.

Mr. Paul Rohde of MARC 2000 encouraged the Board to have continued public updates of the PED work on the Upper Mississippi. He expressed strong support of the work of the IWUB, and invited them to attend the MARC 2000 meeting September 12 and 13 in St. Louis.

Mr. John Doyle of Waterways Council, Inc. noted that the FY 2006 budget was the highest administration budget ever for the Corps civil works program and the highest ever for CG and O&M. He recognized this as a great accomplishment for the waterways community. He drew the Board's attention to Table 4 in the Trust Fund Analysis, which he called a "real world" scenario for funding of inland waterways projects. He stated that his organization recognizes that the Corps is a multi-purpose agency and that navigation is only one of its missions. However, he asked the Board not to lose sight of the fact that the environment has many agencies that support it, but inland navigation has only one federal agency charged with protecting and improving it—the Corps.

Mr. Lee Nelson of the Upper Mississippi Waterways Association cited the two main concerns of his organization: 1) riverside development is pushing out harbor operations; and 2) the growing O & M backlog.

Mr. Brown and MG Riley thanked everyone for their participation, and the meeting was adjourned at 12:00 noon.

Gerald Brown, Chairman Inland Waterways Users Board