

**Draft Summary Minutes
Inland Waterways Users Board Meeting No. 47
December 7, 2004
St. Louis, Missouri**

Opening Remarks

The Executive Secretary, Mr. Norman Edwards, called the meeting to order at 9:00 AM, noting that it was a Sunshine Meeting and as such it was open to the public and recorded as a matter of public record.

Board Chairman Mr. Gerald Brown welcomed everyone to St. Louis and then turned the meeting over to MG Don Riley, the Director of Civil Works and Executive Director of the Board. MG Riley introduced the Federal Observers who were present, Mr. Alan Bunn of the National Oceanographic and Atmospheric Administration, Mr. Nick Marathon from the Department of Agriculture, Mr. Richard Lolich from the Maritime Administration, and Mr. John Paul Woodley, Jr., Assistant Secretary of the Army for Civil Works. MG Riley then invited Mr. Woodley to make a few remarks.

Mr. Woodley expressed his pleasure at being able to attend the meeting and his support of the work of the Board. He reminded Board members that he is always at their disposal should they wish to discuss issues with him.

MG Riley then made his opening remarks, welcoming two new Board members, Mr. Royce Wilken of the American River Transportation Company and Mr. Jerry Grossnickle of Bernert Barge Lines. There are also two reappointments to the Board, Mr. Gerald Brown of Cargill Marine and Terminal, and Mr. Mark Knoy of AEC Memco Barge Line. MG Riley then shared his priorities for the Civil Works program. The focus will be on: contributing to national security; energizing the economy; and enhancing our environment. Funding will be allocated to the most critical water resources infrastructure needs. There is also an effort underway to develop an assessment of the Nation's water resources status, and to both strengthen old relationships and build new strategic coalitions.

MG Riley discussed the Congressional Energy and Water Appropriation for Fiscal Year 2005, which totals \$4.7 billion (almost \$500 million above the President's request). The Corps continues to spend about 40 percent of its budget on navigation. He mentioned that transfers from the Trust Fund to the Corps for construction increased 15% from FY03 to FY04, reflecting the Corps' execution of the construction program as close to capacity levels as budget ceilings and appropriations allow.

MG Riley concluded by saying that he looked forward to a long and fruitful working relationship with the Board.

Review and Approval of Minutes of Meeting No. 46

The minutes of Meeting No. 46 were approved as written.

Status of the Inland Waterways Trust Fund

Mr. David Grier provided a report on the status of the Inland Waterways Trust Fund. The balance at the end of FY 2004 was \$372.1 million. Revenues in FY 04 were 1.5 % higher than in the previous year. The decline in the end-year Trust Fund balance is the first two-year fall since 1992 (reflecting higher transfers to the Corps for construction).

Mr. Grier then presented a Trust Fund Analysis that projected various construction funding scenarios into the future and summarized the impact of these on the Inland Waterways Trust Fund.

FY 2004/2005 Funding for Inland Navigation Projects and Studies

Mr. Len Henry discussed tables containing FY 2004 and FY 2005 funding for inland navigation projects and studies. He also provided a definition of savings and slippage.

Technical Presentations

The following presentations were made at the meeting:

- Managing the Major Rehabilitation Program by Michael Kidby
- Upper Mississippi River and Illinois Waterway Study Update by Denny Lundberg
- Introduction to St. Louis District and Presentations on The Drought of 2002 – A Success Story and River Engineering, by Col. Kevin Williams, David Busse, and Rob Davinroy, respectively.

Following the technical presentations, Chairman Brown had to leave, and the remainder of the meeting was chaired by Vice Chairman Mr. Norb Whitlock.

Public Comment Period

Paul Rohde of Marc 2000 expressed support for the Board.

Lynn Muench of American Waterways Operators emphasized the need to have a Chief's report on the Upper Mississippi study signed by December 15. She also spoke of the need to maintain Missouri flows and to do the necessary environmental mitigation. She suggested that the Board include in their report the impacts of navigation and navigation projects on various congressional districts.

Worth Hager of National Waterways Conference described her organization's efforts to break the impasse of major rehabilitation projects. OMB classified major rehabilitation as new project construction starts and, therefore, not budgetable under the current 'no new starts' policy. She also welcomed risk assessment analysis of navigation infrastructure.

Barry Palmer of the Waterways Council, Inc. remarked that the milestone of \$150 million from the IWTF matched with \$150 million from the Corps construction budget has now been achieved.

Chris Brescia of Marc 2000, who is leaving Marc 2000, talked of the value of the interpersonal contacts that he has made while working on waterways issues. He expressed confidence in the leadership of the Corps, and praise for the completion of the Upper Mississippi River and Illinois Waterway Study. He also thanked the Board for their dedication in carefully setting priorities for the inland waterway system.

Closing Comments

MG Riley thanked everyone for their contributions and comments.

The meeting was adjourned at approximately noon.