

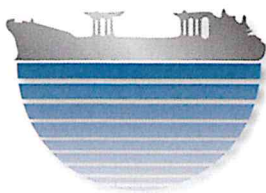


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PROFESSIONAL PORT MANAGER (PPM) – REPORT OF RESIDENCY

MICHAEL A. SMITH, P.E. – PORT OF PASCAGOULA

OVERVIEW OF NATIONAL AND LOCAL NAVIGATIONAL AND  
WATER RESOURCE CONCERNS – AAPA HEADQUARTERS AND  
CORPS DISTRICT RESIDENCY



PORT OF  
PASCAGOULA

*Mississippi's Largest Port*

## **BIO: Michael A. Smith, P.E.**

### **Port Engineer and Utility Manager, Jackson County Port Authority, Port of Pascagoula**

Michael Smith has been the Port Engineer for the Jackson County Port Authority, Port of Pascagoula in Pascagoula, Mississippi since 1998. As the Port Engineer, Michael acts as the Project Engineer/Utility Manager for multi-purpose port infrastructure and maritime related projects including major capital improvements and continuing operations and maintenance projects at the Port. Michael also acts as the Manager of Utilities at the Port which includes an Industrial Water System that supplies industrial water needs to key industries in Jackson County and activities related to a cooling water facility for a local/regional power company plant.

Prior to coming to the Port, Michael worked as a Supervisor Environmental Engineer at the Navy Seabee Base in Gulfport, Mississippi for two years managing the environmental program on the facility. Before working in Gulfport, Michael worked with the Corps of Engineers in Jacksonville, Florida, for ten years conducting coastal, environmental restoration and flood control studies. Michael is a member of several state and national water associations and the American Society of Civil Engineers. As a member of the AAPA, he is currently actively participating with the Harbors and Navigation Committee and the Facility Engineering Committee.

Michael attended the University of Mississippi and the University of South Alabama where he received his BS in Civil Engineering Degree. Michael holds a professional engineering license from the states of Mississippi and Alabama. He currently lives in Ocean Springs, MS with his wife and two sons.

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## INTRODUCTION

In 2012, I was approved to enter into the American Association of Port Authorities (AAPA) Professional Port Manger (PPM) program. As part of the certification process, participants are required to do a two week residency at another port, agency or organization that is involved in port related activities. I decided to put together a residency that would take a look at national and regional navigation/ dredging issues. As such, I decided to spend a week at the AAPA headquarters in Alexandria, Virginia and to spend a week at a Corps of Engineers District office. In my case, I worked at the Mobile District office due to the proximity to the Port of Pascagoula and their relationship to area ports that have similar working environments to my port. The Mobile District is also known for its expertise on local and regional dredging and placement implementation. Part of that time would be working with various professionals at the District and field offices. My goal was to use this time to evaluate how the national policies are perceived and implemented at the ground level.

## AAPA HEADQUARTERS RESIDENCY

In June of 2014, I shadowed at the AAPA Headquarters office in Alexandria, VA. The American Association of Port Authorities is a trade association which represents more than 130 public port authorities in the United States, Canada, the Caribbean and Latin America. The AAPA is dedicated to serving ports by acting as a clearing house for gathering and sharing important information related to the industry and advocating issues critical to public seaports. The AAPA promotes the common interests of the port community, and provides leadership on trade, transportation, environmental and other issues related to port development and operations. The AAPA also works to educate the public, media, local, state and Federal legislators about the essential role ports play within the national and global transportation system.

Mr. Jim Walker, AAPA Director of Navigation Policy and Legislation, served as my mentor during the week. Mr. Walker has many years of experience with the Corps of Engineers in the Federal Navigation and dredging field in both a Corps District office and the Headquarters of the Army Corps of Engineers in Washington D.C. Mr. Walker put together a very robust schedule for me whereby I could participate in critical navigational related activities and meetings during the week as well as issues common to all public ports within the U.S. The general nature of the week included attending staff meetings at the AAPA, participating in AAPA committee meetings, observing congressional hearings, and sitting in on joint AAPA and national non-governmental organizational meetings and/or conferences.

On Monday morning, Mr. Walker handed me a copy of excerpts from the Water Resources Reform and Development Act of 2014 (WRRDA) to review and discuss. We specifically looked at the new laws which would eventually fully fund the national harbor

maintenance programs from the Secretary of the Army's budget specifically from the Harbor Maintenance Trust Fund (HMTF). The HMTF is made up of fees collected by the U.S. Customs and Border Protection on imports, domestic shipments, foreign trade zone admissions, and passengers. Congress then may appropriate amounts from the HMTF to pay for harbor maintenance and related expenses. WRRDA 2014 authorizes, based on an increasing scale, 67 percent availability of the HMTF in FY2015 up to having the use of 100 percent of the HMTF after FY year 2025. At the time of our review, the house appropriations bill for FY2015 was under funding the Corps of Engineers' Civil works program target objective of 67 percent, so it was stressed that the AAPA, Congress and Ports will need to push to correct that initiative.

Following our discussion of the WRRDA, the AAPA office had a general all hands staff meeting. The AAPA staff meet weekly around their conference room table to go over all of their plans and schedules for the upcoming week. Staff members are continuously preparing and searching nationwide for information that is needed to be used and shared with member Ports and major legislative and industrial port user constituents commonly seen through Alert and Advisory newsletters and press releases. It was an opportunity for me to see a part of how the AAPA functions on behalf of the needs of all of our Ports in the nation. The small staff at the AAPA has an enormous task at hand to balance the needs of the multi-faceted requirements of our national port authorities and getting the information out on a timely basis.

The office staff is comprised of a President, an Executive Vice President, several staff members of the Outreach and Membership Services Section and four personnel assigned to the U.S. Government Relations section. During my short stay at the AAPA, I had an opportunity meet the staff on hand including meeting and talking briefly with the President, Mr. Kurt Nagle, the Executive Vice President, Ms. Jean Godwin, the Vice President of Government Relations, Ms. Susan Monteverde and the Director of Membership Services, Mr. Ed O'Connell. Mr. Jim Walker is the Director of the Navigation Policy and Legislation office within the Government Relations section. I also was introduced to the new Director of Freight and Surface Transportation Policy, Mr. John Young.

Mr. Walker oversees the activities of one of the main standing committees under the AAPA, the Harbors and Navigation Committee. The HNC and the Facilities Engineering Committees are two of the committees that I am actively involved with at the AAPA. The other major committees include, Cruise, Defense, Environment, Finance, Information Technology, Law, Maritime Economic Development, Operations and Safety, Public Relations and Security. There are also policy committees that review the work of the AAPA operations and develop legislative and governmental goals for the AAPA to pursue. The Legislative Policy Council, LPC, comprised of Port Directors throughout the U.S., has the key role of guiding the direction of the AAPA.

Mr. Walker's committee, the HNC, has a main goal in mind of understanding and resolving our nation's water borne infrastructure issues including providing for the safe, sustainable and efficient movement of trade in the world economy. We address issues related to

new and standing legislation, national policies, Corps navigation study procedures, permitting actions, construction, operation and maintenance of channels, including the removal and placement of dredged material. Another main component under the actions of the HNC is the Quality Partnership Initiative or QPI. The QPI, which was created in 2004, is a joint AAPA and Corps effort to promote strategic and operational efficiencies and to address improvements in the nation's maritime transportation system. The process is also used locally between Corps District offices and local Port Authorities to enhance communication between the two groups and improve operational goals.

On the afternoon of Monday, June 9, Mr. Walker and I traveled to Washington D.C. to sit in on the American Road Transportation Builders Association (ARTBA) Waterways Council meeting. The Waterways Council core mission is to make sure we have the transportation infrastructure in place to support the port and maritime industry. The Chief of Navigation at the Corps Headquarters, Mr. Jeff McKee, gave a briefing on how the Corps prioritizes dredging and navigation projects around the country and how the projects are funded. There was some discussion regarding the Harbors Maintenance Trust Fund and its importance for keeping up with the dredging needs of our channels. The ARTBA members discussed the Highway Trust Fund and the MAP-21 legislation which reauthorized Federal funding of highway and transportation related projects for states.

The Highway Trust Fund is a transportation fund which receives money for the federal fuel tax on gasoline, diesel fuel and related excise taxes. It is divided into three accounts, but the largest and most important as far as ports are concerned is the Highway Account. The Highway Account funds road construction, obviously a major concern for Ports for keeping commerce moving from the hinterlands to the port terminal locations. The Highway Trust Funding has come under heavy scrutiny in recent years for not providing enough funds to keep up with the nations needs to keep up with highway maintenance and construction needs. The MAP-21 provided the authority to transfer money to the Highway Trust Fund, reauthorized localized and regional surface transportation programs and authorized \$500 million for projects of regional and national significance.

The appropriations for the TIGER grant programs (Transportation Investment Generating Economic Recovery) was through this MAP-21 legislation. The Port of Pascagoula applied for and received an FY13 TIGER grant in the amount of \$14 million in 2013. The grant is part of an extensive rail and infrastructure improvement project with an estimated cost of \$44 million. The project, when completed, will establish a more efficient rail connection into the Port and develop a modern facility for receipt, storage, and export of wood pellets out of our Bayou Casotte terminal facilities.

The AAPA staff was all abuzz with President Obama's passage of the Water Resources Reform and Development Act (WRRDA) of 2014 on Tuesday, June 10 while I was in the office. WRRDA is the primary law by which Congress authorizes the Corps of Engineers' key civil works missions, including navigation, flood risk management and environmental

restoration. Typically, a new Water Resources legislation is enacted every other year or so, but the last time a law was passed was back in 2007 (P.L. 110-114). The authorities provided in the 2014 WRRDA provided the critical requirement needed to continue to develop and maintain the nation's waterways and harbors, including amending some of the provisions of the earlier water resources acts that were seen as hindering successful and timely completion of projects.

Following the WRRDA passage, I participated in the AAPA/ Corps webinar hosted by Jim Walker. Mr. Walker went over several of the WRRDA sections including Section 2101, 2102 and 2106. These sections deal with HMTF allocation through FY25 and how to prioritize the assignment of funds to various ports based on usage. Section 2101 outlays the target resources made available from the Trust Fund from FY15 to FY25. The funding is shown as a graduating increase from 67 percent in FY15 up to 100 percent of the total funding resource starting in 2025.

Section 2102 of WRRDA outlays how the HMTF is to be distributed among major and minor inland and coastal harbors for operational and maintenance of navigation channels. Exhibit No. 1 illustrates how the 2102 legislation should work in practice. Section 2106 authorizes discretionary funding (\$50 million for each year in 2015-2018) to be used to provide payments to qualifying donor and energy transfer ports. Donor ports are ports which contribute to the harbor maintenance tax, but have minimal or no requirements for channel dredging and activities authorized for HMTF use. The qualifying ports can use the funds for environmental related activities, expanded uses (maintenance dredging of port berths or contaminated sediments), or payments to importers or shippers transporting cargo through the port. The latest FY 2015 Omnibus Appropriations did not provide any additional funding for the 2106 authorization, but hopefully with the support of the AAPA and the interested ports, future appropriations will include funding for the program.

We also touched briefly on the Section 408 authority which allows local sponsors of navigation projects to alter existing Federal projects. The Port of Pascagoula is in the process of pursuing a Section 408 authority in the granting of a permit to widen our existing Federal channel through non-Federal construction. The Corps of Engineers subsequently conducted a study under the Section 204 Authority which allows the Corps to assume the maintenance dredging of the improvements conducted by the Port. The Section 204 report has been completed showing that the project is justified for Federal assumption of dredging.

The Deep Draft Planning Center located in Mobile, Alabama was discussed during the web/phone conference. I was not aware that this center, located in Mobile, had the responsibility of being the clearinghouse, so to speak, for the country's economic overview of navigation projects. Later, I had a chance to visit the Center in Mobile during my week assignment at the Corps District office. The WRRDA also has provisions which directs the Corps to establish a deep draft navigation planning center of expertise which consolidates deep draft navigation proficiency within the Corps.



Wednesday morning, Jim and I left for D.C. to go to the “Hill” to sit in on a Congressional Hearing on the new EPA/Corps standard or definition of wetlands and chaired by Water Resources and Environment Subcommittee Chairman Bob Gibbs from Ohio. It was my first time to attend a Congressional Hearing, much less an official meeting in D.C. The hearing focused on the potential impacts of the new rulemaking in Federal authority. The Deputy Administrator of the EPA and the Assistant Secretary of the Army (CW) were heavily grilled, so to speak, by multiple members of Congress.

The issue was how much power and jurisdiction these regulatory agencies would have over farmers, ranchers and industries in the U.S. Many of the speakers, including industry and congressional representatives, harped on the lack of clarity in the new rulings, the increase in federal regulatory power over private lands and the potential for increased litigation, permit requirements and lengthy delays for citizens and industries trying to comply. It is yet to be seen how the new rules would impact Ports. I would certainly surmise that most Port facilities are located in areas, if not already developed, within areas that would probably clearly fall within existing wetland jurisdictional definitions. There may be significant new requirements for ports to have to deal with clearing and construction related activities around ditches and drainage ways that enter the adjacent navigable waters. The impacts for permitting of our dredge and disposal activities, all within navigable waters of the U.S., could be serious. Some indirect impacts of the new rulings could be longer permit action periods for marine facility improvements and repairs. This would cause delays in construction activities and increase the uncertainties of being able to provide clear start up times for potential new clients.

According to the testimony of Mark T. Pifher, Manager, Southern Delivery System, Colorado Springs Utilities, all tributary and adjacent waters now could be jurisdictional by rule with the definition of tributary and the scope of what would be called adjacent expanding. A new concept of “neighboring waters” would be introduced which would expand the outreach of regulators to an entire watershed related to an area of concern. Mr. Pifher relayed the issue that the increase in Federal authority over local or regional watershed issues could implicate the need for more water quality certifications from the state, and may necessitate costly and time consuming reviews of the local initiatives under the National Environmental Policy Act (NEPA).

Stormwater flows are perceived to be one of the largest impediments to meeting water quality standards. However, the installation of such infrastructure, including artificially constructed wetlands, natural detention basins, and pervious drainage ways or channels could prove to be problematic if such infrastructure was deemed to be located within areas claimed to be waters of the U.S. The issue was also raised of the lengthy and technically difficult legal challenges that would most certainly arise out of the new proposed plans from the EPA/Corps. One of the main problems associated with the new rule would be the complications brought up during the permitting and approval process, negatively impacting the ability of utilities to timely and cost effectively respond to the challenges.

J.D Strong from the Western Governors Association Western States Water Council also commented at the hearing regarding the problems with the new proposed plan. One of this group's main concerns was the apparent lack of states representation in the development of the rule. He believed that the states had limited or no involvement in the drafting of the rule making.

Testimony was also provided by Kevin Kelly, Chairman of the Board, National Association of Home Builders. Their issues were comparable to the other speakers. That is, that the proposed rule would expand the federal jurisdiction over any new types of waters. The rule appears to establish broader definitions of existing regulatory categories, such as tributaries, and regulates new areas that are not jurisdictional under current regulations, such as adjacent non-wetland and water features that are located in riparian areas or floodplains. The introduced neighboring waters could include any wet feature within a floodplain.

The Corps/EPA define a tributary as a water body physically characterized by a bed and bank and ordinary high water mark which contributes flow directly or through other water bodies to traditional navigable waters. They also state that a water body does not lose its tributary status if there are man-made breaks, as long as a bed and bank can be identified up or down stream. This new definition will include substantial additions, such as a first time inclusion of ditches, conveyances and other water features that may flow, if at all, only after a heavy rainfall. My duties at the Port of Pascagoula include oversight of our storm management program. We have numerous ditches leading from the Port property and eventually draining to the main body of water next to our Federal navigation channels. Routine maintenance activities include cleaning out of these smaller ditches to avoid potential flooding of our facilities. Our Port, like all Ports in the Gulf region, is prone to tropical events adding a tremendous amount of water to our storm water drainage system. We need the ability to quickly and routinely remove or move sediment within our ditch system.

The concept of regulating "adjacent" waters appears to be a new area of concern. In the past, the idea of adjacent would apply to wetland areas. The new rule might extend this idea to nearby water bodies. The rule seems to define adjacent or neighboring waters as those located within the riparian area or floodplain or waters with a surface or shallow subsurface connection. Leaving these terms loosely defined gives the regulatory agencies unbounded jurisdiction and leaves land owners confused as to whether or not their land may be regulated.

Congress intended to create a partnership between federal agencies and state governments to protect our nation's water resources. It was the intent of the Clean Water Act that the federal agencies would cooperate with state and local environmental agencies to develop comprehensive solutions to reduce or prevent pollution for managing water resources. The point being that if the current rule is finalized, the federal government could minimize the state's role in administering environmental protection of natural resources. This could be potential for increases in litigation which could slow down the approval process for landowners and port developers. An increase in the number of jurisdictional reviews across all industries could result in greater permitting delays as the agencies are overwhelmed with reviews. These delays or

potential for delays could eventually kill real estate improvements, or in our case, port development.

As a footnote to the Clean Water Act testimony I witnessed, the AAPA sent out an official notice in November 7, 2014 to the EPA/Corps which presented comments on the Act on behalf of the U.S. public port members. Ports are concerned due to our construction related activities would mostly fall under the CWA jurisdictional definitions of navigable waters. The AAPA and their subject ports are concerned about the impacts of timely processing of dredge and fill activities, concerns with increased scrutiny over stormwater collection infrastructure, and increases in project costs related to permitting and mitigation requirements. The AAPA specifically requested that the EPA/Corps not finalize the rule as proposed and to clarify the definitions of terms, such as tributary and adjacent waters.

On Wednesday afternoon, I was able to sit in on the Government Relations monthly conference call. The meeting started with an introduction of a new AAPA staff member, Mr. John Young, Director of Freight and Surface Transportation Policy. Mr. Young discussed issues related to Homeland Security and the Department of Transportation TIGER grant program. Ms. Monteverde brought up the Maritime Administration's (MARAD) open season for submitting applications for the Marine Highway Project program. The program promotes funding of projects which focus transportation of goods, services and people on waterways to relieve landside congestion along coastal corridors or to promote short sea transportation. Mr. Walker reviewed the provisions of the WRRDA and the HMTF including the funding allocation schedule under section 2102. We also touched on the Transportation Infrastructure Finance and Innovation Act (TIFIA) program which provides credit assistance for qualified large-scale surface transportation projects, including highway, transit, intermodal freight, and port access.

Thursday, I attended the Association of General Contractors (AGC) panel discussion with Corps leaders from headquarters. The Corps and contractor group periodically get together to discuss issues that impact how construction contractor can participate in the federal procurement and construction process and to try to resolve any issues that have or could arise out of this relationship. The AGC is the leading association for the construction industry in the U.S. which was established to partner with the government to discuss and plan for the advancement of the nation.

The meeting was chaired and started by Mr. Jamey Sanders, AGC Corps of Engineers Committee. Major General John Peabody, Deputy Commanding General for Civil and Emergency Operations led the discussions relative to the Corps of Engineers national perspective on water resource construction. The Corps was represented by many of the leaders from the Corps' Civil Works Headquarters, including Steve Stockton, the Director of Civil Works. General Peabody went over a presentation detailing how countries, such as China and Brazil, are leading the way in spending for new global and inland navigation projects and showed that the U.S. is severely behind in keeping our country ready to meet the needs to be a leader in the global economy. He stressed that the AGC needs to preach infrastructure value to the Nation.

The conference speakers discussed issues relating to current and future navigation project planning, construction and operation/ maintenance. Topics included the Corps concept of 3X3X3 study process, P3's, and potential impacts from the proposed Clean Water Act regulations including increases in the amount of project regulation. Also of concern to the contractor group, was the discussion of new Corps construction safety requirements that have to be implemented, and the systems used by the Corps for rating and measuring performance of AE and Construction contractors (the AE Contract Administration Support System (ACASS) and Construction Contractor Appraisal Support System (CCASS)).

Several years ago, the Corps began to slowly implement a new concept which would support the timely delivery of solutions to water resources projects for the Nation. The idea has been referred to as the "3x3x3 rule". The naming being based on that feasibility studies will be completed within three years, the cost of studies will be held to below \$3 million and the study team would be comprised of the three levels of Corps review (District, Division, and Headquarters). The concept was recently required in the new language of the 2014 WRRDA. The 2014 WRRDA also eliminated the traditional reconnaissance studies that make up the Corps planning process.

There was also a discussion of the P3 concept or private-private partnerships and how the Corps has gaps in implementing the P3 concept. A P3 is a service or private business venture which is funded and operated through a partnership between the government and one or more private sector companies. The Corps was concerned about how a federal entity could guarantee a pay back to private investors over a long life span of a project and how P3's would be placed on a federal budget stream. Since this time, the Corps has started evaluating ways to develop a P3 pilot program, as required by WRRDA 2014, allowing non-federal partners to carry out water resources projects, including coastal harbor improvements, channel improvements, and inland navigation projects.

On Thursday, I also visited the offices of Congresswoman Janice Hahn from California with Jim Walker, Susan Monteverde and John Young in attendance, as well as Ms. Hahn's Legislative Director, Mr. Justin Vogt. Congresswoman Hahn serves as the co-chair of the Congressional Caucus Ports Opportunity, Renewal, Trade, and Security (PORTS) Caucus. The caucus was created, in part, by Congresswoman Hahn to promote the importance of our ports to the nation's economy and the need to secure them. As a member of the Committee on Transportation and Infrastructure, she has the critical role of setting up the Corps funding for addressing the requirements for deepening, widening and maintaining our Nation's ports.

The AAPA staff members were equipping the congressional office with information related to the new 2101, 2102 and 2106 provisions of the new WRRDA. Mr. Walker pointed out the ports subject to the 2106 provisions for donor and energy transfer ports. Exhibit 2 describes the Section 2106 ports. In July, the FY2015 Energy and Water Appropriations bill was passed by the House of Representatives. The bill included an amendment that increased the Corps of

Engineers funding to meet the HMT target rate. The amendment was spearheaded by Rep. Hahn and Rep. Bill Huizenga (R-MI).

On Friday, June 13, I traveled to the Corps of Engineers Headquarters building in Washington D.C. I had originally planned to meet with Mr. Tad Brown, Chief of Planning and Policy Division, but he was out recovering from a recent surgery. An overview of the Directorate of Civil Works staff is attached as Exhibit 3 for reference. I did get a chance to talk to Mr. Jeff McKee, Chief, Navigation Branch, Ms. Stacy Brown, Regional Integration Team, under the Engineering and Construction Division, and Larry Prather, Planning and Policy Division.

Based on the Corps website, the Corps of Engineers had its roots during the Revolutionary War when George Washington appointed the first engineer officers in 1775. The Army established the Corps of Engineers as a separate, permanent branch in 1802. Although, the Corps originally started off with a military mission, the mission expanded over time to include major civil works missions including flood control, recreation, hydroelectric energy, responding to natural disasters control, environmental preservation and restoration and, of course, developing and maintain the Nation's federal navigation needs.

According to the Corps, the Corps Navigation Mission is to provide a safe, reliable, efficient effective and environmentally sustainable waterborne transportation system for movement of commerce, national security needs, and recreation. The Corps navigational oversight includes management of 12,000 miles of commercial inland waterways and 926 shallow and deep draft harbors. Exhibit 4 shows the inland and coastal ports that comprise the national ports that are under the purview of the Federal government. The navigation mission makes up one of the two key U.S. freight transportation systems managed by a Federal agency. The other components of transportation, airports, roads, and railroads are managed by the Department of Transportation.

The Corps' role is to plan, design, construct, operate, maintain and secure infrastructure to support our Nations coastal and inland navigation. Of course there are other Federal agencies that support the navigation needs of the country, but none as vital as the Corps for keeping our nation's economic health in balance. For example, the Coast Guard provides aids to navigation, safety and security and emergency response for marine vessels. The National Oceanic and Atmospheric Administration or NOAA provides hydrologic surveys and charting in coastal areas and weather forecasting. The Maritime Administration (MARAD) supports and promotes missions for navigation, landside facilities, and intermodal linkages. The MARAD oversees the TIGER grants that have been or will be dispersed to U.S. ports including the Port of Pascagoula.

The offices of the Army Corps of Engineers is under the policy guidance of the Chief of Engineers and the Assistant Secretary of The Army for Civil Works (ASA(CW)). The ASA(CW) is an office within the U.S. Department of the Army and was created by the Flood Control Act of 1970 to act as the civilian responsible for overseeing the work of the Chief of Engineers within

the Executive Branch of the government. Jo-Ellen Darcy is currently holding the position of the ASA(CW). Most of the key planning documents for authorizing new Federal Channel improvements or modifications are required to be approved by the Chief of Engineers as well as the ASA(CW). Project Cooperation Agreements that outline the responsibilities of the Federal Government and the local sponsor of new Navigation projects are signed by the ASA(CW).

I was briefed by Mr. McKee on the Corps two year budget cycle and in particular the upcoming FY15 budget. Funds for the Civil Works program come from the annual Energy and Water Development Appropriation with the total civil program averaging around \$5 billion a year. The Corps funding is a two-year development process with an early on developing stage, followed by a defending period and ending up with the final execution of the plan. A generalized step by step diagram of the budget schedule cycle is attached for reference in Exhibit 5. In essence, the Corps is always dealing with executing a current budget, fine tuning a next year budget or developing budget plans for an out year.

In the February through March period, the Office of Management and Budget (OMB) provides budgetary guidance for two years out from the existing year. For example, the FY15 budget guidance would have been provided in the early winter of 2013. February through July of 2013, the Corps Headquarters is developing budget limits for the FY15 and program guidance within the Corps based on the OMB and ASA(CW) guidance. Meanwhile the Corps Districts (for example Mobile District which I spent a week residency) are developing and inputting their project requirements and wish lists to the Headquarters based on the developed Corps guidance. March through May is the critical time for the Districts and Divisions to get their project ideas and budget estimates together.

In July 2013, the Corps Headquarters spends time reviewing and optimizing the field-developed FY15 requirements. Headquarters is looking for projects that provide for national defense, create jobs and restore the economy, restore and protect the environment, maintain global competitiveness, increase energy independence and other main priorities. Navigation plays a very important role in their search for priority projects. In the August timeframe, the Corps works with the Secretary of the Army to develop the draft FY15 budget. This budget is submitted to the OMB for review. Finally, around the September through November timeframe, the OMB gets back with the Army and the Corps of Engineers and tells them what to expect for planning purposes in the upcoming FY15 budget. The President's budget for FY15 is finalized and sent to Congress in December through February (of 2013/14) providing the details needed for the Corps to plan out their FY15 program execution. From February to about May, the Congress conducts appropriations hearings to address concerns about the budget provided to them. Finally, from July through September/October, the appropriation bills for FY15 are developed and approved by Congress with the President signing the bills by October. It is during the October through December timeframe (2014 for FY15 budget) that the Corps of Engineers headquarters gets to start allocating the fiscal year funding to the District offices for the upcoming fiscal year execution.

## MOBILE DISTRICT ARMY CORPS OF ENGINEERS

In August of 2014, I spent a week shadowing in multiple departments within the Mobile District Army Corps of Engineers office located in Mobile, Alabama. Mr. John Crane, Project Manager, Programs and Project Management, did an excellent job of getting me through the security requirements so that I could visit inside of a Federal facility with pretty much free access to the multi-faceted professionals within a Corps District office. I like to think of the Corps of Engineers as the standard bearer, so to speak, of navigational policy requirements within the U.S.

The Mobile District is comprised of more than 1,200 civilian and 10 military personnel and their civil works mission covers about 96,000 square miles in Alabama, Florida, Georgia and Mississippi. It includes all of the river, harbor and flood control works within the drainage basins of six major river systems. Their civil works missions includes navigation with four major inland waterways and the intracoastal canal providing over 2,200 miles of navigation, seven deep-water harbors, including the Port of Pascagoula, and 21 shallow draft ports; flood control with over 67 projects; eight hydropower facilities; one of the largest recreation programs in the federal government and water supply for municipalities, industry and irrigation. Exhibit No. 6 is provided to show the boundaries of the Mobile District.

While at the District office, Mr. Crane set me up with all of the major department disciplines within a Corps office. These included, Programs and Project Management, Planning (Civil Works), Operations/Construction and the Regulatory Division. I spent one day at the Mobile District's field office in Irvington, Alabama. The field office visit included multiple visits to sites that are commonly used by the Corps in servicing the Port of Mobile's federal navigation maintenance needs.

On July 22, I reported to the District office in Mobile to do a security interview at the District Security office with the Security and Law Enforcement Chief. The District legal and security staff were hesitant for many weeks for an individual outside of the Corps to be given essentially free realm to move about the building without the proper credentialing required of federal employees. I believe I was the first person outside of the Corps District allowed to move about the federal building unescorted. I had to fill out a personal background sheet and answer questions about who I was and what I plan on doing in the office during my work stay. Eventually, after a week or so, I was cleared to enter the federal building for the residency program with a visitor badge.

## PROGRAMS AND PROJECT MANAGEMENT

On Monday, August 25<sup>th</sup>, I met with Mr. David Newell from Programs and Project Management Office. Mr. Newell went over the generalized budget process of the Corps of Engineers which followed suit with the budget cycle detailed by the Corps Headquarters. Mr. Newell also went over the Civil Works processing of a potential new Civil Works project from initial problem identification through project construction and future maintenance of Navigation projects. The process included a reconnaissance study phase which would no longer be part of the new project implementation as part of the new WRRDA requirements. The project managers are the contacts within the District for communicating the status and non-Federal requirements to the local sponsors of Federal projects. The project and program managers are continuously developing and updating cost and funding related sheets for reporting of data needed for the outgoing, upcoming and future year budget requirements.

## REAL ESTATE DIVISION

On Monday morning, I had a chance to sit down with a Realty Specialist with the Mobile District. Real Estate Division works with obtaining lands, easements and rights of way for Corps federal projects. The Project Partnership Agreements with local sponsors/ Ports are required to show that all lands are available from the sponsor to execute a project. Real Estate Division, in particular in the coastal realm, are looking at access issues for construction and providing field surveys and appraisals of properties that may need to be accessed or purchased in order to provide a project feature or for staging of construction equipment. This is especially true for upland disposal areas for dredged material, beneficial use sites for dredged material, and beach and storm damage reduction projects on the coastal areas of Florida, Alabama and Mississippi. As far as new work navigation projects, Real Estate Division may have to get involved with state governments to insure that the proper clearances are obtained for doing work within the states' tidally owned water bottoms.

Real Estate Division is also responsible for preparing a Real Estate Plan or REP for every federal project proposal or study plan. The REP identifies potential lands, easements and Rights-of-Way, Relocations required for the proposed improvements and outlines the responsibilities of the federal and non-federal partners. For navigation projects, in particular, Real Estate Division is reviewing state and federal jurisdictional issues for the channel improvements. Temporary or permanent easements may be necessary to construct or access the improvements through the relaying of equipment and materials. Additionally, there may be land issues with the disposal activities or purchasing of required mitigation features for the project. The Port of Pascagoula has a widening project under development which will involve the relocation of utility pipelines within the new channel prism. Real Estate Division is responsible for making sure that the relocation of utilities are identified and the responsible partner is set up to move the lines. Real Estate office must also make sure that all local and regional zoning and property regulations are followed and that no individuals or parties are damaged by the proposed action.



## OPERATIONS DIVISION (NAVIGATION)

Following Real Estate Division, I spent some time in the Operations Division. I was given the opportunity to talk with the Chief of Navigation Section under the Technical Branch in Operations. Navigation Section has the responsibility of executing the dredging projects in the District, including budgeting, plans for maintenance dredging and the assignment of dredges to the various navigation projects assigned to the District. The Operations Division historically receives some \$170 million a year in Operations and Maintenance funding for the District. Of that, \$80 to \$90 million is assigned to navigation and dredging needs. Their maintenance budget, much like other Districts, has historically been kept at a similar rate from year to year. The Navigation Section must take this limited funding and divide it over the major or high use coastal port harbors including the Mobile Harbor, Port of Gulfport, Gulf Intracoastal Waterway, and the Port of Pascagoula, and the major inland Federal Channels including the Tenn-Tom and the Black Warrior River. The funds are assigned to each high priority channel based upon the tonnage rate of the port. Therefore, the channels that have the highest tonnage rate will receive the majority of the funding allotment with the lower tonnage ports receiving a much smaller percentage of the remaining funds. One of the problems with this method could be that it does not necessarily address the actual makeup of the tonnage as far as importance to the nation's economy; it only looks at the overall raw tonnage of product moved. The District does, on the other hand, potentially give energy related tonnage a higher priority over regular material tonnage. The increase in the Harbor Maintenance Funds in the future years may help resolve some of the shortfalls that currently exist in meeting the dredging needs of the District's channels. The District does have the ability, to a limited extent, to move funds from one project area to another, where the need exists, but it is difficult, if not impossible to cross state jurisdictional/ Congressional boundaries. The small draft harbors are historically left without funding to maintain their channels.

I also had a chance to talk with the Mechanical Engineer with Operations Division Navigation Section that oversees the maintenance related activities on the locks and dams within the District. The Mobile District oversees 22 locks on four major water systems in the Mississippi, Alabama, Florida and Georgia area. The District oversees eight dams with power houses within the Southeast area. His role includes the oversight of the District's Floating Plant which includes survey vessels, floating cranes and barges. Funding for the locks, dams and floating plants must come from the allocation provided through the Corps' O and M budget. Just like all of the business lines under the O and M program, funding is limited, so all operational and maintenance requirements that are needed cannot be accomplished from year to year. This has the impact of not being able to man all of the locks at all times are delaying maintenance to lower priority structures and/or vessels.

Prior to my security briefing and interview, I was given an opportunity to meet with and talk with one of the project engineer's in the Operations Division, Navigation Section in her office. The project engineer supports the design and coordinates the execution of dredging and navigation activities within the District including the Port of Pascagoula. At the time of my visit,

the Port of Pascagoula and Mobile District were working on completing a Memorandum of Agreement which would allow the Corps to assume the maintenance dredging of our non-Federal berthing areas. The Port of Pascagoula has historically performed all of our own maintenance dredging through our own publically bid contracts. Our Corps project engineer had been working with the Port to work out the details of the agreement and to make sure that all of our permitting and environmental clearances for dredging our berths were in place.

## REGULATORY DIVISION

Regulatory Division evaluates permit applications for essentially all construction related activities that occur in the Nation's waters including wetland areas. I met with the Chief of Regulatory Mobile District to discuss the general role of the regulatory office. The Regulatory Division manages the handling of permits for Section 10 of the Rivers and Harbors Act for work or structures over and under navigable waters of the U.S. It also oversees actions under Section 404 of the Clean Water Act. Section 404 deals with actions or projects that discharge dredged material or fill into waters of the U.S. For this reason, most all Port related activities related to dredging and disposal, construction in or near a water body, or stormwater drainage improvements require oversight and/or approval of a Corps District office. The Regulatory Division was historically divided up into a permit section and an enforcement section which makes sure that proper procedures and applications have been placed prior to and after a project has been implemented in the navigable waters of the U.S. The office is now divided into jurisdictional boundaries, for example, North Alabama Branch, South Alabama Branch and the Mississippi Branch with each headed by a Branch Chief. The Regulatory Specialists within each branch handle both permit and enforcement actions. My understanding is that most Corps Regulatory Divisions no longer break up permitting and enforcement. This allows for the regulator project managers to with projects from cradle to grave which helps to streamline the process and keeps one person involved in all facets of a proposed plan.

The regulatory staff also may function as project managers for completion of Environmental Impact Studies for large project request including improvements to existing Federal Channels by non-Federal interests. The Port of Gulfport was pursuing a Section 408 project to make improvements to their Federal Channel at the time of my visit. The Section 408 authority allows for non-Federal interests to improve a Federal Channel if justified and cleared through the regulatory process which includes coordination with the major Federal, State and local environmental agencies. The regulatory office did not seem too concerned with major changes with the new Clean Water Act regulations that could come into effect in the near future. The thought being that the new regulations shouldn't change what is regulated at the present time.

Later that morning, I left with one of the regulatory specialist to go out on a Regulatory office enforcement visit to a site in Gulf Shores, Alabama. A private land owner of a small camper development had constructed some improvements next to the Gulf Coast Intracoastal Waterway in Gulf Shores. The land owner had decided to add dirt fill and broken concrete

adjacent to an eroding bank next to the waterway. As it turned out, the landowner did not get a permit for filling in an area that was considered as national waters of the U.S. or the canal in this instance. The regulatory office inspected the site and observed where the fill and rubble was placed on the eroding bank. The landowner was apologetic, but said that he was not aware that they couldn't protect their shoreline. The regulatory staff was cordial and offered the land owner an opportunity to fill out an "after the fact permit". A small fine would sometime be incurred by the land owner as part of the action. This appeared to be an effective application of the existing Corps of Engineers jurisdictional boundaries. From my vantage point, this regulatory office works to resolve issues with landowners and developers as much as possible to try to get them in compliance with the law as opposed to being an obstructionist. Of course as stated before, there is a growing concern of how the Corps will be able to handle the ever reaching jurisdictional boundaries proposed in the new Clean Water Act which could extend the Waters of the U.S. and Navigable waterways definitions. Although, the District Office does not seem to think that the new definitions will impact the current way they do business.

## ENGINEERING DIVISION

Following Regulatory, I had an opportunity to sit down with staff from the Geotech Branch and the Hydraulics Branch from the District's Engineering Division. The geotech staff showed me details of the shallow and deep core boring database that exists in the Mississippi coastal area. This included the comprehensive search for beach quality sands that was needed for the rebuilding of the coastal barrier islands off of the state of Mississippi. The hydraulic coastal engineers use their knowledge of dynamic wave and shoreline modeling to design the coastal structures and features needed for protection of our waterways and construction of nearshore marsh restoration projects. Some of these types of projects are useful as methods to reuse dredge material obtained from maintenance dredging of nearby channels. The hydraulic design engineers are responsible for developing new channel dredging sections including determining the volumes of material to be removed. They must also determine how these new proposed depths and improvements could impact adjacent shorelines and the safe passage of vessels.

Engineering Division holds periodic Civil Works Management Meetings to discuss the status of all of the plans and specifications underway for projects in the District. I sat in on the meeting scheduled for August 27<sup>th</sup> to review the current status of coastal restoration, levee repairs, inland and coastal channel dredging and environmental projects that were underway in the District. Several of these projects were directly tied to the Port of Pascagoula, including entrance channel widening and future maintenance dredging of our channel. There was a definitive urgency among the project managers and engineers in attendance to make sure projects are kept on time or problems are identified as to why schedules would not be met. It was a great opportunity to see the Corps pushing to keep their projects on track and making sure that all of the sub specialties for engineering, contracting, real estate, etc. were trying to coordinate their work.

## PLANNING DIVISION/ DEEP DRAFT NAVIGATION PLANNING CENTER

On August 27th, I visited with a Senior Planner and Economist within the Mobile District. The economist is a Senior Planner and Economist with the Deep Draft Navigation Planning Center of Expertise (NDDNPCX). The Center's Technical Director is Mr. Todd Nettles, also from the Mobile District. The Center, which is led by the Chief of Planning and Policy, South Atlantic Division, has a main purpose to develop, maintain and apply expertise in engineering technology and economics for the planning of deep draft navigation project improvements across the nation. One of the planner's major responsibilities, include providing an independent technical peer review of all of the coastal Corps' Division deep draft harbor improvement plans.

All of the economists concerned with deep draft channels use a standard Corps wide economic model to evaluate all of the deepening or widening proposals. The model, HarborSym, was developed so that every Corps District or field office would not have to rely on their own "in-house" developed model to back up their planned navigational channel improvements. In years past, it was very complicated, if not impossible for technical reviewers to interpret the economic and technical output of projects presented to them for acceptance of their performance criteria. The corporate model was put into place to provide for a means to eliminating project specific spreadsheet models and to insure that a consistent method was being used to review large navigation projects throughout the country.

The Deep Draft Center is ultimately responsible for evaluating, training of field offices, oversight of economics and the review of study plans produced to detail the justification of Federal Navigation channel improvements. The Center must review and certify the draft modeling efforts done by the District field offices prior to the channel improvements being considered for justification and approval. They have a key role in supporting the Corps of Engineers in their national budgetary priorities and assisting with research and development.

Due to the role the economic modeling and the Center play in the outcome of future Port Authority Deep Draft channel plans, the Center has gotten involved with sharing their expertise with the AAPA's Harbor and Navigation Committee in particular the Quality Partnership Initiative (QPI) mentioned earlier. All of the currently planned or future deep draft port deepening for widening in response to the Panama Canal expectations and future growth are tied to the input and output plans under development will be or have been under the review by the Center. Some of the major deep draft port projects currently under review or development within the Center's purview include Baltimore, Charleston Harbor, Port Everglades and the Port of New Orleans, just to name a few.

Ms. Jenny Jacobsen heads up the Coastal Environment Section within Planning Division. The Coastal Environment Section plays a key role in the District to make sure that all National Environmental Policy Act or NEPA requirements are considered and implemented within every Federal Corps action. For instance, prior to my visitation with Ms. Jacobsen, her office had to

make sure that dredge material obtained from the Port of Pascagoula's terminal facilities were deemed to be environmentally suitable for placement in the Corps managed dredged material management site and/or if the material could be considered for placement in a beneficial use site.

The Coastal Environment section prepares the environmental documents, environmental assessments and environmental impact statements, that accompany all federal documents. Therefore, this office must work closely with other state, local and federal environmental agencies as part of the coordination requirements and making sure that all environmental concerns are appropriately addressed, minimized, or even avoided.

The cornerstone of Planning Division is Plan Formulation Branch. The Chief of Plan Formulation was able to spend a little of her time talking to me about the importance of her office. Plan formulation is comprised of study managers that initiate and execute the completion of water resource planning studies in the District. Most all Civil Works projects have their beginnings in the Plan Formulation office.

#### MISSISSIPPI COASTAL IMPROVEMENT PROJECT (MsCIP)

Following the massive destruction to the Mississippi coastline after Hurricane Katrina in 2005, Congress approved a program to conduct comprehensive improvements and/or modifications to existing projects in the coastal area of Mississippi in the interest of hurricane and storm damage reduction, prevention of saltwater intrusion, preservation of fish and wildlife, prevention of erosion, and other water related water resource purposes. Mr. Justin McDonald, Lead Project Engineer for the MsCIP and Thomas Smith, Project Manager for the MsCIP, spent part of their busy day with me on Tuesday going over the accomplishments and future plans for this program. While not directly dealing with the modifications of existing federal navigation channels, the program has improved or coastal areas, streams and bayous that are connected to or influenced by the navigational features of the federal channels.

Some \$108 million in projects have or are under construction in the first implementation phase of the program out of the \$1.4 billion estimated total. These were projects that were relatively easy to start without detailed studies and further authorizations and included 35 miles of beach and dune systems, protection and enhancement of coastal wetlands, restoration of seawalls, and cleaning out of coastal streams and canals. The program also includes the review of existing dredge disposal plans and the implementation of the beneficial reuse dredge material. The restored beaches for the Pascagoula Shoreline came from the dredging of the upper sections of the Pascagoula River Federal Navigation Channel. In 2010, the MsCIP established a beneficial use site, The Bayou Caddy Ecosystem Restoration Site, for the placement of maintenance dredged material from the Cadet Bayou Federal Navigation Channel in Hancock County, Mississippi. The restoration site was created to restore lost shoreline and to promote the propagation of emergent tidal marsh. A major component of the MsCIP is the restoration of several of the large barrier islands south of the Mississippi Coast. While most of the material used to restore the islands will be borrowed from further offshore sites which have good quality

sands, some of the material could be supplemented by nearby placement of federal navigation channel dredging material. It has been estimated that the islands have seen a deficit of some 22 million cubic yards of sand in the natural transport system due to the long and deep navigation channels that have disrupted that normal process for many years.

## IRVINGTON FIELD OFFICE

On Thursday, I spent the day at the Mobile District Irvington Site Office in Irvington, Alabama. The Irvington Office is a field office that oversees the execution of construction and operation activities in the coastal Mobile District area. Mr. Steve Reid heads up the field office. Mr. Reid briefed me on the general areas that the area office oversees and introduced me to some of the staff in the office. The Irvington Office covers the coastal areas of Mississippi and Alabama. The Florida Panhandle is covered by the Panama City Site Office.

In the morning, I sat in on a maintenance dredging pre-construction meeting for the Port of Gulfport which would be accomplished by the dredging company, Mike Hooks, Inc. The meeting was held with members of the Corps project team, Mike Hooks project manager and dredge Superintendent, and representatives from the Port of Gulfport. The maintenance dredging contracts are done on a rental basis through the Corps Indefinite Delivery/Indefinite Quantity (IDIQ) contracting method. Mike Hooks has the contract for the coastal Alabama, Mississippi, and panhandle areas of Florida. The meeting was set up to discuss the parameters of the upcoming dredging of the Gulfport Harbor in September, 2014.

The hydraulic cutter head dredge “Mike Hooks” was currently working in the Mobile Harbor channel and would be heading to Gulfport following their completion of that project at the end of August. The project plans include maintenance dredging approximately 9 miles of the Gulfport Federal Channel back to the authorized project depths of 36 ft MLW. The channel had silted in the depths of about 32 feet since its last dredging in about 2009. The Port of Gulfport has had limited maintenance dredging in years past due to a limited amount of O&M funding available established from the HMTF and the competition for this limited funding within our region.

Following the Gulfport project meeting, I had the opportunity to accompany one the Corps construction control inspectors and visit the Corps managed upland dredged material management sites at Blakely Island. The sites are used by the Corps for the federal channel work and by the Port of Mobile. A Corps contractor was inside one of the dredge material sites at the time of the visit, relaying material from inside the berms to the side of the berm slopes. This is a reoccurring requirement and cost of drying dredged material in order to make room for future disposal activities. The City of Mobile does help, to a small extent, by the hauling off of dredged material from the sites for their beneficial reuse around the City.

In the afternoon, I boarded a contractor work/crew boat and headed out to the dredge the “Mike Hooks” (Exhibit 7) to observe their maintenance dredging of the Mobile Harbor Upper

Bay federal channel. This would be the point where the HMT funding actually hits the ground and executes the requirements of the Federal channel removal of accumulated sediments. The Mike Hooks is a 27 inch hydraulic cutterhead dredge. The Federal channel was being dredged to authorized depths plus the allowed advanced maintenance and overdepth (approximately 46 feet) which is a common component of all Corps maintenance dredging. The dredged material was being pumped through pipeline to open water sites and a unique beneficial use site referred to as the "Brookley Hole". This deep hole was used as a borrow site for construction of an old airport adjacent to Mobile Bay and was considered an ecological dead zone due to its extreme depths. The Mike Hooks was also used during this contract cycle to dredge the Port of Mobile public terminals. The Mobile District executed an MOU with the Port of Mobile for the Port maintenance dredging to be accomplished by the Corps contracted dredge. The MOU is a unique change for the Mobile District to accomplish non-Federal dredging through the Federal contract. The Port of Pascagoula has also recently executed an agreement with the Mobile District for our docks to be dredged through the Corps contract.

## CONCLUSION AND TAKE AWAYS

The two week residency at the AAPA in Washington D.C. and at the Mobile District Corps of Engineers office in Mobile, Alabama broadened my knowledge base of navigation issues from a national and regional perspective. Most of my current duties relate to routine port facility maintenance, smaller new work projects and limited dredging knowledge at our local port terminals. As such, I have had a limited ability to grasp what is critical to the long term protection and management of our nation's economic growth much less my own port's ability to compete with the nation and world. I am certain that participating in the AAPA's Professional Port Manager (PPM) Certification Program including the two week residency has empowered me with the tools necessary to expand my career goals to a broader based port management. I believe the contacts I made at the AAPA office and the Corps of Engineers will enhance my abilities to execute more complex navigational projects and resolve issues that could hinder the economic growth of our port.

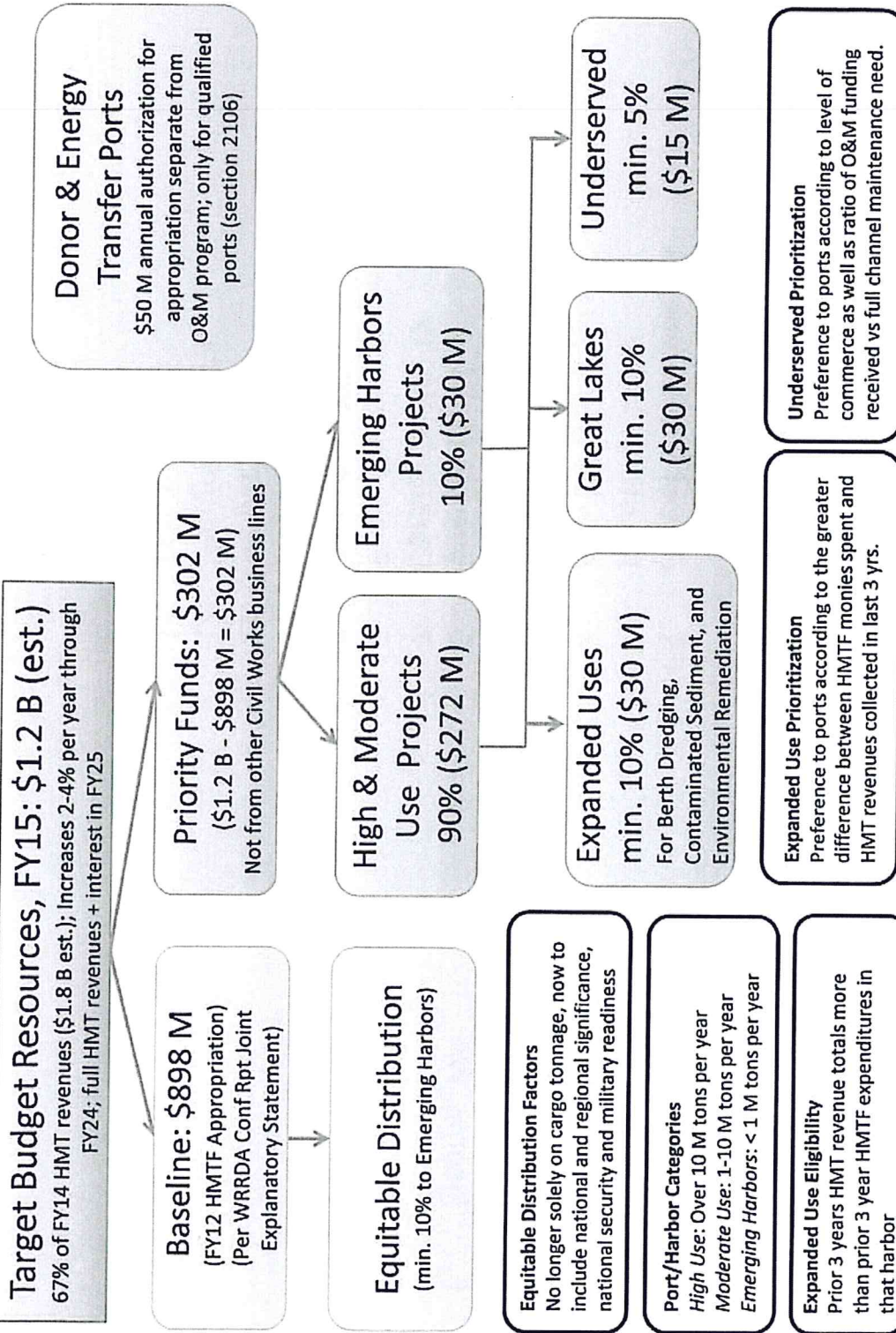
I am currently a member of the Harbors and Navigation Committee of the AAPA, but I have had very limited input to date on assisting with addressing critical issues of concern to the committee in regards to dredging, funding priorities, environmental regulations and other problem areas. The two week residency with AAPA and the Corps gave me some insight into the areas of national concern in the navigation arena. I can now not only sit in on this committee as a casual observer, but to certainly contribute to the long-term resolution of many complex funding and technical issues of the trade. Contacts with the Corps personnel increased my knowledge of the civil works project implementation process, clarified funding requirements, and showed me where to resolve regulatory and environmental constraints.

I would recommend to any new PPM candidate that a residency with the AAPA would be a perfect learning base for understanding navigation and port issues common to the nation.

Spending some time with your local Corps District partners provides an opportunity to share with and communicate face to face with the people that directly impact the future growth of your port, whether it be for future channel improvement, or expansion of your landside infrastructure.



# WRRDA Sec. 2102 - Illustration of HMTF Allocations



# WRRDA Sec. 2106 Projects

## Donor Port Criteria

At least \$15 million HMT revenue annually  
Receive less than 25% in previous 5 years  
State handled over 2 million TEU's

### DONOR PORTS

1. Long Beach, CA
2. Los Angeles, CA
3. Miami, FL
4. New York/New Jersey
5. Seattle, WA
6. Tacoma, WA

## Funds Distribution

Any funds appropriated will be equally split between Donor Ports and Energy Transfer Ports.

## Qualifying ports can opt to use funds:

1. To provide payments to importers
2. For expanded uses
3. For environmental remediation

## Energy Transfer Port Criteria

At least 40 million tons of cargo in FY12  
At least 25% of cargo was a qualifying energy commodity

### ENERGY TRANSFER PORTS

1. Port of S. Louisiana, LA
2. Houston, TX
3. New York/New Jersey
4. Long Beach, CA
5. New Orleans, LA
6. Beaumont, TX
7. Corpus Christi, TX
8. Baton Rouge, LA
9. Texas City, TX
10. Plaquemines Parish, LA
11. Mobile, AL
12. Huntington, WV
13. Lake Charles, LA
14. Norfolk Harbor, VA
15. Baltimore, MD

EXHIBIT NO. 2



US Army Corps of Engineers

# Directorate of Civil Works

As of: 21 Oct 2013



**Director of Civil Works**

**Mr. Steven Stockton**  
(3L92) 761-0100 (CECW-ZB)



**Deputy Commanding General, Civil and Emergency Operations**

**MG John Peabody**  
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**Institute for Water Resources**

**Mr. Robert Pietrowsky**  
Director (703) 428-8250 (CEIWR)



**Mr. James Hannon**  
Chief (3E92) 761-1983

Great Lakes and Ohio River Div. RIT (CECW-LRD)  
North Atlantic Div. RIT (CEMP-NAD)  
Operations and Regulatory CoP (CECW-CO)



**Mr. Theodore Brown**  
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Mississippi Valley Div. RIT (CECW-MVD)  
Southwestern Div. RIT (CEMP-SWD)  
Planning and Policy Division (CECW-P)



**Ms. Karen Durham-Aguilera**  
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Northwestern Div. & Pacific Ocean Div. RIT (CECW-NWD/POD)  
Office of Homeland Security (CECW-HS)  
Director of Contingency Operations



**Mr. James Dalton**  
Chief (3H92) 761-8826

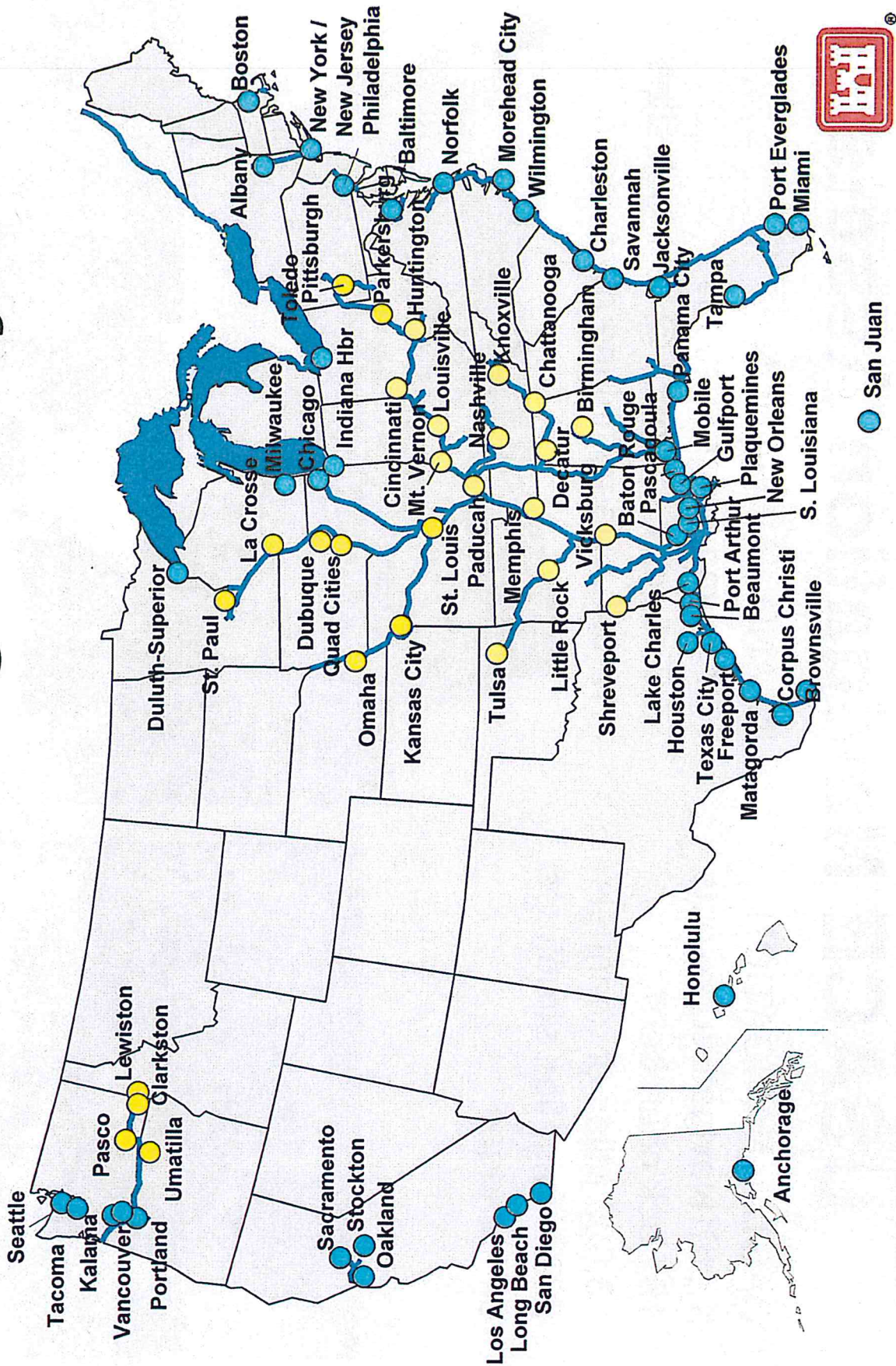
South Atlantic Div. RIT (CECW-SAD)  
South Pacific Div. RIT (CEMP-SPD)  
Engineering and Construction Division (CECW-EC)



**Mr. Mark Mazzanti**  
Chief (3I92) 761-4100

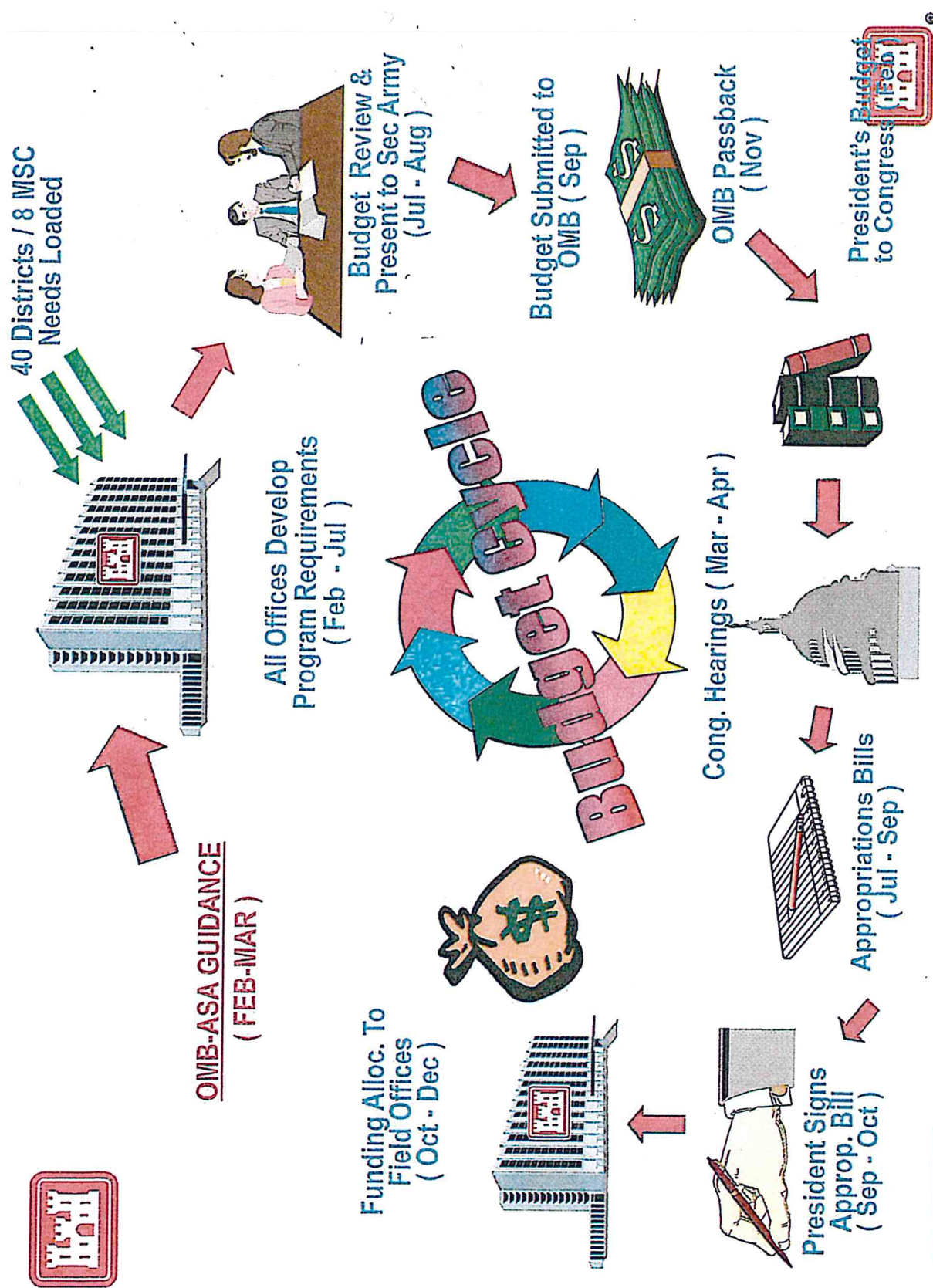
Programs Integration Division (CECW-I)

# The U.S. Navigation System



**BUILDING STRONG®**

EXHIBIT NO. 4 - CORPS INLAND AND COASTAL PORTS



**BUILDING STRONG®**

EXHIBIT NO. 5 CORPS BUDGET CYCLE

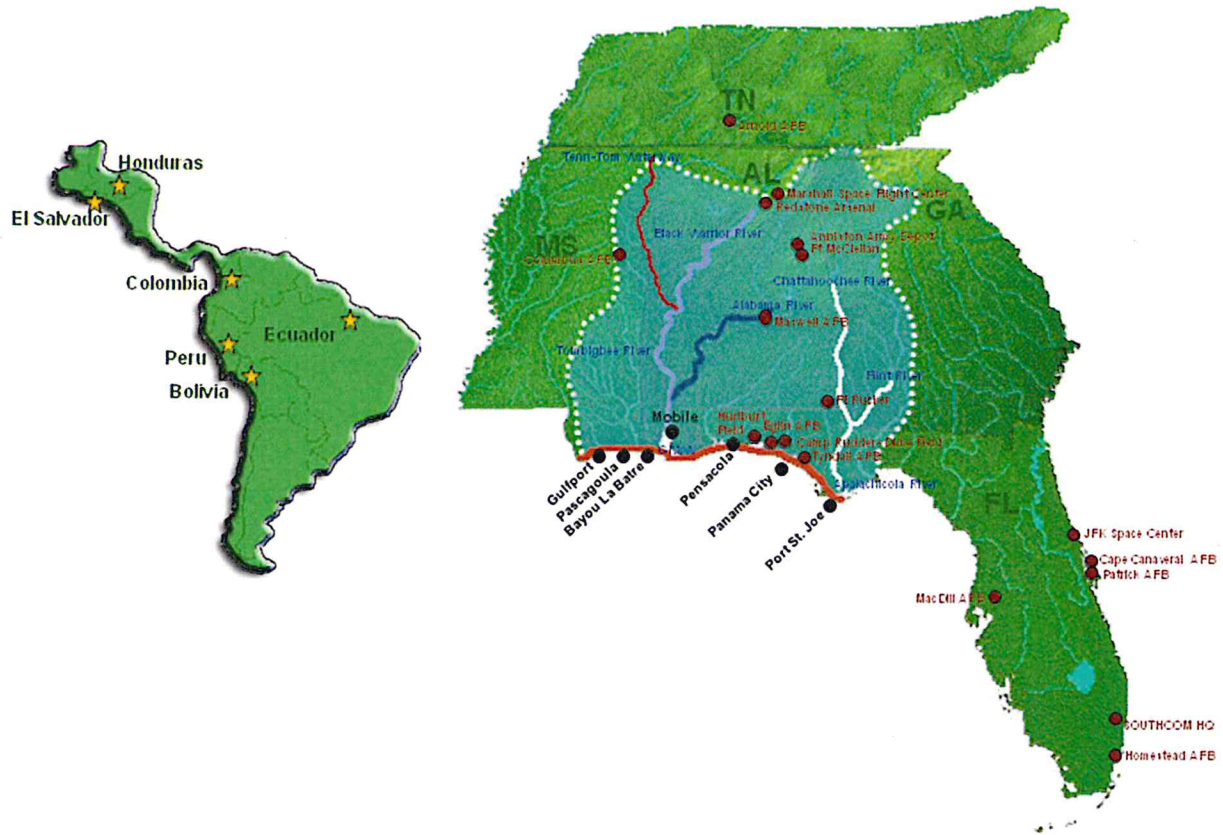


EXHIBIT NO. 6 – MOBILE DISTRICT CORPS OF ENGINEERS

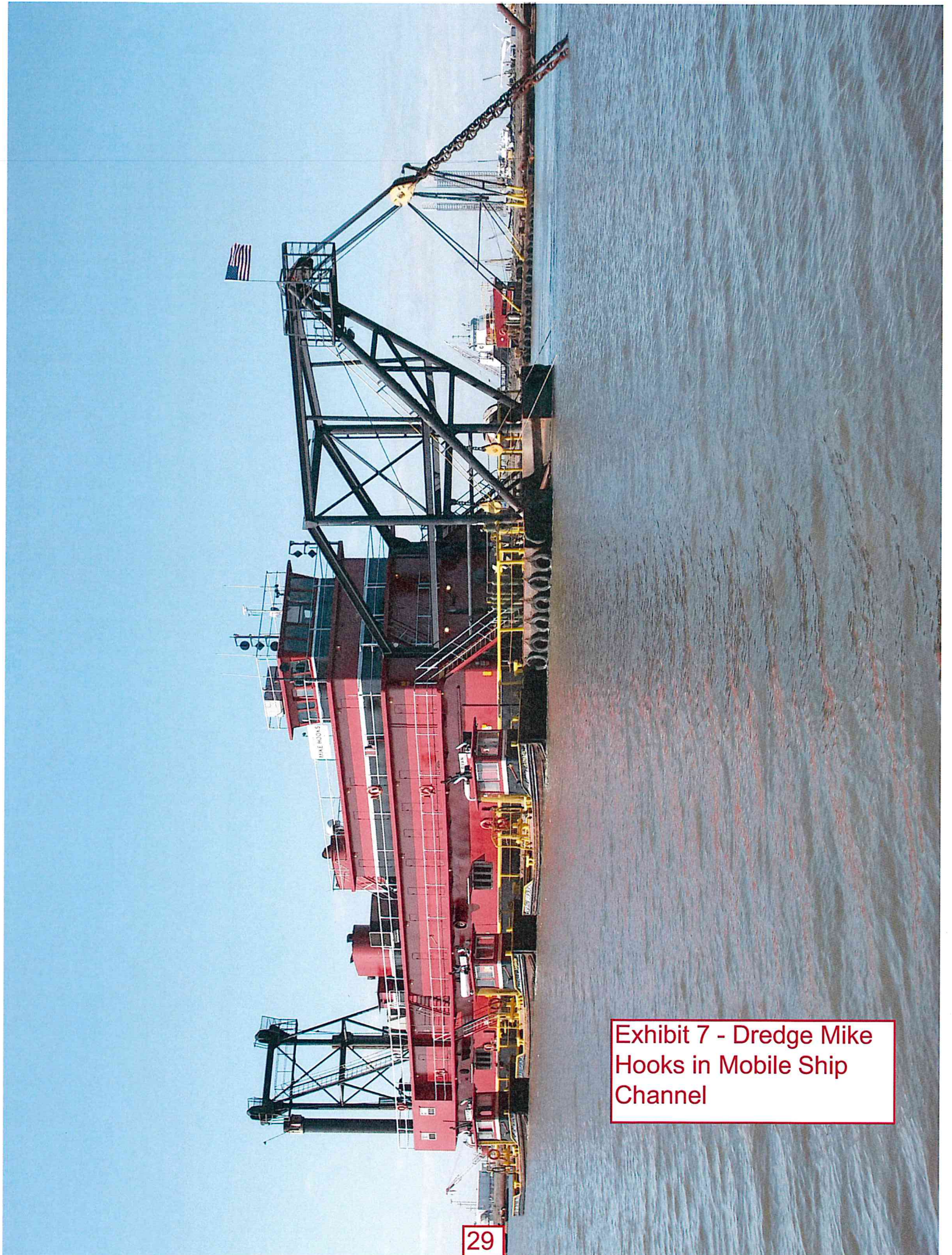


Exhibit 7 - Dredge Mike Hooks in Mobile Ship Channel

## WORK SHADOWING AND INFORMATION CITED SOURCES

Jim Walker, AAPA, Director of Navigation Policy and Legislation, personal interviews/ mentor at AAPA  
Scott Beams, Mechanical Engineer, Operations Division, USACE Mobile District  
Elaine Baxter, Chief, Plan Formulation Section, Planning and Environmental Division, USACE Mobile  
Janice Hahn, Member of Congress, California  
Glen Cunningham, Environmental Engineer, Regulatory Division, USACE Mobile District  
Jodie Norwood, Security and Law Enforcement Chief, USACE Mobile District  
Craig Litteken, Chief Regulatory Division, USACE Mobile District  
David Newell, Project Manager, Project Management Branch, USACE Mobile District  
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