



Tennessee-Tombigbee Waterway Development Council

Phone: (662) 328-0812

FAX: (662) 328-0363

Email: ttw@tenntom.org

Website: www.tenntom.org

NEWSLETTER

May 2009

Maersk Service Links Mobile Container Terminal to Latin America and Caribbean

January was a busy month for Mobile Container Terminal as the new \$300 million facility secured its third service. The Denmark-based A.P. Moller-Maersk Group announced that the Expresso service will make weekly vessel calls to the Port City, linking the Gulf Coast with Latin America and the Caribbean. The Maersk line anticipates it will bring up to 18,000 containers annually through Mobile Container Terminal.



“It’s a great service in an area (Central America) that we don’t have,” **James K. Lyons**, director of the Alabama State Port Authority, told the Mobile Press-Register. “We have some occasional break-bulk service into those countries, but having a weekly container service is really going to help a lot of Alabama businesses ship into those areas.”

Maersk began calling Mobile at the end of January. The 700-TEU MARESK ROUBAIX, under the direction of Captain Doinisio Jonas, was the first Maersk vessel to arrive at the Mobile Container Terminal. “Our new service in Mobile opens up new markets for Maersk line and our customers in the U.S. and provides us with a perfect gateway into the Alabama area,” explained Jonas Mueller, general manager of product management for Intra Americas for Maersk Line. “It compliments our existing calls at Houston and New Orleans so we can provide our customers with full coverage of the U.S. Gulf. It strengthens the servicing particularly in the apparel market which is served by the Expresso service in the Gulf and the South Atlantic Express service on the United States Eastern Coast.”

The weekly north-south Expresso service includes New Orleans and Houston in the United States. It’s fixed schedule includes Manzanillo, Panama; Cartagena, Columbia; Barranquilla, Columbia; Puerto Limon, Costa Rica; Puerto Cortes, Honduras; Mobile; New Orleans; Houston; Progreso, Mexico; Santo Tomas, Guatemala and Belize Port, Belize. The Expresso Service will bring apparel, automotive parts, general goods and refrigerated commodities to the Port City. When leaving, the vessels will be loaded with refrigerated cargo and raw materials for the apparel industry such as yarn and cotton, according to Mueller.

In addition to Mobile, the calls to Progreso and Belize Port are also new. Due to this expansion, Maersk is adding a fourth ship to the Expreso service. The DOVER STRAIT joins AURETTEA, MAERSK ROUBAIX and ALIOTH. “The addition of these three ports to the Expreso will give our customers a first-class product in the Caribbean and the fourth vessel will furthermore ensure we have a high level of operational ‘buffer’ in our schedule ensuring a high level of schedule reliability,” explained Mueller. Maersk’s weekly capacity is 400 Forty-foot Equivalent Units (FEU).

“Mobile Container Terminal is very excited to begin handling the Expreso service for Maersk Line,” said Brian Clark, director of the terminal. “This new service will provide shippers an additional option for moving cargo through the Port of Mobile. We look forward to a long and successful relationship with this valued customer.”

When advising customers of the new ports of call, Maersk detailed service highlights including direct service from the United States to Progreso. For those clients shipping to Mobile, the new port call offers the ability to move cargo inland faster throughout Alabama and Tennessee. Additionally, with vessels arriving in Mobile on Thursday mornings, cargo can be moved out of Mobile Container Terminal for delivery before the weekend.

“We believe there are good opportunities for growth of the business in the area,” said Mueller. “It is a good opportunity to serve a part of the USA that we previously haven’t been able to serve all-water. Often smaller ports show more agility to serve their and our customers well. We hope to harvest the fruit of this initiative jointly with our customers and Alabama.” Mobile is the 10th largest port in the country.

Mobile Container Terminal is a partnership between the Alabama State Port Authority and Mobile Container Terminal, LLC, which is made up of AP Moller-Maersk subsidiary APM Terminals of North America, Inc. and Terminal Link, a division of CMA CGM. APM Terminals holds an 80 percent share, while CMA CGM has 20 percent. The cost of the container facility is equally shared between the Alabama State Port Authority and Mobile Container Terminal, with each investing \$150 million.

Mobile Container Terminal started regular operations on Oct. 2, 2008. The facility offers clients a gateway to the southeastern U.S. and Midwest with five class 1 railway networks, as well as easy access to east-west Interstate 10 and north-south Interstate 65. The terminal itself covers 135 acres and has a 2,000 foot-long wharf. As another convenience to its customers, the Port of Mobile is currently enlarging its turning basin, located in the Mobile Ship Channel between Mobile Container Terminal and the Port’s new steel terminal at Pinto Island. The basin is large enough for 4,000 TEU vessels, but larger ones require special tug assistance.

“The Mobile Terminal can cater to our needs and we are confident that the terminal will deliver the usual high APM Terminal standard,” Mueller said. The Maersk Line joins current Mobile Container clients CMA CGM’s PEX3 service and ZIM Integrated Shipping Services. Together, the three lines will bring the terminal to half of its phase one capacity of 350,000 TEUs. At full build-out capacity, Mobile Container Terminal will be able to handle 800,000 TEU annually.

Study Heralds Economic Impact of Tenn-Tom Waterway

A recent study shows that the Tennessee-Tombigbee Waterway is a driving force of economic development not only within the four-state region, but also nationally. The waterway’s immediate four-state region, consisting of Kentucky, Tennessee, Mississippi and Alabama benefits greatly from the waterways link between the Gulf of Mexico, the Mid-West, and beyond.

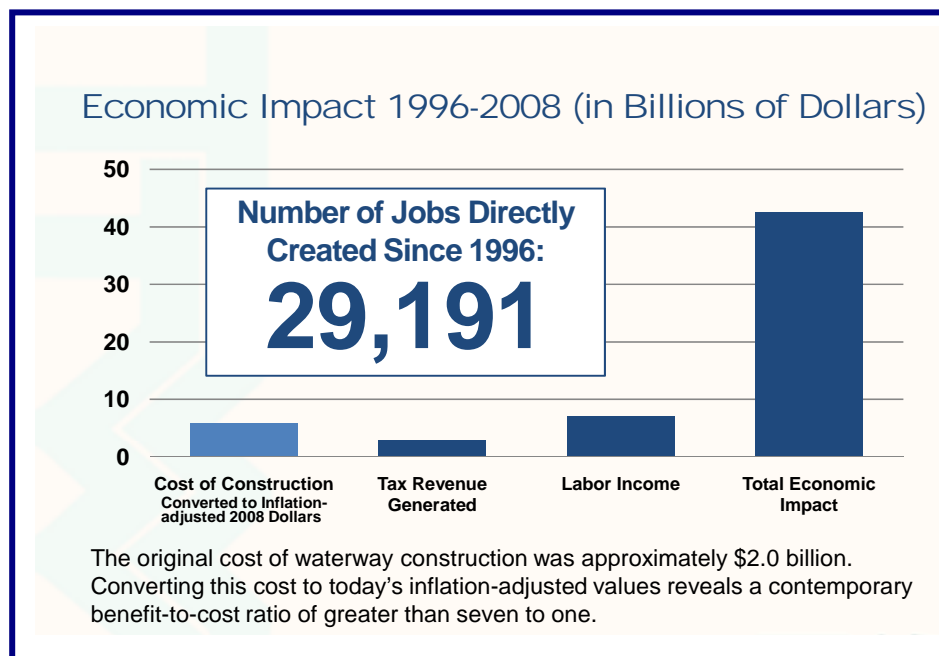
Researchers from the Center for International Business and Economic Development at Troy University and the Center for Transportation Research at the University of Tennessee have completed a thorough analysis of the economic industrial impact of the Tenn-Tom Waterway.

The focus of the study is on number of jobs created, tax revenue, labor income and total economic impact since 1996. The study examines the Waterway's impact on each of the four states mentioned, on the region and on the country as a whole. Its findings have substantial significance.

Since 1996, the nation has seen almost \$43 billion in direct, indirect and induced benefits due to the presence of the Tenn-Tom. Industries that have heavy inputs and/or outputs have found using the Waterway for transportation to be highly advantageous. Steel companies such as Severstal, U.S. Steel, Dynasteel, and G&G Steel have all located to the Tenn-Tom region within the last four years.

Since 1996, more than 29,000 jobs have been directly created as a result of the presence of the waterway. Also, nearly the same number of jobs has been indirectly created based on industry-to-industry transactions. The total impact on payroll expenditures for the nation is \$7 billion based on employment and employee spending. Since 1996 federal and State tax revenue is estimated to be well over \$2.8 billion. Tax revenue, alone, exceeds the original cost of construction of the waterway.

Residents of the four states in which the Tenn-Tom is located can enjoy not only the recreational advantages of the Waterway, but also the economic vitality it brings. What was one of the nation's most complex public works projects ever, the Tenn-Tom Waterway has proven to have been a wise investment, many times over. A copy of this study may be obtained by contacting the Tennessee-Tombigbee Waterway Development Authority.



Coalition of Alabama Waterways Association Honors Rep. John Knight as “Legislator of the Year”

Montgomery, AL – The state’s waterway groups, known collectively as the Coalition of Alabama Waterways Associations (CAWA), joined together on April 20th at the Riverfront Landing in Montgomery to recognize the contributions of State Representative John Knight (District 77, Montgomery) in promoting Alabama’s inland waterways.



Pictured left to right: Billy Houston, Cline Jones, Representative John Knight, Larry Merrihew, and Mayor Todd Strange of Montgomery.

“State Representative John Knight has been a leader in the promotion and development of inland waterway transportation,” said Jerry Sailors, President of the Coosa-Alabama River Improvement Association. “He has consistently been a champion in promoting this industry, which stands to significantly bolster Alabama’s economy and generate numerous jobs.”

At the press conference, highlights of the Alabama Freight Mobility Study were discussed.

The Alabama Freight Mobility Study, which was managed by CAWA and funded through the U.S. Department of Transportation and the National Oceanic Atmospheric Administration, focuses on the State of Alabama, but is a primer on inland waterway transportation in the United States. Conducted in two phases, this in-depth examination of barge transportation showcases the economic, environmental, and social advantages inland waterways have over road and rail. “Water-based transportation represents a significant economic engine opportunity for the U.S., Alabama, and the Montgomery area,” said Rep. Knight. “Our state should explore a mix of private and public partnerships to help foster this industry.”

Alabama has 1400 miles of navigable inland waterways, second in the country, that connect the state to a major portion of mid-America and over 55% of the nation’s population. These waterways, bolstered by the port expansions in Mobile, provide businesses and industries with access to a considerate consumer base.

Hosting the press conference were representatives from CAWA’s member organizations, which consist of the Coosa-Alabama River Improvement Association, based in Montgomery, Alabama; the Tennessee-Tombigbee Waterway Development Council, based in Columbus, Mississippi; the Tennessee River Valley Association, based in Decatur, Alabama; the Tri-Rivers Waterway Development Association, based in Eufaula, Alabama; and the Warrior Tombigbee Waterway Association, based in Mobile, Alabama

On hand to speak to the significant achievements of Rep. Knight and the importance of Alabama’s waterways was Montgomery Mayor Todd Strange. Formerly the director of the Alabama Development Office, Mayor Strange has first-hand knowledge of the benefits that inland waterway freight transportation could provide for the City of Montgomery and the State of Alabama.

“For many industries, proximity to water is a key, if not the most important, factor in their decision to locate a new plant and the accompanying jobs that come with it,” Mayor Strange said. “Increased barge transportation through Alabama’s waterways would require a series of inland ports. The Port of Montgomery has a nice ring to it.”

Cities and towns across the state could enjoy the benefits of increased water-based transportation of goods. Not only would communities such as Huntsville, Florence, Tuscaloosa, Gadsden, and numerous others eye potential port locations, but more barge traffic would require numerous businesses to support the fleet.

“Refueling centers, barge maintenance companies, distribution centers would all be needed to accompany increased inland waterway transportation,” said Rep. Knight. “For example, Montgomery sits at the intersection of I-65 and I-85 offering a great opportunity for a site to disperse goods.”

According to the Alabama Freight Mobility Study results, Alabama has unused capacity to ship goods via inland waterways. Barge traffic has significant advantages over other forms of transportation including trucks and trains. One barge can carry the equivalent of 450 trucks and 225 rail cars. Thus, utilizing barges would have a major impact on reducing traffic congestion on Alabama’s highways and by-ways.

Other highlights of the study point to increased levels of container-on-barge (COB) shipping as a result of factors such as increased volume at the Mobile Container Terminal. The expected 2014 completion of the Panama Canal also would provide shippers access to and from Mobile with an improved route to Asia.

The study also showed that a market currently exists in sufficient quantities to support increased shipping. The Tennessee-Tombigbee Waterway already has a critical mass of container-on-barge shippers if the arriving goods entered the United States via the Port of Mobile rather than West Coast ports.

“It all points to one conclusion,” **Jerry Sailors** said. “Alabama and the entire East Coast river system could be a major economic engine for the United States if the public and private sector will join in innovative partnerships to capitalize on the resources available through our inland waterways.”

U. S. Army Corps of Engineers releases the Recovery Act-funded Civil Works Projects

Mobile, Alabama – The U. S. Army Corps of Engineers released a list of Civil Works projects to be funded by the American Recovery and Reinvestment Act of 2009 (ARRA), Mobile District, U S. Army Corps of Engineers has a total of 172 projects totaling \$293,152,000 in the states of Alabama, Florida, Georgia and Mississippi, including \$33.5M for the Tenn-Tom Waterway.

The legislation signed into law by President Barack Obama on February 17, 2009, appropriated \$4.6 billion to the Corps for its Civil Works program nationally.

Mobile District projects in the ARRA include five construction projects and 167 operations and maintenance projects. The Corps will move forward as quickly as possible to meet the intent and direction of the President and Congress for funds provided in the ARRA. The Corps will continue to ensure that any Recovery Act-funded projects meet the highest standards of engineering and science to provide lasting value to the nation.

“We anticipate awarding the first contracts for these projects within 45 days,” said **E. Patrick Robbins**, Public Affairs Officer, Mobile District. “We will use a variety of contracting methods to get the projects underway as rapidly as possible. Some will be accomplished by using existing operations and maintenance contracts and some will be new contracts. “In addition, we will also be making temporary hires at some of our projects to accomplish the work,” said Robbins.

The projects meet the five criteria enumerated in the Congressional report accompanying the Recovery Act, namely that the projects: Be obligated/executed quickly; Result in high, immediate employment; Have little schedule risk; Be executed by contract or direct hire of temporary labor; and Complete a project phase, a project, an element or will provide a useful service that does not require additional funding.

All projects on the list have received appropriated funds in prior years' Energy and Water Development Appropriations Acts. No project is a new start.

For a complete list of all Corps projects and additional information on the Corps' role in the Recovery Act you can visit the Headquarters website at www.usace.army.mil/recovery.

Stimulus Package includes Mile 14 Bridge

Notification has been received from the U. S. Coast Guard, Bridge Administration, that President Obama's Stimulus Package, recently passed by Congress, will provide the final funds necessary to put the Mile 14 Bridge on the bid list for replacement. This bridge has been the site of numerous allisions over the years and is considered one of the most hazardous on the Warrior-Tombigbee River system. Coast Guard officials said there would be a meeting on May 5 for bidders. In addition to numerous accidents, the bridge also requires frequent tripping (breaking down tow size to negotiate through the bridge). **Mr. Charlie Haun**, Chairman, Warrior Tombigbee Waterway Association, said "this bridge has been a focus of the Association since 1998 when they finally were able to have the bridge included in the Truman-Hobbs Act." **Senators Richard Shelby** and **Jeff Sessions**, along with **Congressmen Jo Bonner, Robert Aderholt, Artur Davis**, and **Spencer Bachus**, have led the efforts to have this bridge replaced. This project had the support of **Governor Bob Riley** and the entire Alabama Legislative delegation. It is expected that the construction period will last up to two years with employment reaching 200 at its height.

Subcommittee Assignments for 111th Congress

Energy and Water Development Subcommittee appointments from the Tenn-Tom Waterway compact states included **Senator Thad Cochran**, (MS), **Senator Mitch McConnell**, (KY), **Senator Richard Shelby**, (AL) and **Senator Lamar Alexander**, (TN).

The 4th International Congress of Smart Rivers

You are invited to submit a draft paper to be considered for presentations and publication at the Smart Rivers Conference 2009 in Vienna, Austria. Technical papers may address technical subjects as the institutional, business and economic aspects of inland waterway navigation. Scientific papers should concentrate on research and scholarships. Policy and organizational aspects concerning inland waterway navigation with reference to smart rivers issues are also welcome. All proposals must be original and report on recent significant and substantive achievements. Papers of a predominantly commercial nature will not be accepted.

To identify the main subject of your topic we ask that you select one topic. All topics can be found on our website www.smartivers.org and must be related to inland waterway navigation or maritime mode.

America's Marine Highways: Opportunities for the Tennessee-Tombigbee Waterway

The American Marine Highways program is designed to reduce congestion and harmful emissions, as well as increase utilization of America's coastal, inland, and inter-coastal waterways. Studies show that the U. S. loses some \$200B each year due to congestion on its highways and railways. The trucks and trains that transfer the majority of products use more energy and release more emissions than shipping by water. For example, one 8 barge tow can carry as much cargo as 480 trucks or 225 rail cars, while releasing 370% less harmful emission than trucks and 28% less than by rail. Shipping

by barge also increases fuel efficiency and is safer than other modes of transportation. A waterborne vessel will carry a ton of freight 370% farther than trucks and 139% farther than rail cars, using the same amount of energy. Only 2% of the nation's domestic freight is transported on waterways.

The American Recovery and Reinvestment Act of 2009 will help entities seeking to benefit from the program by awarding funding competitively for proposals that have a strong impact on the region and the Nation. Developments such as port infrastructure and projects connecting ports to other transportation modes, while improving the efficiency of freight movement, will be eligible for available funds.

The Energy Independence and Security Act of 2007 require that corridors and projects must be designated, to receive support and that an advisory board be formed by the United States Department of Transportation to recommend solutions to any identifiable problems. The Marine Highway Corridors will be designated to work the Marine Highway into the existing systems of transportation, as well as promote private interest and investments as recommended by sponsors of each corridor. Projects will be designated to utilize all existing services, giving the public the greatest possible results, and to provide support to sponsors such as funding assistance, applications, and coordination with government agencies.

According to **Greg Deakle** of the Itawamba County Development District, "Designating the waterway as a marine highway will further open the door for industries to use the corridor for production and distribution, bringing jobs to the region. With increased funding available and the growing demand for safer, more efficient and environmentally-friendly transportation, the Tennessee-Tombigbee Waterway has much to gain from the Marine Highway Program." The increased access to financial support and the exposure this program will generate for waterway transportation across the nation will further spread the message the waterway has long been sending – that waterborne transportation is an alternative mode with many benefits to offer industry.

Industrial Development

The Thomasson Company headquartered in Philadelphia, Mississippi recently announced that it would open a pole and wood products facility in Macon, Mississippi. The company supplies poles and other wood products to various industries, such as utility and rail companies. The \$3M investment features a 120-foot treatment cylinder with an eight-foot diameter. The new facility will provide CCA and CCA-ET treatment options for the East Mississippi Pole Company's Southern Yellow Pine. According to **Brian Wilson**, executive director of the Noxubee Alliance, "East Mississippi Pole Company has been an integral part of the Macon community since 2005, and we welcome the addition of Macon Treating Company. These facilities have already brought 26 new jobs to the area, with the potential for many more as business grows."



Brigadier General Todd T. Semonite has taken command as Commander of the South Atlantic Division May 1, 2009. Prior to this position, General Semonite served as Commander of the North Atlantic Division, as well as Commanding General, Maneuver Support Center at Ft. Leonard Wood, Missouri. Among other command and staff positions are Assistant Commandant of the U.S. Army Engineer School and Ft. Leonard Wood, Director of Office of the Chief of Engineers at the Pentagon, Deputy Commander of Task Force Restore Iraqi Electricity, and Executive Officer to the Commanding General, USAREUR and 7th Army. He also served as Commander of the 130th Engineer Brigade and the V Corps Engineer at Hanau, Germany; Chief of Military Operations and Topography, and Chief of

International Operations (USAREUR); Battalion Commander, 23rd Engineer Battalion, 1st Armored Division, Friedberg, Germany; Construction and Design Supervisor, 416th ENCOM, Chicago, IL; S4, 937th Engineer Group, and S3 and Executive Officer, 1st Engineer Battalion, at Ft. Riley, KS; and Operations Officer, Corps of Engineers Office at Ft. Drum, NY. Semonite's awards include the Legion of Merit (4 Awards), Bronze Star, Meritorious Service Medal (7 Awards), Army Commendation Medal (3 Awards), Army Achievement Medal, Army Superior Unit Award (2 Awards), NATO award, Ranger tab, and Parachutist Badge.

Proposed Lock Closures:

Guntersville Main Lock (Auxiliary will be available)	June 2 – June 23, 2009
Wilson Main Lock (Auxiliary will be available)	July 28 – August 25, 2009
Selden Lock	September 9 – October 8, 2009
Coffeeville Lock	September 11 – October 1, 2009
Bankhead Lock	September 14 - October 4, 2009
Old Hickory Lock	October 27 – November 17, 2009

News About Members and Stakeholders

On Friday, April 24, **Captain Steven D. Poulin** relieved **Captain Edwin M. Stanton** of his duties in a change of command ceremony at Fort Whiting Armory in Mobile, Alabama.

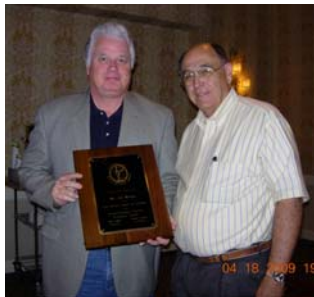
Jimmy Lyons, director and CEO of the Alabama State Port Authority, announced that the recently launched www.asdd.com aims to be more “user-friendly” by providing information about services offered, contacts, descriptions and locations of terminals, and a grouping of articles with images from the Alabama Seaport magazine. Other items of interest on the website include port investments, capitol improvements, infrastructure, and the port authority's impact on job creation and retention in Alabama. As businesses worldwide grow increasingly dependant upon the internet, the authority aims to give easy access to interested customers and partners.

Joey Hudnall, Chief Operations Officer for Neel-Schaffer, Inc. recently accepted an award by the Mississippi Business Journal which ranked the engineering firm in third place among Mississippi Employers. Based on the opinions of its employees gathered from a survey, the ranking is a reflection of the firm's commitment to providing a quality work environment. Neel-Schaffer is based in Jackson, Mississippi and has offices in Alabama, Florida, Georgia, Louisiana, Mississippi, Tennessee and Texas.

Jimmy Lyons accepted the 2008 Innovator of the Year award from the Mobile Area Chamber of Commerce. The recognition is given annually to an individual, company, or organization in the Mobile community that displays unique concepts. The Alabama State Port Authority was chosen because of its creative solutions to issues faced when recruiting ThyssenKrupp Steel and Stainless USA, LLC to Mobile County. The proposed \$150M marine terminal on Pinto Island helped Mobile County to receive the \$4.6B ThyssenKrupp investment, which is considered the largest private investment in the nation. The marine terminal was created to transport steel slabs which arrive from ThyssenKrupp's Brazil mill, because depth limitations kept the large ocean-going vessels from travelling upriver to the ThyssenKrupp site. Electronic technology will be utilized in identifying each slab in the inventory and record its location and weight. An estimated 13,000 tons of steel slabs or 10 barges will travel upriver daily.



Mr. Zee C. Enix, former member of the Tennessee-Tombigbee Waterway Development Authority has been appointed by **Governor Steve Beshear (KY)** to serve on TVA's Regional Resource Stewardship Council. The members of the Regional Council represent public and private stakeholders who benefit from TVA's management of the river system



Mr. Robert Barnett (right) Vice Chairman of the Tennessee-Tombigbee Waterway Development Authority presents a plaque to **Mr. Joe Barker** (left) in appreciation for his service as Vice Chairman of the Authority in 2008.

We thank Joe for his continued service to the Authority.



Stephen Surles was selected as regional development specialist with Tennessee Valley Authority's economic development staff in the Mississippi District. He will support the Mississippi Development Authority and area economic developers, as well as local distributors of TVA power. Providing financial and technical services, assisting prospective or expanding industries and helping communities expand businesses are among his responsibilities. Prior to this position, Surles was lead economic developer for the Union County Development Association in New Albany, where he was instrumental in the location of automotive suppliers and retail establishments.



Debbie Fason and **Agnes Zaiontz** visited with **Senator Richard Shelby (AL)** recently at a ground-breaking in Aliceville, Alabama

Welcome New Member

Allen Henry
Henry Marine Service
Spanish Fort, Alabama

Tennessee-Tombigbee Waterway Development Opportunities Conference

Marriott's Grand Hotel
August 25 – 27, 2009
Point Clear, Alabama

Make your room reservations by calling (251) 928-9201 and ask for the Tenn-Tom block or rooms. Rate: \$149.00.

Reservations for the Conference can be made by calling (662) 328-3286 or email: azaiontz@tenntom.org . Forms can be found on our website: www.tenntom.org

FORTHCOMING EVENTS

August 5 – 7, 2009 ☼ Joint Mississippi Water Resources Association - Mississippi Water Resources Research Institute Annual Conference . Harrah's Grand Hotel, Tunica, Mississippi www.mswater.org.

August 25 – 28, 2009 ☼ Tennessee-Tombigbee Waterway Development Opportunities Conference. Marriott's Grand Hotel, Point Clear, Alabama. Contact: Agnes Zaiontz (662) 328-3286 or email azaiontz@tenntom.org

September 6 – 9, 2009 ☼ SmartRivers Conference: Vienna, Austria. Contact: Otto Schwetz, email: Otto.schwetz@tinavienna.at or www.smarttrivers.org

September 9 – 11, 2009 ☼ 2009 Alabama Water Resources Conference Perdido Beach Resort, Orange Beach, Alabama. Contact: Auburn University (334) 844-4132 or email: stonemk@auburn.edu.

October 2 – 4, 2009 ☼ Trash & Treasures along the Tenn-Tom - 234 miles of Yard Sales. Contact: (800) 386-4373 or (800) 457-9739

October 26 – 28, 2009 ☼ Alabama-Mississippi Rural Tourism Conference. Holiday Inn, Sheffield, Alabama (256) 381-4710. Contact: Tenn-Tom Tourism Association at (662) 328-8936 or (800) 457-9739 or email azaiontz@tenntom.org