

# NEWS FROM THE DOCKS



ASSOCIATION OF LOUISIANA

*Louisiana Ports Deliver*

July 2010  
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## Message from the PAL Office

Just when you think it can't get any hotter ... June was terrible and July promises to be just as bad. It is definitely time for a vacation in the mountains.

PAL's newly elected officers assumed their respective roles at the July meeting:



Left to right: Paul Trichel (Port of Ouachita) Secretary, Dr. Robert Scafidel (Port of St. Bernard) Treasurer, Eric England (Port of Shreveport-Bossier) President, Roy Pontiff (Port of Iberia) Immediate Past President, Pat Gallwey (Port of New Orleans) Vice-President and Joe Accardo Executive Director

In the meantime our coastal crisis continues. We are now at 80+ days and there is no end in sight. The environmental and economic impacts are mind-boggling. Fortunately the navigation impacts remain minimal. PAL is appreciative for all of the efforts of the various state and federal agencies that have insured navigation continues to be a priority.

Due to the oil spill crisis PAL has made one change. Our annual conference for 2011 was scheduled to be hosted by the Ports of Grand Isle, Fourchon and Terrebonne. We think those

folks need a break! The Port of Shreveport-Bossier and the ports along the Red River have graciously offered to host the conference next year. Shreveport is a great venue and we will all look forward to that event. We'll let you know as soon as a date has been set.

PAL has recently sent out Associate Member reminder letters. If you have not paid your dues for 2011, they are overdue. You may contact this office to verify your status.

If you are interested in joining, visit our website for more information.

## Legislative News

The Legislature completed its work at 6 pm, Monday, June 21, 2010, bringing to a close a session dominated by declining state revenue, which caused deficits in the 2009-10 budget, and disagreements among the House, Senate and Governor over how to balance the 2010-11 budget.

The money bills—HB 1—Appropriations for operating expenses of state government was finally passed after the House and Senate reached an agreement to utilize \$198 million of the "Rainy Day" funds and \$242 million of the "Tax Amnesty Funds" to help balance the 2010-11 budgets.

HB 2—Capital Outlay was passed by both houses and sent to a Conference Committee to resolve the differences between the House and Senate. The Capital Outlay bill was finally passed in the last hour of the session. The bill contained \$19.7 million for the Port Priority Program with language, which allows DOTD to spend all funds under the cash management process recommended by DOTD and approved by PAL. The bill also contains funds for several navigation projects—Acadian Gulf Access

Channel (\$15,455,000), Baptiste Collette Deepening (\$3,750,000), Houma Navigation Canal (\$1,000,000). The bill contains several appropriations for individual port projects not a part of the Port Priority Program.

HB 1194 by Rep. Arnold which would have created a "one stop" information center for Maritime Industry and Port Priority Program within LED was been abandoned.

Two bills affecting ports have become law, Act 47 created a state criminal penalty for violation of a federal safety or security zone on waterways, and Act 35 authorizing the Port of St. Bernard to name its new Administration and Security Bldg for Samuel "Sammy" Nunez.

SB 16 by Appel, relative to abolishing the Millennium Port Authority was passed by both houses and sent to Governor Jindal.

Senator Appel filed Senate Resolution 119 relative to "Global Trade Initiative". The resolution was adopted by the Senate and will call for a task force with participation by PAL, Port of New Orleans, Port of South La., Port of Lake Charles, DOTD, LED, Maritime Advisory Task Force, the Airborne, and railroad industries. The focus of the study is to promote "Global Trade Based Economic Development" in Louisiana.

I have reported previously on SB 183 by Senator Nick Gautreaux and HB 841 by Rep. Jeff Arnold which would allow the La. Mineral Board to lease public lands and water bottoms for "alternative sources of energy projects". The bills have been passed by both houses and sent to Governor Jindal. After several meetings with the authors and DNR a compromise was reached which would allow the State Mineral Board to lease state water bottoms for "hydrokinetic generators", subject the right of ports to disapprove the project when "detrimental to the needs of commerce and navigation". The law will allow the lessee to contest a port's denial of approval with the La. Administrative Law Department. The Administrative Law Judge's decision can be appealed to the 19<sup>th</sup> Judicial District Court as provided in the Administrative Laws of the state.

HB 522 by Rep. Girod Jackson extends the length of time for use of "design/build" through

July 10, 2011 for public entities in hurricane affected parishes.



Joe Accardo  
PAL  
Executive  
Director

### DOTD News

In a press release dated June 25, 2010 Governor Jindal announced the appointment of Sherri LeBas as the Secretary of Transportation and Development. Ms. LeBas had been serving as Interim Secretary since February. PAL has enjoyed having the opportunity to work with her and we are delighted to see that she will continue to serve as head of DOTD.

### Corporate Member News

#### ***Port of South Louisiana***

*Port of South Louisiana Celebrates the Opening of New Transit Shed and Commencement of Finger Pier at Globalplex Intermodal Terminal*

Louisiana Department of Transportation and Development's (LA DOTD) Interim Secretary Sherri LeBas joined Port of South Louisiana (PSL) Executive Director Joel T. Chaisson, Commission President Louis A. Joseph, and Associated Terminal's President David Fennelly in cutting the ribbon that marked the official opening of Transit Shed #4 at Globalplex Intermodal Terminal during a ceremony held on May 19, 2010. The \$6 million warehouse, which was designed to withstand 130 MPH winds, was funded in part by \$4.8 million from LA DOTD's Port Construction and Development Priority Program.



*Commission President Louis A. Joseph, LA DOTD Interim Secretary Sherri LeBas, and Executive Director Joel T. Chaisson*

The building consists of a 14" thick pile-supported concrete floor with a large load capacity, concrete walls 18" in thickness to resist loads from stored materials, and a metal steel enforced roof 58' above the floor. Erected adjacent to the general cargo dock access bridge, the Port of South Louisiana planned this structure based on the needs of its customers. "It is [at] this site to make it quick and easy for shipments to move to and from our dock for storage," Mr. Chaisson said. Designed by URS Corporation, the building layout and location will permit future expansion of the structure to triple its current size in addition to the installation of conveyors connecting the warehouse to the general cargo dock and to nearby railroads.

Sun Rice is currently storing rice in the 40,000 square-foot warehouse. The rice bagging operation taking place is a total Louisiana production: the rice is locally-grown and processed by Louisiana mills, transported by local truckers, then bagged and loaded for export by Associated Terminals, a locally-owned company. Associated Terminals will be bagging and handling two shipments of approximately 50,000 tons over a six-month period for export out of the transit shed, an operation that will create 75 jobs at Globalplex Intermodal Terminal.

At the event, Mr. Chaisson also announced the commencement of construction of a 65' W x 700' L finger pier adjacent and downriver from the existing general cargo dock that will allow the berth of a Panamax-size vessel and direct vessel-to-barge transloading. The task will include the demolition and reconstruction of the downriver mooring dolphin. Continental

Construction will be undertaking the \$18.9 million project, which will be funded in part by \$15 million (\$9 million authorized; 6 million approved/pending funding) also from LA DOTD's Port Construction and Development Priority Program. Construction is slated to begin in the summer of 2010 and expected to be complete in approximately 18 months.

Immediately following the ceremony, the Port of South Louisiana and Associated Terminals hosted the annual Maritime Industry Appreciation dinner observing the contribution of the maritime community to the port district. More than 200 maritime representatives were invited for an afternoon of boiled seafood.

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#### *Port of South Louisiana Recognizes Kim LeBouef Landry for 25 Years of Service*

During the June 2010 commission meeting, Procurement Specialist Kim LeBouef Landry was recognized for her 25 years of dedicated service (*June 12, 1984 – June 12, 2010*) to the Port of South Louisiana. Mrs. Landry started her career with the Port at the age of 17 via the Cooperative Education (COE) program, which prepares high school seniors for employment. At the end of her COE service, Mrs. Landry earned a permanent position at the Port, advancing from receptionist to several administrative positions throughout the years. Her ambition, hard work, and keen talent for numbers later secured her a position as a purchasing agent. Mrs. Landry is now one of the top Procurement Specialist 2s in the state of Louisiana. The Port of South Louisiana's staff joins the Board of Commissioners and Executive Director Joel T. Chaisson in congratulating and honoring Mrs. Landry.



*Commission President Louis A. Joseph, Procurement Specialist 2 Kim LeBouef Landry, and Executive Director Joel T. Chaisson*

Mrs. Landry is the daughter of Gerald and Mary LeBouef, wife of Brent David Landry, and mother of Justin, Jordan, Kaitlyn, and Jacob.

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### **Port of New Orleans**

*Streamlined Foreign-Trade Zone Will Help Lure Cargo, Jobs -*

*New Orleans FTZ is one of the first to be approved for Alternative Site Framework*

The Port of New Orleans will have more flexibility to use its Foreign-Trade Zone to lure new cargo and businesses because it has successfully applied for a program that streamlines the process for approving FTZ sites.

The announcement is expected to help promote the flow of several commodities, such as copper, aluminum, zinc, steel and coffee, which are already stored in FTZ warehouses and distribution sites in metro New Orleans. The new FTZ program can also be used by economic development officials to help attract new distribution and manufacturing operations to metro New Orleans.



The Foreign-Trade Zones Board, an independent agency housed within the Department of Commerce, has approved the Port's FTZ for its new Alternative Site Framework program. The Alternative Site Framework allows existing companies and any new companies that locate within Orleans Parish, Jefferson Parish, and St. Bernard Parish to secure Foreign-Trade Zone status for warehousing and distribution operations within approximately 30 days from the time an application is accepted for filing. Without the Alternative Site Framework, increasing the size of an existing FTZ site or establishing a new one takes about 90 days.

“New Orleans is a great place for warehousing and distributing cargo because of the Mississippi

River and the superb transportation network that is rooted here,” said Gary P. LaGrange, President and CEO. “Private industry has benefited from our Foreign Trade Zone for over six decades. With the Alternative Site Framework, we can be more responsive to the needs of businesses as they seek to take advantage of these benefits.”

The Port of New Orleans administers the second-oldest Foreign-Trade Zone in the United States. FTZ No. 2 was established July 16, 1946. It is now the first FTZ in Louisiana-- and one of the first in the nation -- to be approved for the Alternative Site Framework program.

“As a company evaluates sites for expansion or relocation, one important factor that it should consider is how to manage its supply chain from the new location,” said Michael Hecht, President and CEO of Greater New Orleans Inc., a regional economic development organization. “A Foreign-Trade Zone is one tool that can help reduce logistics costs and improve a company's bottom line.”

The Port's General Purpose FTZ is spread out on 63 sites throughout Orleans, Jefferson and St. Bernard Parishes. The New Orleans FTZ includes 824 acres of warehousing and distribution facilities. Additionally, there are six manufacturing FTZ subzones, including three refineries, two shipyards and an oil drilling materials manufacturer. FTZ designation is often required in order for a Port or warehouse to handle cargo traded on an exchange, such as the copper and aluminum traded on the London Metal Exchange that is shipped to the Port of New Orleans.

A Foreign-Trade Zone is a duty-free zone established by the Department of Commerce to spur business by eliminating or delaying duty collections. When cargo enters a Foreign-Trade Zone warehouse or manufacturing plant, it's as though that cargo hasn't entered the U.S. and it is not subject to the duties that U.S. Customs and Border Patrol would normally collect. The cargo can be warehoused or processed at the FTZ site and shipped to a foreign country or another FTZ site without ever incurring U.S. duties. If the products are stored in a FTZ and later distributed to another location in the nation, they enter U.S. commerce and are subject to duties at that time.

Businesses with questions about the Foreign-Trade Zone should contact Jim Reese, Port of New Orleans FTZ Director at (504) 528-3264. Questions may also be directed to the attorney for the Port of New Orleans for this Application, Scott S. Taylor, Esq. at Miller & Company P.C. at (816) 561-4999.

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*Carnival Conquest, Carnival Ecstasy to Sail Year-Round from New Orleans Beginning in Fall 2011*  
*CARNIVAL – Returning Line’s Capacity to Pre-Katrina Levels*

Carnival Cruise Lines will return to pre-Katrina capacity levels at the Port of New Orleans when the 2,974-passenger Carnival Conquest and 2,052-passenger Carnival Ecstasy are repositioned to the Big Easy to operate year-round departures beginning in fall 2011.

With Carnival Conquest and Carnival Ecstasy, both of which are currently based in Galveston, the line is expected to carry nearly 340,000 passengers annually from New Orleans – the most of any cruise operator.



The Carnival Conquest will again call New Orleans home as Carnival makes plans to homeport two ships in New Orleans.

“New Orleans is an important homeport for Carnival and we are very pleased to return to pre-Katrina capacity levels with the deployment of the Carnival Conquest and Carnival Ecstasy – a wonderfully positive indicator of the city’s continued growth and recovery,” said Gerry Cahill, Carnival’s president and CEO.

Cahill added that the line’s current New Orleans-based ship, the Carnival Triumph, will reposition to Galveston to operate year-round four- and five-day western Caribbean cruises beginning in fall 2011.

“With Carnival’s decision to homeport two cruise ships in New Orleans, the Port of New Orleans is poised to exceed our pre-Katrina volumes for cruise passengers and break new records,” said Gary LaGrange, president and CEO of the Port of New Orleans. “The progress that we have made in the recovery of this business is a testament to both the strong attraction that cruise passengers have to New Orleans as a destination and to the commitment of our cruise industry partners like Carnival.”

*Seven-Day Western Caribbean Cruises from New Orleans*

Carnival Conquest will reposition to New Orleans for year-round seven-day Caribbean cruises beginning Nov. 13, 2011.

The ship will offer three different week-long Caribbean options from New Orleans: a new western Caribbean program featuring Montego Bay, Grand Cayman and Cozumel, an eastern Caribbean itinerary to Key West, Freeport and Nassau, and exotic western Caribbean cruises to Belize, Roatan and Cozumel.

Carnival Conquest, which made its inaugural voyage from New Orleans in 2002, offers a host of on-board facilities and features: 22 lounges, bars and nightspots with dramatic interiors inspired by artists from the Impressionist period, a 14,500-square-foot health and wellness facility, four restaurants, including a classic American-style steakhouse, and expansive play areas for children in three age groups. The ship also offers four swimming pools – one with a 214-foot-long water slide. Nearly 60 percent of the ship’s 1,487 staterooms offer an ocean view or private balcony.

*Four- and Five-Day Cruises Aboard Carnival Ecstasy*

Carnival Ecstasy will operate year-round four- and five-day western Caribbean voyages from New Orleans beginning Sept. 22, 2011. On the Carnival Ecstasy’s new itinerary, four-day cruises departing Thursdays visit Cozumel, while five-day cruises departing Mondays and Saturdays call at Cozumel and Progreso, Mexico.

The ship underwent a multi-million-dollar renovation last year that added a number of exciting features, including an expansive water park with a 300-foot-long water slide – among the largest at sea, a tropical-style main pool area,

and an adults-only retreat located aft and providing magnificent sea views. Additionally, 98 balconies were added to existing staterooms, providing a greater variety of accommodation choices.

Carnival Ecstasy also features three restaurants, a renovated 12,000-square-foot spa, a jogging track, and a wide variety of venues for dancing and entertainment, including a 1,200-seat theatre showcasing spectacular production shows.

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### **Port of Lake Charles**

The Lake Charles Harbor and Terminal District announced the promotion of Todd Henderson to Director of Operations. Mr. Henderson was previously the Port's Deputy Director of Operations.

"Todd has over twenty years of experience in the automated material handling industry," said Bill Rase, Port Director. "Fifteen of those years have been specifically in the maritime industry," Rase stated.



Prior to joining the Port in 2003, Mr. Henderson worked for an engineering firm during which he helped design and commission the Port's \$70 million Automated Bag Loading Terminal. Before his promotion, Mr. Henderson was responsible for supervising the day-to-day operations of the Port's Bulk Terminal #1 facility which handles approximately 4.4 million tons of bulk products annually. His new responsibilities will not only be the continued supervision of operations at Bulk Terminal #1, but also all other marine related facilities at the Port's City Docks. "I am very pleased with this promotion and the increased areas of responsibility," said Mr. Henderson. "The Port of Lake Charles is a great place to work and the people here at the Port are the greatest to work with," he added.

Mr. Henderson attended Lamar and McNeese Universities and is originally from Lumberton, Texas.

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### *Lake Charles Harbor and Terminal District Announces Newly Elected Board Officers*

The Lake Charles Harbor and Terminal District elected a new slate of officers for 2010/2011 at its regular scheduled June 2010 meeting. The seven member board elected the following officers; Mr. C. Wade Shaddock, Jr., President; Mr. Walter Sanchez, Vice President; Mr. James Herford, Secretary/Treasurer and Mr. Harry Hank, Assistant Secretary/Treasurer. The elections take effect July 1, 2010.

Mr. Shaddock, a board member since June 2003, is a Lake Charles native, and a West Point graduate who also has a Masters Degree in Political Science from Kansas University. Service of 27 years in the Army was followed by work at Powell Lumber Company, where he was a Senior Vice President. In 1993 he was appointed as a Director/Trustee at The H. C. Drew Estate. Mr. Shaddock has served on the Louisiana State Board of Commerce and Industry, the Lake Charles Civil Service Board, and in numerous civic and service organizations.



Mr. C. Wade Shaddock, Jr., President

Mr. Sanchez joined the board in June of 2009. He was born in Lake Charles and received his undergraduate and law degrees from LSU. He has been in private practice in Lake Charles for 25 years. Mr. Sanchez has served on numerous non-profit boards and public commissions and currently serves as the President of the Southwest Louisiana Bar Association and as a Trustee for LifeShare Blood Centers, Inc.

Mr. Herford joined the board in May of 2009. He started his working career in 1971 with the Calcasieu Parish Sheriff's Department. Mr. Herford served as Chief of Police for the City of Westlake from 1979 until he retired in 1997. He then served on the Louisiana Parole Board from 1997 – 2004. He is currently employed by the

Calcasieu Parish Sheriff's Department as a Lieutenant/Sub-Station supervisor. Mr. Herford attended McNeese State University and received a Bachelor of Science degree from Baptist Christian College – Shreveport in Business Administration.

Mr. Hank became a member of the Board in September 2004 and served as President for the 2008/2009 term. Mr. Hank has resided in Lake Charles, LA, since 1971. He earned a Bachelor of Science degree in Chemical Engineering at the Missouri School of Mines and Metallurgy. He retired from PPG Industries in 1998 after 37 years of service. Mr. Hank has been actively involved in community service since arriving to Lake Charles.

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### **Port Fourchon**

#### *Port Fourchon Hires Port Engineer*

The Greater Lafourche Port Commission is pleased to announce that Laurie Swanson was hired in early May to serve as its first in-house Port Engineer. Swanson is responsible for, among other things, project management of all GLPC construction projects. With nearly 30 years of experience, she is already a great asset to the GLPC team. Laurie, who was raised and worked in Florida prior to her move to Louisiana, said, "As I begin a new chapter of life in the Louisiana bayou, I look forward to serving the unique combination of industry, natural resources and nature found in Port Fourchon."



### **Legal News**



#### **Ports and Waterways Safety Act and Federal Water Pollution Control Act**

You will recall the July 23, 2008 collision that occurred at Mile 99 Lower Mississippi River in the Port of New Orleans between the M/T TINTOMARA, a 600 foot tanker and the push boat M/V MEL OLIVER and its Tank Barge

DM932, which resulted in a spill of thousands of gallons of diesel which effectively shut down the port and stretches of the river for days. Within twenty-four hours of the collision, civil lawsuits were filed in the United States Federal Court in New Orleans by the owners and operators of the involved vessels, as well as companies and individuals who claimed injury or economic loss as a consequence of the spill. There followed weeks of hearings by the United States Coast Guard.

On July 2, 2010 the government of the United States took the next step when it initiated criminal charges against the owner of the M/V MEL OLIVER by filing of its Bill of Information in the matter entitled *United States of America v. DRD Towing, LLC*, Docket No. 10-191, U.S.D.C., E.D of La.

In this bill, the USA charged DRD with violation of The Ports and Waterways Safety Act and The Clean Water Act. Given the recent heightened sensitivity of the public to and the non-stop news coverage of man made environmental catastrophes, it is appropriate to understand what sanctions the government may impose on those responsible individuals and companies.

The Ports and Waterways Safety Act of 1972 (PWSA) was enacted to promote safe navigation, vessel safety, guard waterfront facilities against accidents, and protection of the marine environment. It has been amended and expanded over the years to provide for the safety and security of U.S. ports and waterways from deliberate acts intended to harm people or property.

The Act empowers the Department of Transportation, through its Secretary, to establish those rules and regulations he finds necessary to carry out his mission to protect people, property, and the environment while at the same time, facilitate commerce. The responsibility to implement and enforce the rules is assigned to the U.S. Coast Guard. The Coast Guard's authority and relevant regulations are found in 33 CFR 160, *et seq.* The Act gives the Secretary subpoena power and the authority to conduct investigations of any incident involving loss or destruction of any property or structure or which affects the safety or environmental quality of ports, harbors or navigable waters.

In this case DRD was charged with violation of 33 CFR 160.215, which requires that whenever there is a hazardous condition either aboard a vessel or caused by a vessel or its operation, its owner must immediately notify the nearest Coast Guard office. Here, it is alleged that DRD did not report to the Coast Guard manning violations. It is alleged that DRD allowed its vessel to be operated by an unlicensed master. DRD, says the government, should have reported this hazard to the Coast Guard. Further, the government has charged that DRD allowed the operator to work long hours in excess of that permitted by law (no more than twelve hours in a twenty-four hour period). This is also considered a hazardous condition which should have been reported. "Hazardous condition" is subject to broad interpretation and is defined as any condition that may adversely affect the safety of any vessel, structure, shore area, or the environmental quality of any port or navigable waterway. In other words, just about any possible statutory violation is covered.

If found guilty, DRD could face a civil penalty of \$25,000 for each violation, with each day of a continuing violation constituting a separate violation. The criminal penalty could include a sentence of not less than five years, but no more than ten years and fines could reach \$100,000 if DRD is found to have knowingly and willfully violated these regulations (Class D felony). The vessel is also open to seizure or *in rem* liability.

DRD is also charged with violation of the Federal Water Pollution Control Act, commonly referred to as the Clean Water Act, 125 1 *et seq.*, passed in 1972. The intent of this Act is similar to that of the PWSA, *i.e.*, to provide for the safety of our harbors, waterway and environment by regulation of vessel traffic and cargo operations, as well as land based operations that could affect the waterways. It has been called the cornerstone of surface water quality protection in the United States.

The statute employs a variety of regulatory and non-regulatory tools to sharply reduce direct pollution discharges into waterways, finance municipal waste water treatment facilities, and manage polluted runoff. These tools are employed to achieve the broader goal of restoring and maintaining the chemical, physical, and biological integrity of the nation's waters so that they can support "the protection

and propagation of fish, shellfish, and wildlife and recreation in and on the water."

Like the PWSA, it has been strengthened and its scope broadened over the years in response to advances in science and significant pollution events. The power to set forth regulations to promote these ends lies with the Administrator of the Environmental Protection Agency. In essence, it is illegal to discharge pollutants, such as oil, into the waterways and navigable waters of the United States. Any person who negligently violates the regulations set forth in the Act could face criminal penalties of not less than \$2,500 nor more than \$25,000 per day of violation and/or imprisonment of not more than one year. A second negligent offender could face fines of \$50,000.00 per day and up to two years in jail. The willful offender faces stiffer penalties. A first willful offender may be fined \$5,000 to \$50,000 per day and/or imprisoned for three years. On the second offense the willful offender may face fines of \$100,000 per day and/or a six-year sentence. Sources of pollution are not limited to vessels. They include discharge for sewage treatment plants, agriculture, farming, or commercial enterprise. Examples include pulp/paper mills, sugar mills, textile mills, petroleum refineries, steel mills, power plants and the list goes on.

Given recent events and the reaction by state and federal governments, the press, and citizens, to them there is no doubt that institution of criminal charges will be standard fare. It will be interesting to see how the U.S. Government and U.S. Attorney's Office ultimately responds to the Deepwater Horizon Oil Spill, and how many companies and individuals may face criminal indictments such as those faced by DRD.



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## **America's WETLAND**

The America's Energy Coast group is calling for Congress to accelerate immediately the sharing of offshore oil and gas revenues with producing states along the U.S. Gulf Coast and to amend a bill to expedite long delayed grants to those

states from the Coastal Impact Assistance Program (CIAP).

The group representing conservation, energy, and diverse interests throughout the four-state region of Texas, Louisiana, Mississippi, and Alabama, released a resolution supporting Congressional efforts to help impacted states speed up coastal restoration efforts along already deteriorating marshes and coastal landscapes, now exacerbated by the ongoing oil flow from the Deepwater Horizon rig explosion.

The America's Energy Coast initiative calls for approval of:

---An amendment expediting distribution of the remaining 80% of the \$1 billion Coastal Impact Assistance Program (CIAP) intended to mitigate the impacts of offshore energy activity in the America's Energy Coast states. The funds were supposed to be distributed to the states by 2010 but the U.S. Minerals Management Service has disbursed only 20%, due to delays.

--The 2005 Gulf of Mexico Energy Security Act (GOMESA) that will share offshore oil and gas revenues with the Gulf coastal producing states will not fully go into effect until the year 2017. Legislation to accelerate that revenue sharing for coastal restoration would help address an already deteriorating ecosystem, especially in light of the ongoing oil leak from the Deepwater Horizon rig that is further impacting sensitive marshes, barrier islands and beaches.

R. King Milling, chair of the America's WETLAND Foundation that created the America's Energy Coast initiative, noted the coastal marshes were rapidly eroding long before the spill. "We have an ecosystem that is in a state of continual deterioration," Milling said. "We've got to step back, look at the overall system and take steps to correct this."

Coastal land loss began after the U.S. leveed the Mississippi River in the early 1930s, funneling fresh water and sediment off the Outer Continental Shelf, robbing the naturally subsiding wetlands of their necessary nutrients. The result has been land loss at the fastest rate on the planet - the equivalent of a football field every 50 minutes.

"This problem is something our country has to take note of," Milling said. "This is going to be a difficult battle, whether we are attacking the

spill or deteriorating wetlands. We have been encouraged by the recent "road map" released by the White House Council on Environmental Quality and its Federal agency working group. They are trying to get their heads around this and have put forth a promising plan to address the urgent needs along the Louisiana and Mississippi coasts."

Valsin A. Marmillion, managing director of the America's WETLAND Foundation, said, "We have wetlands that are on life support. Anything that happens to them is very threatening. We need the commitment of the federal government and a dedicated stream of revenue. The states hosting this nationally critical energy production sustain the impacts and need this steady stream of revenue to deal with the scale of restoration required."

Sidney Coffee, policy advisor to the Foundation, said, "It takes the cooperation of all interests converging along this strategic coast - environmental and economic. All the benefits this landscape provides our nation will be irrevocably altered and its value lost - the flyway for migratory songbirds that depend on this habitat as they make their way to backyards all over the U.S., the nursery grounds for most of the marine life in the Gulf of Mexico; a globally significant ecological treasure, more important than any of our differences."

"If this vulnerable system is lost, the cost to this nation is going to be staggering," Milling said. "It will impact navigation, the oil and gas industry, the environment and more than two-million people. These are economic realities we must all face as a nation."

The America's WETLAND Foundation continues to raise awareness through on-the-ground programs for volunteer restoration projects, in conjunction with the LSU Ag Center and AmeriCorps. Supporters of restoration are encouraged to join Saints Super Bowl champion linebacker, Scott Fujita, by texting 20222 to make a \$10.00 donation for buying grasses to plant by wetland restoration teams.

## World Trade Center



### Louisiana's Global Exports Grow 33 Percent in First Quarter

As the global economy continues its expansion, Louisiana's worldwide merchandise exports increased by 33 percent in value to \$10.1 billion during the first quarter of 2010 compared to the first three months of 2009, according to a report issued today by the World Trade Center of New Orleans.

It was the second-highest dollar value on record for Louisiana's first quarter exports. Total U.S. exports rose 20.2 percent in the first quarter of 2010, with Louisiana placing 8th in the state rankings behind Florida, Illinois, and Michigan.

The increase in total vessel weight for Louisiana's exports for the first quarter was 18.7 percent, compared to the first quarter of last year, while total U.S. exports measured in tonnage registered a 13.7 percent gain, according to the WTC report. .

Louisiana's principal export markets for the first three months of 2010 were China (\$1.5 billion), Japan (\$731.8 million) and Mexico (\$648.0 million), followed by Korea, Canada, and Egypt.

"With the U.S. and many other economies now in expansion, we're hopeful this will translate into continued increased state exports worldwide," said Larry Collins, Director of International Services with Louisiana Economic Development. "One indicator everyone is watching is the rising value of the dollar, which may start to affect our future export results. In the meantime, the first quarter's results were excellent with all of our principal products showing growth."

Agricultural products (\$4.1 billion, an increase of 12.3 percent); petroleum and coal products (\$2.1 billion, a 71.9 percent increase); chemicals (\$1.5 billion, a 22.1 percent increase); and processed foods (\$1.3 billion, a 128.9 percent increase) ranked as Louisiana's top exports for

the January-March 2010 period.

"Numerous opportunities for Louisiana producers of goods and services are attractive in many worldwide markets," said Donald van de Werken, Director of the New Orleans U.S. Export Assistance Center, which assists companies in identifying and pursuing overseas markets.

"Now is a perfect time for Louisiana companies to become involved in exporting or importing as the U.S. and other markets expand," said Eugene Schreiber, Managing Director of the World Trade Center. "U.S. products, services and technologies are well-accepted around the world, and Louisiana companies have the added benefit of a great port system leading to and from global markets."

The WTC report was generated by the World Institute of Strategic Economic Research (WISER) from U.S. Census Bureau data. It covers the exports of both Louisiana-originating products and some major commingled bulk commodities (especially grain and coal) that are produced in other states, shipped abroad from Louisiana's ports, and recorded as Louisiana exports because of the difficulty of identifying the actual states of origin.

## Welcome New Members

This month PAL welcomes two new associate members:

**Valence Consulting LLC** is a marketing firm located in New Orleans and they will be represented by Jennifer Kelley.

**IMDC, Inc.** is an engineering consultants and construction management firm located in New Orleans. They will be represented by Mr. Gregory S. Mundy

## MARK YOUR CALENDARS

July 21-23 AAPA Security Seminar in New Orleans -  
<http://www.aapa-ports.org/Programs/seminarschedule.cfm?itemnumber=17160>

August 5, PAL Monthly Meeting, 10AM , Richmond Suites, Baton Rouge, LA

September 2, PAL Monthly Meeting, 10AM , Richmond Suites, Baton Rouge, LA

October 7, PAL Monthly Meeting, 10AM , Richmond Suites, Baton Rouge, LA

