

**From:** Milam Mabry milam@mabrypublicaffairs.com  
**Subject:** Re: SNWW Briefing  
**Date:** February 17, 2014 at 12:55 PM  
**To:** Randall Reese rreese@navigationdistrict.org



Randy,

Thank you for this note, sir. I hope you had a wonderful weekend. I look forward to reviewing the final version of Clayton's BCR memo and will keep you posted on my progress getting things shaken loose and moving from Corps HQ's.

Also, everyone I'm speaking to feels very confident we will have a Conferenced WRDA bill before the July 4th recess. I am speaking to the Staff and Members that are actually in the room doing the negotiating, so I feel my intel. is strong for us.

I will keep you posted and thanks for keeping me in the loop. I very much do want to participate in the upcoming BCR meeting with industry we've all been discussing.

Thanks Randy!

**Very Respectfully,**

**- Milam Mabry**



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Milam Mabry  
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On Feb 14, 2014, at 11:55 AM, Randall Reese wrote:

FYI

Randall Reese  
General Manager  
Sabine Neches Navigation District

Begin forwarded message:

**From:** Randall Reese <rreese@navigationdistrict.org>  
**Date:** February 13, 2014 at 8:53:19 AM CST  
**To:** "Jackson, Kathleen" <kathleen.jackson@exxonmobil.com>

Cc: "chenderson@navigationdistrict.org" <chenderson@navigationdistrict.org>, "hubertoxford@benoxford.com" <hubertoxford@benoxford.com>, "JimRich@bmtcoc.org" <JimRich@bmtcoc.org>, "rpdeville@hdaissues.com" <rpdeville@hdaissues.com>  
**Subject: Re: SNWW Briefing**

Kathleen

Great read Kathleen and Clayton did a great job.

I think we may be working with a Computer model that was created to fit ports that handle boxes, cars and other widgets. If we are not able to make the model capture a true picture of our B/C we need to work on a backup plan as we go forward. In gathering our info to input into this model we may want to engage Ray Perryman (Martin) to revisit our project with a national lens only and recreate our own B/C with updated info. After this update be prepared to go to D, C. (if we disagree with the model's outcome) and enlighten the shortcomings of the current model. If the model is jaded we may be the catalyst that results in a needed change in the model or a separate model. Let's don't assume the creators of this model have or had a complete understanding of the multiple disciplines of the many ports throughout the U. S.

How's not the time to worry about cost.

Schedule is important,

- 1 If WRRDA passes soon we may need to engage both avenues, model and study.
- 2 How long to gather the info from our partners.
- 3 When can we get together with the corps and work the model.
- 4 When do we get the results of the model (B/C ratio).

In a conversation yesterday with Randy DeLay he commented if the bill doesn't pass in the next 2 to 3 weeks it will be after the November election. If this is true it would put into question getting any funds in 2016.

Your comments welcomed.

Thanks All  
Randy

Randall Reese  
General Manager  
Sabine Neches Navigation District  
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On Feb 12, 2014, at 6:45 PM, "Jackson, Kathleen" <[kathleen.jackson@exxonmobil.com](mailto:kathleen.jackson@exxonmobil.com)> wrote:

Msg Class:Unclassified

Thanks Clayton! Kathleen

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**From:** Clayton Henderson [<mailto:chenderson@navigationdistrict.org>]  
**Sent:** Wednesday, February 12, 2014 05:48 PM  
**To:** Jackson, Kathleen  
**Cc:** Randall Reese ([rreese@navigationdistrict.org](mailto:rreese@navigationdistrict.org)) <[rreese@navigationdistrict.org](mailto:rreese@navigationdistrict.org)>; [hubertoxford@benoxford.com](mailto:hubertoxford@benoxford.com) <[hubertoxford@benoxford.com](mailto:hubertoxford@benoxford.com)>; Jim Rich ([JimRich@bmtcoc.org](mailto:JimRich@bmtcoc.org)) <[JimRich@bmtcoc.org](mailto:JimRich@bmtcoc.org)>; Renwick DeVille ([rpdeville@hdaissues.com](mailto:rpdeville@hdaissues.com)) <[rpdeville@hdaissues.com](mailto:rpdeville@hdaissues.com)>  
**Subject:** Re: SNWW Briefing

Kathleen,

Very we'll said and I'll work your comments into DRAFT two. I'll push it out to you again once I get it edited.

Supposedly the model does capture the multiplier effect, or I'm told it does. However, when I read the HarborSym manual, I'm not sure that I agree that it does. HarborSym, as a model, assumes it is scoring an actual harbor (port, docks, etc.) It doesn't appear to accept inputs (directly) like "refining capacity expansion".

You've captured it when you mentioned the industry champion. And I agree the ask should be stronger. I curbed it because I wasn't quite sure of the intended audience or delivery method. I'll tweak that part as well.

Thanks for your help,

Clayton Henderson  
Assistant General Manager  
Sabine-Neches Navigation District  
office: 409.729.4588

On Feb 12, 2014, at 14:43, "Jackson, Kathleen" <[kathleen.jackson@exxonmobil.com](mailto:kathleen.jackson@exxonmobil.com)> wrote:

Clayton, very well done...just a few thoughts:

Just so I understand...under the B/C definition...someone transporting wigetts could get a high B/C ratio as long as transit times, operating costs etc are optimized. Is there no recognition in the model of the multiplier effect that supporting energy infrastructure provides to the economy? Forty percent of the GNP for Texas is attributable to the energy sector along the coast...it drives the rest of the state...and the same is true for the nation.( I know I am preaching to the choir... but ours is uniquely an energy industrial channel...figuratively speaking an energy pipeline that feeds the rest of the nation...this is basically why there exists a strong federal interest in the SNWW and this project).

While it may be new that the magnitude of the B/C ratio has now been defined as to what it takes to get into the WRDA bill...we have always known that to reach the end game (secure appropriation funding) we needed to recalculate it...in my mind the SNND has always had this as a part of their project strategy. Now the process is working in our favor because the recalculation is being mandated for all projects. We need to be careful that we don't dwell too much on where we are now relative to the old BCR scoring.

I think we need to be a little more aggressive on the ask. If all we ask for is ...“meetings with appropriate industry representatives”...we did this last time and it didn't really get us what we needed. We need the large channel users to embrace the work effort, commit their top resources and think creatively so we can capture all possible benefits. And we need an industry champion to coordinate the effort.

Could we consider phrasing the ending sentence in a positive way ...SNWW is uniquely positioned to capture the benefits of the Panama Canal expansion... we only need to translate what we know are viable benefits (as indicated by the ongoing investment) into the Corp's transportation language to be successful.

Thank you again for all you hard work!

Kathleen Jackson  
Public & Government Affairs Manager  
ExxonMobil Beaumont Complex  
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(409) 284-7436 (Cell)

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**From:** Clayton Henderson [<mailto:chenderson@navigationdistrict.org>]

**Sent:** Tuesday, February 11, 2014 5:35 PM

**To:** Jackson, Kathleen

**Cc:** Randall Reese; [hubertoxford@beoxford.com](mailto:hubertoxford@beoxford.com); Renwick P. DeVille; Jim Rich

**Subject:** Re: Briefing of ExxonMobil Executives

Kathleen

CLAYTON,

Attached is the 1st DRAFT of a memo regarding the benefit-to-cost ratio. I've included our reasoning for needing industry participation in getting it updated and improved.

Please review and give me your comments and thoughts.

Best,

**Clayton Henderson** | Assistant General Manager  
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*Our Commitment Runs Deep*