Congress, Administration Infrastructure Test Balloons Carry January Dialogue

Problem Solvers Caucus Released Report of Bipartisan Solutions; Unverified Outline of White House Plan Circulated

A little over a year ago, President Trump took office and the transportation world crossed its fingers, eagerly awaiting the infrastructure proposal promised during his campaign. However, other priorities delayed the first 100 days timeline as Congress and the President instead looked to tackle health care and tax reform.

With a year under our belts of speculation and anticipation, Administration officials reported the 70-page plan would be released around the time of the President’s first State of the Union address at the end of January. Given the federal government shut down, and efforts to address immigration reform, questions loom if this will push the timeline back once more. The President seems more optimistic, saying in an interview on January 24 that he expects the plan will be released “right after” the State of the Union and will result in $1.7 trillion in investment. While the White House has not yet launched their proposal, some Members of Congress, including the active Problem Solvers Caucus, have continued work on this important issue and developed a bipartisan list of recommendations for any infrastructure bill, more on that below.

Ahead of the State of the Union, on January 22, 2018 multiple trade publications published an unverified outline of the White House infrastructure proposal. The six-page outline displayed an infrastructure plan that will focus on leveraging non-federal dollars for infrastructure investment and address varying types of infrastructure, including: surface transportation, airports, passenger rail, maritime and inland waterway ports, flood control, water supply, hydropower, water resources, drinking water facilities, storm water facilities, and Brownfield and Superfund sites.
The outline did not include a funding source nor did it include an exact funding number. It did, however, outline how any funds will be divvied up:

- **50% of funds would go to an **Infrastructure Incentive Initiative**: a biannual competitive grant program open to all infrastructure. The criteria place a heavy emphasis on an applicant’s ability to secure non-federal funding for the project.

- **10% of funds would go to the **Transformative Projects Program**: a competitive grant program focusing on innovative infrastructure projects that are “unable to secure financing through private sector due to the uniqueness of the program.” Also open to all infrastructure.

- **25% of funds would go to the **Rural Infrastructure Program**: 80 percent of the funds would be distributed through a formula program and 20 percent would be distributed through a competitive grant program at the state level. This is designed to invest in rural communities to facilitate the movement of freight as well as to provide reliable and affordable transportation options. Again, while it does place an emphasis on freight in the description, the program is open to all infrastructure.

- **7.05% of funds would go to Federal Credit Programs**: expand existing federal credit programs, including TIFIA, RRIF, WIFIA, and the U.S. Department of Agriculture Rural Utilities Lending Program.

- An unspecified amount of funds would go to a new Public Lands Infrastructure: this would create the Interior Maintenance Fund within the U.S. Treasury, populated by funds from new oil and mineral extraction projects.

- An executive order to allow for the disposal of federal assets for infrastructure projects.

- **5% of funds would go to a new Federal Capital Financing Fund**: create a mandatory revolving fund to buy federal land for infrastructure projects.

The outline also indicates that the plan will expand eligibility for private activity bonds (PABs), broaden tolling on interstate highways, streamline the permitting process for both rail and water infrastructure projects, and allow states to repay federal government investment to eliminate the “perpetual application of federal requirements.”

In their comments surrounding the unverified outline, a White House spokesperson said they “look forward to presenting [their] plan in the near future.”

In the meantime, a bipartisan group of House lawmakers has taken up the infrastructure flag themselves, with the help of industry stakeholders including CAGTC. The Problem Solvers Caucus released a report titled “Rebuilding America’s Infrastructure” on January 10, 2018. The Problem Solvers Caucus is a group of 48 House Representatives half of whom are Republicans and the other half Democrats. The Caucus is co-chaired by Representatives Gottheimer (D-NJ) and Reed (R-NY), while the Infrastructure Working Group of the Caucus is chaired by Representatives Esty (D-CT) and Katko (R-Y). It was originally formed in January 2017 with the goal of finding common sense solutions to programs and policies that Congress and the Administration have prioritized for improvement.
CAGTC had the pleasure of providing the Caucus’ Infrastructure Working Group with policy recommendations aimed at improving freight mobility and infrastructure development, and were pleased to see many suggestions adopted. Among other suggestions, the Report recommended:

• Increased funding eligibility for multimodal projects under the Fixing America’s Surface Transportation (FAST) Act’s INFRA and freight formula programs;

• Transparency in federal grant decision making;

• Project approval streamlining measures that reduce delivery time and costs without jeopardizing safety; and

• Sustainable and long-term funding solutions that support the freight system.

CAGTC Members in town for TRB rallied and showed up in full force for the launch of the Report, filling the room with support for freight.

You can read the full Problem Solvers Caucus report [here](#), a CAGTC summary of the freight provisions in the report [here](#), CAGTC’s press release about the report [here](#), and engage in the conversation on social media with the hashtag #TimeForInfrastructure.

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**Save The Date**

**2018 CAGTC Annual Meeting**

**May 16-17**

**Washington, D.C.**

May 16 will be open to the public and take place on Capitol Hill while May 17 is reserved for CAGTC Members only. As always, both days are free to attend. More information to come!
Navigating global commerce in this age of shifting trade lanes and new super-alliances has created escalating infrastructure challenges for the United States, especially with regards to our seaports. The world’s largest ocean carriers have already discovered that forming alliances creates greater efficiencies. As a result, they are replacing older fleets with newer, larger ships that need deeper and wider channels and redesigned berths and shore infrastructure.

For the past four years, Port Everglades has exceeded one million TEUs (20-foot equivalent units, the industry’s standard container measurement). The Port’s cruise passenger counts have also increased steadily over the years and our petroleum volumes are increasing as Florida’s population continues to swell – even surpassing New York a few years ago.

This growth is not coincidental. Port Everglades exercises an aggressive, comprehensive Master/Vision Plan that is updated on a regular basis so that its five-year Master Plan, and 10 and 20-year planning horizons stay current with industry trends and technologic advances. This commitment to planning – both physical and financial – has made Port Everglades one of the top ten containerized cargo ports in the United States, one of the top three cruise ports in the world and the primary distribution fuel hub for all southern Florida.

Ongoing capital improvements and expansion ensure that Port Everglades is ready to handle future growth in container, cruise and petroleum traffic. Currently we have more than $1 billion infrastructure improvements on the books for the next 10 years.

New cargo berths and Super Post-Panamax gantry cranes are in store for the Port Everglades Southport Container Complex. The $437.5 million expansion, the largest infrastructure project in the Port’s history, will allow for up to five new cargo berths by lengthening the existing Southport Turning Notch (deep-water turn-around area) for cargo ships from 900 feet to 2,400 feet. The project is expected to be completed and operational by 2021.

Part of this effort includes installing crane rail infrastructure for new Super Post-Panamax gantry cranes. Port Everglades has ordered three Super Post-Panamax container-handling gantry cranes at $13.8 million each to meet demands from current customers and new services anticipated from the Port’s multi-million-dollar expansion program. The Port also has an option to purchase an additional three cranes within the next five years.

Continued on Page 5
To further enhance ship traffic at Port Everglades, the U.S. Army Corps of Engineers is moving forward with a progressive plan to deepen the Port’s navigation channels from 42 feet to 48-50 feet and widen narrower sections of the channel for safe vessel passage. The project is currently in the preconstruction engineering and design phase, having received Congressional authorization in December 2016. Deeper channels are needed to safely accommodate increasingly larger cargo ships, especially those already coming from Europe and South America that must be lightly loaded due to the existing water depth. The project addresses environmental concerns and will utilize innovative approaches to coral restoration and protection. Construction will take place in multiple phases and is expected to be completed between 2021-2025, an estimated 3-5 years after construction begins. The estimated cost to date is $389.3 million.

Port Everglades is the major seaport for receiving petroleum products for 12 counties in South Florida, including jet fuel for four international airports. To increase petroleum receiving capacity, the Port in conjunction with the petroleum industry is redeveloping Pier 1 by widening the adjacent slip by 150 feet and installing new offloading facilities. The petroleum industry will start construction of a new manifold system beginning mid-year 2018. This is the first step of this multi-phase effort. The project is anticipated to be completed by 2026.

Landside, the Port has completed several multi-million-dollar public-private infrastructure improvement projects that improve connections with South Florida’s major highway and railroad systems.

One notable addition is a 43.4-acre near-dock Intermodal Container Transfer Facility (ICTF) that is owned and operated by the Florida East Coast Railway (FECR). The ICTF’s location adjacent to the majority of the Port’s containerized cargo terminals allows international containers to be quickly transferred between ship and rail. The three-year-old $72 million ICTF also handles domestic containers originating in or destined for the Eastern United States market.

To enhance productivity for over-the-road container movement, the Florida Department of Transportation (FDOT) invested $42.5 million to build the Eller Drive Overpass connecting the east end of I-595 directly to the Port’s main entrance. The Overpass allows vehicles entering Port Everglades to travel unimpeded over two rail tracks that lead into the FECR’s ICTF. I-595, connects directly to I-95, I-75 and Florida’s Turnpike.

This year, Port Everglades officials will begin meeting with port stakeholders, customers and people in our community to gather their input as we update our 20-year Master/Vision Plan. We believe that ongoing capital improvements and expansion ensure that Port Everglades will be ready to handle future growth and meet consumer needs. As Port Everglades continues to advance major infrastructure projects, all aimed at improving capacity and productivity, this South Florida powerhouse seaport will continue to serve as an ideal point of entry for products shipped around the world.
Testifying before the Senate Environment and Public Works Subcommittee on Transportation and Infrastructure, Ohio-Kentucky-Indiana Regional Council of Governments (OKI) CEO Mark Policinski called on Congress to implement a strategic campaign of investment in our nation’s freight infrastructure. Noting that the current world economy demands that nations elevate their infrastructure to compete on the global stage, Mr. Policinski asked Congress to not only provide oversight for existing investment programs, but to also increase direct federal investment in our freight network.

Mr. Policinski represented both OKI and the Coalition for America’s Gateways & Trade Corridors (the Coalition) at the December 20, 2017 hearing. Commending the Subcommittee on their prioritization of freight in the FAST Act, Policinski encouraged Congress to continue their oversight of the Act’s freight provisions to ensure they are implemented in accordance with Congressional intent. He noted that competitive grants, like the INFRA program, have a proven ability to attract non-Federal dollars to fund projects, but projects should first be evaluated on their ability to meet the program’s goals, based on objective, merit-based criteria defined by Congress. Investment in the U.S. multimodal freight system results in public benefits and therefore cannot be considered a business proposition alone.

“For years, OKI’s motto has been ‘Freight is the Future’,” said Policinski. Illustrative of the OKI region’s role in the national freight network is one of the nation’s most recognized infrastructure needs - the Brent Spence Bridge. The Bridge is a lynchpin to the I-75 trade corridor connecting Michigan to Miami and carries over a billion dollars of goods daily. Originally built to handle 80,000 vehicles per day, the bridge now carries double that number, and its congestion and structural deficiencies cost the economy $750 million annually.

Recognizing that freight does not move on highways alone, Policinski asked Congress to ensure that public agencies can invest in their most critical goods movement needs – regardless of mode. The efficient movement of goods across modes not only benefits companies transporting goods but also communities and customers.

“I commend the Committee and its leadership for their continued devotion to improving freight infrastructure. The FAST Act made significant strides in prioritizing investment in our multimodal goods movement network, but requests for funding demonstrate that much more is needed,” said CAGTC Executive Director Elaine Nessle. According to USDOT, $13 of funding was requested for every $1 available through the FY16 INFRA grant program. “Our international trading partners are outpacing our investments at a rapid clip – increased funding dedicated to freight infrastructure is necessary in order for the U.S. to remain competitive in the world marketplace.”
Don’t Miss the Buzz!
Follow @CAGTC and our Partners on Twitter
#FreightCantWait

Caltrans HQ @CaltransHQ
Find transportation projects in your area that the State and local communities are already investing in with SB 1 revenue- http://rebuildingca.ca.gov/map.html #RebuildingCA

NW Seaport Alliance @SeaportNW
Cargo stats: NWSA international container volumes grew 4 percent in 2017 nw.sa.com/cargo-stats

ONT02050 @ONT02050
SAVE THE DATE: Mark your calendar to celebrate metropolitan Chicago’s future at the ON TO 2050 launch event on October 10, 2018...CMAP will present the region’s new comprehensive plan, which will have been in the making for three years.

NASCO Network @NASCONetwork
Round 6 begins this week in Montreal. #naftaworks http://on.wsj.com/2mXRhzU

MOFFATT & NICHOL @moffattnichol
In the news today! We are honored to receive an ACEC 2018 Merit Award for the Emergency Wharf Repair at North Embarcadero in San Diego, CA. http://bit.ly/2n0UIW

Port Authority NY&NJ @PANYNJ
November 2017 #cargo volumes continue to show growth at Port NY & NJ. Read the Breaking Wave here: http://bit.ly/2rvWpRi #shipping #logistics #transportation #economy #distribution #maritime #ports

Give Freight a Fund @CAGTC
#Freight is growing: the 2017 Transportation Statistics Annual Report by @USDOT found the U.S. moved 56 tons of freight per person in 2015, a 4% increase since 2012 #FreightFriday http://bit.ly/2D6I9Qv
You and your guests are cordially invited to the

SAN GABRIEL VALLEY

Congressional Appreciation Reception

TUESDAY, MARCH 20, 2018
5:00 P.M. TO 7:00 P.M.
Rayburn House Office Building
Room 2253
Washington, D.C.

Please RSVP by March 12 to Ricky Choi
rchoi@theaceproject.org or (626) 373-2686

This event complies with the revised House and Senate rules.
Industry News

Trombino Withdraws Nomination to Become FHWA Administrator

Former Iowa Department of Transportation Director Paul Trombino on December 8, 2017 withdrew his name from Senate consideration to become the next head of the Federal Highway Administrator, with news reports saying he has chosen to remain in Iowa to care for his ailing father.

Trombino, who also served a 2015-16 term as president of the American Association of State Highway and Transportation Officials and had deep industry experience, was awaiting a confirmation vote by the full Senate after the Commerce, Science and Transportation Committee on Oct. 25 approved his nomination by voice vote.

The former Iowa DOT chief left that agency in November 2016 to pursue work in the private sector, and subsequently became president of Des Moines-based McClure Engineering Co.

President Trump announced Sept. 8 that he was tapping Trombino to be FHWA administrator.

Read the full article here: http://bit.ly/2Ddd8OF

Industry News

Congressman Shuster Announces Decision to Not Seek Re-election

U.S. Representative Bill Shuster (R-PA), Chairman of the U.S. House Transportation and Infrastructure Committee, released the following statement on January 2, 2018 regarding his decision to not seek re-election to the House of Representatives:

“As we say goodbye to 2017 and greet 2018 with hope and optimism, I want to thank the people of the 9th Congressional District for their support and wish everyone a happy and prosperous 2018.

“It has been one of my life’s greatest honors to serve and represent the citizens of the 9th District for 17 years. It has also been a tremendous privilege to have been selected by my congressional colleagues to be Chairman of the Transportation and Infrastructure Committee for the last five years. I am proud of the legislation the Committee has passed into law, most with bipartisan votes. This is my final year as Chairman, and we have much still to do.

“So it is with a happy heart and a sense of accomplishment that I say this will be my final year in the U.S. Congress.”

Read the full release here: http://bit.ly/2EPEw2G
**Member News**

**Gateways Cities Council of Governments Appoints New Executive Director**

The Board of Directors of the Gateway Cities Council of Governments on December 6, 2017, voted to appoint Nancy Pfeffer as its Executive Director. Ms. Pfeffer has served for ten years as the COG’s Director of Regional Planning, a contract staff position. Ms. Pfeffer founded Network Public Affairs, LLC, a policy consulting practice focused on environmental and transportation issues, in 2006. Previously, she worked as a planner for the Southern California Association of Governments, as a policy analyst for ARCO, and as an environmental consultant. She holds a Bachelor’s degree from Harvard and a Master’s in Public Policy from the University of Southern California. She resides in downtown Long Beach.

The membership of the Gateway Cities Council of Governments is made up of representatives of 27 cities in southeast Los Angeles County, three County supervisors, and the Port of Long Beach. “We are very pleased to bring Nancy on board as our new Executive Director,” said Huntington Park Vice Mayor Jhonny Pineda, who serves as the President of the Gateway Cities COG. “We look forward to working with her in this new role,” said Pineda.


**Member News**

**IANA Elects 2018 Board of Directors and Officers**

On January 1, 2018, the Intermodal Association of North America installed its 2018 Board of Directors and officers, including three new members.

Adriene Bailey was elected to her second term as chairman of the Board. Bailey, a veteran of the intermodal industry, has held leadership positions at Yusen Logistics, Pacer International, CSX Transportation and the Southern Pacific Railroad.

“Adriene is a strong advocate for the intermodal industry and brings her extensive knowledge and insight to the table to benefit our membership,” said IANA President and CEO Joni Casey.

Serving along with Bailey as officers are Michael Wilson, senior vice president, Hamburg Sud North America, Inc., as vice chairman and Mark George, chairman, IMC Companies, as treasurer.

Additionally, the Board welcomed new members Shelli Austin, InTek Freight & Logistics Inc., representing the 3PL Division; Douglas Hoehn, Milestone Equipment Holdings, representing the Supplier Division; and Kevin Lhotak, Reliable Transportation Specialists, Inc., who was elected to an At-Large seat. James Newsome of the South Carolina Ports Authority was re-elected as a Marine Division representative. The term of service for each of these four board seats is three years.

Florida East Coast Railways names Asplund president, CEO

Nate Asplund has succeeded James Hertwig as president and chief executive officer of Florida East Coast Railway.

Asplund, who assumed his new role on Jan. 8, most recently served as president and CEO of the Red River Valley and Western Railroad (RRVVW), a regional railroad serving North Dakota and Minnesota, FEC Railway officials said in a post on the company’s website.

During Asplund’s tenure at RRVW, the regional railroad achieved record volume for rail transportation and car repair, sited three additional grain shuttle facilities, built a wind project distribution terminal and attracted customer investments approaching $90 million.

From 2010 to 2015, Asplund served as assistant vice president, Mexico, for BNSF Railway Co. During that time, he led a U.S.- and Mexico-based team focused on rail and intermodal transportation via five gateways accessed by BNSF and its partner railroads in Mexico.

Read the full article here: http://bit.ly/2rtmT69

Port Houston Continues to Deliver Solid Results

Through November, Port Houston terminals handled nearly 35 million tons of cargo representing a nine percent increase versus the same time last year, Executive Director Roger Guenther announced in his report to the Port Commission of the Port of Houston Authority today, during the last regular Port Commission meeting for the year. The main drivers for this growth include containers and steel imports, he noted.

“Steel volumes continue to trend upward, totaling 3.4 million tons, reflecting a 57 percent increase compared to the same period last year,” Guenther remarked. Container activity remains solid showing a growth of 14 percent year on year. “We expect to pass the 2.4 million TEU container mark by the end of this year,” Guenther added. He noted this milestone achievement for the port considering challenges including loss of time and labor hours due to the impact of Hurricane Harvey.

Actions taken by the Port Commission included its approval to reissue and amend Port Authority Tariffs Nos. 8, 14 and 15, covering the Turning Basin Terminal, Barbours Cut Terminal and Bayport Container Terminal, all effective Jan. 1, 2018. The commission also approved to amend an agreement with Konecranes Finland to purchase one more diesel electronic yard crane. This additional crane will increase the purchase order to 10 new cranes for Bayport Container Terminal.

Read the full release here: http://bit.ly/2DzfB2Q
Research News

Transportation Statistics Annual Report 2017

U.S. Department of Transportation Bureau of Transportation Statistics

January 2018

The Transportation Statistics Annual Report describes the Nation’s transportation system, the system’s performance, its contributions to the economy, and its effects on people and the environment. This 22nd edition of the report is based on information collected or compiled by the Bureau of Transportation Statistics (BTS) - the principle Federal statistical agency at the U.S. Department of Transportation.

Nearly 4.2 million miles of roads, more than 19,000 public and private use airports, more than 600,000 highway bridges, about 138,000 miles of freight and passenger railroads, 25,000 miles of navigable waterways, and nearly 2.7 million miles of oil and gas pipelines connect the Nation’s people and businesses across the continent and with the rest of the world.

The U.S. freight transportation system moved nearly 18.0 billion tons of goods valued at more than $19.1 trillion in 2015. Expressed in per-capita terms, this means that about 56 tons of freight moved for every man, woman, and child in the United States - a 4 percent increase since 2012.


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Research News

Port Performance Freight Statistics Program Annual Report to Congress 2017

U.S. Department of Transportation Bureau of Transportation Statistics

January 2018

Reflecting the importance of ports to the Nation’s multi-modal freight transportation system, Section 6018 of the Fixing America’s Surface Transportation (FAST) Act requires the Bureau of Transportation Statistics (BTS) of the U.S. Department of Transportation (USDOT) to establish “a port performance statistics program to provide nationally consistent measures of performance of, at a minimum, the Nation’s top 25 ports by tonnage; the Nation’s top 25 ports by 20-foot equivalent unit; and the Nation’s top 25 ports by dry bulk... [and] submit an annual report to Congress that includes statistics on capacity and throughput at the ports.” The status of BTS as a principal Federal statistical agency requires these measures to be objective, the methods of measurement to be transparent and published statistics to meet reasonable quality standards. FAST Act Section 6018 requires BTS to measure port throughput (defined in this report as the amount of cargo a port handles annually) and capacity (defined in this report as a port’s maximum annual throughput, defined by tonnage, TEU, or other unit).

Find the full report here: [http://bit.ly/2n0zSHG](http://bit.ly/2n0zSHG)
CAGTC & Freight in the News

GAO Report Examines Various Facets of Ways DOT Can Improve Selection of Freight and Highway Projects
*Logistics Management*
November 20, 2017
http://bit.ly/2z85cID

Senate Eyes Infrastructure Funding
*Transportation Today*
December 20, 2017
http://bit.ly/2D7hW42

Bipartisan Caucus Promotes Solutions for Freight Infrastructure
*American Journal of Transportation*
January 10, 2018
http://bit.ly/2mDwCBV

Upcoming Events

**March 20, 2018** San Gabriel Valley Congressional Appreciation Reception
Washington, D.C.

**March 20-21, 2018**: AAPA Spring Conference
Washington, D.C.

**April 15-18, 2018** ACEC Annual Convention & Legislative Summit
Washington, D.C.

**May 1-3, 2018** Intermodal Operations & Maintenance Business Meeting
Lombard, IL

**May 2-4, 2018** SCAG 2018 Regional Conference & General Assembly
Indian Wells, CA

**May 16-17, 2018**: 2018 CAGTC Annual Meeting
Washington, DC
Why Join CAGTC?

Shape Policy
CAGTC Members have the opportunity to help shape policy and legislation with an organization that is known for getting results on the Hill. Membership gives you a seat at the table as our positions are vetted, debated, finalized and carried to the halls of Congress, where we then pull out the votes. All members are invited and encouraged to participate in our various policy and planning committees, which meet by phone, email and, occasionally, in person.

Timely Communication
CAGTC strives to keep our members well informed and keyed in on important national freight developments. Because our work focuses solely on goods movement issues, we are able to disseminate concise, lightning-quick updates. Our members often tell us that CAGTC delivers information quicker than any of their other DC connections!

Access
CAGTC holds one annual, in-person meeting every spring, with impressive member turn out. In addition to our annual meeting, we frequently hold member events, such as a Fly In to engage in pressing issues during the fall of 2015, and a policy discussion in Miami, Florida, in the spring of 2016 to drill down on implementation events. We regularly boast members of Congress, senior members of the Administration, and their staff among our CAGTC speakers and attendees.

Up to Date Information
In all our endeavors, the Coalition highlights its member organizations as examples of good projects and how the process should work. We do this in our regular meetings on the Hill, at conferences and during presentations and in our newsletter, which goes out every other month. Members have a spotlight for recent achievements, a sounding board of experts for advice, as well as an opportunity to network with likeminded organizations.

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For more information about The Coalition for America’s Gateways and Trade Corridors or for newsletter submissions, please visit our website at www.tradecorridors.org or contact us at (202) 828-9100 or kcrosstblakey-agnew.com