

Water Transportation Advisory Board
December 3, 2013 Meeting Minutes

The meeting of the Water Transportation Advisory Board (WTAB) was called to order at 2:00 pm on December 3, 2013, in the Kentucky Transportation Cabinet Conference Center room C106 in Frankfort, KY.

The Advisory Board members in attendance were:

Greg Pritchett, Chairman	Ken Canter, Vice Chairman
Steve Alley	Greg Curlin
Norb Whitlock	Nickie Smith

Also in attendance were:

Juva Barber, KBT	Kenneth Beyer, Army Corps of Engineers
Chuck Knowles, KTC	Will McDowell, Economic Development
Brian Wright, Owensboro Riverport	Lori Kelsey, KIPDA
Brian Judy, Office of Attorney General	Lynn Soporowski, KYTC
Casey Wells, KYTC	Carol Brent, KYTC

The Chair asked for all those in attendance to introduce themselves, then opened the floor for public comments. No public comments were offered.

The Chair asked for any comments on the minutes of the September 19, 2013 meeting. Ken Canter moved and Norb Whitlock seconded to accept the September 19, 2013, minutes. Approval was unanimous.

Chairman Pritchett told the Board that he and Greg Curlin had appeared before the Budget Review Subcommittee on Transportation (a subcommittee of the Interim Joint Committee on Appropriations and Revenue) on October 24, 2013. They had prepared a report describing the projects undertaken with the funds granted in the 2012 budget and their impact. They requested an appropriation in the next budget of \$1 million per year in grant funding. Mr. Pritchett noted that other WTAB members were not notified prior to the appearance because he received very little advance notice that he was confirmed as a speaker at the meeting. Rep. Leslie Combs chaired the meeting and was instrumental in establishing the grant program in the previous budget. If anyone would like a copy of that report, they should contact Carol Brent of KYTC.

Chairman Pritchett asked Casey Wells of the Transportation Cabinet (KYTC) to describe the applications received for the Kentucky Riverport Improvement Program (KRIP) grants. Mr. Wells noted that, after the first round of recommendations, there was still \$132,402.50 of grant funds not distributed. Five applications were received requesting a total of \$208,305.00 in funding. Mr. Wells described the applications as follows:

- Eddyville Riverport and Industrial Development Authority: Ramp Improvements at #1 Grain Facility: **requested \$13,750.00**. The current ramps approaching and departing the #1 Grain Facility are asphalt with significant rutting caused by loaded trucks. The proposed work would provide a concrete surface that will improve the function and operation of the unloading facility, reduce maintenance needs, and provide a safe working environment.
- Owensboro Riverport Authority: New Truck Scales: **requested \$61,500.00, 30% of total project cost of \$205,002.00**. This project involves replacing the 25-year-old port scale in a new location to relieve congestion and improve safety.
- Owensboro Riverport Authority: Access Drive Spur: **requested \$50,000.00**. Project involves paving approximately 870' of an 1100' spur access road on a lot that is currently gravel, to proceed from the primary entrance road toward the new river dock. It involves removing 4" of gravel base and replacing it with 3.5" of stone base, 2.5" of pavement, and 1.5" of overlay.

- Hickman-Fulton County Riverport Authority: Dock Dredging: **requested \$27,500.00**. Project involves dredging an area that is outside the limits of Army Corps of Engineers dredging area, since HFCRA is a slack water port. The project will dredge an area 30' wide by 700' long and will require removal of approximately 15,000 cubic yards of material. This will eliminate light-loading of barges and increase safety since the barges can be more securely moored to the cells.
- Louisville & Jefferson County Riverport Authority: Riverport Railroad Rehabilitation: **requested \$55,555.00**. Project involves replacement of 1,000 deteriorated crossties on riverport-owned track in an effort to maintain reliability of the track. The crossties maintain the required gauge between the rails. As the ties lose the ability to hold the spikes, the gauge of the rail can change, causing track closures, or possibly derailment. Replacing the ties will significantly improve the reliability of the track and maintain rail access.

The Board members discussed whether replacement of the truck scales at Owensboro Riverport should be considered maintenance of access, which is an eligible expense for the funding available for the grant program, or a capital expenditure which is not eligible. Member Greg Curlin said that in the previous round, his riverport was awarded a grant to replace a scale. Ken Canter suggested that it was then considered to be maintenance of access to the port and therefore was eligible as a maintenance expense. Mr. Alley suggested that repair of the roadway constitutes maintenance but the scale itself is a capital expense.

The Board vote on eligibility of the projects was unanimous that four of the projects were eligible but split evenly (three to three) on the eligibility of the Owensboro scale replacement. There was further discussion as to eligibility of replacement of a scale as a maintenance expense. Brian Wright of the Owensboro Riverport replied to a question from Chairman Pritchett that Owensboro would prioritize the paving of the spur road above the scale project. On a second eligibility ballot that included only the Owensboro Riverport scale project, the vote was four in favor of eligibility and two against. Therefore all 5 projects were deemed eligible for prioritization.

Members were requested to rank the five projects from the highest priority of one to the lowest priority of five. After calculating the total score for each project and ranking the projects by their total score, Chairman Pritchett was provided the results which were prioritized as follows:

1. Hickman-Fulton County Riverport Authority: Dock Dredging Project: **requested \$27,500.00**.
2. Eddyville Riverport and Industrial Development Authority: Ramp Improvements at #1 Grain Facility Project: **requested \$13,750.00**.
3. Owensboro Riverport Authority: Access Drive Spur: **requested \$50,000.00**.
4. Louisville & Jefferson County Riverport Authority: Riverport Railroad Rehabilitation Project: **requested \$55,555.00**.
5. Owensboro Riverport Authority: New Truck Scales: **requested \$61,500.00**.

The Board was reminded that not enough grant program funds were available to fund all of the prioritized projects. Norb Whitlock suggested that the top three prioritized projects be fully funded and the fourth project be awarded whatever funds remain in the grant program. This would result in Louisville Riverport (priority 4) not being awarded the full requested funding for the railroad rehabilitation project and the Owensboro Riverport scale project would not be funded at all. On motion of Steve Alley, seconded by Ken Canter, the Board unanimously voted to recommend the following grants:

1. Hickman-Fulton County Riverport Authority: Dock Dredging Project: **requested \$27,500.00, recommended \$27,500.00**.
2. Eddyville Riverport and Industrial Development Authority: Ramp Improvements at #1 Grain Facility Project: **requested \$13,750.00, recommended \$13,750.00**.
3. Owensboro Riverport Authority: Access Drive Spur: **requested \$50,000.00, recommended \$50,000.00**.
4. Louisville & Jefferson County Riverport Authority: Riverport Railroad Rehabilitation Project: **requested \$55,555.00, recommended \$41,152.50**.

The Board discussed whether it should approach individual legislators or legislative committees to recommend continuation and increase of the KRIP program and funding. The Board was reminded that it is not allowed to propose legislation. It was suggested that it would be valuable for representatives of the individual riverports to make contacts and to present the results of the previous grants to show their benefit to the industry. It was clarified that the current grant program is budgeted through the Transportation Cabinet so is somewhat restricted in the type of projects that may be funded according to the KY Constitution. Riverports would prefer that the funding come from other sources so could be less restrictive. The legislative committee presentation recommended \$1 million annually be shifted from the Foreign Water Craft Property Tax to the Riverport Financial Assistance Trust Fund, which was established during the 2010 General Assembly.

The next meeting date will be decided upon at a later date, and is projected to be sometime in late March 2014. Ken Canter made a motion to adjourn which was seconded by Nickie Smith. The meeting adjourned.

Submitted:

Casey Wells

Water Transportation Advisory Board staff, KYTC