

Water Transportation Advisory Board (WTAB)
June 4, 2015 Meeting Minutes

Approved (date): 06/14/16

The meeting of the Water Transportation Advisory Board (WTAB) was called to order at 1:10 pm on June 4, 2015, in the Kentucky Transportation Cabinet Conference Center room C106 in Frankfort, KY.

The Advisory Board members in attendance were:

Greg Pritchett, Chairman	Greg Curlin
Ed Riney	Nickie Smith
Norb Whitlock	Larry McFall

Also in attendance were:

Brian Wright, Owensboro Riverport	Bryan Judy, Office of Attorney General
Lori Kelsey, KIPDA – Louisville MPO	Juva Barber, KBT
Lynn Soporowski, KYTC	Casey Wells, KYTC
Carol Brent, KYTC	Stacie Rockaway, Congressman Massie’s staff member

(Prior to the beginning of the meeting, Disclosure of Conflict of Interest Statement forms were distributed for completion by the members.)

Notes:

The meeting was called to order at 1:10 pm by Chair Greg Pritchett who noted that Board Member Greg Curlin has been in a vehicle accident and that Lynn Soporowski was on her way to bring Mr. Curlin and family to Frankfort. They arrived at the meeting at 1:25 pm.

Larry McFall of the Louisville Riverport attended the meeting initially as a visitor. The Executive Order from the Governor’s Office had not yet been received for his appointment to complete the term of Ken Canter, who had resigned from the Board. However, that notice was received electronically at the start of the meeting and Mr. McFall joined the meeting as a Board Member prior to project prioritization.

The Chair requested that attendees introduce themselves and then opened the floor for public comments. No public comments were offered.

The Chair asked for comments on the minutes of the October 30, 2014 meeting. There being none, Nickie Smith moved and Norb Whitlock seconded to accept the October 30, 2014 minutes. Approval was unanimous.

Casey Wells presented a list of the funds awarded through the Riverport Improvement grants program, showing the total amount of money granted to each riverport for past years. Summary amounts requested by each port are as follows:

- Eddyville Riverport \$111,000.00
- Greenup-Boyd Riverport \$93,122.50
- Henderson Riverport \$164,890.00
- Hickman Riverport \$211,930.00
- Louisville Riverport \$205,110.00
- Owensboro Riverport \$472,782.25
- Paducah Riverport \$200,000.00

Casey also discussed the Paducah Riverport project for which Paducah returned \$50,000. The FY2013 grant was to improve rail facilities, but Paducah and Louisville Railroad decided to terminate rail service to the riverport. The funds were returned to the General Fund and were no longer available to the riverport improvement program.

Eleven applications were received for funding through the FY 2016 Riverport Improvement grants program. \$500,000 is available and the applications requested \$1,363,690.86 in funding. Chair Pritchett requested that the riverports describe their applications.

During the discussion of the Greenup-Boyd County Riverport application for crossties and crossing repairs, there was conversation of whether the riverport railroads could qualify as shortline railroad companies, which are eligible for shortline rail crossing improvement grants. These shortline grants are only available for road-rail crossing improvements and the state pays 80% of the cost of the project, requiring a 20% match from the railroad. Eligible applicants for these funds are shortline railroads, as defined by FRA classifications II or III, with revenue less than \$40 million, including railroad switching or terminal companies. Nickie noted that since the person she employs to switch trains is not a licensed engineer, the riverport does not qualify as a railroad terminal or switching company. It was also noted that any facilities being improved with the riverport grants must be owned by the riverport. Generally the railroads pre-existed the highways so the railroad owns the rights-of-way at crossings.

During the discussion of crane replacements, the statutory requirement that the grants be used for “maintenance of access” for the riverports was discussed. Board members expressed that the cranes provide access to barges and their products. Lynn Soporowski noted that the funds for the riverport grants are derived from the Kentucky General Fund and not from the Highway Fund which is constitutionally limited to projects on highways. Further, by funding riverport improvements, the life of surrounding highways will be extended. For example, if there is no riverport crane, materials cannot be shipped by water so the roads will have more truck traffic and will deteriorate more quickly.

Following is a list of projects that were received as applications for riverport improvement grants and presented at the meeting:

- Greenup-Boyd County Riverport: Crossties And Crossing Repair: **requested \$64,215**. Nickie Smith described the project that will replace four railroad crossings and 176 crossties. The crosstie replacement is part of a larger effort to replace 352 crossties following a CSX inspection. A new company has located at the riverport and rail traffic has increased to 8 more train cars per week. The riverport owns the railroad track and has already replaced some 150 crossties within the port property.
- Greenup-Boyd County Riverport: Installation of rail and switch: **requested \$94,000**. Nickie Smith described the project that will install a new switch and 300’ of track as an extension to the track currently on site. This extended track will serve a new customer at the riverport that plans to load approximately 6 to 8 train cars per week. The company is expected to account for 50 more trucks per day at the riverport. The track extension will reduce congestion on the riverport railroad and keep the port from continually having to move rail cars. The new business is not expected to participate in the funding of the project.
- Hickman-Fulton County Riverport: Scale Access Paving: **requested \$7,250**. Greg Curlin described the project that will provide a paved area of about 85’ x 92’ for truck access and parking at the scale house. It will be adjacent to and connect with the new access road Hickman Riverport completed as one of their FY 2015 Riverport Improvement projects. This project would minimize maintenance and reduce dust. The project would place asphalt pavement from the city street to the scale.
- Hickman-Fulton County Riverport: Grain Conveyor Access: **requested \$5,425**. Greg Curlin described the project that will construct a concrete ramp on both ends of the grain unloading conveyor. Currently, the ramps that allow trucks to approach and depart from the conveyor pit are gravel. This project would minimize

maintenance and reduce dust. The port will be trying to complete the project either before the grain season or between wheat and corn deliveries.

- Hickman-Fulton County Riverport: Dock Dredging #2: **requested \$25,075**. Greg Curlin described the project that involves dredging an area that is 30' wide by 700' long and will require the removal of approximately 15,000 cubic yards of material. The proposed project area extends from the USACE dredging boundary to the riverport docks. The port needs to keep the dock area at the same level as the river which is being dredged by USACE. That will allow loading of barges even if the river gets low and the Corps calls for no more than 8' draft barges.
- Hickman-Fulton County Riverport: Crane Replacement: **requested \$250,000**. Greg Curlin described the project that will rebuild or replace the existing 125 ton pedestal-mounted crane that is approximately 40 years old and was damaged in 2014 to the extent it had to be shut down. The crane location is somewhat differently than others because it is mounted at the end of a bridge that trucks have to back down to deliver their materials. The riverport is currently without an operating crane and has contracted with a neighboring business to do their work. The updated crane would bring at least five new jobs to the port. They are not trying to purchase a new crane but, at least, to update the machinery. The port has insurance proceeds that will be used and has been assured by the Delta Regional Authority (DRA) that it will provide about \$200,000 toward the purchase cost. The port is looking to purchase a crane in the price range of \$750,000 and is allowed to use the DRA grant as part of their match. Hickman is requesting 33% of the total estimated cost.
- Owensboro Riverport: Railroad Maintenance and Repair: **requested \$88,257.50**. Brian Wright described the project involving replacing deteriorated crossties, rail track, and ballast. It will correct rail that is out of gauge and repair the unloading pit, along with several other proposed work items. The riverport is seeing a dramatic increase in rail traffic and this work will improve safety and efficiency of rail operations.
- Owensboro Riverport: Solvay Milling Facility Asphalt Paving: **requested \$83,266.50**. Brian Wright described the project that will construct an asphalt road around the Solvay Milling facility and a parking lot for a total of 6,100 square yards of asphalt. This project would fulfill requirements for dust control and local permitting.
- Owensboro Riverport: Solvay Milling Facility Side Rail: **requested \$206,951.86**. Brian Wright described the project involving constructing a twin rail industrial side track approximately 1,200' in length for bulk material unloading. The proposed side track will be the primary unloading area for the Solvay Milling facility. The riverport has experienced congestion on its railroad because of the increased volume of business from this new facility. The railroad spur will alleviate that congestion.
- Eddyville Riverport: Agri-Port Road Widening: **requested \$39,250**. Casey Wells described this project since no Eddyville Riverport representative was in attendance. This project involves a 6' road widening for the port's main support road. The additional width will bring the total width to approximately 22' and allow two-way traffic. Since the road is not wide enough for two-way traffic, truck traffic blocks riverport ingress and egress. The road widening will alleviate congestion.
- Henderson County Riverport: Dock Crane Restore/Replace: **requested \$500,000**. Greg Pritchett described the project to rebuild or replace the existing crane, which is a working 125 ton pedestal-mounted crane that is approximately 35 years old. The riverport is requesting 30% of the estimated cost of a new crane or 50% of the estimated cost of rebuilding the existing crane. With cranes this old, one issue is that crane operators are normally not familiar with the controls and the technology needs to be updated. While the crane has not yet failed, when it does fail, it will be devastating because the crane is the heart of the riverport's business.

Casey Wells distributed ballots for the Board to vote on eligibility of the projects. The majority vote of the Board was that all eleven projects were eligible for prioritization. Members were then provided prioritization ballots and were requested to rank the projects from the highest priority of one to the lowest priority of eleven. After calculating the total score for each project and ranking the projects by their total score, the projects were prioritized as follows:

1. Hickman-Fulton County Riverport: Dock Dredging #2: **requested \$25,075**.
2. Greenup-Boyd County Riverport: Installation of Rail and Switch: **requested \$94,000**.
3. Eddyville Riverport: Agri-Port Road Widening: **requested \$39,250**.
4. Greenup-Boyd County Riverport: Crossties And Crossing Repair: **requested \$64,215**.

5. Hickman-Fulton County Riverport: Crane Replacement: **requested \$250,000.**
6. Hickman-Fulton County Riverport: Grain Conveyor Access: **requested \$5,425.**
7. Owensboro Riverport: Railroad Maintenance and Repair: **requested \$88,257.50.**
8. Hickman-Fulton County Riverport: Scale Access Paving: **requested \$7,250.**
9. Owensboro Riverport: Solvay Milling Facility Asphalt Paving: **requested \$83,266.50.**
10. Henderson County Riverport: Dock Crane Restore/Replace: **requested \$500,000.**
11. Owensboro Riverport: Solvay Milling Facility Side Rail: **requested \$206,951.86.**

Casey announced the priorities and noted that the first six priorities could be fully funded with around \$25,000 remaining. The Board discussed whether some projects could receive less funding than requested in order to fund other projects. The applicants decided to reduce the funding awarded to the Hickman-Fulton County Riverport crane project to \$200,000, and the Greenup-Boyd County installation of rail and switch to \$77,777.50, so that priority #7, Owensboro Riverport's railroad maintenance and repair, could be fully funded. On motion by Larry McFall, seconded by Ed Riney, the Board unanimously voted to recommend to the Secretary funding Kentucky Riverport Improvement projects as follows:

1. Hickman-Fulton County Riverport: Dock Dredging #2: **requested \$25,075.**
2. Greenup-Boyd County Riverport: Installation of rail and switch: **requested \$77,777.50.**
3. Eddyville Riverport: Agri-Port Road Widening: **requested \$39,250.**
4. Greenup-Boyd County Riverport: Crossties And Crossing Repair: **requested \$64,215.**
5. Hickman-Fulton County Riverport: Crane Replacement: **requested \$200,000.**
6. Hickman-Fulton County Riverport: Grain Conveyor Access: **requested \$5,425.**
7. Owensboro Riverport: Railroad Maintenance and Repair: **requested \$88,257.50.**

With no further discussion about these projects, the Chair opened the floor to any comments or announcements about other items related to waterways.

Lynn noted that there is going to be a program on Kentucky Educational Television (KET) on June 8th on transportation issues. The Cabinet is providing background information for that program.

Casey Wells told the Board that Paducah Riverport is holding a surprise retirement party for Ken Canter on Friday, June 12th, from 10:30 am to 1:30 pm.

Casey notified the Board that the Cabinet will be updating the Waterways Plan over the next year. Lynn requested that the riverports provide information on their strategic plans so that they can be reflected in the statewide waterways plan. Casey noted that it might be useful to have a meeting so that the riverports could provide their input into the planning process. It was discussed that the freight being handled by the riverports is rapidly changing and may change further with the opening of the widened Panama Canal. The rate of change makes it difficult to know what the future trends will be and how to plan for them.

Chairman Pritchett asked if there is any reason to schedule another Board meeting this year. Lynn suggested that the election this fall may necessitate a report or briefing document for the new administration. It was decided to monitor the situation and address it if necessary in the fall. No future meeting date was set for the Board.

Business being concluded, on motion by Norb Whitlock and seconded by Nickie Smith, the meeting was adjourned at 3:15 pm.

Submitted:

Casey Wells

Water Transportation Advisory Board staff, KYTC