

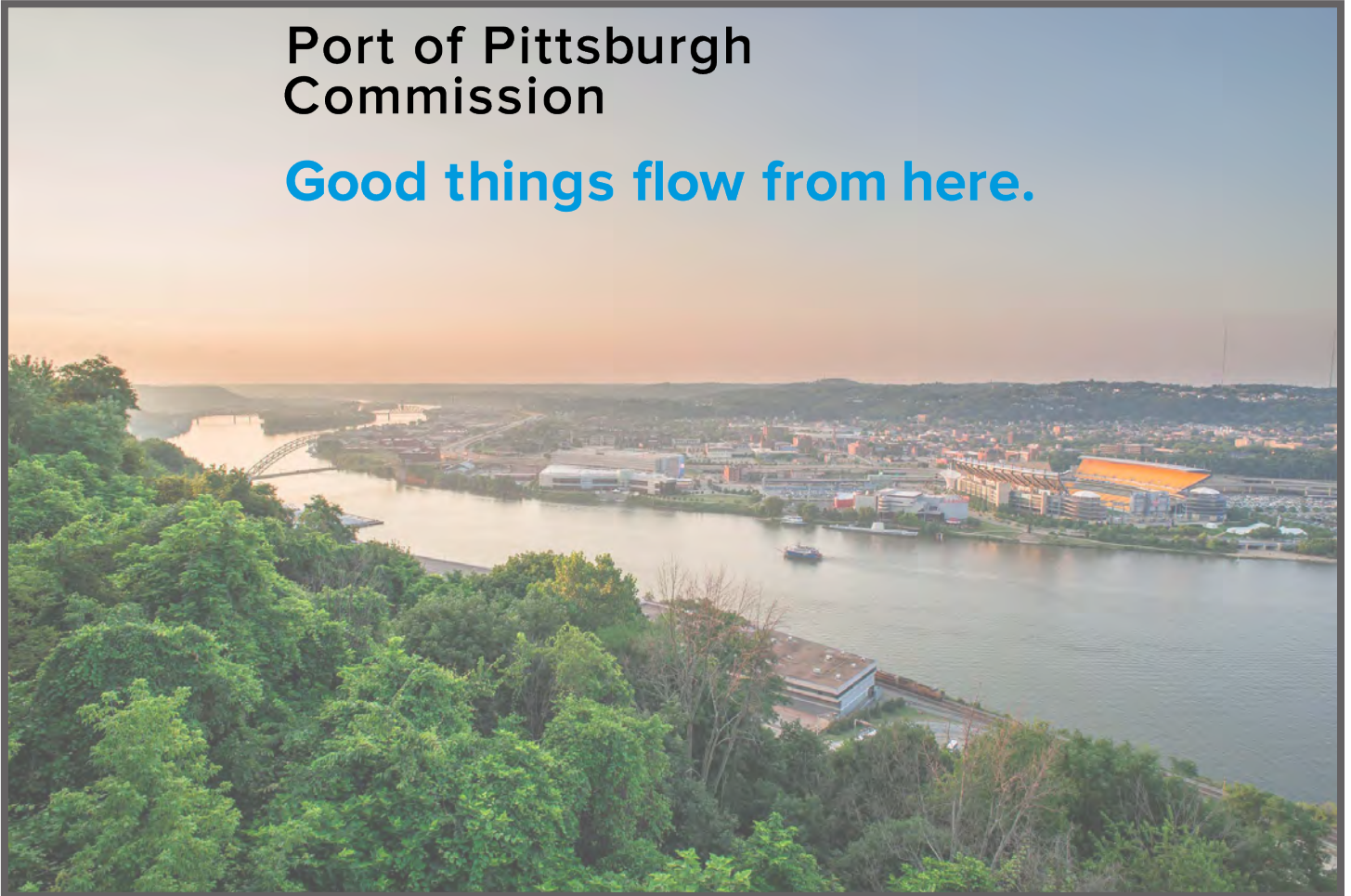
PORT OF PITTSBURGH COMMISSION

***FY2020 -- 2021
End-of-Year Report***

PORTPITT

**Port of Pittsburgh
Commission**

Good things flow from here.



PORT OF PITTSBURGH COMMISSION

4955 Steubenville Pike, Suite 245A

Pittsburgh, PA 15205

Ph: (412) 201-7331

Fax: (412) 722-1190

E-mail: mary-ann@portpitt.com

END OF FISCAL YEAR 2020-2021 REPORT

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END OF FISCAL YEAR 2020-2021 REPORT

BACKGROUND OF THE PORT OF PITTSBURGH COMMISSION

The Port of Pittsburgh Commission promotes the commercial use and development of the inland waterway-intermodal transportation system and strives to integrate that system into the economic, recreational, environmental, and intermodal future of the residents and industries of Southwestern Pennsylvania. The Commission serves a 12-county port district in Southwestern Pennsylvania, 10 of which are on the navigable portions of the Allegheny, Monongahela, and Ohio Rivers. The counties are Allegheny, Armstrong, Beaver, Blair, Butler, Clarion, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland. Port district terminals handled approximately 22 million tons of cargo in 2019, the most recent year that this statistic is available.

The Commission works with industry and government officials to attract new cargoes and seeks federal funding for the US Army Corps of Engineers to maintain and modernize the aging lock and dam infrastructure in the port district. It manages over \$25 million in federal grants from the Congestion Mitigation and Air Quality (CMAQ) program for marine clean-engine improvements which has seen at least 40 towboats refitted, or in the process of being refitted, with modern, efficient engines and generators. The Commission also structures private revenue-backed bond issues as part of its economic development mission and is in the process of again marketing its revolving loan fund.

Eleven of the fifteen members of the Board of the Port of Pittsburgh Commission are appointed by the governor and four are appointed by the state legislative caucuses. Seven of the eleven gubernatorial appointees are nominated by industry and civic groups. Susan (Susie) Baker Shipley, president of Huntington Bank, Western Pennsylvania & Ohio Region, was appointed by Governor Corbett and re-appointed by Governor Wolf, and serves as the Commission's chairman. Other officers are Peter Stephaich, vice chairman and Senator John Pippy, treasurer. Board members include: Gwen DiPietro, State Representative Matt Dowling, Michael Dunleavey, Senator Jim Ferlo (ret), State Representative Ed Gainey, Bob Hurley, David McQuiston, Joseph Spanik, State Senator Kim Ward, and Ron Brown.

In fiscal year 2020 the Commission was staffed by Mary Ann Bucci, Executive Director; Scott Harshman, Marketing and Program Manager, Matthew Pavlosky, Public Relations Manager, Mike Brinza, Port Development Analyst.

The Commission, representing one of Pennsylvania's three ports, derives a substantial part of its revenue from the Multi-modal Transportation Fund (MTF) through the Bureau of Rail Freight, Ports and Waterways (formerly the Office of PennPORTS). The Commission received a grant for \$950,000 for fiscal year 2020-21.



Mission:

Our rivers contribute to the quality of life in southwestern Pennsylvania, and we promote the commercial use and development of the inland waterway system to support the economic, recreational, environmental and intermodal interests of our region.

The Port District:

The Pittsburgh Port District serves a 12 county area including Allegheny, Armstrong, Beaver, Blair, Butler, Clarion, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland Counties

- 200 miles of commercially navigable waterways in southwestern Pennsylvania.
- Includes the three major rivers: the Allegheny, the Monongahela, and the Ohio.
- The waterway is made navigable by a system of 17 locks and dams.
- Supports over 200 river terminals and barge industry service suppliers, including privately owned public river terminals.
- The Port complex is served by the CSX and Norfolk Southern railroads and by four interstate highways. The Port of Pittsburgh Commission acts as a comprehensive service for shippers and industries seeking information on the river system.

Services:

The Port of Pittsburgh Commission offers a variety of programs and resources for the advancement of the region's waterways:

- Bonds and Financing
- Revolving Loan Fund
- Federal Funds Administration
- Data and Information
- Freight and Rail Networking Connections

www.portpitt.com

Since 1992, The Port of Pittsburgh Commission has been designated by the Commonwealth of Pennsylvania as the district's prime resource and advocate for the advancement of Pittsburgh's regional waterways.

The Commission performs its role by taking the lead in advocacy for all waterway users, from shippers to recreational boaters, and by disseminating transportation data, providing information on funding sources and financing, and offering networking opportunities.

Contact Us!

Port of Pittsburgh Commission
4955 Steubenville Pike
Suite 245A
Pittsburgh, PA 15205-9619
Phone: 412.201.7330
Fax: 412.722.1190
Email: ppc@portport.com

PortPitt Board of Commissioners and Staff



Port of Pittsburgh
Commission

Current Commissioners

Susie Shipley, Chair

Peter Stephaich, ViceChair

John Pippy, Treasurer

Ron Brown

Gwen DiPietro

Rep. Matt Dowling

Jim Ferlo

Rep. Ed Gainey

Bob Hurley

Dave McQuiston

Senator Devlin Robinson

Joseph Spanik

Staff



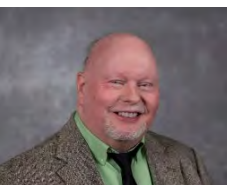
Mary Ann Bucci
Executive Director



Scott Harshman
Marketing and Program Manager



Matt Pavlosky
Public Relations Manager



Mike Brinza
Port Transportation Analyst

STRATEGIC GOALS

July 1, 2020 – June 30, 2021

The following is a summary of results for strategic goals that were approved in the FY2020-2021 Strategic Plan. These goals are intended to assist the Port of Pittsburgh Commission in achieving its mission.

Strategic Goal 1 -- Advocate for policies and legislation that will fund the construction, operation, and maintenance of the region's federal inland waterway infrastructure with advocacy and legislative efforts to promote commercial and recreational use.

- Priority 1 – Upper Ohio Navigation Project: Secure efficient funding for the Upper Ohio Navigation Projects.
 - Action: New Construction for Montgomery. Support USACE to begin work and explore existing and potential new contracting possibilities to expedite completion of this project. Work to oppose unnecessary delays.
 - Action: Work to ensure continued Construction funding for Montgomery, followed by efficient funding through the Annual Appropriations process for both Emsworth and Dashields.
 - Action: Continue to keep the Upper Ohio Navigation Projects a priority in order to leverage the future federal infrastructure bill with the USACE, WCI, regional leaders and elected officials to ensure full-funding for all three lock chambers on the Ohio River.
- Priority 2 – Lower Mon Project – Ensure that the project is completed.
 - Action: Maintain dialogue with USACE to prevent delays on work.
 - Action: Push for completion of original project and acceleration of second chamber construction at Charleroi.
- Priority 3 – Oppose any additional lockage fees on the waterways and keep O&M 100% federally funded.
 - Action: Educate and inform legislators that fees unfairly disadvantage a subset of waterway users.
- Priority 4 – Support industry efforts and seek additional funding to reduce the carbon footprint.
 - Action: Continue to seek additional funding for marine diesel engine retrofits from the previous Congestion Mitigation Air Quality (CMAQ) program. Expand that program to include landside equipment for the improvement of freight loading and unloading.
 - Action: Pursue programs that show the benefits of water transportation over other modes in addressing public policies related to climate change, emissions reduction, and cleaner, more efficient fuel consumption.
 - Action: Maintain awareness of and monitor the status of existing and promising alternative fuels. Pursue networks, coalitions, and partnerships which will keep the organization on top of the latest developments in cleaner fuels and related transportation policy.

- Priority 5 – Maintain an annual construction level for full use of the Inland Waterway Trust Fund. \$330 million for FY 2021/2022.
 - Action: Educate and inform legislators that the IWTF should be utilized to its fullest potential.
- Priority 6 – Support and advocate for increase in federal funding for inland waterway infrastructure: both operations & maintenance and construction, working with national coalition stakeholders.
 - Action: In addition to working with stakeholders, educate the voting public as to why the lock and dams are important so that they will support lawmakers who support waterway infrastructure.
- Priority 7 – Looking for new markets for river transportation, such as project cargoes, the shale industry, petroleum industry, and potential container cargo.
 - Action: commission a study on new cargoes
 - Action: Petition MARAD to add the Mon and the Allegheny to the Marine Highway network.
 - Action: Work with a broker to establish a container-on-barge service.
 - Action: Organize industry-related seminars, webinars, and other focus groups.
- Priority 8 – Advocate for change in the metrics that define low-use rivers (Allegheny and Mon).
- Priority 9 – Maintain or upgrade Lower Allegheny locks 2-4.
- Priority 10 – Support the goals of recreational boaters to maintain operations on the Upper Allegheny.
 - Action: Advocate to broaden the criteria considered by the USACE for funding of Lock & Dam operations and maintenance, especially for low-use rivers.
 - Action: Create a recreational boater Fact Sheet for the Allegheny River.
 - Action: Utilize new software for list building and grassroots advocacy.

Strategic Goal 2 – Give due consideration to any federal or state grant programs that could benefit the PPC or any of the stakeholders in the Pittsburgh Port district.

- Action: Continue to look for all state and federal grant programs.
- Action: Complete Port of Pittsburgh Commission Grants Guide.

Strategic Goal 3 – Promote the Port of Pittsburgh and the region’s inland waterway assets in coordination with stakeholders and other regional economic development partners

- Priority 1 – Coordinate, attend, and/or host events to promote and educate key leaders, policy makers, and the public on key PPC issues.
 - Action: continue with roundtable meetings with legislators.
 - Action: re-establish satellite offices.
- Priority 2 – Continue to update marketing materials as needed.
- Priority 3 – Generate data to support marketing and promotional activities.
 - Action: Assess impact of closure of locks on a regular basis.
 - Action: Explore other regional study opportunities.

Strategic Goal 4 – Promote the PPC’s financial tools for economic development

- Priority 1 – Private-activity lease backed bonds as a conduit to finance private economic development.
- Priority 2 – Revolving Loan Fund: assist water-related manufacturing and transportation industry growth in communities located in the twelve-county Port of Pittsburgh district.
 - Action: review RLF to ensure the requirements meets the needs of industry.

Strategic Goal 5 – Advocate on public policy issues on a state and national level as it relates to issues in the port district. Provide support for proposed state and federal policies that positively impact port district issues; conversely, speak out against those policies that could have a negative impact.

- Priority 1 – Coordinate with stakeholders to determine priorities.
- Priority 2 – Determine a plan for developing a specific public policy agenda for the PPC, to be revised on a regular basis.
- Priority 3 – Educate all beneficiaries on policy changes related to the waterways.
 - Action: develop a way to distribute the Policy Plan: mailings, email, make available on website.

Strategic Goal 6 – Support Technological Advancements

- Priority 1 – Embrace new technologies that enhance the efficiency and safety and reduce the environmental impact of waterway transportation.
 - Action: continue to support grant programs like CMAQ.
 - Action: secure funding for a trial on automated lock system in the Port district.
- Priority 2 – Keep up with the latest industry studies and technological developments generated by educational institutions, think tanks, and incubators.
- Priority 3 – Align with the latest infrastructure security and cybersecurity initiatives.
- Priority 4 – Utilize the latest social media and internet resources to disseminate information to stakeholders and other partners.

Strategic Goal 7 – Crisis Management: Advocacy, Response, Directives, and Communication.

- Keep informed of any schedule changes in the lock and dam operations and changes to river navigation.
- Advocate for, educate, and inform stakeholders of any updated legislation regarding the crisis at hand and seek access to available safety supplies and related equipment.

These accomplishments were achieved despite the COVID-19 Pandemic. The staff worked hard and were diligent to ensure that we remained focused on our mission. I would like to acknowledge the team consisting of Scott Harshman, Matthew Pavlosky, Mike Brinza, and Adrianna Workman.

Respectfully submitted by:

Mary Ann Bucci
Executive Director, PPC

ACTIVITY SUMMARY

Following the format suggested by PennDOT's Bureau of Rail, Freight, Ports, & Waterways (formerly the Office of PennPORTS) in the past, this section of the End-of-Year report is a compilation of the quarterly reports of the Executive Director, the Marketing/Program Manager, and the Public Relations Manager.

PPC EXECUTIVE DIRECTOR'S REPORTS

First Quarter – Reported October 16, 2020

Port of Pittsburgh Commission (PPC) Update

The Port of Pittsburgh Commission continues to follow CDC guidelines as it relates to COVID-19. All employees are working in the office every day. Everyone is required to take a temperature check, wear a mask in common areas, and each person is provided with hand sanitizer.

Economic Impact Study

The Port of Pittsburgh Commission should be receiving the final draft of the Economic Impact Study prior to the Board meeting. We have received the Commonwealth of PA State Profile and the Port of Pittsburgh Commission District Profiles. Both profiles are attached to this report.

Legislative Updates

WRDA

The House and Senate continue to negotiate on a Conference Report for WRDA 2020. The House version of the bill passed in July and included the industry's top priority, to adjust the cost-share for construction and major rehabilitation of inland waterways projects. The bill modifies the inland waterways project cost-share to 65% from the general fund of the Treasury and 35% from the Inland Waterways Trust Fund (IWTF). The current cost share is 50% general fund and 50 % IWTF. The House bill includes a sunset clause at the end of FY2027, with a provision that any project that begins construction within this timeframe will carry the adjusted cost-share through to the end of its construction.

The Senate EPW Committee-approved WRDA 2020 bill permanently adjusts the cost-share to 65% from the general fund of the Treasury and 35% from the IWTF, with no sunset provisions.

At this time, WRDA will not be passed until a lame duck session after the November elections. The agenda for the lame duck session is hard to predict depending on the results of the election.

Continuing Resolution:

On Wednesday, September 30, 2020 the Senate passed the Continuing Resolution (C.R.) to fund the government through December 11, 2020. The House passed the C.R. the week prior to the Senate passing the C.R. The President signed the C.R. at 1:00 AM, October 1, 2020, missing the official deadline of midnight when the fiscal year officially ended. The C.R. will revert to the President's budget. The President's budget did not have any funding for projects on the inland waterways. This will not affect

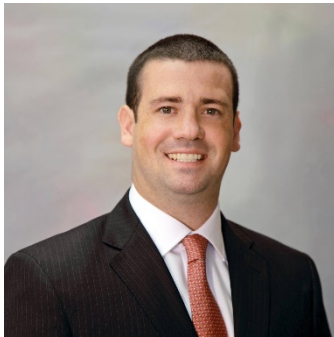
the Lower Mon that is funded to completion; but, at this point we do not have funding for the Upper Ohio Navigation Project and will have to wait for the USACE work plan in 2021.

USACE Leadership

Lt. General Scott A. Spellman assumed the duties as the 55th Chief of Engineers and Commanding General of the Corps of Engineers. In addition, two prior District Commanders from the Pittsburgh District are promoted to the leadership team: Major General William (Butch) Graham is Deputy Commanding General for Civil and Emergency and Colonel John Lloyd is Chief of Staff, U.S. Army Corps of Engineers.

WCI names Tracy Zea as CEO and President

Waterways Council Inc.'s board of directors has unanimously elected Tracy Zea as the organization's new president and CEO. He immediately assumed his new duties effective July 8.



Tracy Zea

With a broad range of Capitol Hill, policy development and government relations expertise, Zea most recently served as WCI's vice president-government relations, advocating for WCI's goals for authorizations and appropriations that support a modern, efficient, reliable inland waterways transportation system. His work also enhanced WCI's stakeholder relationship with the Corps of Engineers and the Inland Waterways Users Board.

WCI's Annual Meeting

WCI's Annual Board of Directors Meeting will be on Tuesday, November 10, 2020 and the WCI's Waterway Symposium on Thursday, November 12, 2020. Both meetings are virtual and if you are interested in registering visit: <https://na.eventscloud.com/532373>.

USACE, Pittsburgh District

The USACE, Pittsburgh District is hosting "Sustaining our National Inland Waterway Event" at the Emsworth Lock and Dam on Wednesday, October 14, 2020. The main chamber at the Emsworth Lock will be dewatered for maintenance. This dewatering provides a rare opportunity to see all the maintenance challenges of a lock that is 100 years old. Emsworth is part of the Upper Ohio Navigation Project.

Representative Tim Hennessey

The PPC will be hosting a roundtable with Chairman Tim Hennessey, Chair of the PA House Transportation Committee on Thursday, October 15, 2020 at Bella Sera in Canonsburg. The discussion will include: Infrastructure; Grant and Funding Opportunities; Current and Future Policy Issues; Questions from the Stakeholders.

Administration

All job descriptions have been reviewed and revised for each of the positions at the PPC.

PA House Bill No. 1069

This bill amends the Sunshine Act to require a public agency to post public meeting agendas at the meeting location, at the agency office location, and on the agency's website, if they have one, no later than 24 hours prior to a meeting and to prohibit an agency from taking official action on items not in the meeting agenda. This legislation would take effect in 60 days.

Second Quarter – Reported January 15, 2021

Port of Pittsburgh Commission (PPC) Update

The Port of Pittsburgh Commission continues to follow CDC guidelines as it relates to COVID-19. All employees are working remotely most days with a minimum of one day a week in the office. Everyone is required to take a temperature check, wear a mask in common areas, and each person is provided with hand sanitizer.

Economic Impact Study

The Port of Pittsburgh Commission should be receiving the final document by the end of January. Copies will be made available for all of our Commissioners.

Legislative Updates

Water Resource Development Act (WRDA)

The Water Resource Development Act passed with an historic win for the inland waterways. Included in the bill was to adjust the cost-share for construction and major rehabilitation of inland waterways projects from 50% Inland Waterways Trust Fund (IWTF)/50% General Revenue to 35% IWTF/65% General Fund. The change in the cost share adjustment will begin in 2021 through 2031. Any navigation project receiving construction appropriation during that timeframe will continue with the adjusted 35%/65% cost-share for the duration of the project. In addition, this cost share is estimated to provide more than \$1 billion in additional construction funds over the 10-year period.

FY2020 Appropriations for the USACE:

The USACE Civil Works funding level was increased for FY 2021. At just under \$7.89 billion, the funding was \$800 million higher than the Administration's budget request. The Construction account received \$2.893 billion. The FY 21 funding measure provides for seven total new construction starts across the Corps' Civil Works Mission. The Montgomery Lock on the Ohio River is one of top three priority projects. For the IWTF construction projects, \$323 million was provided in FY2021. The project allocation for FY2021 will be released in the FY 2021 USACE Work plan that is required to be released no later than 60 days after the enactment of the appropriations bill. We anticipate that the work plan may be released prior to the change in administration. Operations and Maintenance received \$3.85 billion, an increase of \$59.7 million above FY2020.

The National Defense Authorization Act (NDAA)

The National Defense Authorization Act passed by a veto over-ride. In the NDAA, Section 3504, Assistance for Inland and Small Coastal Ports and Terminals. This will allow facilities on the inland waterways to apply for federally funded grant programs under the Port Act. This funding will allow for making capital improvements to docks, terminals and similar structures principally used for the movement of goods. The bill was co-sponsored by Congressman Lamb.

PA House Transportation Committee

In October 2020, the PPC hosted Chairman Tim Hennessy, Chair of the PA House Transportation Committee. In our discussion, we mentioned that there was not a sub-committee for "Ports" under the PA House Transportation Committee. Effective, January 2021, there is a newly created sub-committee for ports.

WCI's Washington DC Annual Meeting

WCI's Board of Directors meeting and the annual Capitol Hill fly-in will be virtual. The Board meeting will be held on Tuesday, February 23 and the fly-in meetings will be held later, to be determined, once Congress and the Administration are fully organized.

I also participated in their annual meeting in November 2020. The annual meeting was also virtual.

Armstrong County

Scott, Matt, and I met with the Armstrong County Commissioners to discuss low use rivers and issues they are having on the Allegheny River.

USACE – Pittsburgh District – Alternative Enterprise Waterway Committee

The Pittsburgh District is leading an effort to evaluate the maintenance budgeting process alternatives for low use waterways. Scott Harshman and I will be on the committee with the Pittsburgh District evaluating the waterways budgeting for low use rivers.

Allegheny County Health Department

County Executive, Rich Fitzgerald reached out to the Executive Director for an appointment on the Health Department's Air Pollution Control Advisory Committee. The appointment will be submitted to County Council at the end of January.

Our Region's Business

Congressman Conor Lamb and I will be on Our Region's Business, in early February. We will be discussing the Water Resource Development Act, inland waterways infrastructure in our region, and the economic benefits of the system. This is part of their infrastructure series.

Third Quarter – Reported April 16, 2021

Economic Impact Study

The Economic Impact Study is complete. A copy of the report has been sent to all the Board members. We are currently working on 4-page layout of the highlights of the report for easier messaging.

Legislative Updates

2020 Water Resource Development Act (WRDA)

WRDA was part of the federal government's end of the year Omnibus Appropriations bill that became law. A key change to the inland waterway's construction cost-share formula from the current 50/50 split to a 65% General Revenues/ 35% Waterways Trust Fund ratio for the next ten years was included.

Energy & Water Development Appropriations

The Omnibus Appropriations bill passage also included the Energy & Water Development accounts which fund the U.S. Army Corps of Engineers Civil Works programs with almost \$323 million in the construction account for FY2021.

Corps Work Plan Includes a New Start at Montgomery

Led by Congressman Conor Lamb, a bi-partisan group of congressmen for the tri-state region (PA-OH-WV) including Rep. Mike Doyle, Rep. Guy Reschenthaler, and Rep. Mike Kelly, advocated for the Upper Ohio Navigation Project as the best candidate for the new construction start on the inland waterways. On January 19, the USACE released their FY2021 Work Plan that designated the Upper Ohio Navigation Project as the new start with \$22 million for the completion of the Pre-Engineering and Design (PED) Work and the beginning of the construction for the project.

New Grant Program for Small Inland Ports and Terminals

Also in December, the National Defense Authorization Act became law and included language spearheaded by Congressman Lamb and Congressman Mike Bost from Illinois that will allow small inland ports and terminals, including private entities who meet certain criteria, to be eligible for federal grants under this program.

2021 Priorities

- **Ensure capability funding for Montgomery Lock and Dam**
We received \$22 million for the completion of the PED and the start of construction on the Montgomery Lock and Dam for FY 2021. We need to get full and efficient funding for FY2022 to keep the progress moving forward on this project.
- **Obtain Fiscal Year 2022 Appropriations**
Secure FY2022 Energy and Water Appropriations for the full amount that the Inland Waterway Trust Fund (IWTF) can support.
- **Increase Additional Funding**
Include maximum additional funding for lock modernization on the inland waterways system in a comprehensive infrastructure bill.
- **Restore the Inland Waterways User Board**
Reconstitute the Inland Waterways User Board to continue providing recommendations on investment priorities to the USACE.
- **Object to Additional Costs**
Oppose additional taxation, tolling, lockage fees or other charges for the users of the inland waterway system.

OMB Submits Administration “Skinny” FY 2022 Budget

On Friday, April 9, 2021, the Office of Management and Budget (OMB) submitted to Congress President Biden’s slimmed-down discretionary funding request for Fiscal Year FY2022.

Later this spring, “the Administration will release the President’s full and complete FY2022 Budget, which will present a unified, comprehensive plan to address the overlapping challenges we face in a fiscally and economically responsible way,” OMB said,

Regarding the inland waterway priorities, the document states: “The 2022 discretionary request invests in improving the Nation’s water infrastructure, including U.S. coastal ports, while incorporating climate resilience efforts into the Corps’ commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration work. For the Corps of Engineers—Civil Works program, the President’s 2022 discretionary request includes \$6.8 billion. This program:

Invests in High Return Projects.

The discretionary request invests in the construction of projects that would facilitate commercial navigation, reduce the risk of damages from floods and storms and restore the Nation’s aquatic ecosystems.

Increases Resilience to Climate Change.

The discretionary request invests in programs that would help local communities identify and address their risks associated with climate change and improve the resilience of Corps infrastructure to climate change, including taking climate resilience into account when selecting projects.

Facilitates Safe, Reliable, and Sustainable Commercial Navigation.

The discretionary request makes significant investments to facilitate safe, reliable, and environmentally sustainable commercial navigation at the Nation’s coastal ports.

Accelerates and Improves Delivery of Water Resource Projects.

The discretionary request supports Corps’ efforts to accelerate and improve the delivery of water resources projects through greater non-Federal participation, and by removing barriers that prevent State, local, and private parties from moving forward with investments that they deem priorities.”

WCI’s Virtual Fly-In

The WCI Virtual Fly-in for the Pennsylvania team is on Wednesday, April 14, 2021. We have six meetings on our schedule with representatives from Pennsylvania and West Virginia. A seventh meeting is on our schedule April 21, 2020.

Out and About

- The Executive Director along with Congressman Conor Lamb were guests on “Our Region’s Business” on Sunday, February 7, 2021. We discussed the new starts designation for the Montgomery Lock and Dam on the Ohio River.
- The Executive Director and the Program Manager were interviewed on a WKVE’S “In Touch” series. Our thirty minutes discussion center around all our infrastructure needs in the region and the mission of the PPC.
- The Executive Director testified for the Water Resource and Environment Subcommittee on the Water Resource and Development Act of 2020, specifically on the 65%/35% cost share and its effects on the industry. (Testimony attached)
- Chairwoman Susie Shipley attended a virtual meeting with Congressman DeFazio (D-Oregon), Chair of the Transportation and Infrastructure Committee and Congressman Conor Lamb. The topic of discussion was the proposed Infrastructure Package.

People on the Move

Captain Aaron Demo will be relieved of his duty as COTP, MSU Pittsburgh at the Change of Command Ceremony on July 1, 2021. We will welcome Commander Eric Velez as the new COTP. We wish both success in their new endeavors.

Colonel Andrew “Coby” Short will be retiring from the USACE on July 31, 2021 and wish him well on his future endeavors.

Beginning, Monday April 19,2021, Gretchen Chamberlain, currently with Marion Hill Associates, will become the new sales representative for ACBL in the Pittsburgh and Ohio region.

The Executive Director has been appointed to the Air Pollution Control Advisory Committee for a term to expire on December 32, 2023.

Fourth Quarter – Reported July 16, 2021

Legislative Updates

Energy & Water Development Appropriations

The House Appropriations Subcommittee on Energy and Water Development (E&WD) approved funding for the Corps of Engineers for Fiscal Year (FY) 22. It is scheduled to be marked up by the full House Appropriations Committee on Friday, July 16, 2021. The Committee Report, which provides significant details on the Corps' budget and spending levels, is not expected to be released publicly until after the full House Appropriations Committee's approval of the bill.

- Overall proposed funding for the Corps is \$8.66 billion, an increase of \$1.1 billion above FY21's appropriated level, and \$1.9 billion above the President's Budget.
- Funding for the Construction account is \$2.6 billion, an increase of \$799.4 million above FY 22's budget request.
- Funding for Operations and Maintenance (O&M) is \$4.8 billion, an increase of \$967.3 million above FY21 AND \$500 MILLION ABOVE the Administration's request.
- The Subcommittee also approved the list of Community Project Funding (formerly known as earmarks).
- The Subcommittee did not release funding information for the Inland Waterways Trust Fund construction and Major Rehabilitation projects.

Corps Work Plan Includes a New Start at Montgomery

The U.S. Army Corps of Engineers Pittsburgh District announces the award of the first construction contract for the \$1.8 billion Upper Ohio Navigation project. The contract is to construct a secant pile wall designed for ground retention and stabilization of the existing Montgomery dam prior to building a new lock chamber at the facility. Richard Goettle, Inc., of Cincinnati, Ohio is the contacted provider for construction of the more than \$4.7 million secant pile wall contract. Construction is expected to start fall 2021.

2021 Priorities

- Ensure capability funding for Montgomery Lock and Dam
- Obtain Fiscal Year 2022 Appropriations
Secure FY2022 Energy and Water Appropriations for the full amount that the Inland Waterway Trust Fund (IWTF) can support.
- Increase Additional Funding
Include maximum additional funding for lock modernization on the inland waterways system in a comprehensive infrastructure bill.

- Restore the Inland Waterways User Board
Reconstitute the Inland Waterways User Board to continue providing recommendations on investment priorities to the USACE.
- Oppose any additional new fees.

Cheswick Power Plant

Cheswick Generating Station, located just outside of Pittsburgh on the Allegheny River, will close no later than September 15, 2021. Commissioned in 1970, the 565-megawatt plant can no longer compete in today's electricity marketplace and under current environmental rules.

The Allegheny River is already designated a Low-Use River and has reduced Hours of Service on Locks 2,3, and 4. The USACE operates two (2) ten-hour shifts. The Port District last figures show approximately 21.5 million tons moving through the port. Of that 21.5 million, approximately 600,000 tons moves on the Allegheny River, of which 55% is coal being delivered to the Cheswick Generating Station. The lack of commercial tonnage will have a significant impact on the Allegheny River.

U.S. Transportation Secretary

US Transportation Secretary, Pete Buttigieg , made a visit to Pittsburgh on May 6, 2021 to promote the Administration's Infrastructure Package. Vice-Chairman Peter Stephaich represented the Port of Pittsburgh Commission and the inland waterways industry on a tour on the Ohio River to the Emsworth Lock and Dam. They also took time out to inspect bridges with Penn-Dot District 11.

Mayoral Democratic Candidate - Ed Gainey

Chairwoman Susie Shipley and the Executive Director attended a Round-Table event hosted by County Executive Rich Fitzgerald with the Rep. Ed Gainey. Topics of discussion included Economic Development, the workplace after COVID, and revitalizing downtown Pittsburgh.

The Southwestern Pennsylvania Regional Infrastructure Committee

The Executive Director and the Program Manager have been participating on the Southwestern Pennsylvania Regional Infrastructure Committee. This committee is working to identify the regional infrastructure needs for this region. A status of the committee's work is included with this report.

People on the Move

The Eastern Atlantic States Regional Council of Carpenters, the union that represents more than 41,000 blue collar workers in Pennsylvania and four other states, Washington, D.C., and Puerto Rico, has tapped a new director to handle its political outreach. Tori Shriver, who served as deputy political director for the carpenters' union for four years prior, was named this week during a delegate meeting in Pittsburgh.

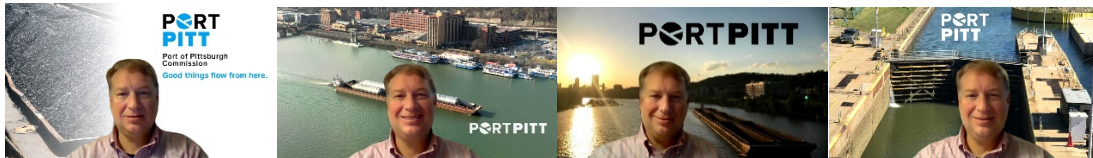
Colonel Adam Czekanski will take over as Pittsburgh District Commander from Colonel "Coby" Short on July 29, 2021 at the Heinz History Center.

PPC MARKETING & PROGRAM MANAGER'S REPORTS (Scott Harshman)

First Quarter – Reported October 16, 2012

Marketing

- Created additional PortPitt branded virtual backgrounds for staff to use for virtual meetings.



- Have received quotes from vendors to purchase additional PortPitt branded marketing materials including coasters, wine corkscrews, bags, and folders.

Osher Class

The Spring & Summer-time “Our Rivers” class as part of the CMU Osher Lifelong Learning program was canceled due to COVID-19. Respectfully regretted Osher’s request to conduct class virtually this Winter since most of the class is field-trip related. Current plan is to resume the in-person class in May 2021, if public health situation improves.

Marine Highway Program

- Continued dialogue with USDOT Maritime Administration on extending the current M-70 Marine Highway designation for the Ohio River to either include the Monongahela and Allegheny Rivers or create a separate designation for the Monongahela and Allegheny Rivers.
- Planned in-person seminar in Pittsburgh with MARAD for this past spring/summer had to be postponed due to COVID. Rescheduled date still TBD. May try virtual event.
- Since existing grant program is focused on containerized/palletized units, we need to find a “container on barge” related project in order to submit for a potential grant; or seek program language changes to allow bulk commodities.
- SPC is interested in helping and support the Marine Highway designation(s).
- Seeking to re-engage with the Ports of Indiana who have a current M-70 Container on Barge project.

CMAQ Grant Program

Current CMAQ program and contract was extended through September 30, 2021. All remaining CMAQ funds in the program have been obligated. PPC staff continue to work with current and past recipients, FHWA, PennDOT, and SPC in completing project requirements and reimbursements.

CITF Award

Current award of \$50,000 through Allegheny County Economic Development office expires on January 10, 2021. PPC has utilized funds for sponsorships including Ports ’19 and WCI Annual Conference,

marketing materials, marketing of the Port in trade magazines, and educational outreach with the Children’s Museum. Approximate \$30,000 has been spent to date and the Port has begun the process for reimbursement through the CITF program.

Redevelopment Assistance Capital Program (RACP)

PortPitt currently has one active Redevelopment Assistance Capital Program grant project approved by the Commonwealth for \$500,000 for the Glassport Terminal Expansion for Three Rivers Marine & Rail Terminals. Project has been delayed due to COVID, is still active, and construction now targeted for Summer 2021.

Pittsburgh Safe Boating Council

As Secretary of the PSBC, have organized and run virtual monthly (first Tuesday of the month at 2pm) council meetings as well as other secretarial duties including updating by-laws, letterhead, and internal and external communications. Attendance has varied from 18 – 28 participants on monthly virtual meetings.

Economic Impact Study

Continued to assist PPC staff and contractor with research, reviewing study document, and providing additional data and information in support of the final product.

Congested Waterways Committee

Established dialogue with the United States Coast Guard to enable them to transfer management of this Committee to the Port of Pittsburgh Commission. The PPC will be renaming this committee the “Port Operators Safety Alliance” and will be rolling out the new entity in November.

Other Grant-Related Activities

- PPC provided letter of support for Guttman Energy for DCED Multimodal Transportation Fund grant application. Award decision pending.
- PPC provided letter of support for Three Rivers Marine & Rail Terminals for PennDOT Rail Freight Assistance Program grant application. Award decision pending.
- Have begun to compile lists of relevant grant funding programs available through the federal, state, and local governments to be put into a ***Port of Pittsburgh Grants Guide***.

Miscellaneous

- Regular participate in virtual meetings with the Pittsburgh Technology Council, the Beaver County Chamber of Commerce, the Westmoreland County Chamber of Commerce, and other organizations and events when pertinent to the PPC interests.

Second Quarter – Reported January 17, 2020

Marketing

- Arranged for photographer to come to office to take new headshot photographs

- Designed two-page PortPitt advertisement for Westmoreland Chamber Holiday publication
- Designed white paper for proposal to create Subcommittee on Ports in PA House Transportation Committee (included)
- Acquired PortPitt branded USB Hubs, wine openers, and tote bags
- Arranged for PortPitt logo to be printed on thermometers
- Ordered PortPitt Christmas Cards



Economic Impact Study

Continued to assist PPC staff and contractor with research, reviewing study document, and providing additional data and information in support of the final product. Created two-page case study on the Elliott Group and the movement of their freight by barge for the construction of the Shell Cracker Plant.

Osher Class

PortPitt's Osher Planning Committee held a conference call on December 10th to discuss holding an Osher Class in 2021. Pre-COVID we conducted the classes in May & June. It was decided that the earliest we would look to re-starting the class would be in the Fall of 2021, if the public health situation allow.

Marine Highway Program

Planning on conducting a virtual seminar on the Marine Highway Program with the USDOT Maritime Administration and regional industry stakeholders in February. Will be confirming date and agenda next week with MARAD.

CITF Award

Submitted for reimbursement of \$48,500 to Allegheny County for expenditures related to our most recent CITF grant award which was utilized for sponsorships including Ports '19 and WCI Annual Conference, marketing materials, marketing of the Port in trade magazines, technology enhancements, and educational outreach with the Children's Museum.

Redevelopment Assistance Capital Program (RACP)

Redevelopment Assistance Capital Program grant project approved by the Commonwealth for \$500,000 for the Glassport Terminal Expansion for Three Rivers Marine & Rail Terminals is still active. Project continues to be delayed due to COVID and construction is targeted for Summer 2021.

Pittsburgh Safe Boating Council

Held monthly meetings virtually for the months of Oct - Dec. PortPitt is represented on Council's executive board with Scott Harshman as secretary. Council has re-organized in the past year and is focused on growing membership, improving community relations, and promoting water safety for the upcoming boating season in Pittsburgh.

Miscellaneous

- Regular participate in virtual meetings with the Pittsburgh Technology Council, the Beaver County Chamber of Commerce, the Westmoreland County Chamber of Commerce, and other organizations and events when pertinent to the PPC interests;

- Attended USACE’s Emsworth de-watering event on Oct. 14th;
- Industry Meeting with PA House Transportation Committee Chairman Tim Hennessey on Oct. 15th;
- Meeting with Armstrong County Commissioners about Allegheny River L/Ds on Oct. 20th ;
- PA Freight Water Ports Focus Group on Oct. 21st;
- WCI’s Virtual Annual Meeting & Symposium on Nov. 10th & 12th ;
- PA State Rail Plan virtual mtg on Nov. 16th;
- Video call with Matt and Venture Outdoors on Nov. 19th;
- USACE Low-Use Rivers meetings on Dec. 1st & 14th;
- PhilaPort’s Zoom Webinar on Dec. 3rd;
- PA Chamber webinar on Dec. 4th;
- Greater Pgh Chamber Virtual Mtg on Infrastructure on Dec. 8th;
- Conference call with Mary Ann and Matt with US Coast Guard Pittsburgh on Dec. 9th;
- USDOT ROUTES Benefits-Costs Analysis Webinar on Dec. 16th; and
- Buchanan, Ingersoll & Rooney online event w/ PA Rep. Austin Davis on Dec. 17th.

Third Quarter – Reported April 16, 2021

Marketing

- Purchased copies of Ron Donoughe’s new book of paintings, *Brownsville to Braddock*.
- Assisted Executive Director in preparing testimony and questions for congressional hearings.
- Did radio interview along with Executive Director on locks and dams for “In Touch” radio show.

Economic Impact Study

Continued to assist PPC staff and contractor in completion of the report including creating two-page case study appendix on the Elliott Group and the movement of their freight by barge to the Shell Cracker plant.

Osher Class

Due to ongoing public health situation, the decision was made to target May 2022 for the next Osher Class program on “Our Three Rivers.”

Virtual Roundtable on Infrastructure & Commerce

Planned and conducted with PPC staff a virtual roundtable on Infrastructure & Commerce on February 24th along with the USDOT Maritime Administration, other government representatives, and regional industry stakeholders that included a focus on the Marine Highway Program. Had over fifty participants for the two-hour online event. Targeting May for a follow-up virtual roundtable with MARAD and industry stakeholders on expanding the Marine Highway Program in the PortPitt District.

Redevelopment Assistance Capital Program (RACP)

Redevelopment Assistance Capital Program grant project approved by the Commonwealth for \$500,000 for the Glassport Terminal Expansion for Three Rivers Marine & Rail Terminals is still active. Project continues to be delayed due to COVID and construction is still targeted for Summer 2021.

CITF Award

Continued to work with program manager for Allegheny County on reimbursement of \$48,500 for expenditures related to our most recent CITF grant award.

Pittsburgh Safe Boating Council

Serving as Secretary for the PSBC and held monthly meetings virtually January, February, and March.

Miscellaneous

- Regularly participate in virtual meetings with the Pittsburgh Technology Council, the Beaver County Chamber of Commerce, the Westmoreland County Chamber of Commerce, and other organizations and events when pertinent to the PPC interests;
- Marine Highway phone call with Chad Dorsey from USDOT MARAD on January 11th;
- Pittsburgh Safe Boating Council virtual meetings on January 12th, February 2nd, and March 2nd;
- PortPitt Quarterly Virtual Board meeting on January 15th;
- PortPitt-MARAD Virtual Meeting preparation call on January 21st;
- Pittsburgh Safe Boating Council call with PA Fish & Boat Commission on January 21st;
- WCI Legislative Roundtable conference call on January 22nd, February 12th, and March 26th;
- Pittsburgh Safe Boating Council Communications Committee virtual meeting on January 26th;
- RK Mellon Foundation Strategic Plan Webinar on January 27th;
- Allegheny Conference's Virtual Annual Meeting on January 28th;
- Call on January 29th with Evan Weaver and his new business, the Pittsburgh Pirate Ship;
- Pittsburgh Safe Boating Executive Committee meeting on February 1st;
- Congressman Conor Lamb Tele-Hall on February 1st;
- SPC Virtual Freight Forum and February 2nd;
- Call with Clipper Enterprises on February 3rd;
- CMU Smart Mobility webinar February 5th;
- Watched US House Transportation & Infrastructure hearing on Maritime & COVID on February 9th;
- Hydro-spatial Infrastructure webinar on February 17th by ESRI;
- Phone call along with Matt and the SPC on February 17th;
- Westmoreland County Chamber's Annual State of the County Virtual Event on February 18th;
- Conference call with Mary Ann and Heather from Congressman Lamb's office on February 19th;
- US Chamber webinar on Infrastructure & Transportation on February 23rd;
- Call with Michael Hills from Freedom Boat Club on February 23rd;
- De-brief with USDOT on past INFRA grant application on February 23rd;
- PortPitt/MARAD Infrastructure and Commerce Virtual Roundtable on February 24th;
- Economic Growth Connection of Westmoreland's Virtual Annual Meeting on February 25th;
- MARAD Ports and Waterways Sector conference call on February 25th;
- De-brief with MARAD on virtual roundtable on February 26th;
- Zoom meeting with Matt Pavlosky and Greg Scott from American Society of Civil Engineers on 2/26;
- Call with Heather from Congressman Lamb's office on February 26th;
- ASCE's 2021 Report Card for America's Infrastructure Virtual Summit on March 3rd;
- FiscalNote webinar on Infrastructure on March 10th;

- Watched House Energy & Water Approps Subcomm Water Resource Infrastructure hearing on 3/10;
- Westmoreland County monthly COVID Update virtual meeting on March 11th;
- Zoom meeting with Michael Gaynor from GoRail on March 11th;
- Beaver Chamber Gov't Affairs Committee virtual meeting with Senator Casey on March 12th;
- Beaver Chamber virtual Congressional Breakfast with Congressman Conor Lamb on March 16th;
- Meeting with Westmoreland Chamber's Exec Dir Chad Amond in Greensburg on March 16th;
- USACE WRDA 2020 Virtual Session on Navigation on March 16th;
- Pittsburgh Safe Boating Council's Executive Committee virtual meeting on March 18th;
- Zoom meeting with PortPitt staff and Terry from the Gateway Clipper on March 19th;
- Mary Ann's testimony preparation with WCI on March 22nd;
- Call with Dan Alwine from Pittsburgh Chamber of Commerce on March 22nd;
- Mary Ann's congressional testimony on March 23rd;
- ArcGIS Maritime Webinar on March 24th;
- Regional Resilience in Beaver County webinar on March 24th;
- Westmoreland Chamber's Gov't Affairs Committee meeting with Commissioner Chew on 3/25;
- PortPitt staff zoom meeting with Wall-to-Wall on March 25th;
- Zoom meeting w/ Kevin Cook on March 29th;
- Skype meeting with Mary Ann and Robbie from Senator Casey's office on March 29th;
- and Meeting with USACE-Pittsburgh at PortPitt with Mary Ann and Peter on March 31st.

Fourth Quarter – Reported July 16, 2021

Marketing

- Assisted Executive Director in promoting the Port's legislative funding priorities.
- Sponsored new Pittsburgh water trail map.
- Sponsored Pittsburgh Traffic Club event in June.

Marine Highway Discussion & Luncheon

Planned and conducted with PPC staff an in-person & virtual discussion with regional industry stakeholders on the Marine Highway Program at Southpointe on June 30th. Had over twenty participants. This was a follow-up event from the February 24th virtual roundtable we hosted with MARAD.

Redevelopment Assistance Capital Program (RACP)

Redevelopment Assistance Capital Program grant project approved by the Commonwealth for \$500,000 for the Glassport Terminal Expansion for Three Rivers Marine & Rail Terminals is still active. Project continued to be delayed due to COVID. Three Rivers has a new agreement with their bank, working on loan commitment letter, and plan to finalize package for approval and go to bid.

CITF Award

Allegheny County issued on May 6th the reimbursement check for \$48,500 for expenditures related to our most recent CITF grant award.

Pittsburgh Safe Boating Council

Serving as Secretary for the PSBC and organized monthly meetings virtually for April, May, and June. Wrote press releases for National Safe Boating Week in May and circulated it to regional news organizations.

Miscellaneous

- Regular participate in virtual meetings with the Pittsburgh Technology Council, the Beaver County Chamber of Commerce, the Westmoreland County Chamber of Commerce, and other organizations and events when pertinent to the PPC interests;
- Infrastructure phone call with Greater Pittsburgh Chamber on April 4th ;
- Pittsburgh Safe Boating Council virtual meetings on April 6th, May 4th, and June 8th;
- PortPitt Quarterly Virtual Board meeting on April 16th;
- Westmoreland County Community Foundation virtual meeting on April 8th;
- Call with Congressman Lamb's office on USACE funding on April 8th;
- Beaver Chamber virtual Gov't Affairs meeting on April 9th;
- Pittsburgh Chamber virtual First Friday Infrastructure discussion with regional leaders on April 9th;
- WCI roundtable conference call on April 9th;
- Call with Tracy at WCI with Mary Ann and Peter on PortPitt's priorities on April 9th;
- WCI Pennsylvania & West Virginia prep call on April 13th for Congressional meetings;
- WCI Congressional Virtual Fly-In meetings on April 14th & 15th;
- Call with Mary Ann with Infralinx on Trimodal project on April 19th;
- Virtual town hall by area Chambers with elected officials including Congressman Lamb on April 20th;
- Southwest Pennsylvania Water Network Virtual Engagement Meeting on April 20th;
- WCI Virtual Fly-In with Congressman Reschenthaler on April 21st;
- Westmoreland Chamber Government Affairs Committee meeting on April 22nd;
- Call with Mary Ann with Congressman Reschenthaler's office on April 22nd;
- Skype meeting with Senator Casey's office on Infrastructure on April 26th;
- Skype meeting on April 27th with Senator Casey's office on future Infrastructure visit;
- Teams meeting with Matt and SPC on April 30th;
- Call with Mary Ann and Senator Toomey's office on April 30th;
- Southwest Pennsylvania Water Network Virtual Engagement Meeting on May 4th;
- Pittsburgh Chamber First Friday virtual event on May 7th;
- Conference call with Mary Ann with Infralinx / TriModal on May 11th;
- Westmoreland Community Foundation virtual meeting on May 13th;
- SPC TTC virtual meeting with Matt on May 13th;
- WCI Roundtable Legislative Discussion on May 14th;
- Conference call with Mary Ann and MARAD on May 17th;
- Southwest Pennsylvania Water Network Virtual Engagement Meeting on May 18th;

- Strategic Plan review with PPC Staff on May 19th;
- Pittsburgh Chamber PA Legislative Virtual Forum on May 26th;
- Monthly Westmoreland Chamber Gov't Affairs meeting on May 27th;
- Strategic Plan meeting with PPC Staff on May 27th;
- Attended in-person PA Senate Democratic Policy Committee Hearing on Mon Fayette Expressway on June 1st;
- Pittsburgh Chamber First Friday virtual event on June 4th;
- Attended in-person PA Senate Transportation Committee hearing at SPC on June 4th;
- Listened in on WCI Roundtable Legislative Discussion on June 4th;
- Webinar on federal Opportunity Zones on June 9th;
- Westmoreland Community Foundation virtual meeting on June 10th;
- Traffic Club event in South Hills on June 14th;
- Meeting with Mary Ann with Senator Toomey and Senator Casey staffers on June 16th;
- Catalyst Connection's AIM Higher Consortium webinar on June 17th;
- WCI Roundtable Legislative Discussion on June 18th;
- Planning call with MARAD on June 23rd;
- Attended in-person Westmoreland Chamber Gov't Affairs Committee meeting on June 24th;
- Virtual Pittsburgh Safe Boating Council Executive Committee meeting on June 24th;
- Prep call on June 28th for Marine Highway event;
- Outreach visit with Matt to S.H. Bell Company in East Liverpool on June 29th; and
- Marine Highway Program and lunch at Southpointe on June 30th.

PPC PUBLIC RELATIONS MANAGER'S REPORTS – MATT PAVOSKY

First Quarter – Reported October 16, 2020

Communications

- Worked with staff to produce the Sept 2020 "Waterways Journal" article featuring CMAQ program
- Worked with the Staff to release the second PortPitt quarterly newsletter in June 2020
- Assisted USACE with the Aug 4th Infrastructure listening session, including providing contacts for the event, and helping to call attendees to build support for the event
- Began daily updates on the PortPitt social media (working with Mike Brinza) for our Facebook, LinkedIn, and Twitter platforms
- Created advertisement and contact list for Oct 15 Representative Hennessey event for the Port

Economic Impact Study

Working with Committee and Staff to improve initial Study drafts with edits, updates, and reference information based on recommendations from all those who have contributed.

CMAQ

Working with the staff, PennDOT, and related Commonwealth fiscal team to continue to fund the remaining vessel upgrades. CMAQ is moving into its final year, with closing coming in September 2021.

- Campbell – Worked with Mary Ann and staff, as well as Don Davey to help complete invoice payments for m/vs: James Morehead, Gale Rhodes, Roger Keeney (renamed Connie K), and Jeffrey Raiké and project projections for the m/v Champion.

American Red Cross Partnership

Formed partnership in June 2020 with the Western PA chapter of the American Red Cross, specific to water safety education. Using the Red Cross's course catalog, the Port will look to structure course trainings (specifically in small craft/river traffic) that can potentially provide income from training courses. Matt is currently working to complete his course training to become a certified administrator for the Port of Pittsburgh.

PPE and COVID 19 Supplies

Continued to order and stock items as appropriate to follow falling costs of items, and prepare for potential future outbreaks (thermometers, masks, gloves, sanitizer)

Miscellaneous:

- Appointed to the Traffic Club of Pittsburgh board for 2020, after nomination from Mary Ann.
 - Participated in the Traffic Club 2020 Fall Golf Outing (with Scott), representing the Port as a prime event sponsor.
- Participated in the Pittsburgh Safe Boating Council meetings for July, August and September (with Scott)

Outreach Calls

- Participated in the virtual IMX 2020 Conference (*continued...*)
- Visit to Freeport Terminals
- Established Monthly call with PA Fish and Boat Commission (Pittsburgh Office)
- CMAQ calls with Donald Davey (Campbell)
- CMAQ call with Rob Anke, Murray American
- CMAQ funding call with Any Waple, transportation director, SPC
- FHWA call with Matt Smoker (CMAQ) Conference calls with
- Western PA American Red Cross (Aaron Workman)

Second Quarter – Reported January 15, 2021

Communications

- Coordinated the release of the third PortPitt quarterly newsletter in October (with assistance from all staff)

- Created PortPitt 2021 Holiday Giveaway Stakeholder (online) Survey, (with staff input), and received 52 replies from 372 possible responses.
- Continue daily updates on the PortPitt social media (working with staff) for our Facebook, LinkedIn, and Twitter platforms

Economic Impact Study

Working with Committee and Staff to refine final Study draft with edits, updates, and reference information based on recommendations from all those who have contributed.

CMAQ

Working with the staff, PennDOT, and related Commonwealth fiscal team to continue to fund the remaining vessel upgrades. CMAQ is moving into its final year, with closing coming September 2021.

- Confirmed with Campbell that work on the Tommy H will begin in Jan/Feb 2021

Chairman Hennessey Visit

Developed the communications/promotion items for the invite-only event featuring PA Transportation Chairman Tim Hennessey on Oct. 15 (at Bella Serra). Approximately 20 individuals attended, as PPC staff worked to adhere to social distancing standards, and provide a worthwhile dialogue between river stakeholders regarding the future of our rivers.

Port Operations Alliance

The staff has begun the process of organizing the Port Operations Alliance. This action was requested by the US Coast Guard, with the intention of rebranding and expanding the existing Congested Waterways committee. The Alliance's purpose is to advise Greater Pittsburgh river stakeholders, both commercial and recreational, regarding river-related matters and issues, specific to river congestion and traffic, with overall safety as the committee's priority. The first meeting of the POA will be held in February 2021.

American Red Cross Partnership

The partnership with the Western PA chapter of the American Red Cross, specific to water safety education, is active. Using the Red Cross's course catalog, the Port will look to structure course trainings (specifically in small craft/river traffic) that can potentially provide income from training courses. The process was stalled briefly during the holiday season, due to COVID restrictions of in-person training meetings. Matt is currently working to complete his course training to become a certified administrator for the Port of Pittsburgh.

PPE and COVID 19 Supplies

Continued to order and stock items as appropriate to follow falling costs of items, and prepare for potential future outbreaks (thermometers, masks, gloves, sanitizer)

Miscellaneous:

- Appointed to the Traffic Club of Pittsburgh board for 2020, after nomination from Mary Ann.
- Participated in the Pittsburgh Safe Boating Council meetings for October, November and December (with Scott)

Outreach/Meetings/Training

- PPC Staff met with Armstrong County commissioners regarding Port's mission and future of the Allegheny River (October)
- Discussion with the Brevard FL Boating Association, sharing info as to the start of their port alliance in 2018. (October)
- Established monthly call with PA Fish and Boat Commission (Pittsburgh Office, Officer Mike Johnson)
- CMAQ calls with Donald Davey (Campbell)
- CMAQ calls with Rob Anke, ACNR (*former Murray American*) (October, December)
- Participated in PA State Freight Movement Plan – PA Water Ports Focus (October)
- Participated in PennDOT Virtual Freight Workshop (November)
- Participated in the Annual U. S. Coast Guard, Office of Auxiliary and Boating Safety Conference (Virtual, November)
- Participated in SPC Transportation Technical Committee (TTC – October, November, December)
- Participated in SPC quarterly Freight Forum (October)
- Participated in USACE Dewater Event (October)
- Participated in Hennessey Event (October)
- Participated in 17th WCI Waterways Symposium (November)
- Participated in Beaver County Chamber, Government Affairs Mtg (with Scott, November)
- Western PA American Red Cross meetings (Aaron Workman, October/November)

Third Quarter – Reported April 16, 2021

Communications

- Coordinated the release of the fourth PortPitt quarterly newsletter in January (with assistance from all staff).
- Began work on a supplement document to the Economic Impact Study.
- Continue daily updates on the PortPitt social media (working with staff) for our Facebook, LinkedIn, and Twitter platforms.

Economic Impact Study

Completed the Economic Impact Study edits, and shared the completed version with the review committee, board, and posted the document online. 50 printed booklets were created for sharing in hard copy form.

Work has begun on a small handout document for the Economic Impact Study which will highlight the issues and opportunities of the Port of Pittsburgh.

CMAQ

Working with the staff, PennDOT, and related Commonwealth fiscal team to continue to fund the remaining vessel upgrades. CMAQ is moving into its final year, with closing coming September 2021.

MARAD Event: PPC

Assisted in the development, promotion and event-day operation of the PPC's event with MARAD on February 24. The event featured a variety of speakers from MARAD to local stakeholders such as PennPORTS, Southwestern PA Commission, and Port Staff. More than 50 virtual attendees participated.

American Red Cross Partnership

The partnership with the Western PA chapter of the American Red Cross, specific to water safety education, is active. Using the Red Cross's course catalog, the Port will look to structure course trainings (specifically in small craft/river traffic) that can potentially provide income from training courses. The process was stalled briefly during the holiday season, due to COVID restrictions of in-person training meetings. Matt is currently working to complete his course training to become a certified administrator for the Port of Pittsburgh.

PPE and COVID 19 Supplies

Continued to order and stock items as appropriate to follow falling costs of items, and prepare for potential future out breaks (thermometers, masks, gloves, sanitizer).

Miscellaneous:

- Participating in Traffic Club of Pittsburgh board, appointed to communications committee.
- Participated in the Pittsburgh Safe Boating Council meetings for January, February and March (with Scott)

Outreach/Meetings/Training

- Virtual Outreach call with Jeff Leithauser, Washington County Planning
- Established monthly call with PA Fish and Boat Commission (Pittsburgh Office, Officer Mike Johnson)
- Participated in the PA Summit on Infrastructure (January)
- Participated in the Beaver County Chamber Monthly Meetings
- CMAQ calls with Donald Davey (Campbell)
- Technical Committee (TTC – January, February, March)
- Participated in SPC quarterly Freight Forum (January)
- IRPT Seminar on USACE Readiness (February)
- Outreach: Met with Sara Walfoort – Freight Planner, SPC (February)
- Participated in the Municipal Water Roundtable (February)
- Participated in the 2021 ASCE Report Card on Infrastructure (March)

Fourth Quarter – Reported July 16, 2021

Communications

- Coordinated the release of the fifth PortPitt quarterly newsletter in January (with assistance from all staff).
- Completed work on a supplemental document to the Economic Impact Study.
- Continue daily updates on the PortPitt social media (working with staff) for our Facebook, LinkedIn, and Twitter platforms.

Economic Impact Study: Supplemental Document

With the Economic Impact Study now complete, a supplemental handout document for the 80+ page Economic Impact Study has also been completed, which will focus upon highlights from document the issues and opportunities of the Port of Pittsburgh detailed in the study.



Wall-2-Wall Studios created the final design of the brochure, and they are available by request, and posted for download to the PPC website.

CMAQ

Working with the PPC staff, PennDOT, and related Commonwealth fiscal team to continue to fund the remaining vessel upgrades. CMAQ is moving into its final year, with closing coming September 2021.

MARAD Event: PPC, June 30, 2021

Assisted in the development, promotion and event-day operation of the PPC's event with MARAD on June 30. The event featured a variety of speakers from MARAD to local stakeholders from industry, including Campbell Transportation, ACNR, Heartland Fabrication, ACBL, Colona Transfer, Guttman Energy, Borghese Lane, Washington County Commissioner Diana Ireya Vaughn, the Pittsburgh and Westmoreland County Chamber, Southwestern PA Commission, and PPC Staff. More than 20 attendees participated.



Update of the Strategic Plan

The update draft of the 2021 Port of Pittsburgh has been completed and is awaiting Board approval. While managing the editing process the overall reviews have been members of the Strategic Plan Committee, as well as the PPC staff.

Miscellaneous:

- Participating on the Traffic Club of Pittsburgh Board, appointed to communications committee. Working with website and marketing upgrades to the existing brand.
- Participated in the Pittsburgh Safe Boating Council meetings for April, May and June (with Scott)

- Presenting to the FHWA Regional Certification Review Committee (SPC), to report on the CMAQ program. (for July 2021)

Outreach/Meetings/Training

- University of Pittsburgh Regional Transportation Forum (April)
- Changed monthly call with PA Fish and Boat Commission to bi-weekly (April, Pittsburgh Office, Officer Mike Johnson)
- Participated in Pittsburgh Regatta Board Meeting (April)
- Participated in FHWA National Talking Freight Seminar (April)
- Participated in SPC quarterly Freight Forum (April)
- Participated in Pittsburgh Chamber Frist Friday on Infrastructure. (May)
- Participated in the SWPA Water Network Virtual Engagement Session (May)
- Outreach: SPC (virtual) REMI Modeling in the Grant Application Process (May)
- Participated in the (virtual) PA Legislative Forum (May)
- CMAQ calls for reimbursement with Donald Davey (Campbell)
- CMAQ calls for reimbursement Rob Anke (ACNR)
- CMAQ calls for application with Tom Thorpe (Stile's Marine)
- SPC Technical Transportation Committee (TTC – April, May, June)
- Participated in the Traffic Club Election Golf Outing (June)
- Participated in the Three Rivers Pollution Response Meeting (June)
- Outreach: Met with SH Bell, Site Visit – Midland, PA (June)
- Participated in the Municipal Water Roundtable (February)

FINANCES

The operating budget for FY2020-21 was approved on June 29, 2020. The treasury balance on July 1, 2020 was \$913,511.83. This figure came from the Funds Management Balance report generated from SAP and reflects the PennDOT appropriation of \$950,000 in 2020/21. In keeping with an agreement with the Bureau of Rail Freight, Ports & Waterways, this financial summary is written on a cash basis. A spreadsheet is attached to illustrate expenditures in relation to the Board-approved operating budget. An audit report will be forwarded in mid-October reflecting a full accrual accounting of the PPC's financial statement.

Personnel

The total gross expenditures for personnel costs (expenditures before grant reimbursements or other offsets are applied) were 9% higher than budgeted due to an increase to the Port Analyst taking on the administrative assistant duties. The total gross expenditure for salaries was 9% over budget and the benefits were 9% over budget.

Operations

- Consultant Fees. Budget allowances were made for the Government Affairs Liaison, a marketing consultant, for legal trademarking consultant, and for an Economic Impact Study for a total of \$247,873. Expenditures for these services totaled \$93,963.
- Travel & Conferences/Sponsorships. Very little of the travel budget was used, mainly due to continuing pandemic restrictions preventing in-person meetings and conferences. Even though in early 2021, many of these restrictions were eased, events such as conferences, seminars, and meetings have been very few.
- Administrative Costs. These costs were 34% over the budgeted amount mainly due to additional membership dues and a new maintenance contract for office printing equipment.

Fixed Assets

The Commission routinely budgets \$5,000, the minimum dollar amount for a single purchase to qualify as a fixed asset, to cover contingency purchases of equipment. A new copier was purchased in April of 2021 for the amount of \$16,104.

Revolving Loan Fund

Based on the fund balance for Fund 6014200000 as reported in SAP as of July 1, 2020, \$956,124 was available for loans in the Revolving Loan Fund. There was no activity and the fund balance remained the same as of June 30, 2020, \$956,124. The Commission is working with the board to revise the Revolving Loan Fun guidelines.

* * * * *

CONCLUSION

In summary, the Commission had gross expenditures of \$891,189 at June 30, 2021. There were \$1,098.50 in purchasing card rebates.

By legislation, the Commission funding does not lapse at the end of the fiscal year. The Commission has three years to expend any carry-over. The Commission previously relied on carryover funds to bridge the gap between the appropriation and actual expenditures. After years of receiving allocations that were less than the annual net expenditures, the carryover surplus has diminished. Lack of sufficient funding handicaps the Commission’s efforts to take on large projects and advocacy promotions. Funding for the much-needed and long-overdue economic impact study was approved, and a contractor to undertake the study has been selected. PPC appropriation for this past year was \$950,000.



PORT OF PITTSBURGH COMMISSION
Expenditure Tally vs. Budget FY 20-21

GL Accounts		Approved Oper. Budget FY20-21 6/29/20	Total Revenue/ Net Expenditures All Appropriations 7/1/20 - 6/30/21	Percent of Budget Expended
	BEGINNING BALANCE	326,814	913,512	
	SOURCES OF FUNDS			
	PennDOT Appropriation - FY2021	950,000	950,000	
	Admin Fees CMAQ Grant	15,000		
	CITF Grant - FY17	50,000	50,000	
	TOTAL SOURCES OF FUNDS	1,341,814	1,000,000	
	USES OF FUNDS			
	PERSONNEL EXPENSES			
6111000	Salaries	346,032	376,833	109%
	Benefits			
6148000	Employee Health Benefits	53,042	57,798	109%
6142000	Annuitant Hosp Insurance	20,478	17,090	109%
6143000	Social Security/Medicare	25,936	28,034	109%
6145000	Retirement	105,393	117,239	109%
6146000	Workmen's Compensation	3,807	7,358	109%
6147000	Group Life Insurance	453	478	109%
	Reserve to Pay Accrued Leave	0	2,610	
6321030	Out Service Training/Conf. Reg.		0	
	Subtotal - Personnel	555,141	607,440	109%
	OPERATIONAL EXPENSES			
6343117	Economic Impact Study	168,873	57,301	34%
6341100	Gov't Affairs Liaison	44,000	36,662	83%
	Trademark research/Legal Fees	35,000		0%
	Total Consultant Fees	247,873	47,155	19%
91etc (w/6343117)	Purchasing, EDP & Special Svcs	10,000	63,104	631%
6342100	Legal Fees	35,000	6,213	18%
6343117	Independent Audit	14,500	11,200	77%
6391070	Conference Exp. (we host)	35,000	4,142	12%
6391030	Printing	20,000	1,176	6%
6343200	Advertising	17,500	14,840	85%
6391030	Conference Registration	0	0	
6391060	Conference Exp. (we attend)	35,000	7,889	23%
6311999	Travel	15,000	231	2%
6351210 & 6351220	Rent	43,656	43,842	100%
	SUBTOTAL	225,656	199,792	89%
	Grants & subsidies			
	Various grant recipients State	0	0	
	Total	0	0	
	Administrative:			
6344230	Contracted Personnel	5,000	0	0%
6391010	Postage & Freight	250	513	205%
6331110 etc	Telephone	6,000	7,840	131%
6351130	EDP Software (Upgrades)	0	0	
6391040	Subscriptions	5,000	4,180	84%
6391050	Membership Dues	15,000	24,679	165%
6361300	Educational Books & Supplies	0	4,657	
6391120	Insurance	1,500	1,251	83%
6380710	Motorized Equipment Supplies	1,500	2,293	153%
6344700	Motorized Equipment Repairs	1,000	1,288	129%
6344420	Contracted Maint - Office Equip	10,000	12,483	125%
6361100	Office Supplies	5,000	3,453	69%
6399999	Other Services & Supplies	250	0	0%
	P-card purch/reimburse	0	5,216	
	SUBTOTAL	50,500	67,853	134%
	Subtotal - Operational Exp.	524,029	267,645	51%
	FIXED ASSETS			
6450280	EDP Hardware/Software	0	0	
6450360	Furniture & Furnishings	1,000	0	0%
6450210	Automobile	0	0	
6450310	Office Equipment	5,000	16,104	322%
	Subtotal - Fixed Assets	6,000	16,104	268%
	Adjustments	0	0	
	Total Uses of Funds	1,085,170	891,189	82%
	ENDING BALANCE	256,644	1,022,322	

PORT PITT

Port
of Pittsburgh
Commission

Good things
flow from here.

THE YEAR IN PICTURES



PA Rep Matt Dowling and Scott
at groundbreaking -- July 21, 2020



Mary Ann and Matt -- Port of Leetsdale
Roundtable, Sept 30, 2020



Mary Ann addressing Port of Leetsdale
Roundtable -- September 30, 2020



Kyle Buese and Peter Stephaich of
Campbell Transportation Company at
Emsworth -- October 14, 2020



Matt inside dewatered Emsworth chamber -- October 14, 2020



Hosted roundtable with PA Rep. Tim Hennessey -- October 15



Staff outreach to Armstrong County commissioners -- October 20, 2020



Staff supporting blood drive for the holidays -- December 15, 2020

USDOT Secretary Pete Buttigieg's visit to Pittsburgh to discuss infrastructure and transportation -- May 6, 2021



Peter Stephaich, Sec. Buttigieg, Sen. Casey, Rep. Conor Lamb



Rep. Conor Lamb, Cheryl Moon-Sirianni (PennDOT), Sec. Buttigieg, Yassmin Gramian (PennDOT), Sen. Casey



Matt and Mike Johnson (PA Fish & Boat Comm.)
Kickoff to Safe Boating Week -- May 24-28, 2021



Staff visit to S.H. Bell -- June 29, 2021



Staff visit to S.H. Bell -- June 29, 2021



MARAD Marine Highways roundtable discussion -- June 30, 2021



PortPitt branding on COVID safety items

THE NEWSFLOW PORTPITT

The Newsletter of the Port of Pittsburgh Commission

2020 Vol 2

EXECUTIVE DIRECTOR'S MESSAGE

Since our first newsletter in April, we continue to adapt to our new normal. Our commitment to success under these circumstances has not changed; in fact, it may be more important than ever. In this issue, we will feature those pivotal to our region's response to the matters at hand. Specifically, Senators Kim Ward and Representative Connor Lamb, Senator Ward is a member of the PA State Senate and Chair of the Transportation Committee, and a board member of the Port of Pittsburgh Commission. In "3 Rivers, 3 Questions", she offers her perspective on the response to COVID-19, and its impact on our region's transportation issues. The Commission also recognizes Rep. Lamb for his work toward a bi-partisan bill (H.R. 7416), the "Coastal and Inland Ports and Terminals Commerce Improvements Act". We thank our region's elected officials for their work and service to our industry and communities.

We look forward to keeping you informed, working with you, and continuing to do our part to keep the Port of Pittsburgh flowing. Stay vigilant, stay safe!

Mary Ann Bucci Executive Director, Port of Pittsburgh Commission

Congressman Lamb bill approved by House would establish new waterways grant program

"Why can we apply?" is a question we hear often at the Port office from industry partners when a federal agency issues a grant opportunity. All too often the funding guidelines restrict eligibility only for public entities such as state and local governments, Metropolitan Planning Organizations, and port authorities among others while making private businesses ineligible.

Working with the Inland Rivers, Ports and Terminals, Inc. trade association, the Port of Pittsburgh Commission approached our local Congressman Connor Lamb (D-PA) on the need for a new funding program which would allow smaller ports and privately-owned terminals to be able to apply for federal funding in a new competitive grant matching program. A member of the U.S. House's Transportation & Infrastructure Committee, Congressman Lamb's office has heard similar concerns. Recognizing this need and opportunity, Rep. Lamb along with Rep. Mike Doyle (R-IL) introduced the bill, H.R. 7416, the "Coastal and Inland Ports and Terminals Commerce Improvements Act" that also had additional co-sponsor support from other members of the House representing inland waterway constituencies including Rep. Guy Reschenthaler (R-PA).

We're happy to report that this bill was included as part of the National Defense Authorization Act that was approved by the full House on July 28. The Senate approved their version of the NDAA on July 28th, and a joint conference committee between the House and Senate will negotiate a final bill sometime this fall.

We greatly appreciate Congressman Lamb's leadership and support on this important legislation!

3 RIVERS, 3 QUESTIONS with Senator Kim Ward

Kim Ward is a member of the PA State Senate, R-19th, and is the chair of the Senate Transportation Committee. She also sits on the board of the Port of Pittsburgh Commission.

1. Can you talk about the important role our transportation industry has in keeping freight moving during this public health crisis?

In the early stages of the Commonwealth's shutdown, freight transport was essential in providing the needed safety supplies to our first responders and hospital personnel. Emergency management plans relied heavily on the ability to move these supplies. Additionally, freight transport was and is a critical element to not only the final supply chain but also our energy industry. I am grateful for the work of our large companies and terminal operators in keeping commerce flowing along our rivers during this crisis.
2. What are some of the challenges that Pennsylvania will be facing in the future in building and maintaining our critical infrastructure?

The most critical challenge facing our critical infrastructure in a post-pandemic environment will be funding. It's still so early to tell what the overall impact will be on federal and state revenues as a result of the pandemic. However, based on early forecasts...

(continued on page 2...)

GOOD THINGS FLOW FROM HERE

THE NEWSFLOW PORTPITT

The Newsletter of the Port of Pittsburgh Commission

2020 Vol 3

EXECUTIVE DIRECTOR'S MESSAGE

As we bring the year to a close with our third issue, we can reflect upon 2020 and the unprecedented year it has been. While it has been undeniably difficult for us all, the mission of the PFC remains as vital as ever. The PFC will continue to work diligently to educate, inform, and support our stakeholders, and we will look to expand our efforts and resources in 2021.

We wish to thank our elected officials for the bi-partisan support and efforts to keep our industry flowing. We can point to efforts like the Water Resource Act of 2020 (WREDA), and the progress that has been made toward valuable support of our infrastructure, as hope for the future. In addition, we wish to thank the Port of Pittsburgh Commission board and our stakeholders, whose contributions continue to help the Port District open for business. On behalf of myself and the staff, we wish you and your families all the best for this upcoming holiday season, and we look to a healthy and prosperous year ahead.

Mary Ann Bucci Executive Director, Port of Pittsburgh Commission

EMSWORTH PRIMARY LOCK CHAMBER DEWATERED, REMAINS CLOSED UNTIL NOV 13

The main chamber at the Emsworth Locks and Dams (Ohio River, mile 6.2) was dewatered on August 31 in order to undergo some critical repair work. Maintenance is being performed on the mixer gate anchorages and the U.S. Army Corps of Engineers (USACE) repair fleet has been creating a new bulkhead closure system. The auxiliary chamber remained open to navigation although more intermittent closures of 16 hours or less may occur during the final week as was the case during the first three weeks.

"We have methodically planned the upcoming dewatering of Emsworth Locks for almost two years," said C.J. Andrew Shone, district commander. "Every detail of the dewatering operation, the main chamber repair, and the use of the auxiliary lock chamber has been designed and worked on by our team of engineering professionals. We are focused on safe and efficient operations at Emsworth for both the repair party and commercial and recreational river users. Intermittent closures are needed to support the work in the lock chamber and ensure vital navigation continues."

District navigation project manager David Hejhal reported that the mixer gate anchorages were severely deteriorated and experiencing excessive movement during operation. Dewatering was necessary in repairing mixer gate anchorages. Furthermore, dewatering gave the Corps the chance to test the new bulkhead closure structure. The last time the Emsworth lock was dewatered was 2001.

The Emsworth Locks and Dams are 100 years old. Along with Dashiell and Montgomery, Emsworth underwent a major rehabilitation in the 1960s, which was intended as a stop-gap measure to give the project another 25 years of useful service. As part of...

(continued on page 3...)

3 RIVERS, 3 QUESTIONS with Congressman Connor Lamb

Connor Lamb is a member of the U.S. House of Representatives covering the 17th congressional district of Pennsylvania, which encompasses all three Ohio River locks in PA, plus locks 3 and 4 on the Allegheny River.

1. You're first full-term in office has seen your appointment to committees such as Transportation and Infrastructure, not to mention Veterans Affairs and Science, Space, and Technology. Can you discuss what it's like to be on such high-profile committees, while also acclimating yourself to the position?

All three of my committee assignments provide important opportunities to connect back to western Pennsylvania and my constituents. Pennsylvania is home to a large veteran population, and in my role as Vice Chairman of the House Committee on Veterans' Affairs, I have championed veterans' access to healthcare, especially mental healthcare, and connecting remaining service members and veterans to job opportunities. Similarly, the House Science, Space, and Technology Committee, where I serve on the Energy and Environment Subcommittee, is a natural fit for our region. I held a field hearing in PA-17 with my colleagues on the committee on nuclear power and have advanced legislation to bolster research and development across all forms of energy generation and modernizing our energy infrastructure. We know that in Western Pennsylvania, our energy titles cutting-edge science and supports thousands of jobs, and I am working hard to ensure that sector can continue doing so.

(continued on page 2...)

GOOD THINGS FLOW FROM HERE

THE NEWSFLOW PORTPITT

The Newsletter of the Port of Pittsburgh Commission

2021 Vol 1

EXECUTIVE DIRECTOR'S MESSAGE

The new year brings new opportunities and the hope for better times ahead for all of us. We have learned a great deal over the past year, and we believe those lessons have made our industry stronger, and our commitment to service remains our primary goal.

We are appreciative of the bi-partisan support and effort in Congress passing the Water Resource Development Act (WREDA) 2020, and the "new start construction" designation for the Upper Ohio Navigation Project in the USACE's 2022 Workplan. Both are important issues to our infrastructure needs on our inland waterway system. The progress and efforts to end COVID-19 offer confidence that 2021 will see a return to business as usual, but with new strategies and resources.

We are delighted to bring you "The Newsflow", to provide updates and insight into the happenings in our Port District, and we will continue to keep you apprised of the available opportunities and good things happening in our region.

Mary Ann Bucci Executive Director, Port of Pittsburgh Commission

STARTING THE YEAR OFF ON SOME HIGH NOTES

This past year certainly had its challenges, but we are happy to report on important and positive achievements for the inland waterways that happened at the end of the year and in the first month of 2021.

2020 Water Resource Development Act Signed Into Law
WREDA was part of the federal government's end of the year Omnibus Appropriations Act which included the U.S. Army Corps of Engineers' "new start construction" designation for the Upper Ohio Navigation Project as well as a 65% General Revenues 30% Inland Waterways Trust Fund rate for the next ten years was included.

Energy & Water Development Appropriations

The Omnibus Appropriations bill passage also included the Energy & Water Development accounts which fund the U.S. Army Corps of Engineers' Civil Works programs with almost \$320 million in the construction account for FY21, including a new construction start for an inland waterways project to be determined in the USACE's new Work Plan.

Corps' Work Plan Includes New Start at Montgomery

Led by Rep. Connor Lamb, a bipartisan group of congressmen from the tri-state region (PA-OH-WV) including Rep. Mike Doyle, Rep. Guy Reschenthaler and Rep. Mike Kelly all from western PA, advocated for the Upper Ohio Navigation Project as the best candidate for the new construction start on the inland waterways. On January 9th, the Army Corp released their FY21 Work Plan that designated the Upper Ohio Navigation Project as the new start with \$22 million dedicated this year to the Montgomery Lock & Dam.

(continued on page 2...)

3 RIVERS, 3 QUESTIONS with J.D. Shearer

Three Rivers Marine & Rail Terminals, LP

J.D. Shearer is the owner of Three Rivers Marine and Rail Terminals, LP located on the Monongahela River in Charlot, PA.

1. Tell us a little about Three Rivers Marine & Rail Terminals, and what has helped build your reputation in the Port of Pittsburgh area?

Three Rivers is a family owned company that has been operating terminals within the Port of Pittsburgh since 1997. We are active within all of the transportation organizations as well as our local communities. We have built a reputation on quality products and services. This is all made possible by the great team of managers and employees that we have working with us every day.
2. As you continue to evolve and adapt your business model, can you give us a glimpse of the TRMRT's future?

Three Rivers spends a great deal of time and effort on innovating. In 2021, we will be completing the construction of two new 50,000 square foot warehouses as well as a number of equipment upgrades.

(continued on page 2...)

GOOD THINGS FLOW FROM HERE

THE NEWSFLOW PORTPITT

The Newsletter of the Port of Pittsburgh Commission

2021 Vol 2

EXECUTIVE DIRECTOR'S MESSAGE

As we begin the second quarter of 2021, optimism remains high for the inland waterways in our region. Legislatively, we received big wins on the cost-share program on our locks and dams, the new start designation for the Montgomery Locks and Dams, and the ability for private industries along the waterway to be eligible for federal grants for upgrades and improvements to terminals.

As spring begins, we welcome the many recreational boaters on our three rivers. Sharing our rivers safely with the commercial industry is of the utmost importance. As summer approaches and our rivers become increasingly more congested, it is important to know how to stay safe. We are dedicating much of this issue to safety on our waterways. Enjoy the issue, your spring, and our rivers.

Mary Ann Bucci Executive Director, Port of Pittsburgh Commission

PA Fish and Boat Commission Continues Emphasis on Safety for the Upcoming Boating Season

The upcoming boating season promises to be another busy one for the Pennsylvania Fish and Boat Commission. Watersways Conservation Officers in the Pittsburgh/Allegheny District continue to emphasize safe boating practices on our waterways.

Specific to the Three Rivers, a new, extended slow no wake zone, from the Fort Pitt Bridge over the Monongahela River and beyond the 9th Street Bridge to the Veterans Bridge over the Allegheny River to the West End Bridge over the Ohio River, will be enforced. This zone shall be in effect on weekends from May 1 to November 1 from 3 p.m. Friday until midnight Sunday and from 3 p.m. on the preceding Memorial Day, July 4 and Labor Day until midnight of the holiday.

A no-wake speed is the slowest possible speed a boat can go while maintaining left and right steering without creating a disturbance behind the boat. Slow no-wake speed is defined as the slowest possible speed a boat can go, while still maintaining navigational control. Our region's Watersways Conservation Officers goal this year will be to educate the public regarding the new no-wake zone.

Also, as sunshine and warm breezes draw winter-weary anglers and a variety of boaters to the region's waterways, water...

(continued on page 2...)

3 RIVERS, 3 QUESTIONS with Jennie Granger

Deputy Secretary for Multimodal Transportation, PennDOT

Jennie Granger is with the Pennsylvania Department of Transportation and serves as the Deputy Secretary for Multimodal Transportation. She provides oversight for department initiatives and policy related to public transportation, aviation, rail freight, passenger rail, bike/pedestrian, and ports.

1. As Deputy Secretary for Multimodal Transportation, you oversee every mode: airports, bicycles and pedestrian, passenger and freight rail, public transit, and ports. Can you tell us a bit about that role and your responsibilities?

While roads and bridges may be the framework of transportation, Multimodal offers the fabric of the system with the diverse opportunities in transportation which we offer. My role is to continue to weave that fabric into a robust, safe, sustainable system of transportation opportunities for both people and goods. This involves community outreach, planning, funding, and growth.

(continued on page 2...)

GOOD THINGS FLOW FROM HERE

The Port of Pittsburgh is

IMPOR**T**ANT

BY THE NUMBERS



Port District is **12 counties**, **3 navigable rivers**, **17 sets of locks and dams**



200 miles of commercially navigable waterways



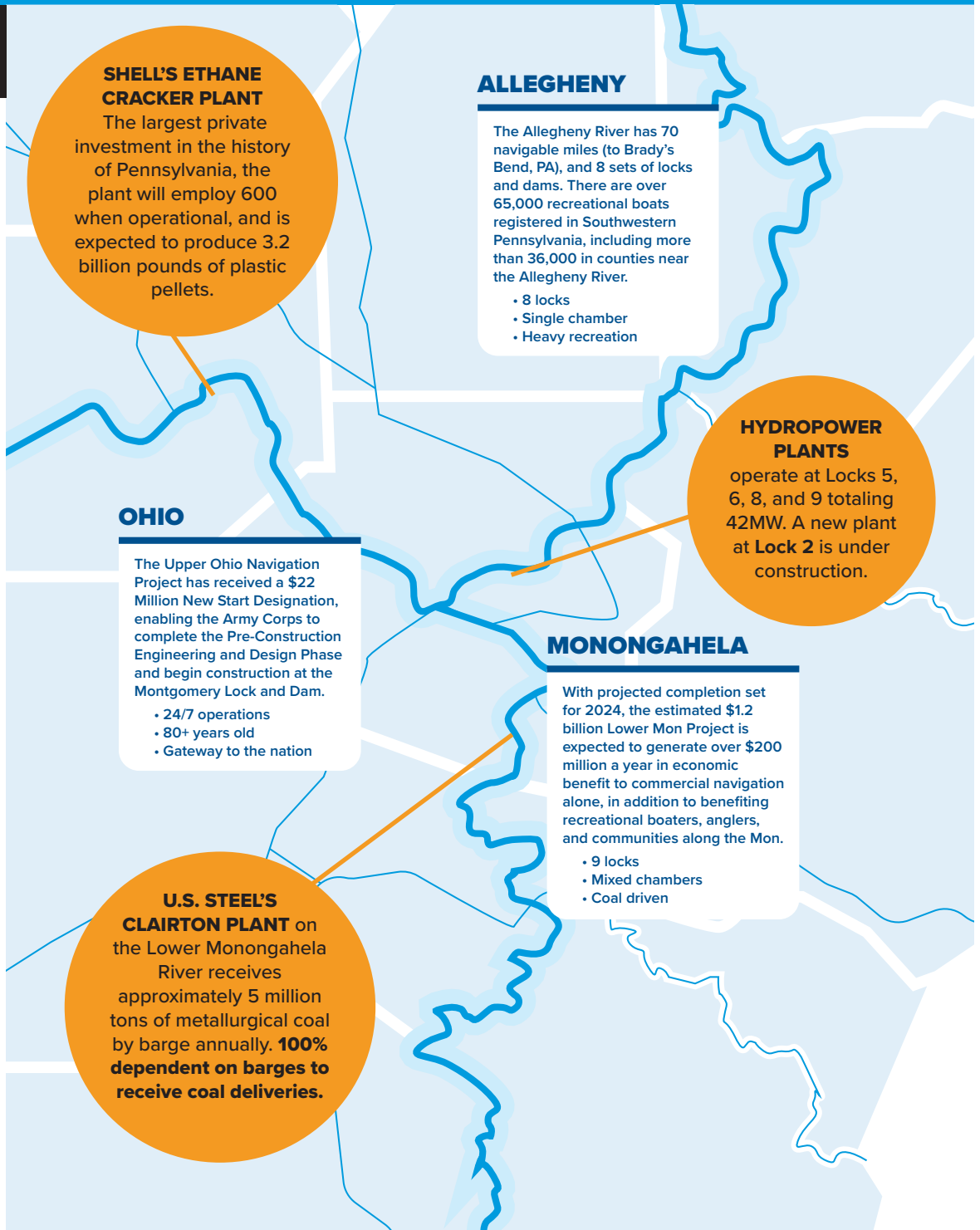
More than **200 river terminals**, barge lines, and other marine services



More than **60 shippers** that utilize the waterways for transport, and almost **40 barge lines**



14,000-15,000 jobs supported and between **\$4-5 billion** total economic impact



CHALLENGES

COAL MARKET

Significant drop in waterborne coal shipments over the last 15 years.

CONSTRUCTION SCHEDULE FOR USACE

Persistent funding shortfall for lock and dam projects.
Significant construction delays.
Cost escalations for current and future projects.

ZONING ISSUES

Need to maintain commerce and provide an area for river-dependent industries to operate vs other planning/development activities.

BENEFIT-COST ANALYSIS (BCA) METHODOLOGY

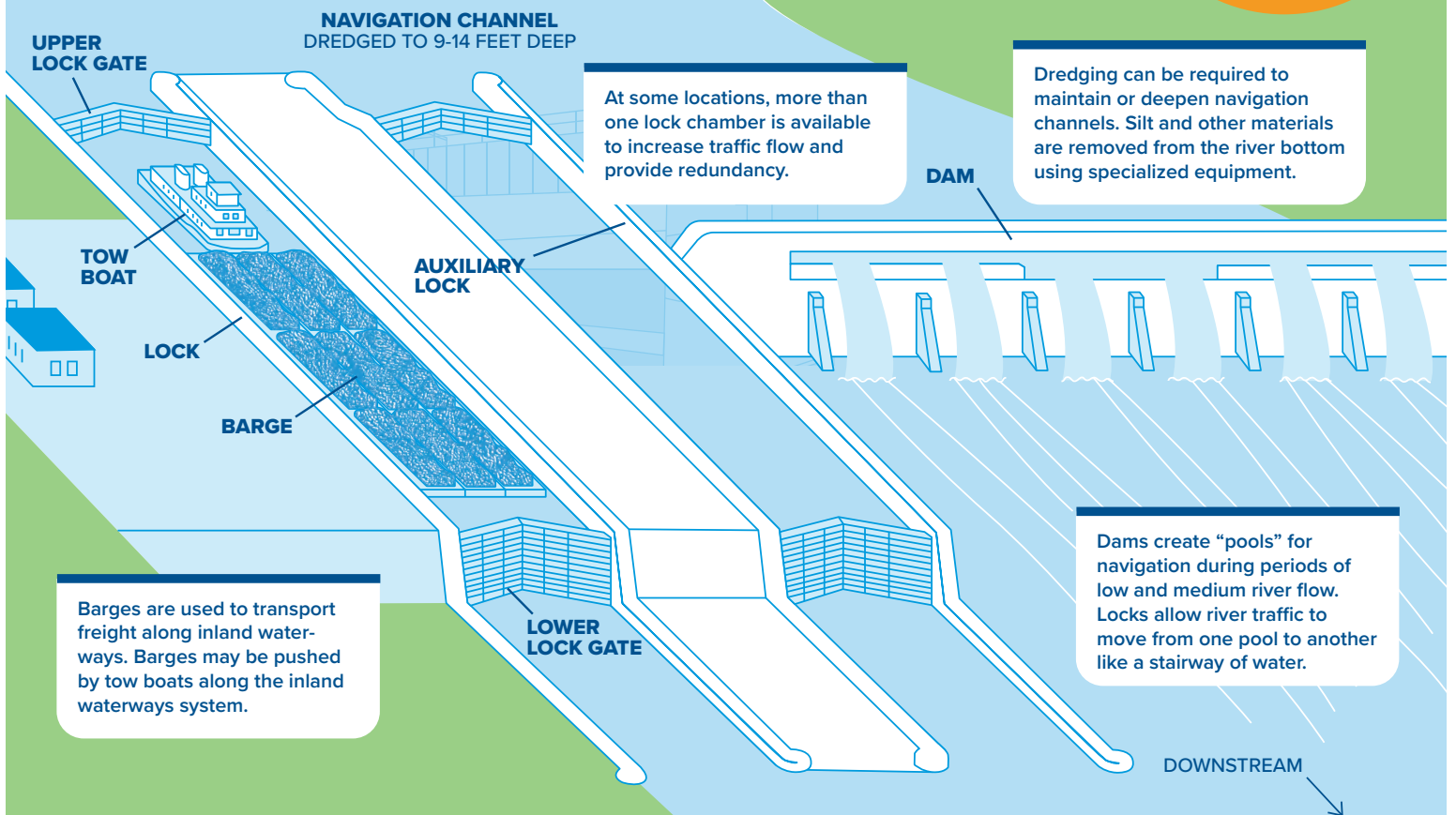
Nontransportation benefits and uses from the navigation system not factored into funding determinations.

TRADE WAR

Trade disputes with China affect Pennsylvania.

LOCKS AND DAMS ARE 70 TO 100 YEARS OLD. Their continued operation is crucial to coal and petroleum industries, as well as to the nation's economy.

Basic Operations of a Lock and Dam



OPPORTUNITIES

SHELL'S ETHANE CRACKER PLANT

ECONOMICS

\$6 billion plant on Ohio River within the port.



INFRASTRUCTURE

Project site selected due to reliable waterway system.



GOODS

60% of heavy construction equipment moved by water.



PRODUCTION

3.2 billion pounds of plastic pellets annually.



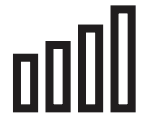
JOB

600 jobs once operational.



GROWTH

Region could support up to 4 more crackers.



Future of Economic Development of the Rivers of Southwestern PA

CREATION OF STRONG PETROCHEMICAL VALUE CHAIN

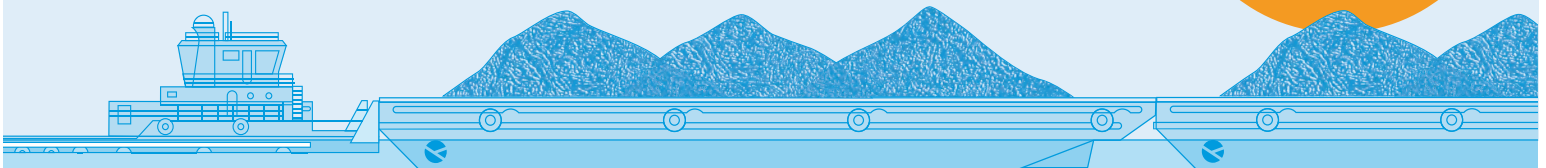
12 primary-use sectors that could benefit significantly.

Promotion of regional development in southwestern Pennsylvania.

COMMODITY DIVERSIFICATION

Port commodity diversification means new opportunities for emerging markets to move goods on our rivers, while helping to decrease traffic volumes on roadways and improve safety.

OHIO RIVER designated as M-70 on the Marine Highway. (PPC is lobbying to include Monongahela and Allegheny.)



NON-NAVIGATIONAL BENEFITS OF THE LOCKS AND DAMS

ENHANCED QUALITY OF LIFE

All of these taken together: reliable water supplies, hydropower, recreation on the water, reduced congestion on the roads, and cleaner air, work to enhance to quality of life for everyone in the region. The benefits of the locks and dams go far beyond the passage of barges up and down the rivers.



REDUCED ENVIRONMENTAL IMPACTS

Barge transportation has always had significantly lower emissions per ton-mile than truck or rail. Recently, the Congestion Mitigation and Air Quality (CMAQ) federal grant program has encouraged vessel operators to improve their boats further with new, cleaner diesel engines.

CONGESTION AND SAFETY IMPACTS

The availability of the waterways for freight transport keeps the number of trucks on the road to a minimum, reducing congestion and lessening safety concerns due to water transport having a much better safety record than other modes.

HYDROPOWER GENERATION

Several hydropower generating plants have been operating on the Allegheny River, and new ones are planned for the Ohio River. These plants rely on a consistent flow of water adjacent to a dam for proper operation.

Image Credit: Waterways Journal

MUNICIPAL AND INDUSTRIAL WATER SUPPLIES

Water intakes for municipal water supplies and for industrial cooling systems are dependent upon the water remaining at a constant level which is achieved by having consistently maintained pools due to the presence of the dams.

RECREATIONAL USES

The lake-like pools created by the dams allow water recreational activities of all types, including kayaking, boating, and water skiing. Having the locks available for recreational boaters not only enables boaters to travel the entire length of a river, but encourages leisure activities that stimulate the economy.

ECONOMIC IMPACT OF PITTSBURGH PORT DISTRICT INLAND WATERWAYS

PORTPITT

Port of Pittsburgh
Commission



NATIONAL
WATERWAYS
FOUNDATION

IN 2018, THE PITTSBURGH PORT DISTRICT'S RIVER TERMINALS, INLAND WATERWAYS, AND INLAND WATERWAYS-DEPENDENT INDUSTRIES SUPPORTED

Nearly **76,500 jobs**

\$5.5 billion in personal income

\$11.3 billion in Gross State Product

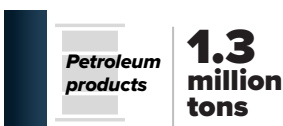
\$25.6 billion in total output

...Giving rise to
\$1.1 billion
in state & local
tax revenue

INLAND WATERWAYS SUPPORT THE PITTSBURGH PORT DISTRICT'S KEY INDUSTRIES

Industry Sub-Category	Percent of Goods Shipped by Water (Tons)	Direct District Jobs
Oil & gas extraction	🌀 69.5% of outbound	965
Nondurable manufacturing	🌀 8.6% of inbound	22,850
Utilities	🌀 7.9% of inbound	5,000
Chemical manufacturing	🌀 6.3% of outbound	8,700

TOP INLAND WATERWAYS COMMODITIES BY WEIGHT (comprising 87% of total tonnage)



TOP INLAND WATERWAYS COMMODITIES BY VALUE (comprising 96% of total value)



The Pittsburgh Port District has
200 MILES
of navigable inland waterways, across a
12 county region

THE PITTSBURGH PORT DISTRICT'S INLAND WATERWAY ASSETS AT A GLANCE



Ohio, Allegheny, and Monongahela Rivers



1 public port & over

200 river terminals

In 2018,
21.6M tons of freight
valued at
\$2.5 BILLION
moved on the Pittsburgh Port District's inland waterways, which is equivalent to
539,000 TRUCKS

Avoided trucks translates into **reduced congestion, emissions, and crashes**, lessening impacts on highway infrastructure

ECONOMIC IMPACT OF PENNSYLVANIA'S INLAND WATERWAYS

PORTPITT

Port of Pittsburgh Commission



NATIONAL WATERWAYS FOUNDATION

IN 2018, PENNSYLVANIA'S PORTS, INLAND WATERWAYS, AND INLAND WATERWAYS-DEPENDENT INDUSTRIES SUPPORTED

Nearly **248,000 jobs**

\$19.3 billion in personal income

\$40.9 billion in Gross State Product

\$84.5 billion in total output

...Giving rise to **\$4.3 billion** in state & local tax revenue

Pennsylvania has

260 MILES

of navigable inland waterways, ranking it

28th in the nation

INLAND WATERWAYS SUPPORT PENNSYLVANIA'S KEY INDUSTRIES

Industry Sub-Category	Percent of Goods Shipped by Water (Tons)	Direct Pennsylvania Jobs
Oil & gas extraction	↻ 6.4% of outbound	4,400
Mining (except oil & gas)	↻ 4.8% of outbound	9,690
Petroleum & coal products mfg.	↻ 4.6% of inbound	5,820
Utilities	↻ 4.6% of inbound	22,880
Chemical manufacturing	↻ 3.3% of inbound / ↻ 3.6% outbound	39,750

PENNSYLVANIA'S INLAND WATERWAY ASSETS AT A GLANCE



Ohio, Allegheny, Monongahela, Delaware, and Schuylkill Rivers and the Great Lakes System



6 public ports

TOP INLAND WATERWAYS COMMODITIES BY WEIGHT (comprising 88% of total tonnage)

Crude petroleum and petroleum products

11.7 million tons

Coal, lignite, and coal coke

7.9 million tons

Sand, gravel, shells, clay, salt, & slag

3.9 million tons

TOP INLAND WATERWAYS COMMODITIES BY VALUE (comprising 62% of total value)

Other coal and petroleum products, including LNGs, lubricating oils and greases, and petroleum asphalt

\$4.3 billion

Fuel oils

\$2.9 billion

Crude petroleum

\$2.6 billion

In 2018, **26.7M** tons of freight

valued at **\$15.8 BILLION**

moved on Pennsylvania's inland waterways, which is equivalent to

667,000 TRUCKS

Avoided trucks translates into **reduced congestion, emissions, and crashes**, and contributes to the state of good repair of highway infrastructure

BENEFITS OF INLAND WATERWAYS TRANSPORTATION

America's inland waterways system is vital to our nation's competitiveness and economic growth. The inland waterways efficiently, sustainably, cost-effectively and safely transport critical commodities like agricultural goods, energy products, building materials and industrial chemicals to destinations within the U.S. and to deep water ports for export. In 2018, 766.3 million tons of goods valued at \$507.3 billion moved on the U.S. inland waterways system, and by 2045 it is expected to increase by 23% to 942 million tons valued at \$871 billion. Barge transportation is the safest, most environmentally-friendly, economical, and fuel-efficient way to move our nation's goods for use domestically and for export. On a single gallon of fuel, one barge can move freight more than four times farther than trucks, releasing 10 times fewer emissions.

Called "the backbone of the transportation logistics system," the inland waterways are a key part of the United States' transportation supply chain. The system includes a vast network of 12,000 miles of connecting waterways and 218 locks. However, the majority of locks and dams on the Mississippi River system were constructed during the 1930s and are operating well beyond their 50-year design life. Modernizing the nation's inland waterways system will support and create American jobs, increase U.S. exports, and inject billions of dollars into the U.S. economy to power our growth for the next 50 years.

Sources: U.S. Department of Agriculture Inland Waterways Study (2019); U.S. Army Corps of Engineers Waterborne Commerce Statistics; Federal Highway Administration Freight Analysis Framework; U.S. Department of Labor Bureau of Labor Statistics Occupational Employment Statistics; IMPLAN

One standard
15-barge tow
moves the equivalent volume of
216 rail cars



or
1,050 trucks



Source: National Waterways Foundation

Over the next 10 years, **constructing all authorized navigation projects and rehabilitating existing locks** could have significant national impacts, leading to a **20% increase in jobs, 39% increase in Gross Domestic Product, and 40% increase in output**

Source: USDA



The US' inland waterways system saves between
\$7 billion & \$9 billion
annually over the cost of other modes due to
efficiency and low cost

Source: USDA

The National Waterways Foundation estimates overall investment needs of inland waterways at
\$8 billion over the next 10 years



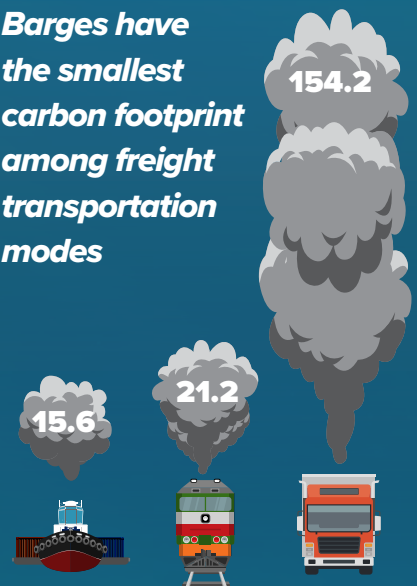
The U.S. currently has a
\$5.35 per metric ton advantage over Brazil when shipping soybeans on the inland waterways system from Davenport, Iowa, to Shanghai, China.

Source: USDA

In 2016,
250M recreational visitors of Corps lakes resulted in **\$10.6B in total trip spending**, supporting over **189K jobs nationwide**

Source: USACE

Barges have the smallest carbon footprint among freight transportation modes



Tons of CO2 per Million Ton-Miles

Compared to barges, moving an identical amount of cargo by rail generates 30% more emissions, while trucks generate 1,000% more emissions.

Source: Texas Transportation Institute

ENVIRONMENT

CMAQ Repower Program Is Making A Difference At The Port Of Pittsburgh

SEPTEMBER 21, 2020 • BY WATERWAYS JOURNAL

The Port of Pittsburgh is clearing the air, and in the process, helping to create a more efficient fleet of shipping companies, ports and terminals along the Three Rivers. Back in 2013, the Port of Pittsburgh was officially awarded a \$12 million dollar grant from the U.S. Department of Transportation (Federal Highway Administration), as part of its Congestion Mitigation and Air Quality Program (CMAQ), to provide funding for diesel retrofits to qualifying vessels in the port's 12-county area. The program itself is simple: the port sought out applicants for retrofits of existing diesel-powered vessels and has offered a 50/50 match to assist in the repower of a qualifying vessel. In many cases, the towboats may be operating with engines and power systems dating back as far as the 1960s and '70s.

The retrofits take into account most major expenses and costs related to repower a vessel. Reimbursable costs can include: engines, generators, reduction gears, shafts/props/coolers and even labor. New engine specifications must show a significant air quality improvement, meeting or exceeding existing EPA requirements. After funding is granted, the port operates as the overall administrator and works closely with the companies to develop detailed progress reports including invoices, inspections, documentation of the engines being scrapped and quarterly reports.

Since the program's inception, the Port of Pittsburgh has helped fund retrofit projects for nearly 40 vessels and has worked with more than a dozen individual companies in the Pittsburgh area. In many cases, applicants have returned to fund [multiple vessel retrofits](#). As the program comes to a close in 2021, the port is working to complete its remaining contracted vessels and continue to do its part to support the river industry in the southwestern Pennsylvania region.

UNITED STATES STEEL'S MON VALLEY WORKS AND THE INLAND WATERWAYS

by *Chris Masciantonio, Director,
Government Affairs and Public Policy,
United States Steel*

United States Steel remains among Pennsylvania's largest manufacturers with a presence that includes a corporate headquarters, research center and Mon Valley Works, consisting of three integrated manufacturing locations.

The 3,000 steelworkers employed at the Mon Valley Works support an additional 10,500 jobs throughout southwestern Pennsylvania. This captures U.S. Steel's supply chain and other businesses that benefit from spending by the company's workforce. Among these are wholesalers, railroads, trucking companies, utilities, banks, housing and restaurants. In 2018, the Mon Valley Works generated \$4.6 billion in economic output throughout the region, roughly half of which is generated directly by the operations. (* Source: Allegheny Conference on Community Development.)

Cost-efficient, reliable waterways are a critical part of the United States transportation infrastructure that help to ensure the essential movement of materials. Likewise, the United States Steel Mon Valley Works is heavily dependent on the Monongahela and Ohio River systems for transporting raw materials and finished steel. The Clairton Coke Plant, a key integrated Mon Valley Works facility, is North America's largest producer of high-quality blast furnace coke used by U. S. Steel facilities and other steel producers across the United States. The Clairton Plant employs roughly 1,200 hard working men and women in the coke manufacturing process.

The Clairton Plant's raw material is metallurgical coal. The company, in 2019, purchased more than \$300 million in Pennsylvania mined coal for the Clairton Plant. The Clairton Plant was specifically designed to take coal via the inland waterways system. The Clairton Plant receives approximately 6.0 million tons of metallurgical coal by barge annually. This is almost 16,500 tons of coal each and every day of the year. The vast majority of this tonnage comes directly off terminals on the Ohio River; the remaining tonnage comes from Monongahela and Kanawha River origins. On any given day, during normal operating levels, the Clairton Plant consumes approximately 11 barges of coal

per day, which equates to more than 4,000 barge loads in a year. Clairton has two bucket-type barge coal unloaders located on the banks of the Monongahela River. Each coal unloader can efficiently transfer coal at the rate of 1,000 tons per hour.

The Clairton Plant is fully integrated with the company's Mon Valley Works. The operations utilization of the navigable river system is the most environmentally responsible approach for the transportation of raw materials and steel products. One barge load of coal accounts for approximately 75 trucks that would be required for the delivery of the same tonnage.

In addition to the environmental benefits of utilizing the river navigation system, U. S. Steel has completed many pollution controls projects at the Mon Valley Works. These projects will further improve the already improving air quality in the region. It is significant to note that the Liberty and North Braddock air quality monitors have demonstrated attainment with national ambient air quality standards in 2020.

U. S. Steel's efforts have also resulted in unprecedented environmental compliance at the Clairton Plant, including, Federal NESHAP/

MACT compliance that has remained at 100% for the past several years, and Battery stack compliance of 99.9% for the first six months of 2020.

The inability to properly utilize the river system into the Clairton Plant would result in coal and coke shortages, which would have negative economic consequences on communities throughout the Pittsburgh region and the United States.

Raw materials are not the only commodities shipped by U. S. Steel that are dependent on the river system as waterways of commerce. Outbound steel is increasingly finding its way to the rivers, where it is transloaded to barge for movement to other river terminals near or at its destination.

Safe, efficient and reliable transportation on the inland waterways system is vital to the success of U. S. Steel and other steel-producing facilities across the country. U. S. Steel would like to thank the Port of Pittsburgh Commission for ensuring that the navigable riverway system and its locks and dams are well maintained and continue to receive important funding from state and federal governments.



U. S. Steel's Clairton Coke Plant



Port of Pittsburgh Commission

AN OVERVIEW OF THE CURRENT STATE OF CONTAINER-ON-BARGE

by Mike Brinza March 24, 2021

Container-On-Barge (COB) transport has been discussed in the context of inland river ports for decades. Many attempts have been made, and there have been failures and successes. Most importantly, much has been learned, the successes are outnumbering the failures, and services are lasting longer than some of the ones attempted in the past.

However, the decline in some bulk commodities like coal has certain rivers being reclassified by the U.S. Army Corps of Engineers as “Low-use” rivers due to a drop in tonnage (and subsequently lock-throughs). This is particularly true in the Port of Pittsburgh where the Allegheny and the Monongahela have been given the low-use river designation and is resulting in the Corps reducing the schedules of lock availability and proposing to close some locks completely.

Keeping the locks open fully will require increased demand. Increased demand requires an increase of commercial shipments. This of course requires finding “new” commodities that can be moved on the water to replace the lost cargo. One “commodity” that has the best chance of increasing demand for waterway transport is containers.

Besides the factor of increasing river traffic on low-use rivers, the appeal of COB in general is that it moves overland freight onto the water, reducing highway congestion and pollutants. Furthermore, the trucking industry has seen a shortage of drivers over the past 15 years, and to add to that, the pandemic has slowed down training, testing, and licensing

of new drivers. Additionally, aging roads and bridges, and rail congestion offer other reasons that companies might want to move their freight by water.

Containers were first introduced in 1956 by Malcolm McLean who envisioned taking the body of a tractor-trailer and loading it directly onto a ship, which he then did by loading containers onto a converted tanker. Today, more than 90% of all manufactured goods are at some point moved by container, and there are 50,000 merchant ships currently operating. The latest generation of container ships is known as Post Suezmax or Ultra Large Container Ships, which are 400m in length and can carry up to 24,000 TEUs. The next generation of container ships, currently in the concept stage, is the MalaccaMax which will be 500m long and have a capacity of 25,000 TEUs. These will exceed the size of the largest oil tankers and will thus be the largest ships in the world.

Newer container-on-barge efforts have gained from the experiences of past failures. One of the latest endeavors in COB shipping is a connection between Brownsville, TX and Tampa Bay, FL which, since August 2020 has been transporting 53-foot-foot containers on a weekly basis, as many as 130 loads a week, on a four-day trip. Prior to this service, 100% of the goods being transported on this corridor were moved by 18-wheeler. A previous attempt at COB service on a similar route failed due to the service not always running on a regular schedule.

In June 2020, MARAD awarded \$5.7 million to five planned and existing COB efforts, two of them on the Mississippi (Illinois and Louisiana), two in New York (Port of NY/NJ (2 grants) and Brooklyn).

COB service has enabled shipping companies to participate in carbon offset programs, such as SEACOR AMH which operates a regular container service out of their St. Louis, Memphis, and Port Allen (LA) terminals, directly to the Port of New Orleans. They estimate that in the past four years, they have displaced 100,000 trucks, saved 4 million gallons of diesel fuel, and saved 40,000 metric tons of CO₂. Another important factor is that SEACOR is also moving empty containers from Memphis, TN, to Port Allen, LA.

The Central Ohio River Business Association (CORBA) announced a new short-haul service along the M-70 Marine Highway in February of 2020. This project connects Nucor Steel's facility in Gallatin, KY with customers from Cincinnati to Louisville, via a regularly scheduled barge service. The service moves steel coils, 60 at a time, compared to a single coil per flatbed tractor trailer. At the time, it was one of only two container services operating on the Ohio River.

In early 2019, three MARAD grants totaling \$6.79 million were awarded to three COB and catamaran projects. One was to the James River Barge Lines to expand its existing service between Hampton Roads, VA and the Port of Richmond. In 2018, the service handled 27,626 containers a week. It makes three round trips per week with 170 containers per trip. Another recipient was the Ports of Indiana where a new COB service was developed by members of the IRPT. This project was designed with the capability to transport goods between three major ports: The Port of Indiana-Mount Vernon, St. Paul MN, and Pittsburgh.

The primary reason cited for failed COB ventures is lack of market understanding, and probably the single most important factor for success (also based on the experience of failed ventures) is a regular schedule. It is also vital that both ends of a proposed cargo route are established initially with a reasonable expectation of demand. Most MARAD grants fund both ends of a proposed cargo route as a single project, and a few grants have funded studies to provide further data to support COB service between terminals.

In a survey conducted for the Coalition of Alabama Waterway Association's "Alabama Freight Mobility Study" it was found that when shippers were asked their highest shipping priorities, 48% responded "reliability," while 37% said "cost," and only 15% said "transit time." These results are very telling in that they indicate that an alternative option does not have to be cheaper or faster. These respondents would choose a service that is reliable (i.e. predictable and scheduled) over one with a lower cost but not predictable. Cost savings are not necessarily more appealing if there is a perceived risk of lost productivity or lost revenue due to delivery disruptions. And the fact that only 15% of respondents indicated

transit time as their highest priority counters the argument that barge transport is “too slow” for container shipping.

Another revelation of the survey is that 45% of shippers “weigh out” their containers before they “cube out,” meaning that their weight limits are reached before the containers are filled volumetrically. This actually presents an opportunity for COB to offer over-weight container service. Although containers have their own structural limitations for how much weight they can be loaded with, truck transport is still bound by weight limits on roadways. This factor enables COB shippers to load containers with greater weight than limits imposed by over-the-road transport. In most cases, the weight capacity of containers is greater than allowable highway limits. COB can take advantage of this difference.

Effective COB service often benefits from the utilization of third-party logistics providers and freight forwarders. The survey recorded that 34% of respondents are already using 3PLs, and 66% are already using freight forwarders. Furthermore, 52% of respondents use autonomous customs brokers to coordinate their shipments.

Establishment of a successful COB service goes beyond offering a service with a regular schedule. It is critical to avoid underestimating the complexity of the market. Market factors to consider include: multiple distinct market segments; different pricing requirements for different segments; consideration of rail and truck rates when establishing COB prices; cost not always being the potential customer’s determining factor; overcoming the customer’s skepticism toward a new kind of service; and anticipation of competitive response from truck and rail.

The biggest challenges for the Port of Pittsburgh would be establishing the connection between customer and supplier (regardless of which one is located in the Pittsburgh port district); and maintaining the regularity of the schedule throughout unexpected lock closures. If barge-loads of containers are stuck waiting for several days to get through a lock, this could have a detrimental effect on the customer’s willingness to continue using COB service. This issue will need to be addressed.



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