

Great Lakes Ports Advocacy Coalition
Meeting Notes – October 25, 2006
Port Authority Board Room

Meeting Participants

Jackie Morris – Congressman Oberstar’s Office
Jim Sharrow – Duluth Seaway Port Authority
Ted Smith – Marine Tech
Bill McGiffert – Hallett Dock Co.
Ron Chicka – Metropolitan Interstate Council
John Chell Arrowhead Regional Development Commission
Andy McDonald – Metropolitan Interstate Council

Meeting Notes

The current leadership of the Great Lakes Maritime Task Force (GLMTF) is interested in expanding their focus of issues beyond cabotage laws to include additional emphasis on advocating for additional funding for the Corps Great Lakes operation and maintenance budget. Discussions have taken place about the effectiveness a full-time lobbyist would have.

Water transportation trade publications have been concentrating a lot of their attention to projects on the Ohio and Mississippi Rivers funded by the Water Resources Development Act (WRDA). Very little attention and federal spending is going to improve or maintain Great Lakes water transportation facilities.

We discussed how the GLMTF supports the mission of our group and would be the most effective Great Lakes based group for our members to be affiliated with. We reviewed the list of position papers developed by the GLMTF on the following topics:

- Jones Act and U.S. Cabotage Laws
- Restoration of Adequate Funding for Corps Operation and Maintenance Budget
- Tolls on the St Lawrence Seaway
- Great Lakes/St. Lawrence Seaway System Study
- Preservation of Domestic Steelmaking Infrastructure
- Construction and Repair of Commercial and Military Vessels at Great Lakes Shipyards
- Resolution in Support of Title XI Ship Loan Guarantee Program
- Exports and Diversions of Great Lakes Water
- Support of a Replacement Lock at Sault Ste. Marie, Michigan

The above list of position papers demonstrates that GLMTF has taken positions on issues beyond their traditional support of U.S. cabotage laws in an effort to broaden their membership base. The second position paper on the list is the issue that our group has identified as its most important.

We discussed what message should be sent to the annual meeting of the GLMTF in November – Ted Smith will be attending. We identified three issues important to our group.

1) Encourage the Corps to dedicate specific annual funding to keep Erie Pier functioning as a dredge material recycling facility. They should continue to invest in supporting material recycling by developing a transshipment area to be able to move material by rail and truck from the facility. The Corps spent over \$560,000 to rework Erie Pier this summer. This is funding normally dedicated to dredging as no maintenance dredging was done in the harbor this year. The Corps should dredge next summer.

2) The Detroit District of the Corps has awarded over 80% of its contracts to contractors eligible under the Small Business Administration (SBA) guidelines. Other Corps districts are awarding significantly lower percentages of contracts to SBA eligible contractors. Currently there are only two SBA eligible contractors working on the Great Lakes and they are getting most of the contracts on Lake Superior. No local contractors are able to bid on the majority of the federal Corps contracts. This over reliance on SBA contractors by the Detroit District of the Corps combined with the recent history of budget cuts is resulting in an inefficient use of the limited federal funds dedicated to maintenance of water transportation infrastructure. It has restricted participation of port contractors and is limiting competition in the bidding process. A solution would be for the Corps to spread the SBA required contracts more evenly around the country instead of focusing them in one district.

3) The GLMTF should focus on developing a marketing strategy that points out the value of waterborne commerce. This vital message should be targeted at the media and should counter the negative message that Great Lakes shipping is dying.

Action Items

We will be sending a letter to local port businesses to invite them to participate on our Advocacy Coalition and encouraging them to join the GLMTF. Jim Sharrow and Ted Smith will forward additional language and changes to a letter that was recently developed. Andy McDonald will create an information piece that summarizes the GLMTF mission and position papers. The letter along with information about the Advocacy Coalition, HTAC and GLMTF will be sent to Duluth-Superior port businesses in early January. Bill McGiffert, Jim Sharrow and Ted Smith have volunteered to do follow-up phone calls or personal visits to mailing recipients encouraging them to join our effort. We are targeting mid January or February for our next meeting. We will also be inviting Congressmen Oberstar and Obey to attend this meeting. Our group stressed that it is important to get additional participation from local dock owners.