

Port Construction & Development Priority Program

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Director of Ports**

**Atchafalaya - Red River Maritime Roundtable
June 7, 2022**



Office of Multimodal Commerce

Renee Lapeyrolerie, MPE
Commissioner



Office of Multimodal Commerce

Linking Louisiana's Businesses and Industries to Global Customers

Created July 1, 2016, via Act 719 of the 2014 Legislature

✓ **Charter:**

- Administer the planning and programming functions of the department
- Advise the Office of Planning on intermodal issues
- Implement the master plan as it relates to intermodal transportation



Organization

- ✓ Planning, programming, outreach related to:
 - Aviation
 - Freight and Passenger Rail
 - Commercial Trucking
 - Ports and Waterways



Louisiana Pathways to the World

70 Publicly Owned Airports
800+ Private landing sites



\$6.7 B Direct
Economic Output
59,000 Jobs

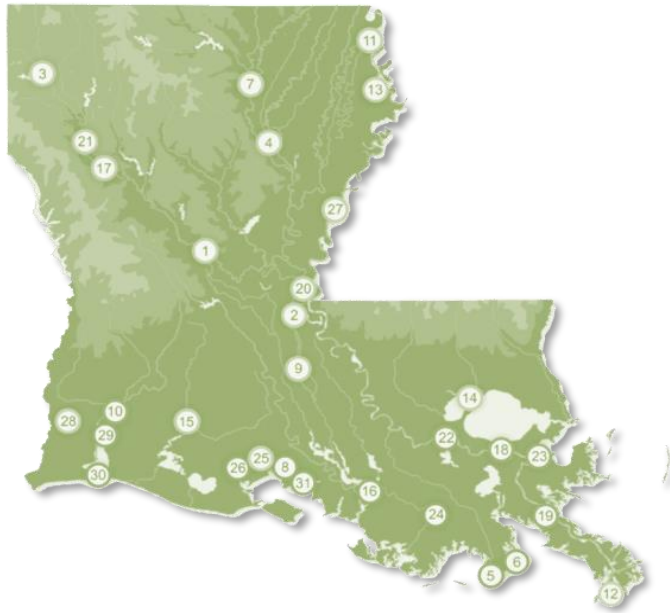
18 Freight Railroads
6 Class 1s



Critical Link: Port Exports and
Oil/Gas Industries
3,000 Direct Jobs; \$303 M
Wage+Benefits

Louisiana Pathways to the World

39 Active Ports



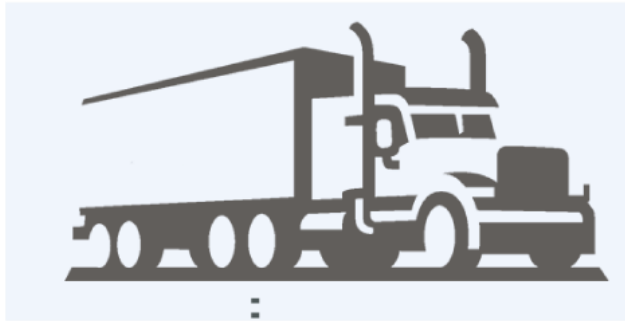
~500 M Tons of Cargo
Annually
77,000 Jobs; \$4.1 B Earnings

Commercial Trucking



~101M+ Tons Annually
35% of LA Goods
90,000 Jobs; \$4.1 B
Industry Wages

Commercial Trucking



35% of All Freight is
Delivered by Truck



Over **7 Billion** Truck
Miles Traveled Annually



\$225 Million in State
Motor Carrier Fuel Taxes and
\$256 Million in Federal
Motor Carrier Fuel taxes



90,000 Jobs in State



Current Waterway Projects

- MS River Deepening:
 - Deepen from 45 ft to 50 ft from Gulf through Port of Baton Rouge
- Houma Navigation Canal Deepening:
 - Deepen from 15 ft to 20 ft
- Baptiste Collette Deepening:
 - Deepen from 14 ft to 22 ft
- Ouachita/Black Rivers Project Modification:
 - Add 3 miles of Little River to the existing Ouachita project
- Acadiana to Gulf of Mexico Access Channel/Port of Iberia Deepening

Freight Flows by Highway, Railway, and Waterway



Port Priority Program

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The Port Construction & Development Priority Program

- Created by Act 452 of the **1989** Regular Session
- Revised by Act 476 of the **1993** Regular Session
- Revised by Act 18 of the **2006** Regular Session
- Funded by the LA Transportation Trust Fund
- *Current* average funding level is \$39.4 million

Purpose of the Program

- To ensure that adequate land side facilities are available by providing guidance and public funds
 - To meet a definite market need
 - To build land side infrastructure
 - To provide jobs, minimize congestion, & improve safety
- Primary goal is to improve the infrastructure of LA ports and harbors

Louisiana Ports: 39 Port Authorities



Project Requirements

- Applications of proposed projects similar to a business plan must be submitted
- Projects must have a B/C ratio of at least one, a Rate of Return on State's investment of 2.375 and an immediate market need
- Must have a public port willing to pay for engineering costs & 10% of cost of construction

Application Contents

- Identifies and documents a Market Need and the infrastructure needed to satisfy that Market Need
- Assesses existing components and Investigates alternative solutions and impacts
- Provides preliminary Design Calculations, Construction Plans, Cost Estimate, and Progress Schedule
- Identifies jobs created or retained
- Determines benefits and costs to the port and state

Application Scoring

- Only complete applications are evaluated
- Port must be located on adequate navigable waterway and adequate highway and/or rail access to accommodate project

CATEGORY	SCORE (in points)
Technical Feasibility	0-60
Highest B/C Ratio (based on program investment)	150*
Most jobs created/retained (per program investment)	20*
Highest Port ROI for the last 5 years	20*

*Other scores are pro-rated

Application Process

- Applications can be submitted to DOTD four times a year (*Deadlines: March 1, June 1, Sept. 1 and Dec. 1*)
- Reviewed for compliance and a priority list prepared
- Public Hearings
- Joint Committee reviews and approves the Quarterly and Final Recommended Construction Program

Program Funding Limits

- Currently, the amount of program funds that may be provided to any one project is limited to \$15 million at a rate of \$5M/year
- A single port can receive a Maximum of \$5M/year
- Construction of the project can be phased
- Reimbursement available to allow for early construction.
 - Recommended but unfunded Projects can be built with 100% Port funds and be reimbursed by the program if and when the project is funded

Recommended Program

2022-2023 Recommended Construction Program Port Construction and Development Priority Program

Continuing Projects - Partially Funded and Awaiting Funding

Rank	Port	Parish	Project Name	Benefits (Local)	Benefits (State)	Total Project Cost	Estimated Construction Cost	State Share	Previous Amount Funded	Balance of Louisiana's Funding Share	Jobs Created	Jobs Retained	Total Jobs Created/Retained
1	Port of New Orleans	Orleans	Nashville Avenue Terminal Paving Improvements	\$170,465,583	\$236,757,754	\$24,434,803	\$21,247,655	\$15,000,000	\$10,020,258	\$4,979,742	123	0	123
2	Greater Lafourche Port Commission	Lafourche	Northern Expansion Phase III, Slip C - Bulkheading and Dredging	\$40,837,686	\$56,719,008	\$22,256,039	\$20,598,094	\$15,000,000	\$8,570,303	\$6,429,697	30	0	30
3	Port of Lake Providence	East Carroll	Multimodal Freight Corridor Improvements - Rail and Slip Dredging	\$36,376,389	\$50,522,762	\$15,160,000	\$12,760,000	\$11,484,000	\$9,462,614	\$2,021,386	15	15	30
4	Port of Iberia	Iberia	Millennium Expansion, Phase III - Site Excavation and Dredging	\$5,532,394	\$7,683,880	\$3,174,941	\$2,739,941	\$2,465,947	\$1,641,589	\$824,358	3	0	3
5	Greater Krotz Springs Port Commission	St. Landry	Site Stabilization	\$6,065,427	\$8,424,204	\$6,923,000	\$6,294,000	\$5,130,000	\$5,000,000	\$130,000	0	10	10
6	Lake Charles Harbor & Terminal District	Calcasieu	New Warehouse at City Docks	\$26,773,339	\$37,185,193	\$10,926,290	\$9,635,176	\$6,000,000	\$102,035	\$5,897,965	0	35	35
7	Port of Greater Baton Rouge	West Baton Rouge	Northern Petroleum Terminal Expansion, Phase I	\$30,698,696	\$42,637,078	\$16,000,000	\$15,125,000	\$13,612,500	\$0	\$13,612,500	39	0	39
8	Caddo-Bossier Parishes Port Commission	Caddo	Heavy Load Multimodal Warehouse Project	\$8,489,416	\$11,790,856	\$15,815,000	\$13,755,000	\$5,250,000	\$0	\$5,250,000	5	0	5
9	Port of Morgan City	St. Mary	Youngswood Yard Rehabilitation	\$68,304,176.64	\$94,866,912	\$700,000	\$613,435	\$552,092	\$0	\$552,092	44	83	127
10	Twin Parish Port	Iberia & Vermilion	Port of Delcambre Industrial Fabrication Facility	\$390,145,044.24	\$541,868,117	\$3,600,000	\$3,200,000	\$2,880,000	\$0	\$2,880,000	355	100	455
11	Madison Parish Port	Madison	On-site Port Rail Improvements	\$74,970,393.12	\$104,125,546	\$2,506,741	\$2,274,741	\$2,047,267	\$0	\$2,047,267	120	0	120
12	West Calcasieu Port	Calcasieu	W. Cal Mid-Port Dock Infrastructure Impr. (Rev.)	\$13,699,838.16	\$19,027,553	\$7,200,000	\$6,326,000	\$1,913,400	\$0	\$1,913,400	9	11	20
13	St. Bernard Port, Harbor, & Terminal District	St. Bernard	Melvin Perez Parkway Transit Shed & Truck Staging Area	\$24,684,070.32	\$34,283,431	\$15,528,000	\$15,000,000	\$13,500,000	\$0	\$13,500,000	30	0	30
14	Tensas Parish Port Commission	Tensas	High Speed Bulk Loading Facility	\$12,207,378.24	\$16,954,692	\$10,350,252	\$8,771,400	\$7,894,260	\$0	\$7,894,260	12	0	12
15	St. Bernard Port, Harbor, & Terminal District	St. Bernard	Rehabilitation of Chalmette Slip A & F (Rev)	\$41,013,674.64	\$56,963,437	\$32,200,000	\$28,814,423	\$14,500,000	\$13,000,000	\$1,500,000	25	0	25
16	Greater Lafourche Port Commission	Lafourche	Northern Expansion Phase III Slip D	\$23,142,826.80	\$32,142,815	\$19,861,736	\$16,754,000	\$8,570,303	\$0	\$8,570,303	136	0	136
Continuing Projects Total				\$973,406,331	\$1,351,953,238	\$206,636,802	\$183,908,865	\$125,799,768	\$47,796,799	\$78,002,969	946	254	1200

New Projects Through June 1, 2021

Rank	Port	Parish	Project Name	Benefits (Local)	Benefits (State)	Total Project Cost	Estimated Construction Cost	State Share	Previous Amount Funded	Balance of Louisiana's Funding Share	Jobs Created	Jobs Retained	Total Jobs Created/Retained
1	Lake Charles Harbor & Terminal District	Calcasieu	Berths 4, 5, & 6 Wharf & Shed Reconstruction at City Docks	\$140,595,056.64	\$195,270,912	\$72,095,513	\$69,645,513	\$9,102,035	\$0	\$9,102,035	125	0	125
2	Port of Morgan City	St. Mary	Western Dock Expansion-Phase 3A	\$35,349,990.24	\$132,430,542	\$18,084,000	\$16,666,667	\$14,447,909	\$0	\$14,447,909	34	32	66
3	West St. Mary Port, Harbor & Terminal District	St. Mary	Baldwin Campus Rehabilitation & Site Improvements	\$7,875,077.76	\$10,937,608	\$8,227,492	\$7,421,260	\$6,679,134	\$0	\$6,679,134	10	0	10
New Projects Total				\$243,820,125	\$338,639,062	\$98,407,005	\$93,733,440	\$30,229,078	\$0	\$30,229,078	169	32	201
Recommended Program Total				\$1,217,226,456	\$1,690,592,300	\$305,043,807	\$277,642,305	\$156,028,846	\$47,796,799	\$108,232,047	1,115	286	1,401

Port Dollars at Work

- Over \$677 Million Expended to Date
- Over \$7 in Benefits/Dollar Invested
- 20 Active Construction Projects
(\$81.1M State Funding)
- 43 Design Projects
(\$195.5M State Funding)

Doubling the Port Priority Funding

- Since 2016, the Extra \$20 Million has:
 - On average, incrementally funded 5 additional projects a year.
 - Many projects were allow to move to construction quicker.
 - Allowed projects to move through the recommended program twice as fast.

Ongoing Projects

➤ Port of New Orleans Crane Rail Extension

- Conversion of terminal from breakbulk to container facility to support containerized cargo operations
- State share of \$15 million
- Estimated total construction of \$31 million



Ongoing Projects

➤ Port Fourchon Northern Expansion – Phase III Slip C & D

- Expansion of the Port's geographic area
- Dredging slips, creating land, bulkheading
- State share of \$15 million
- Estimated total construction \$20.6 million



Figure 1: 2000 Port Fourchon Aerial



Figure 2: 2018 Port Fourchon Aerial

Ongoing Projects

➤ Port of Caddo/Bossier Warehouses

- 50,000 SF expansion of existing warehouse and construction of new heavy load 100,000 SF warehouse directly adjacent
- State share of \$5.25 million
- Estimated total construction of \$13.8 million



Recently Completed Projects

➤ Port of Terrebonne Shipyard

- Expansion and upgrade of shipyard that includes soil stabilization, new bulkheading and new fabrication shop
- State share of \$15 million
- Estimated total construction of \$18.4 million



Recently Completed Projects

➤ Port of Baton Rouge Container Yard Expansion

- Expansion of the Port's container marshalling area
- Will more than double the capacity of outbound loaded containers
- State share of \$3.4 million
- Estimated total construction \$3.8 million



Recently Completed Projects

➤ Port of Morgan City Rail Repairs & Aggregate Loading/Unloading Area

- Repair of the Port's rail spurs
- Enclosure of local flood control canal & creation of aggregate area
- State share of \$619k
- Estimated total construction \$688k
- Part 3 will be Eastern Dock expansion (\$4.6 million)



Questions?



Tomorrow is not guaranteed to any of us.
Enjoy what you have and those you love – today.

This moment is yours,
the past is just a story,
don't let it get in the way.

- Unknown