

Connecticut Maritime Commission Annual Report 2007

The Connecticut Maritime Commission (CTMC) was established in July 2004 by State Statute (TITLE 13b CHAPTER 242* Section 13b-51a) as the successor agency to the Connecticut Port Authority. The CTMC consists of fifteen members representing five State agencies, the maritime business industry, local port authorities, port operators, marine passenger services, port labor unions, recreational marine services and the coastal communities. The State agencies are represented by the Commissioners of the Departments of Transportation (CONNDOT), Economic and Community Development (DECD) and Environmental Protection (DEP), the Secretary of the Office of Policy and Management (OPM) and the Chairman of the Transportation Strategy Board (TSB) or their respective designees. The remaining members of the CTMC are appointed as follows: four members appointed by the Governor; one member each appointed by the president pro tempore of the Senate, the speaker of the House of Representatives, the majority leader of the Senate, the minority leader of the Senate, the majority leader of the House of Representatives and the minority leader of the House of Representatives. All appointed members serve for terms coterminous with their appointing authority and until their successor is appointed and has qualified. Vacancies on the CTMC are filled for the remainder of the term in the same manner as original appointments. The chairman of the CTMC is selected by the Governor from among the appointed members of the commission. The CTMC members annually elect one of their numbers as secretary. The commission may elect such other officers as it deems proper. Members receive no compensation for the performance of their duties.

In accordance with TITLE 13b CHAPTER 242* Section 13b-51a.(f) of the Connecticut General Statutes, on or before January 1st, the CTMC is to submit an annual report to the Commissioner of Transportation, the Governor and the Transportation Strategy Board. The report is to provide: (1) a list of projects which, if undertaken by the state, would support the state's maritime policy and encourage maritime commerce and industry; (2) recommendations for improvements to existing maritime policies, programs and facilities; and (3) such other recommendations as it considers appropriate. Copies of the report are to be submitted to the General Assembly as well.

During calendar year 2007, the CTMC met monthly on the third Wednesday of each month at four different locations throughout the State on a rotating basis (Newington, New London, North Haven and Bridgeport). The annual schedule of the CTMC meetings and the minutes of meetings held were made available to the general public by being posted on the CONNDOT webpage (www.ct.gov/dot) under "About Us" and then "Commissions".

The Maritime Policy for the State of Connecticut developed in December 2005 and approved by the Governor's office in 2006 without comment served as the cornerstone of issues addressed by the CTMC during calendar year 2007. Maintenance dredging of the state's waterways and the associated economic impact remained the top issues throughout 2007.

In January 2007, a Dredging Project Coordinator was filled within the CONNDOT's Bureau of Aviation and Ports. The CTMC submitted a draft Harbor Improvement Fund Bill to be considered by the Connecticut General Assembly's 2007 Legislative Session. State Senator Len Fasano submitted a place holder Bill (SB 852). The Bill, which developed into HB 7070, would have created a \$50 M bonded fund from which the State could facilitate maritime infrastructure improvement projects including dredging. Numerous attempts were made by the Chair of the CTMC to meet with the Transportation Committee co-chairs, however none were accepted. HB 7070 never made it out of Committee.

The New England Division of the Army Corps of Engineers routinely provided updates on the development of the Long Island Sound Dredge Material Management Plan (LIS DMMP) as well as the Connecticut dredging project such as Bridgeport Harbor. The LIS DMMP project was to begin the public "scoping" process in spring 2007 but was delayed. If an LIS DMMP is not in place by June 2013, both the Western LIS and Central LIS disposal sites will be closed. The estimated cost of the LIS DMMP is approximately \$15-16M. It was reported that there is an estimated 1.5 million cubic yards of material needed to be removed from the Bridgeport Harbor channels. There appears to be sufficient Contained Aquatic Disposal (CAD) cell locations within the harbor to handle all of the material. The CTMC was made aware of a related private dredging project in Bridgeport. PSEG provided information on a dredging project being planned adjacent to the power plant's fuel offloading pier in Bridgeport Harbor. The PSEG project is a prime example of how maintenance dredging projects translate into economic issues. Presently, low sulfur coal from Indonesia used as fuel for electricity generation at the plant arrives via a Panamax sized vessel. Since the vessel can not get into the harbor or along side the off-load facility due to its size, the vessel anchors outside the harbor. The coal is then "lightered" onto barges by a trans-loader vessel. The privately funded PSEG dredging project will make the berth adjacent to the current T pier wider to accommodate a trans-loader and Panamax vessel side by side as well as improve the turning basin adjacent to the berth. The delivery of coal by larger ships will help mitigate the cost.

A meeting was held on 5 April 2007 with staff members of the CT Congressional Delegation (CODEL). The CODEL staff members were very knowledgeable on dredging issues particularly on the attempts to repeal the Ambro Amendment. The staffers made it very clear that their respective Representatives/Senators were not inclined to take any action to repeal Ambro. They offered assistance/support for any CTMC efforts to create a State dredging fund.

In May the Executive Director of the CT Maritime Coalition (CMC), announced that the CMC was working on a draft Request for Proposals (RFP) to hire a consultant to conduct the economic study of the CT Maritime Industries. Since the CMC is also considered the state's maritime cluster, the study would provide the updated information needed by the CTMC to assist in justifying dredging projects. In November, the CTMC was informed that the CMC Board of Directors had selected Apex Companies, LLC out of a field of three consultant organizations that had responded to the RFP.

Information on the Committee on Marine Transportation Systems (CMTS) and the National Dredge Team (NDT) was provided. The NDT is in the process of evaluating the need to update the current national dredging policy created by MARAD in 1994. The current federal/national standard is to use open water disposal as the least cost, environmentally acceptable method for the disposal of dredge materials. The standard is used to establish the base funding the ACOE will receive for a project. Comments are being solicited concerning whether standards should be established on a regional vs. national level to account for limitations imposed in a specific region. An example would be the limitation Ambro has placed on CT. The NDT web page is <http://www.epa.gov/owow/oceans/ndt/>.

The CTMC authorized the Chairman to sign and send a letter on dredging needs to all of the municipal Chief Elected Officials. The purpose of the letter was to serve as an introduction and to solicit dredging related information from the municipal leaders. In July, the "introductory" dredging letter had been signed and mailed to the Chief Elected Officials (CEO) of each CT community with a harbor/waterway along the Long Island Sound coast or connecting navigable CT Rivers.

The CTMC continued to track Congressional funding bills. It was reported \$1.74M for work on the LIS DMMP survived Congressional review. However, since Congress did not pass a spending Bill for FY 2007 the funding never materialized. The FY 08 Federal budget proposes \$2.8M for the LIS DMMP. A summary noting the amounts that were in the FY 2008 House, Senate and President's budget proposals for each of the CT dredging projects was provided to the CTMC Commissioners. The fact that the House budget for the Norwalk phase 2 project if passed would provide \$8M, the Senate budget \$3M and the President's budget \$0 led to a lengthy discussion concerning the need to prioritize CT's dredging needs. For instance, a letter was received from the Essex Harbor Management Commission requesting coordination support from the CTMC relative to some private marina dredging projects within Essex harbor.

In June, Mr. Ian MacMillan requested the assistance of the CTMC on a dredging issue in Greenwich. There is a federally designated harbor of refuge in Greenwich which is badly in need of dredging. However, Mr. MacMillan has not been able to get the attention of the Greenwich harbor master or the town council to address the matter. The CTMC recommended that the best course of action would be for Mr. MacMillan to work through the Greenwich 1st Selectman.

Mark Habel (ACOE) provided a presentation on the ACOE Navigational Improvement Program. The presentation included cost sharing formula, some historic project data and process information. Dredging projects related to improving a harbor such as deepening the channel compete for a different pool of money than maintenance dredging projects.

The Maritime Commission considered issues other than dredging. In June, newly appointed Commissioner Robert Virgulak was introduced. Susan Decina was introduced as the DECD Commissioner's new "designee". Captain Dan Ronan USCG was introduced as the new Commander, USCG Sector Long Island Sound. After the introductions, the need for appointed Commissioners to re-affirm the status of other CTMC appointed Commissioners was emphasized. Specifically, it was pointed out that one Commissioner was filling the position of "and elected official from a coastal community". However, he had retired from elective office. Similarly, the Transportation Strategy Board designee was no longer a member of the TSB. Thus, it was considered prudent for both members and perhaps others to contact their respective appointing/designating authority and obtain a new letter of affirmation.

A representative of the newly formed New Haven Port Authority (NHPA), made a presentation to the CTMC on the land use project resulting in his asking for support from the CTMC on an issue related to CONNDOT's use of some "port" property in conjunction with the Quinnipiac River Bridge project.

The CTMC was provided an update on the potential move of the Turbana fruit importation operation from Bridgeport to another port. Turbana had reduced the possibilities to three ports: Philadelphia PA, Wilmington DE and a port in CT (Bridgeport, New Haven or New London). It was stated that there are approximately 180 truck loads of product that arrive Bridgeport via Turbana vessels every week. Approximately 75% of the trucks travel north to delivery the product to market. Ultimately, Turbana decided to relocate to Philadelphia in March of 2008. The relocation will have a negative effect on the CT highway system. Approximately 85% of the trucks currently operating out of Bridgeport will travel north through the SW corridor off I-95 in CT to deliver to the New England markets. Reportedly, factors such as the limited draft of Bridgeport harbor due to shoaling, the potential diversion of vessels from the Montauk Pilot boarding station to Point Judith during heavy weather, the cost of electricity for the refrigerated warehouse and various CT regulations perceived to add costs to conducting business in the state were provided as an example of factors that caused Turbana to relocate. The State of Pennsylvania was providing bond money to the Port Authority of Philadelphia for infrastructure improvements as an enticement for Turbana to relocate. It later was learned that the owner of the deep draft port facility in Bridgeport might be selling the terminal facility to a real estate developer for other than deep water operations purposes.

The Executive Director of the CT Marine Trades Association (CMTA) provided information concerning the negative affect that a proposed increase in rail service on Shoreline East will have on the recreational boating industry/public, particularly in SE CT, due to fewer bridge openings for recreational boating traffic. Shoreline East is basically a commuter service that for the past 15 years or so has been making runs from New Haven to Old Saybrook to New London.

Dredging issues remained paramount. A sub-committee was formed and tasked with developing an informational packet on dredging. The packet will be used to educate the public, the CT legislators and municipal elected leaders on the importance of dredging to them and the State. The sub-committee was charged with developing a decision making matrix to be used to rank order CT dredging projects.

The CTMC remained current on the Broadwater LNG project. An update was provided on Broadwater stating that the State of New York was expected to render its decision to support or oppose the project by mid-August.

Cruise ship initiatives were also followed. Mention was made of the article in the New London Day that announced plans for Royal Caribbean's EXPLORER OF THE SEA (1020 feet in length) to make 4 port calls this year and 2 next year at the State Pier.

The DEP representative to the CTMC provided information on Costal Zone Management (CZM), policies administered by DEP's Office of Long Island Sound Programs (OLISP), the CT Harbor Management Act of 1984 and Harbor Management Plans, particularly how they all work towards water dependent use of the State's harbors. Information was provided on moorings, slips and anchorages as well as a highly successful "no discharge" program created in part through a \$7.1M federal grant to create marine sanitation pump out facilities and related boating education. Information was provided on the Boating Divisions roles and missions which include boating education, boating safety, boating law enforcement and abandoned boats management.

The DECD representative to the CTMC provided information on DECD's "Next Generation Competitiveness Strategy". Information on the development of the "Maritime Cluster" was presented. The CT Maritime Coalition doubles as the Maritime Cluster. DECD provided \$50K to the Maritime Cluster in 2001 for marine job related education programs. In 2006 DECD sponsored market place sessions. It was noted that CT Maritime Coalition initiated the legislation that created the CTMC and was involved in getting cruise ships to make port calls in New London. It was also stated that the Tourism Cluster included the CT Marine Trades Association.

The LIS DMMP Project Delivery Team (PDT) meeting was hosted at the CONNDOT HQ on 27 August 2007. The purpose of the PDT meeting was to review and complete the Project Management Plan for the DMMP. A draft Project Management Plan (PMP) was created, reviewed and submitted by the PDT and subsequently accepted by the DMMP Steering Committee. Additionally, the LIS Regional Dredge Team (RDT) held a meeting on 28 August hosted at CONNDOT HQ. The focus of the RDT meeting was the need for

dredging in western LIS. Several private dredging projects in western LIS require capping material. The RDT also discussed the need for a disposal site to be designated in eastern LIS. The current New London interim disposal site is scheduled to be closed to MPRSA projects in 2011 unless re-designated by the EPA.

CTMC Chair signed and sent a letter requesting full financial backing of the Norwalk and North Cove dredging projects to the CT Congressional delegation as well as to the Governor and State legislative leaders. The Norwalk Harbor Management Commission (NHMC) requested for support from the CTMC via a letters dated 6 August 2007 and 8 October 2007. The main issue was seeking relief from the immediacy of the capping requirement of the materials that need to be removed from the Norwalk Harbor Phase II dredging project. Additionally, the NHMC asked the CTMC for support on two separate but related issues: clarification of the capping requirement and encouraging CT DEP to more actively advocate for dredging as one of the water dependent use requirements of the Coastal Management Act. At the October 2007 CTMC meeting, the issue was deferred to the November 2007 meeting. The NHMC representatives in attendance at the November meeting summarized their request. A letter from the Acting Commissioner of CT DEP to the ACOE District Engineer dated November 23, 2004 was read into the record. The letter addressed all of the issues raised by the NHMC. After some discussion, the CTMC decided not to take any action on the NHMC request.

A request was made at the August 2007 meeting for the CTMC to write a letter to the Governor and legislative leader in support of a change to the CT Pilotage Regulations. The CT licensed marine pilots are seeking an increase in the pilotage rates. The pilotage rates have not changed since 1983. A proposed rate change has been submitted by the CT Pilot Commission, approved by CONNDOT and was posted in the CT Law Journal for comment on 18 Sept 2007 for a 30 day public comment period. The CTMC voted on and approved a letter of support which was sent on 7 September 2007.

At the September 2007 meeting, the CTMC discussed a concern about the gentrification of the CT waterfront and the economic impact that could result. Specifically, a concern about the reported development of the Steel Point area in Bridgeport and the rumored sale of the Coastline property in Bridgeport, formerly known as the CILCO Terminal, was discussed. The base premise is that the State of CT needs all three of its deep water ports. Each had a niche market that no one or two could accommodate. Thus, the loss of the commercial cargo deep water facility in Bridgeport would not be in the strategic interest of the State. After considerable discussion and the result of a motion and vote of approval, the CTMC sent a letter to the Governor supporting the retention of the Coastline facility in Bridgeport as a deep draft general cargo terminal.

Dredging dominated the discussion at the October 2007 meeting. The ACOE provided an update on the Federal funding legislation being proposed. There is \$2.8M in the current version of the FY 08 budget for the LIS DMMP. Specifically the President's budget contains \$2.8 million, the House version \$4.8 million, and the Senate version \$2.8 million. Furthermore, there is no indication of money being made in the "out years"; beyond FY 08. The Citizens Campaign for the Environment (CCE) 4 October news

release and a 16 October 2007 CCE letter to the Norwalk Harbor Management Commission expressed opposition to NHMC's request for an exemption to the capping requirement of the of dredge material from the Norwalk Phase 2 project into Central LIS disposal site. NHMC provided clarification that what was being sought was a temporary exemption not a total exemption. In other words an extension of the timeline between when the material would be deposited and then capped was being sought. CCE supports beneficial reuse of dredge materials as the first choice and open water disposal in LIS as the last choice and then only if capped with cleaner material. CCE was asked for their support in getting the NY and CT Congressional delegations to provide adequate funding for the Army Corps of Engineers (ACOE) to complete the LIS DMMP as well as for CT dredging projects. The CT Marine Trades Association (CMTA) sponsored a study to determine the source of Cadmium being found in almost all CT dredge materials. The study was reported to have been completed and forwarded to CT DEP for review. A letter to the State's elective leaders concerning the economic impact of not dredging CT's channels was discussed, voted on and sent. The letter recommended a meeting with representatives of the CT Departments of Economic and Community Development (DECD), Transportation (CONNDOT), Environmental Protection (DEP), the Office of Policy and Management (OPM) and CTMC be held to address dredging issues and formulate a strategic plan.

In November, the CT Legislature passed a bond bill that included earmark money for a few dredging related projects (Norwalk, Bridgeport, New London and Rocky Hill-Glastonbury). It was also learned that Congress had passed the 2007 Water Resources Development Act (WRDA). However, individual dredging projects would still need to compete for funding. It was noted that a piecemeal earmark approach towards dredging in the State Bond Bill was indicative of the lack of understanding by the state legislators of the dredging needs of all of the State's waterways. Long Island Sound Dredge Material Disposal Plan (LIS DMMP) public scoping meetings were held the week of 26 November 2007. There were 3 sessions held in NY and 3 sessions held in CT. Connecticut members of the Plan Development Team attended all meetings. At least one CTMC Commissioner attended the meetings held in CT. The CTMC representatives presented written and oral statements for the record at the meetings.

The Norwalk Harbor Management Commission (NHMC) request for CTMC support relative to relief from the capping requirement for the Norwalk Phase II dredging project was revisited at the November meeting. After considerable discussion, the Chairman asked for a motion to prepare and send a letter of support. However, no motion was made. A motion was made to prepare and send a letter to the DEP requesting the "capping policies and standards" be provided to the CTMC in writing so that it will be clear that they apply to all projects. The motion was seconded, discussed and passed with 6 affirmative, 2 abstaining, and 1 negative vote of the 9 members present. Another motion was made to send a letter to the DEP Commissioner asking that DEP review the capping issue of the Norwalk Harbor dredging project one more time. The motion was amended to have the letter include an invitation the Commissioner to attend the CTMC meeting in December to discuss the review. After considerable discussion, the motion was modified to send the letter of invitation to the Annual meeting to all five State

Agency leaders (OPM, DEP, DOT, DECD and TSB). The motion carried with 6 affirmative, 2 abstaining and 1 negative votes.

The CTMC sent a letter to the Chairman of the Governor's Commission on the Reform of the Connecticut Department of Transportation. The letter emphasized that the maritime function of the CONNDOT and that it should not be overlooked during the reorganization deliberations. Furthermore, the letter recommended that the governance of all the CT commercial ports be addressed as part of the reorganization.

Although all of the CTMC meetings are open to the public, the 2007 Annual Meeting of the CTMC required to be held in accordance with CGS Sec. 13b-51a (e) was held on 19 December 2007. In attendance was Secretary Genuario (OPM), Commissioner McCarthy (DEP and Commissioner McDonald (DECD). The States dredging needs were the main issue discussed. It was reported by Jenny Contois (Congressman Courtney's office) that the House passed the Joint House-Senate resolution on the Energy and Water Appropriation Act. The Senate was expected to roll the appropriations into a larger War Spending bill and act on it the week of 19 December. All were cautioned that nothing was certain until the appropriations bill was signed by the President, the Energy and Water Appropriation Act contains funding for several dredging related projects in CT: Norwalk (\$5.609M), North Cove (\$4.33M), LIS DMMP (\$3.525M), Bridgeport Harbor (\$738K) and Patchogue River (\$93K). A lengthy discussion ensued around the State's dredging needs including the need to create a Harbor Improvement Fund (HIF) through legislation. The HIF would allow some projects not funded by the Federal government to be pursued as well as provide a funding source for costs above what the Federal government may provide caused by pursuit of alternate disposal methods. Commissioner McDonald and Commissioner McCarthy commented on the need for CT to speak with one voice to the Federal government about CT's dredging needs. Commissioner McDonald made mention of the growing transportation congestion problem on I-95. She stated that she felt strongly that CT needs to maintain and grow its maritime industrial capabilities in coordination with preservation of the recreational waterfront. She reminded all that there is a lot of discussion in the Federal government about using the waterways as highways. CT needs to be strategic and become part of the dialog because the State has untapped assets on the waterfront.

A motion was made for the CTMC to resubmit an HIF Bill to the 2008 session of the CT Legislature (i.e. the Bill known last year as HB 7070). The motion seconded. Secretary Genuario asked questions about the proposed legislation: how CT dredging projects would be prioritized, the decision making process, how the different sources of funding would be applied. A summary of the genesis and intent of the Harbor Improvement Fund (HIF) draft legislation (HB 7070) was provided by staff. It was pointed out that the HIF language was an amendment to an existing Statute (CGS 15-57b) that already allowed the State to provide funding to municipalities for harbor infrastructure projects. It was also mentioned that the CTMC had agreed to be the dredging council for the State. Thus, the CTMC would review requests and forward recommendations to the Commissioner of DOT. A dredging project would be handled by DOT much in the same manner as a highway project. A state fund would be used in lieu of Federal funding if none was being

provided. The HIF would also be used to provide the cost above what the Federal government might provide generated by pursuit of an alternative method of disposal. The HIF would also serve as the mechanism to accept funding on a private dredging project in order to coordinate the project costs with the ACOE. Having an HIF would allow long term planning towards harbor infrastructure projects. Secretary Genuario inquired about how the State would insure that a funded area would continue to be used for that commercial purpose. The need for “governance” of the commercial ports by the State was discussed. As it stands now, the State manages the ports as part of the public trust vs direct ownership or regulatory oversight. It was pointed out that Coastal Zone Management (CZM) regulations currently requiring water dependent use of waterfront areas but that the CZM regulations may need to be strengthened to cover commercial areas. Commissioner McDonald made comments about recent private/public ownership and investments in ports in the NY and NJ area. Part of the negotiations covered continued use of the properties as commercial maritime industrial facilities. CT needs to evaluate as part of its long term strategy. It was pointed out that the CT Maritime Coalition (CMC) has a study underway that will hopefully show the negative economic impact to the State if dredging is not done. If CT wants to maintain the viability of its ports, there is more to it than dredging. The State needs to offer economic incentives to attract industry/shipping companies to call on CT ports. Commissioner McDonald reported that DECD was hosting 10 public forums as part of its mandate to form a strategic plan for responsible growth in CT. Port growth should be a part of the plan. The study will be completed by July 2009. The dates and locations of the forums were provided and all were encouraged to participate.

Commissioner McCarthy addressed the perception that CT uses different standards than the ACOE. She pointed out that the ACOE uses different standards depending on the size of the project. The ACOE basically looks at biological impacts and acute toxicity. However, the ACOE does not look at possible degradation to the disposal site. The State does. Commissioner McCarthy stated that the LIS DMMP will hopefully sort out the Federal standards vs long term degradation of the disposal site issues. She emphasized the need to focus on the funding for dredging projects including completion of the LIS DMMP. Until the LIS DMMP is completed, CT DEP will continue to require capping of dredged materials to maintain the quality of the disposal site.

The CTMC calendar year 2008 meeting schedule was established and posted on the CONNDOT webpage. The 2008 monthly meetings will be held on the third Wednesday of each month at four different locations around the state (Newington, New London, North Haven and Bridgeport) to better facilitate public participation.