

Infrastructure

Background

Forty (40) conference participants attended the Infrastructure Issue Session. Prior to the conference, each had received a read-ahead paper describing the three infrastructure issues within the Marine Transportation System (MTS) that were expressed by Regional Listening Session attendees. The fourth issue discussed was one that the group believed needed to be added - the need to develop flexible strategies to keep pace with changing system needs. The framing issues for the topics in the read-ahead materials were as follows:

Capacity -- The demand for commercial use of our waterway system continues to grow. Increased trade drives not only increased capacity requirements at our deep-water ports, but also our Great Lakes terminals and our inland water system. In addition to the increased freight growth, the public has become increasingly enamored with marine recreational activities and development. Our waterway system will need to address increased need for both cargo and recreational use.

Funding -- As the requirements for new and improved facilities continue to grow, sources of funding for these facilities become difficult to obtain. Traditional funding options are many times inadequate or unavailable for all projects along the water system. New funding sources and mechanisms need to be explored and designed which blend both public and private resources to support infrastructure improvements for cargo, passenger, industrial and recreational use.

Regulatory Framework -- As our nation has matured both physically through the acquisition of new territory, and legislatively through the formation of new states, organizations and regulatory commissions, the waterway system has fallen under the jurisdiction of many levels of our governmental structure. Local, regional, state and federal guidelines and regulations on use and expansion affect various portions of our system. As we continue to compete within the global framework of transportation, trade, and national quality of life for the citizenry, these many overlapping regulatory boundaries may pose unique challenges toward further improvements in the system.

For all of the issues discussed, the participants were asked to focus discussions, suggestions, and recommendations on the following questions:

- ◆ A systems approach to transportation will require innovative thinking and new partnerships. Which stakeholders and new arrangements will maximize limited resources within a constrained system?
- ◆ How can solutions, initiatives, and recommendations be identified and implemented? Can the present fragmented approach address MTS infrastructure requirements?
- ◆ Who will be responsible for funding?

- ◆ What are the regulatory barriers to the development of an intermodal infrastructure? How can some of these barriers be alleviated or removed?

The following is a summary of the infrastructure group's recommendations:

Capacity. The group determined that it is essential that the capacity of the Maritime Transportation System be increased to accommodate an anticipated doubling of world trade by 2020. The recommendations that the group developed to facilitate this increase fit into two broad categories: improve access and improve throughput.

Access improvements focused on dredging (both maintenance and capital), modernization of locks and dams, rail and highway access, and improved navigational accuracy that could be gained from updating hydrographic charting techniques. The group agreed that the first steps for all four of these initiatives should be taken within the next two years. With the increase in average vessel size, the group believed that ignoring these issues could make the U.S. system inaccessible to vessels that can utilize economies of scale and increase the overall cost of transportation.

Throughput improvements focused on ways that the cargo can be moved more quickly between nodes within the system. Three suggestions to increase throughput were improving vessel traffic control, implementing new technologies, and coordinating planning with all modes of transportation. Examples of vessel traffic control improvements include communications improvements, ITS, and DGPS; examples of technology improvements include gates, equipment, and on-dock rail. Although the group believed that better coordination should begin immediately, it accepted that full implementation of traffic control and technology solutions will take 2.5 to 5 years.

Funding the MTS. The group affirmed the importance of providing adequate, equitable and reliable funding for all components of the MTS and acknowledged that in many parts of the system, funding uncertainty is a major obstacle to progress. It was believed that one impediment to adequate funding is a general lack of awareness of the role and impact of the MTS on our nation. It was therefore recommended that the Secretary of Transportation take immediate steps to raise the visibility of MTS funding as a critical issue. It was also recommended that USDOT establish a forum of government and private industry that would be responsible for developing recommendations for funding and research worldwide "best practices" alternate funding mechanisms.

Regulatory Framework. The current regulatory framework was viewed as being a hindrance to a cohesive MTS. The Infrastructure group believed it is important to have a regulatory system that is effective, efficient, fair, uniform and customer friendly. Six recommendations, with varying timeframes attached, were made to improve the regulatory framework:

- ◆ Identify overlapping regulatory agencies and responsibilities at the senior level. The Secretary of Transportation should take the lead in this activity and it should be accomplished within the next two years.

- ◆ Within the next two years, the Secretary of Transportation and a National Council should bring all stakeholders together in a collaborative forum for policy-making and review. This review should be National in scope and include Federal, state and local governments, as well as industry, labor, and environmental stakeholders.
- ◆ Once established, this National forum should conduct coordinated review of the regulatory system process at the National, State, and local levels. Conflicting, redundant or overlapping regulations should be identified and a coordinated system of regulations developed.
- ◆ This National forum should also design interactive databases with standardized fields common to all modes of transportation. These databases will facilitate import-export cargo tracking and information exchange between modes and will also reduce paperwork, data entry and compliance burdens. The timeframes for this action is 2.5 to 5 years.
- ◆ The Secretary of Transportation should review training procedures for agencies involved in regulatory compliance with a goal of consistency and uniformity across federal agencies. Work with customers to identify problems and streamline processes.
- ◆ Design performance standards as basis of system productivity. (Do not penalize entities that are meeting the performance standards) The National forum should formulate the process for performance standards and each agency should develop the substance of its standards within the framework set out.

Strategy Development. The Infrastructure Issue Session participants believed that it is important to formulate scenarios for 2020 so that strategies can be developed and actions taken that will keep pace with future changes. The group recommended that the Maritime Administrator and the Coast Guard Commandant consult with both government and the private sector to develop a comprehensive view of the future to the year 2020. This initiative should be started immediately, will be recurring or ongoing, and should include the following characteristics:

- ◆ Provide alternatives based on different scenarios.
- ◆ Focus on carrier issues for all modes of transportation,
- ◆ Provide for shipper issues.
- ◆ Reflect the effects of technology and externalities.
- ◆ Establish a mechanism to crosscheck the 2020 vision with current and future initiatives (e.g. - legislation, proposed regulations, and rule making).

- ◆ Build initiatives as change evolves.

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ISSUE —a description of the issue area of discussion starting with the issue title.	ISSUE: CAPACITY
GOAL —provide a brief description of the specific outcome for the year 2020 which describes a certain action (e.g., increase, maintain, reduce, etc.) within a broad area covered by the issue.	GOAL 1: INCREASE U.S. COASTAL AND INLAND PORT AND WATERWAY (LOCKS AND DAMS) THROUGHPUT CAPACITY TO MEET PROJECTED GROWTH OF WORLD TRADE BY 2020 (AT LEAST 200%).

	RECOMMENDED ACTIONS	Recommended Lead	Time Frame
A	Provide adequate maintenance and new capital <u>dredging</u> for ports and rivers.	USDOT, USACE	Short, Medium, Long
B	Provide adequate lock and dam modernization.	USDOT, USACE	Short, Medium, Long
C	Provide adequate development and maintenance of landside access (rail and highway).	USDOT	Short
D	Improve vessel traffic control (e.g. – communications, ITS, DGPS, etc.) to make better use of the existing capacity.	USCG	Medium
E	Use technology (e.g. – gates, equipment, on-dock rail, space, etc.) to improve productivity throughput of the MTS.	AAR, ATA, AAPA, MARAD, Industry	Medium

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G	Update hydrographic charting techniques to provide better navigational accuracy.	NOAA, NIMA	Short
H	Coordinate planning with all modes of transportation and with labor.	Ports, Terminals	Short, Ongoing

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ISSUE —a description of the issue area of discussion starting with the issue title.	ISSUE: FUNDING OF THE MTS
GOAL —provide a brief description of the specific outcome for the year 2020 which describes a certain action (e.g., increase, maintain, reduce, etc.) within a broad area covered by the issue.	GOAL 2: PROVIDE ADEQUATE, EQUITABLE, AND RELIABLE FUNDING FOR ALL COMPONENTS OF THE MTS.

	RECOMMENDED ACTIONS	Recommended Lead	Time Frame
A	Raise visibility of MTS funding as a critical issue. Also raise public visibility in general to the role and impact that the MTS has on our nation.	Secretary USDOT	Ongoing
B	Establish a forum of government and private industry specifically to develop recommendations for funding.	USDOT	Short Term
C	Pull together research on alternative funding mechanisms – “best practices” worldwide.	USDOT	Short Term

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ISSUE —a description of the issue area of discussion starting with the issue title.	ISSUE: REGULATORY FRAMEWORK
GOAL —provide a brief description of the specific outcome for the year 2020 which describes a certain action (e.g., increase, maintain, reduce, etc.) within a broad area covered by the issue.	GOAL 3: MTS 2020 – DESIGN A REGULATORY SYSTEM THAT IS EFFECTIVE, EFFICIENT, FAIR, UNIFORM AND CUSTOMER FRIENDLY. ACHIEVE THIS THROUGH UNIFORM PROCEDURES (WELL-TRAINED INSPECTORS), COLLABORATIVE DECISION-MAKING, INTERACTIVE DATABASE WITH STANDARDIZED FIELDS AND PERFORMANCE STANDARDS.

	RECOMMENDED ACTIONS	Recommended Lead	Time Frame
A	Identify overlapping regulatory agencies and responsibilities at the senior level.	Secretary DOT	Short
B	Bring all stakeholders together in a collaborative forum for policy-making and review (National in scope that includes Federal, state and local governments, industry, labor, environment, stakeholders).	Secretary DOT/National Council	Short
C	Conduct coordinated review of regulatory system process at the National state, local and levels (find and fix).	National forum takes lead	As needed
D	Design interactive database with standardized fields common to all modes of transportation.	National forum	Medium to Long
E	Review training procedures with goal of consistency and uniformity across federal agencies. Work with customers to identify problems and streamline processes.	Sec. DOT	Short to Medium
F	Design performance standards as basis of system productivity. (Do not penalize entities, which are meeting the performance standards).	Process: National forum Substance: Each Agency	Short to Medium

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<p>ISSUE—a description of the issue area of discussion starting with the issue title.</p>	<p>ISSUE: STRATEGY DEVELOPMENT: A) LACK OF SCENARIOS FOR 2020 B) NEED FOR RAPID CHANGES) NEED TO PLAN FOR FUTURE, NOT JUST TODAY’S ENVIRONMENT.</p>
<p>GOAL—provide a brief description of the specific outcome for the year 2020 which describes a certain action (e.g., increase, maintain, reduce, etc.) within a broad area covered by the issue.</p>	<p>GOAL 4: FORMULATE SCENARIOS FOR 2020 SO THAT STRATEGIES CAN BE DEVELOPED AND ACTIONS TAKEN THAT WILL KEEP PACE WITH FUTURE CHANGES</p>

	RECOMMENDED ACTIONS	Recommended Lead	Time Frame
A	Develop comprehensive view of the future with government and private sector. Provide alternatives based on different scenarios of the future.	MARAD Administrator, Coast Guard Commandant	Short, Recurring
B	Focus on carrier (all modes) issues, shipper issues, technology, and externalities.	MARAD Administrator, Coast Guard Commandant	Short, Recurring
C	Establish mechanism to crosscheck the 2020 vision with current and future initiatives (e.g. - legislation, proposed regulations, rule making).	MARAD Administrator, Coast Guard Commandant	Ongoing
D	Build initiatives as change evolves.	MARAD Administrator, Coast Guard Commandant	Short, Recurring

