

USDOT LAUNCHES INFRASTRUCTURE GRANT PROGRAM

The United States Department of Transportation (USDOT) released the Notice of Funding Opportunity (NOFO) for the Infrastructure for Rebuilding America (INFRA) Grant Program on June 30, 2017. INFRA, formerly known as FASTLANE, is a freight-specific competitive grant program specifically designed to help fund large projects over \$100 million, although ten percent of the total funding can be used for smaller projects. USDOT has signaled that they do not plan to award large projects submitted during the last round of FASTLANE, which suggests up to \$1.75 billion in funding will be available for this first round of INFRA Grants. The application deadline is 8 p.m. EST on November 2, 2018.

INFRA has four program objectives that interested applicants must thoroughly consider when completing their applications: economic vitality, leveraging of federal funds, innovation and performance and accountability. Overall, the objectives seek to advance the administration's goals designed to bring more private sector capital into infrastructure investment while also providing more flexibility in project delivery and encouraging innovation in the environmental permitting processes. Applicants are also encouraged to identify creative ways to demonstrate

performance and accountability, particularly as it relates to advancing INFRA program goals.

Funded through the Fixing America's Surface Transportation (FAST) Act, INFRA continues to have set-aside funding for rural projects (25%) and also allocates dedicated money for non-highway (i.e. intermodal) projects on the National Multimodal Freight Network (10%). Large grants will continue to be awarded at a minimum of \$25 million while small grants must be at least \$5 million. In addition to the application, applicants must also perform and submit a Benefit Cost Analysis and demonstrate sufficient project readiness that the project will begin construction within 18 months of funding obligation.

If you're interested in learning more about the INFRA Grant Program please visit USDOT's INFRA page www.transportation.gov/buildamerica/infragrants.



PORT SPOTLIGHT

BULK CARGO EXPORTS SHOW STRONG GROWTH

Washington ports finished 2016 with strong increases in the amount of bulk cargo handled. Leading the way was a double digit increase in the export of grains, including wheat, soybeans and corn.

Collectively, the Pacific Northwest ports handled over 40 million metric tons of grain in 2016, eclipsing the previous record set in 2014. Many ports, including Longview, Vancouver and Grays Harbor also set individual records for bulk agricultural exports.



Over time, many factors affect agricultural export volumes and 2016 was no different. Low commodity prices, increasing storage capacity and a persistently strong dollar over multiple years resulted in a surplus of grain in storage. When commodity prices strengthened in the summer of 2016 and through the fall, farmers in the Midwest began shipping soybeans, corn and wheat by the trainload. Soybeans set an export record last year but what made 2016 so different was the volume of corn exported through Washington ports. "The large amount of corn exported in 2016 was driven by strong global demand but, more importantly, a drought in Brazil cut the safrinha (second) corn crop by 30%," says Greg Guthrie, Director of Agricultural Products with BNSF Railway. Corn exports through the PNW is not a new phenomenon, but what is new is the total volume. Port of Vancouver USA alone saw a 49.6% increase in tons exported in 2016 and that is on top of a 16% increase in 2015.

Sure to be driving some of this increase is an increase in terminal capacity that

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FAST BALLS, CURVE BALLS & CHANGE UPS



Well, once again the legislature hurtled to the brink of a state shutdown before finally getting a last-minute compromise that keeps us in operation for the next two years. I thought it was embarrassing two years ago, and this time it was actually much worse.

In case you weren't paying attention – and I wouldn't blame you if you weren't – the last three days of June were more chaotic, confusing and less transparent than anyone around Olympia has ever seen. Veteran legislators and even committee chairs were saying that they had no idea what was going on, and had no insights into the deals being cut by the leaders in private meetings.

The press and other open-government advocates bemoan how bad this is for the process, and even for democracy. They are correct. But there is another problem that this behavior creates, and it is especially problematic for local governments. When only a handful of senior leaders and budget chairs unveil a last-minute deal, and then tell their colleagues that they have to vote yes or else everything shuts down, it puts our friends in an impossible situation.

Legislators who may have promised you that they would fix the cleanup grant mess, or who told their city that the Public Works Trust Fund would be spared, or who told their County that this year they would fund public health services were left with no place to go. They were handed a budget with no chance to argue about it, or amend it. That means that groups like us who spend months creating coalitions and champions and

arguments can get side-stepped at the very end. I also think that this very dynamic explains why it has happened twice in a row. The leadership needs to use this tactic to unite a caucus that otherwise lacks consensus.

For local governments, who as a group are not partisan and who "play by the rules," this is a recipe for outcomes we don't like. It is made worse because the legislators who created so many of the classic "good government" programs like CERB or the Public Works Trust Fund are long gone, and the newer ones are not buying into the old understandings. To cap it all off, there does not appear to be any accountability or political price to be paid at home by legislators who do not value a state/local partnership.

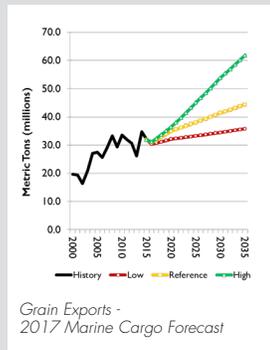
I wish I had a brilliant idea for how to address this. We will work harder to strengthen ties between all of the local governments, and by extension their associations. We will continue to tell our unique economic development story. We will continue to build relationships with both parties, all around the state. Perhaps it's a good thing that "wait 'till next year" can be said in politics as well as in baseball. ■

PORT SPOTLIGHT

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has come online since the Army Corp of Engineers completed the Columbia River main channel deepening in 2010. In addition to EGT (Longview) coming online, AGP (Aberdeen), United Harvest (Vancouver), Tacoma Export Marketing Company (TEMCO-Kalama) and Kalama Export have all spent millions of dollars increasing throughput capacity and capability. "The capacity is all online now and exporters are taking advantage of it." But Guthrie adds, "Don't expect the large corn export numbers to continue, at least in the near term. Conditions have reversed with stronger yields expected from the Brazilian crop and 100-degree temperatures bringing down yields in the Dakota's."

Despite an expected return to a more predictable export pattern for corn in the near-term, agricultural exports are expected to remain a bright spot for ports in Washington. According to the 2017 Marine Cargo Forecast grain shipments will continue to grow, anywhere between .6% for the low forecast up to 3.4% annually for the high forecast, over the next 20 years. As with all forecasts, there are outliers and 2016 was indeed one of those years. "I think we hit the high forecast for 2023, some seven years early," says lead economist on the study, Brian Winningham, with BST Associates. Above right is a graph depicting the 20-year forecast for grain exports through Pacific Northwest ports. ■



UPCOMING EVENTS

Commissioners Seminar

July 24-25, 2017
Alderbrook Resort, Union

Environmental Seminar

September 21-22, 2017
Heathman Lodge, Vancouver

Small Ports Seminar

October 26-27, 2017
Enzian Inn, Leavenworth

Annual Meeting

November 15-17, 2017
Motif Hotel, Seattle

EMPLOYMENT OPPORTUNITIES

Chief Commercial Officer

Port of Vancouver

Communications & Administrative Coordinator

Port of Grays Harbor

Facilities Management Specialist

Port of Tacoma

HR Manager, Labor & Employee Relations

Port of Tacoma

Accounting Manager

Port of Bremerton

Economic Development Coordinator

Port of Seattle

Project Manager II, Engineering

Port of Tacoma

Director, Port Operations

Northwest Seaport Alliance

Director of Marine Terminals

Port of Longview

Project Engineer

Port of Longview

Executive Director

Grant County Economic Development Council

Director of Finance and Administration

Port of Chelan County

Senior Cost Engineer Scheduler

Port of Seattle – AV Project Management Group

Director of Economic Development

Port of Bellingham

Airport Land Use and Strategic Programs Coordinator

WSDOT

Full-Time, Temporary (Seasonal) Port Maintenance

Port of Bremerton

If you would like information on any of these positions, visit washingtontports.org/washington-ports/employment-opportunities