

Deep Water Port *notes*

The News Portfolio of The Connecticut Deep Water Port Community
New London . New Haven . Bridgeport

Job Creation In The USA

by Don Frost, Deputy Editor



*Tanker "SWARNA MALA" inbound New Haven Harbor with cargo for Magellan Terminal.
LOA 600 ft Beam 105 ft Draft 33 ft Photo – Captain Charles Jonas, Connecticut Marine Pilot*

I SEE THIS AS THREE RELATED PROBLEMS – a short term one needing prompt action, and two longer term problems that address systemic problems in our society requiring substantial changes in how we think about jobs in an intensely competitive world.

I still think government can help to jump start the economy, but rather than trying to only stimulate

consumption, we need to generate productive jobs (i.e.- stimulate the economy) that will contribute to solving the nation's longer term problems. I suggest that the very core of these jobs should be rebuilding our nation's crumbling transportation infrastructure that is hindering our manufacturing and process industries from being competitive in the 21st Century.

Continued on page 2

But how do we pay for it? Michael B. Likosky, a senior fellow at the Institute for Public Knowledge, New York University, suggested a solution in a NY Time Op-Ed piece (page A27) Wednesday July 13, 2011. He explained that President Franklin Roosevelt faced a similar predicament in the 1930s and the second wave of his New Deal programs pursued public-private partnerships and quasi-public authorities as sources of funding. He points to the Tennessee Valley Authority and its electrification of a huge part of the south east as a possible model for today's problems.

Alternatively, creation of an American Infrastructure Financing Authority could help move private capital, now sitting on the sidelines in pensions, private equity, sovereign and other funds to help the US catch up with other countries who have invested heavily in state-of-the-art water, energy and transportation infrastructure over the last three decades when nothing was invested in U.S. systems.

Infrastructure is only the first part of the plan. Today's knowledge based economy is made up of a relatively small number of well educated/well paid people. The knowledge based economy cannot be scaled up to address the loss of manufacturing in this country. In fact our national education system is in such a poor state that we will have to continue to import knowledge workers for at least another decade. Furthermore, a nation's economy is far greater than those jobs that are knowledge based. High Technology and Information, cannot sustain the country's economy alone.

Public service and commercial services are used by and valued by all levels of society. These services require workers with lower skills and provide a great number of jobs. While the wealthy may be well off, by themselves they are unable (and unwilling) to pay the full price for these public services. The unskilled, while a more numerous and intensive user of the public services, cannot afford to fund those services by themselves. We need to spread those costs over a larger portion of the population and this requires rebuilding a middle class. The middle class had been the base of our manufacturing economy that is now greatly diminished, but not gone. We need a middle class educated to meet the needs of business in the 21st Century to help support a public service sector that is valued by all of society.

Consider as academic background:

- A. David Ricardo's treatise on Int'l Trade (1817) rationalized that trade of British woolens to Portugal and their wine back would benefit

both nations. He based it all on the concept of "comparative" advantage in land, labor and capital. He did not count the cost of transportation.

- B. Michael Porter's (Harvard Business School) "competitive advantage" of the 1990s considers all factors in manufacturing and distribution while acknowledging that in an industrial economy land isn't really unique, labor has become mobile and the world is awash in capital.
- C. I think that today transportation and logistics is the "competitive advantage". Our state's and nation's transportation infrastructure is largely that of the early to mid 20th Century. That must change. Our roads, rail roads, ports and intermodal access places the United State squarely among those of the third world or emerging nations.

Maritime Matters In Washington

by Mr. Paul Bea

The dust has yet to settle since the President signed the Debt Reduction Act of 2011...not that we might reasonably expect dust to settle from the bloody and yet unresolved fiscal fight in Washington. Little has been said or done to reassure the markets and populace that political brinkmanship over fiscal and economic policy will end soon.

However a process has been put in place that could lead to some key decisions. Congress cobbled together a 10-year deal that –

1. Caps spending for a savings of nearly \$1 billion; automatic cuts are triggered if Hill appropriations do not adhere to the caps.
2. Creates an insurance policy of across-the-board cuts that would be triggered if a new "super committee" fails to produce, or Congress fails to enact, a plan to cut at least another \$1.2 trillion. (The deal exempts certain program areas such as S.S., Medicaid and most Medicare spending.)
3. Promises Congress will vote this year on a constitutional amendment requiring balanced budgets.

So, where does transportation and the maritime figure in to this? It remains to be seen. (Sorry, best I can do at this time.) The process as regards the capped spending (#1 above) is back-loaded, meaning the first couple years won't be as difficult as will the latter years when, even with an allowance of 2 percent growth, the cap's effect on programs will pinch more. (A respected

Continued on page 3

analyst's newsletter has this headline: "Discretionary Caps Will Constrain Infrastructure Funding For Years.")

Working within the spending caps Congress will have to make individual program decisions. Meanwhile the additional cuts and program eliminations decided through the "super committee" process will be applied. Suffice it to say that DOT, Corps of Engineers, Coast Guard, and NOAA programs—not to mention the big Defense Department budget—that support the Marine Transportation System are on the cutting board. Some will get trimmed; perhaps others will get chopped.

The fact that spending from the Highway Trust Fund is mandated will spare that funding but, as we know, the Highway Trust Fund revenues are shrinking and will continue to diminish until Congress acts to shore it up with higher taxes at the pump.

The across-the-board cuts (#2) will be allocated 50/50 to non-security and security discretionary spending. (DOD, DHS, State, VA, etc. are in the latter category.) That scares the defense community and may instill in Congress the will to make difficult, surgically selective decisions rather than allow sacred cows to be sacrificed to the meat cleaver. One estimate: across-the-board cuts could amount to anywhere from 7 percent to 10 percent in program spending cuts each year.

As we witnessed in recent months the situation in Washington is volatile. The policy and political stakes are high. Oxes will be gored. One thing we can be sure of...the best possible outcome for transportation and infrastructure spending will still be highly unsatisfactory. That is unless Congress bites the bullet and addresses the revenue side.

Paul Bea is a government relations and policy advisor in Washington, DC. He chairs the marine highway advocacy group, The Coastwise Coalition, and discusses the MTS at www.MTSMatters.com.

Statewide Dredging Update

by Mr. Joseph R. Salvatore, Dredging Project Coordinator for the State of Connecticut, Joseph.Salvatore@ct.gov

Supplemental EIS Supporting Possible Site Designation(s) in Eastern LIS

During the process that resulted in the Environmental Protection Agency's (EPA) designation of the Western and Central disposal sites in Long Island Sound (LIS) in June 2005, EPA deferred the evaluation of the Eastern Long Island Sound (ELIS) disposal sites in order to facilitate the designation process for the western sites with the explicit understanding that EPA was committed to the timely completion of the SEIS for the ELIS sites, thus completing the EIS process for the whole of LIS.

The SEIS is undertaken by EPA with cooperating agencies, resulting in a determination of whether an open water site is needed and, if it is, where it should be sited within delineated limits of SEIS. If the SEIS results in a finding that open water disposal sites are necessary and environmentally acceptable in Eastern LIS (ELIS), EPA would need to initiate a formal site designation process under the MPRSA. Estimated cost for the SEIS is \$5 million dollars (Federal funds)

However, to date, the SEIS for the existing disposal sites in ELIS has not been initiated, let alone completed. These two sites are available for properly managed disposal only on an interim basis.

In fact, the New London and Cornfield Shoals sites will cease to be available in October 5, 2011, and November 6, 2013, respectively, for all federal and all non-federal projects disposing greater than 25,000 cubic yards of sediment. The sites would still be available to non-federal projects disposing less than 25,000 cubic yards of sediment.

Long Island Sound Dredge Material Management Plan Update

There was a quarterly steering committee conference call held on August 11th in which the LIS DMMP Project Delivery Team provided a progress report. The current task's are:

Federal/State Regulations Update, Transportation Cost Matrix, Containment Facility and Nearshore Impacts, and an Air Quality Scope of Work.

There were three working group meetings held; 2 in CT. and 1 in New York. The next meeting will be in September, no date yet.

To advertise in



Contact: ctmaritime@msn.com

860-941-0044

BRINGING TOGETHER OVER 2000 GLOBAL
MARITIME MEMBERS SINCE 1984



WWW.CMACONNECT.COM

CONNECTICUT STATE PILOTS INTERPORT PILOTS AGENCY INC.

*Federal and State Pilot Service
for Long Island Sound and Ports*

INTERPORT@VERIZON.NET



CMC Membership Includes Diverse State Maritime Interests

Organized in 2000, the Connecticut Maritime Coalition is a non-profit trade association advocating for Connecticut's Maritime Industry. Our members include:

Briarpatch Enterprises, Inc.

Joseph Gilbert, 203.876.8923, hiddenemp@aol.com

The Bridgeport & Port Jefferson Steamboat Company

Frederick Hall, 631-473-0286, FHall@McAllister Towing.com

Blakeslee Arpaia Chapman, Inc.

John Fucci, 203-483-2954, jfucci@BAC-INC.com

Cross Sound Ferry Services, Inc.

Adam Wronowski, 860-443-7394, adam@longislandferry.com

Connecticut Maritime Association, Inc.

Donald Frost, 203-406-0106, dbfrost@optonline.net

Connecticut State Pilots, Inc.

Capt. Charles Jonas, 516-319-5069, cpjonas@optonline.net

Empire Fisheries, LLC

Joseph Gilbert, 203-876-8923, hiddenemp@aol.com

Gateway Terminal

Tom Dubno, 203-467-1997, tdubno@gatewayt.com

GZA GeoEnvironmental, Inc.

Dan Kinard, 860-286-8900, dan.kinard@gza.com

Interport Pilots Agency, Inc.

Captain Louis Bettinelli, 732-787-5554, loubett@optonline.net

Moran Towing Corporation

Aislinn Pitchford, 203-442-2800, aislinn@morantug.com

New England Shipping Company, Inc.

David Pohorylo, 203-467-2423, dpohorylo@newenglandshipping.com

New Haven Port Authority

Judi Sheiffele, Ex.Dir., 203-946-6778, JSheiffe@newhavenct.net

New Haven Terminal

Michael Vasaturo, 203-468-0805, vpusec@aol.com

Port Security Services

Ralph Gogliettino, 203-410-5085, Ralph@portsecurity.us

Santa Energy Corporation

Thomas Santa, 203-362-3332, SantaT@santaenergy.com

Schooner, Inc.

Kristen Andrews, 203-865-1737, kristen.andrews@schoonerinc.org

Underwater Construction Corporation

James Swiggart, 860-853-8956, jswiggart@uccdive.com



just add water !



SERVING ALL DEEPWATER PORTS IN THE NORTHEAST

www.newenglandshipping.com

Submit to Deepwater Port Notes

We welcome your ideas, news and comments about the revitalization of Connecticut's deep water ports and the ability to vastly improve on commercial and personal transportation to the economic benefit of this state. Please contact deputy editor W. T. S. Butler at usarbitrator@hotmail.com, or 860-478-8972, or at PO Box 43, Mystic, CT 06355.

DEEP WATER PORT notes is published quarterly by the *Connecticut Maritime Coalition, Inc.*, designated organizational center for the *Connecticut Maritime Industry Cluster*.

For more information, please contact:

William Gash, *Executive Director*

P.O. Box 188, Stonington, Connecticut 06378

Phone: 860-941-0044 Fax (888) 436-5413

Email: ctmaritime@msn.com Visit us at: www.ctmaritime.com

Graphic Design by Casey C.G., contact: 860-941-8413.

CONNECTICUT MARITIME COALITION



The Connecticut Maritime Coalition

is a non-profit trade association facilitating the competitiveness of Connecticut's maritime industries. Our cluster network is mostly composed of small and medium-sized businesses.

The Connecticut Maritime Coalition's mission is to advocate for Connecticut's maritime industry.

To join **the Connecticut Maritime Coalition** or to advertise your business in

Deep Water Port notes,

please contact: *William Gash, CMC Executive Director* at ctmaritime@msn.com or call 860-941-0044.

Deep Water Port *notes*

In this issue: Job Creation In The USA



CONNECTICUT MARITIME COALITION



P.O. Box 188, Stonington, CT 06378

Advocating for Connecticut's Maritime Industry