

Heartland Port Authority of Central Missouri
Board of Commissioners

Jefferson City Area Chamber of Commerce

Tuesday, February 12, 2019 7:30am

Tentative Agenda

1. Roll Call
2. Approval of Agenda
3. Approve Minutes
4. Public Comment
5. Old Business
 - 5.1. Bank Account Report - Bonnot
 - 5.2. MASBDA Grant - Bonnot
6. New Business
7. Staff Report
 - 7.1. BUILD Grant Debriefing - Allen
 - 7.2. Missouri Port Authority Association (MPAA) Meeting Report - Bonnot
 - 7.3. Port Timeline and Priorities - Allen
 - 7.4. Port Development Costs and Cost Share Update - Allen
8. Commissioners Reports & Invited Guests
 - 8.1. Port Visit Update – Schwartze
 - 8.2. USDA Presentation-Grants and Opportunities- Matt Moore, Regional Director – Fischer
9. CLOSED SESSION: Pursuant to Section 610.021(2), RSMo, the Chair will entertain a motion to go into Closed Session to discuss leasing, purchase or sale of real estate (Action by Roll Call Vote).
10. Adjournment

Next Meeting Tuesday, March 12th - 7:30am

MINUTES

Heartland Port Authority of Central Missouri

Board of Commissioners Meeting
Tuesday, January 8, 2019 7:30am.
Arthur P. Grimshaw Board Room

PRESENT:

BOARD:

Rick Mihalevich	Roger Schwartze
Roger Fischer	Jim Jordan
Calvin Broughton	Doug Mertens
Hank Stratman	Kris Scheperle

EXCUSED:

Gary Wheeler

STAFF:

Randy Allen, Missy Bonnot, Duane Schreimann

REGULAR BUSINESS:

1. Roll Call: Missy Bonnot

All Board members were present with the exception of Gary Wheeler.

2. Approval of Agenda: Chairman Mihalevich

Kris Scheperle made a motion to approve agenda and Roger Schwartze seconded. Motion passed

3. Approve Minutes: Chairman Mihalevich

Roger Schwartze made a motion to approve and Roger Fischer seconded. Motion passed.

4. Public Comments: Chairman Mihalevich

There were no public comments

5. Old Business: Chairman Mihalevich

There was no old business

6. New Business: Chairman Mihalevich

a) Bank Account

- Roger Schwartze made a motion for the Heartland Port Authority to open a bank account. Calvin Broughton seconded. Motion passed. The Board directed

Chamber staff to research options for account from various local financial institutions.

b) MASBDA Grant

- Roger Fischer made a motion and Calvin Broughton seconded to direct Chamber staff to begin working with Grant subcommittee to identify what we could apply for the Missouri Agricultural and Small Business Development Authority grant. Motion passed. The subcommittee would be Rick Mihalevich, Kris Scheperle, Roger Fischer and Gary Wheeler.

c) Management Activities

- The Board discussed this would be on the agenda every month to discuss the Chamber staff administrative work that has ben completed on behalf of the Board.

7. Closed Session: Chairman Mihalevich

A motion was made by Kris Scheperle and seconded by Roger Schwartze to adjourn the public meeting and go into Closed Session Pursuant to Section 610.021(2), RSMo, to discuss leasing, purchase or sale of real estate. By roll call vote motion passed.

8. Adjournment: Chairman Mihalevich

Minutes submitted by: _____

Missy Bonnot, Director of Economic Development
Jefferson City Area Chamber of Commerce

Summary of Build Grant Debriefing Session

1/17/19

Bob Gilbert, Bartlett and West, Randy Allen, Jefferson City area Chamber of Commerce and John Augustine, Department of Transportation, Washington DC

\$1.5 billion was available in the 2018 Build Grant program.

851 applications were received totaling \$10.9 billion (10/1 ratio)

Twice the number of applications were received in 2018 For the Build program than in 2017 for the Tiger grants (previous Build program)

Steps in Review Process

Eligibility Screen

Go/ No Go Review

Urban/ Rural Designation

Our Project Was classified as **Urban** since we are in a Metropolitan Statistical Area (MSA)

Technical Team Review and Scoring

20 individual review teams, each project was assigned to one of them

Ratings: Highly Recommended, Recommended, Acceptable, Not Recommended (Not Acceptable)

Projects with Highly Recommended ratings automatically move to Tier 2 review.

Others move to Tier 2 if recommended by review team for other reasons, project diversity etc.

Readiness Scan

Review by team for the projects ability to meet the requirements of the grant such as lawsuits, NEPA reviews, primary planning, grant availability etc.

Low Risk, Moderate Risk, High Risk,

High risk projects were not moved forward

Our project was a Planning Project!

115/851 were Planning Projects

Our project was rated RECOMMENDED but all planning projects were derated one level by order of the Secretary of Transportation policy to emphasize construction. Therefore, ours was scored as ACCEPTABLE. No Planning Project Grants were advanced to the Secretary of Transportation for final review, mainly because of the derating. **No Planning Grant projects were awarded.**

250 projects were passed on to the Secretary. 154 were highly recommended, 89 were recommended, and 7 were acceptable.

Of the initial 851 applications /154 were highly recommended, 441 recommended, and 257 were acceptable or not recommended.

Our Project Review

Feedback: Our project was well put together and the emphasis on safety at the railroad was very good. The economic benefits were clearly outlined and having the benefit/cost analysis and feasibility study was also a positive. There were no negatives noted.

Mr. Augustine indicated that Build Grants will be available in 2019 but they would likely have the preference for construction projects again and it is not likely that any planning grants would be awarded. His suggestion is to figure out a way to get the preliminary planning (or a portion of complete) to be able to ask for construction money.

In addition to the evaluation and ratings, the program also has Urban/Rural Requirements, Modal Considerations I.E. Road, Rail, Transit, Maritime and Geographic Distribution to create diversity in the program.

75% of the applications were for road projects. Of the Final 91 Projects Awarded, 61 were Road projects, 11 were transit projects, 10 were rail projects, and 10 were Maritime projects.

Missouri Port Authority Association
Jefferson City
February 5-6, 2019

AGENDA

Tuesday, February 5th – MODOT CENTRAL OFFICE, CONFERENCE ROOM 303

- 1:00-1:15pm Convene & Introductions
1:15-3:45pm Various Representative, Senators, Hwy Commission & Farm Bureau
- Cheryl Ball & Stacey Fowler, MODOT
- Administrative Fund FY2020
 - FY19 CIP Funds
 - CIP – What is the definition?
- 4:30pm Adjourn
- 6:00 pm Reception and Dinner @ Madison's Café

Wednesday, February 6th – JEFFERSON CITY AREA CHAMBER OF COMMERCE - 213 Adams Street

- 8:00-9:00am Continental Breakfast
Reports from Member Ports
9:00-12:00pm President's comments and discussion
Business Meeting
- Review of minutes and financials reports
 - Consideration of budget issues/review
 - IRPT – Golf Sponsorship Renewal
 - Other Due renewals?
 - Lobbyist
 - Spring Meeting
 - Location
 - Date
 - Summer Conference
 - Location
 - Date – May-July
 - New Business
- 12:00pm Adjourn!

Upcoming Meetings/Conferences:

February 14, 2019 – MO Chamber Transportation Conference @ Columbia, MO

March 5-7, 2017 – National Waterways Legislative Summit @ Washington, DC

March 20-21, 2017 – Inland Waterways Conference @ New Orleans, LA

April 23-25, 2019 – Inland Rivers, Ports and Terminals (IRPT) @ Baton Rouge, LA

May 20-22, 2019 – Inland Marine Expo 2019 @ St. Louis, MO

Heartland Port of Central Missouri - Planning Grant - Scope of Work

Scope Item	Preliminary Cost Estimate for Services <u>Grant IS Successful</u>			Preliminary Cost Estimate for Services <u>Grant NOT Successful</u>		
Boundary Survey and Legal Description			\$20,000			\$20,000
Survey on south side of the road to define land acquisition	\$20,000	\$20,000		\$20,000	\$20,000	
Topographic and Utility Survey and Mapping			\$200,000			\$0
North port location		\$25,000			\$0	
South port location		\$70,000			\$0	
Roadway replacement area leading to south port		\$105,000			\$0	
Concept Design (Preliminary Plans and Estimate)			\$537,500			\$175,000
Road and bridges to the southern port		\$225,000			\$95,000	
Rail around the southern port		\$100,000			\$21,500	
Northern and southern port		\$162,500			\$50,000	
Roadway connecting to Hwy 94		\$50,000			\$8,500	
NEPA Clearances			\$180,000			\$180,000
Cultural (Section 106)	\$75,000			\$75,000		
Stream/Wetland (Section 404)	\$30,000			\$30,000		
Floodplain/Floodway	\$10,000			\$10,000		
Hydraulic Modelling	\$15,000			\$15,000		
Farmland Impact	\$10,000			\$10,000		
Land Disturbance	\$10,000			\$10,000		
T&E Species	\$30,000			\$30,000		
Maximum Total Planning Grant Application			\$937,500			\$375,000
Local Match Required	20%		\$187,500	100%		\$375,000
Cole County Share	40%		\$75,000	40%		\$150,000
City of Jefferson Share	40%		\$75,000	40%		\$150,000
Callaway County Share	20%		\$37,500	20%		\$75,000
TOTAL PARTNERSHIP OBLIGATION			\$187,500			\$375,000
Scope Item	Preliminary Cost Estimate for Services <u>Grant IS Successful</u>			Preliminary Cost Estimate for Services <u>Grant NOT Successful</u>		

Accounting of Project Port Expenses 2017-2018				
	JCACC	JC	Cole	Callaway
Feasibility Study	\$24,800.32	\$43,400.56	\$43,400.56	\$43,400.56
Build Grant Application Preparation				
Bartlett and West	\$16,519.25			
Central Missouri Professional Services	\$17,977.00			
Port Authority Legal Assistance	\$5,880.00			
Working Committee Meeting Expense	\$470.05			
Port Authority Application Fee	\$70.75			
Newspaper Ad - Public Hearing	\$85.50			
Port Authority Association Meeting Registration	\$0.00			
Port authority Association Meeting Travel Expenses	\$356.75			
Port Authority Association Membership	\$750.00			
Actual Totals	\$66,909.62	\$43,400.56	\$43,400.56	\$43,400.56
Approved for Preliminary Planning Work (part of Build Grant Request)		\$150,000.00	\$150,000.00	\$37,500.00
Totals with Planning Work		\$193,400.56	\$193,400.56	\$80,900.56

Southeast Port Tour
Thursday, January 24, 2019
Arthur P. Grimshaw Board Room

PRESENT:**BOARD:**

Roger Fischer	Hank Stratman
Calvin Broughton	Roger Schwartze
Gary Wheeler	Kris Scheperle

COLE COUNTY COMMISSIONERS:

Jeff Hoelscher
Sam Bushman

On January 24 the following toured the Ports of New Madrid and SEMO: Roger Fischer, Kris Scheperle, Hank Stratman, Calvin Broughton, Gary Wheeler, Roger Schwartze, Commissioners Sam Bushman and Jeff Hoelscher.

At the New Madrid Port, we were led by Director Timmi Hunter. She has worked at the Port for 20 years. They currently operate on 80 acres with an annual operating budget of \$400,000. They move about 900,000 tons per year. Most of their income is from land lease with a small amount from tonnage moved. They started by Noranda giving them a deed to the 80 acres which they paid for over time. They have now acquired 80 acres adjacent to their current property which they hope to develop. While there we saw rice being loaded on to a barge while fertilizer was being unloaded on the opposite side of the harbor. They own a large warehouse that is leased to Riceland for fertilizer storage. They operate out of a slack water harbor that must be dredged annually by the Corp of engineers. They are not charged for the dredging. They have a railroad spur that connects to both sides of the harbor. They received economic development grant funds to build their storage warehouse.

At the SEMO port we were led by Amanda Brink their manager of Finance and Administration. The port was formed in 1974 as a Regional Port Authority. They own 500 acres part in Cape County and part in Scott County. They have an annual operating budget of \$340,000. In 1988 both counties passed a 1/4 cent sales tax for 4 years that generated \$7.3 million for port capital improvements. They built a short line railroad that now has access to Burlington Northern and Union Pacific. The port charges lease and tonnage fees for port use. They contract services for railroad operations. They move about 1,000,000 tons of material each year through the Port. They hope to build a 100-car loop train area in the future.

All Missouri ports are members of the Missouri Port Association. Their next meeting is February 5 and 6 in Jefferson City. Each year some capital money is approved by the Mo. Legislature. The port association meets to rank projects to select where this money will be used.

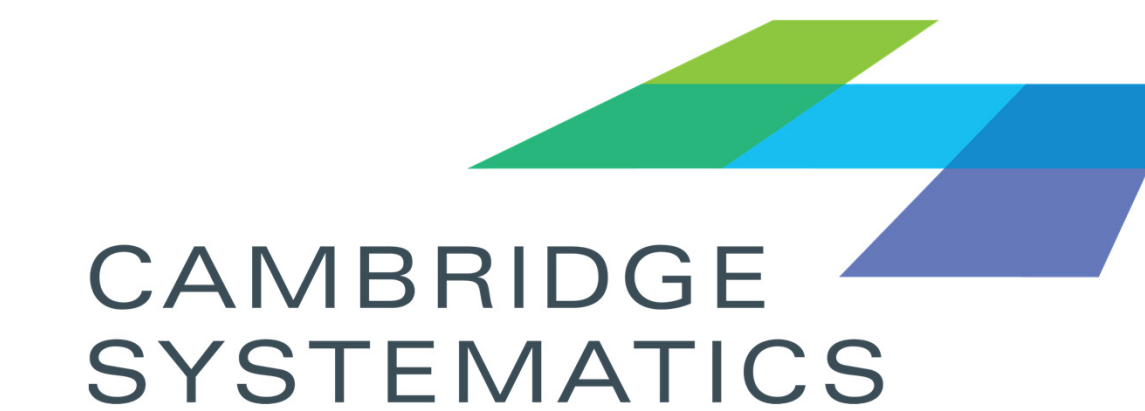
HEARTLAND PORT AUTHORITY of CENTRAL MISSOURI - PROJECT TIMELINE

ID	Task Name	Duration	Start	Finish	Predecessors	2018												2019											
						May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct						
0	Port Authority Project Timeline	332 days	Mon 6/4/18	Tue 9/10/19		[Timeline bar from May 2018 to Sep 2019]																							
1	City Resolution Draft	5 days	Mon 6/4/18	Fri 6/8/18		[Task bar]																							
2	City Resolution Final Version	3 days	Mon 6/11/18	Wed 6/13/18	1	[Task bar]																							
3	Cole Resolution Draft	8 days	Mon 6/4/18	Wed 6/13/18	1SS	[Task bar]																							
4	Callaway Resolution Draft	8 days	Mon 6/4/18	Wed 6/13/18	1SS	[Task bar]																							
5	3 Way Agreement Draft	8 days	Mon 6/4/18	Wed 6/13/18	1SS	[Task bar]																							
6	PA Bylaws	5 days	Thu 6/7/18	Wed 6/13/18	1SS	[Task bar]																							
7	Council First Discussion	5 days	Thu 6/7/18	Wed 6/13/18	1SS+3 days	[Task bar]																							
8	Cole First Discussion	5 days	Thu 6/7/18	Wed 6/13/18	1SS+3 days	[Task bar]																							
9	Callaway First Discussion	1 day	Wed 6/13/18	Wed 6/13/18		[Task bar]																							
10	City Discussion Second Round	6 days	Wed 6/20/18	Wed 6/27/18		[Task bar]																							
11	Cole Discussion Second Round	6 days	Wed 6/20/18	Wed 6/27/18		[Task bar]																							
12	Callaway Discussion Second Round	6 days	Wed 6/20/18	Wed 6/27/18		[Task bar]																							
13	City Resolution Approval	0 days	Mon 7/2/18	Mon 7/2/18		[Milestone diamond 7/2]																							
14	Cole Resolution Approval	0 days	Tue 7/3/18	Tue 7/3/18		[Milestone diamond 7/3]																							
15	Callaway Resolution Approval	0 days	Tue 7/3/18	Tue 7/3/18		[Milestone diamond 7/3]																							
16	Blunt	10 days	Wed 6/27/18	Tue 7/10/18		[Task bar]																							
17	McCaskill	10 days	Wed 6/27/18	Tue 7/10/18		[Task bar]																							
18	Luetkemeyer	10 days	Wed 6/27/18	Tue 7/10/18		[Task bar]																							
19	Contact Local State Reps	10 days	Wed 6/27/18	Tue 7/10/18		[Task bar]																							
20	First Notice - Public Hearing	0 days	Thu 7/5/18	Thu 7/19/18	15FS+2 days	[Milestone diamond 7/5]																							
21	Second Notice - Public Hearing	0 days	Thu 7/19/18	Thu 7/19/18	20	[Milestone diamond 7/19]																							
22	Build Grant Due	0 days	Thu 7/19/18	Thu 7/19/18		[Milestone diamond 7/19]																							
23	Public Hearing	0 days	Thu 7/26/18	Thu 7/26/18		[Milestone diamond 7/26]																							
24	Final Application Completed	5 days	Thu 7/26/18	Wed 8/1/18	23	[Task bar]																							
25	Submit Application to MoDOT Staff	0 days	Wed 8/1/18	Wed 8/1/18	24	[Milestone diamond 8/1]																							
26	MoDOT Staff Review	15 days	Thu 8/2/18	Wed 8/22/18	25	[Task bar]																							
27	Commission Meeting Preparation	9 days	Thu 8/23/18	Tue 9/4/18	26	[Task bar]																							
28	September MoDOT Commission Meeting	0 days	Wed 9/5/18	Wed 9/5/18		[Milestone diamond 9/5]																							
29	2018 BUILD Planning Grant Application	18 days	Mon 6/4/18	Thu 6/28/18	22SF-15 days	[Task bar]																							
30	2018 BUILD Planning Grant Approval	0 days	Wed 12/5/18	Wed 12/5/18	22FS+100 days,29	[Milestone diamond 12/5]																							
31	Boundary Survey	45 days	Thu 12/6/18	Wed 2/6/19	30	[Task bar]																							
32	Meeting with Legislators on Bill	0 days	Wed 12/5/18	Wed 12/5/18		[Milestone diamond 12/5]																							
33	Bill Filed	0 days	Wed 2/6/19	Wed 2/6/19	31	[Milestone diamond 2/6]																							
34	Bill Considered	65 days	Thu 2/7/19	Wed 5/8/19	33	[Task bar]																							
35	Consultant Selection Cultural Resources	22 days	Mon 6/3/19	Tue 7/2/19		[Task bar]																							
36	Cultural Resources 106	40 days	Wed 7/3/19	Tue 8/27/19	35	[Task bar]																							
37	Consultant Selection - NEPA and Preliminary Design	22 days	Mon 6/3/19	Tue 7/2/19	35SS	[Task bar]																							
38	NEPA, Preliminary Design	50 days	Wed 7/3/19	Tue 9/10/19	37	[Task bar]																							



CENTRAL MISSOURI MULTIMODAL PORT FEASIBILITY STUDY

Paula Dowell, PhD. & Katharine Kirk, AICP
Cambridge Systematics, Inc.



BACKGROUND AND PROJECT DESCRIPTION

The Jefferson City Area Chamber of Commerce, Callaway County, and Cole County funded this study in 2017 to assess the feasibility of a multimodal port facility in central Missouri and help spur economic development in the region.

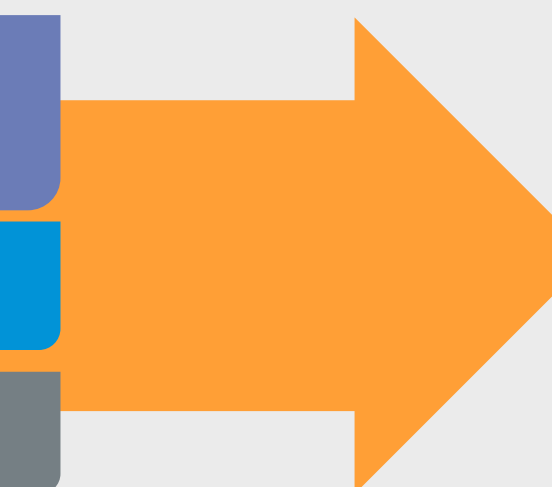
The goal was to assess the market feasibility of logistics-based development opportunities, develop conceptual site plans, conduct a benefit-cost analysis of the multimodal port site, and quantify the economic and fiscal impacts.

ECONOMIC ANALYSIS TECHNIQUES

Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

Benefit-Cost Analysis (BCA)

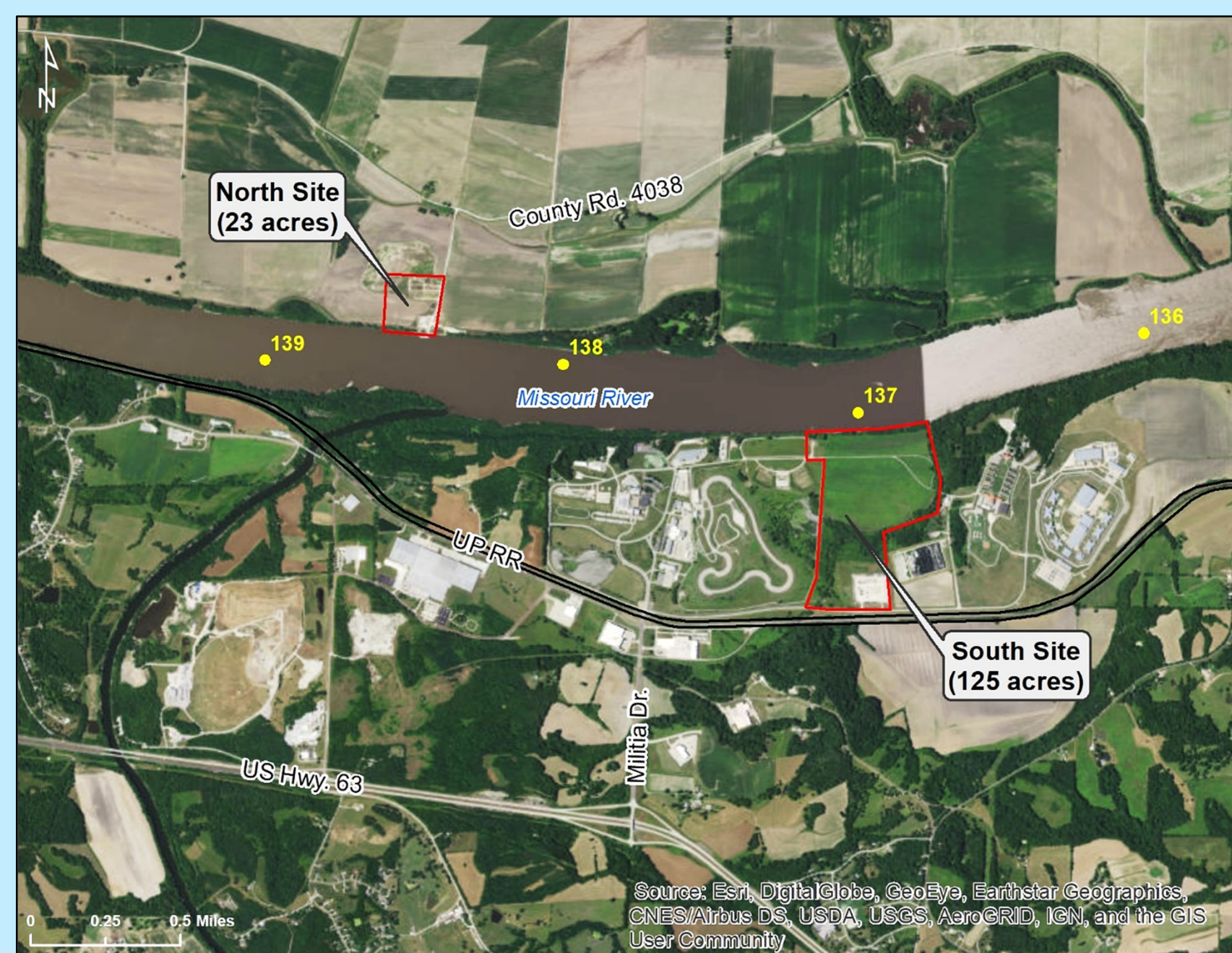
Economic Impact Analysis (EIA)



The ultimate success of attracting users to a port facility in central Missouri depends on its ability to add value in the supply chain.

STUDY AREA FOR MULTIMODAL PORT DEVELOPMENT

Potential Port Location



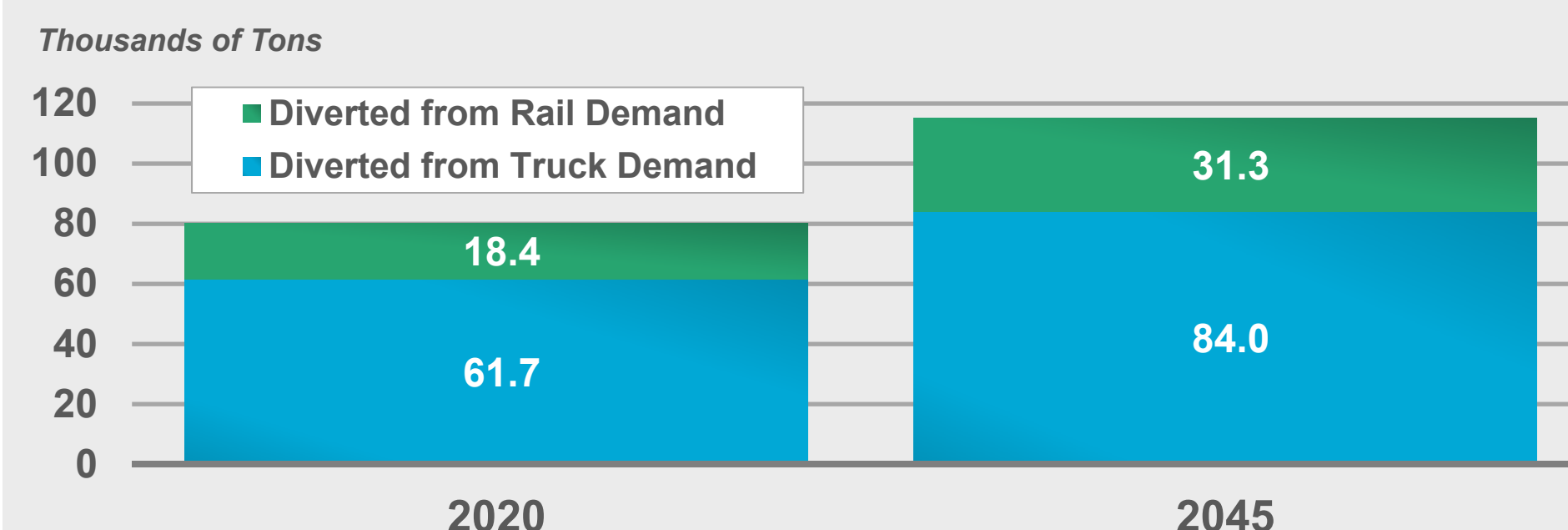
What factors influence the location decision of a port?

- Multimodal connectivity
- Established shipper facilities and/or markets
- Proximity to major highways, rail ramps, and distribution facilities
- Sufficient and cost-effective land available for development
- Competitive energy/utilities options and costs
- Good highway infrastructure
- Active railroad services
- Available acreage for value-added activities, such as storage

SWOT ANALYSIS FINDINGS

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> Access to Class I rail infrastructure Access to three U.S. highways Access to Missouri River, with connection to Mississippi River and other inland waterways Potential state partner for south site Strong private sector interest, potential funding partner 	<ul style="list-style-type: none"> Lack of direct Interstate Highway access Limitations on site footprint 	<ul style="list-style-type: none"> Smaller share of commodity movement by rail and water compared to trucks Access to Class I rail facilities National truck driver shortage 	<ul style="list-style-type: none"> Existing established ports, including private docks, on Missouri River Unpredictable water levels along Missouri River Variable navigation season length on Missouri River as determined by U.S. Army Corps of Engineers Potential port users have variety of logistical needs

POTENTIAL FREIGHT DEMAND FOR PORT



Diversion from truck modes accounts for the maximum potential market for port traffic, which could lead to additional cost savings for businesses and relieve some traffic demand on regional roadways.

ECONOMIC ANALYSIS OF DEVELOPMENT OPPORTUNITIES

Project Costs

Roadway construction, fill/embankment, wetland mitigation, dock, storage facilities, utilities, port equipment, rail infrastructure (switches, track, dump pit), engineering, contingency

Project Benefits

Freight transportation costs savings, social cost of carbon emissions costs savings, non-carbon emissions cost savings, safety cost savings, state of good repair (SOGR) cost savings

Economic Impacts

Job creation, personal (or labor) income, value added (Gross Regional Product or GRP), tax revenue, economic output

Assumptions

- Construction occurs from 2018 to 2020, and project spending on operations and maintenance for 25-year period from 2020 to 2045.
- Reduced costs of doing business in the region due to freight transportation costs savings.
- New business attraction to study area due to port development.

ECONOMIC ANALYSIS OF DEVELOPMENT OPPORTUNITIES

Development Opportunity A

All development occurs at South Site, which is designed to accommodate dry bulk commodities inbound via truck or rail and outbound via barge. OD/OW, break bulk, and containers are planned to be inbound and/or outbound via barge and/or truck.

Benefit-Cost Analysis Results*

Total Costs = \$75M
Total Benefits = \$310M
Benefit-Cost Ratio = 4.1

Economic Impact Analysis Results**

Jobs = 5,740
Labor Income = \$220M
Gross Regional Product = \$349M
Federal & State Tax Revenue = \$78.8M

* Discounted at 3%.

** Total Direct, Indirect, and Induced, 2018-2045.

Development Opportunity B

Development occurs at both North and South Sites. Dry bulk commodities handled at South Site using conveyor systems, while commodities typically moved by crane (e.g., OD/OW, break bulk, containers) handled at North Site.

Benefit-Cost Analysis Results*

Total Costs = \$85M
Total Benefits = \$310M
Benefit-Cost Ratio = 3.6

Economic Impact Analysis Results**

Jobs = 5,795
Labor Income = \$221M
Gross Regional Product = \$352M
Federal & State Tax Revenue = \$79.3M

TRENDS AND FINDINGS

Favorable Benefit-Cost Analysis • Strong private sector interest, including potential funding partners • Strong existing manufacturing industry in study area • National truck driver shortage • Small share of commodity movement by rail and water compared to truck—presents an opportunity for water modes

ROLE OF ECONOMIC ANALYSIS IN DECISION MAKING

Captures the full value of developing a port facility by quantifying cost factors, benefit factors, and economic impacts.

Results provide insight to development partners, enabling them to make informed decisions and effectively communicate the project to stakeholders, elected officials, local planners, and the general public.