Commission for Logistics & Supply Collaboration

DRAFT Meeting Minutes

August 15, 2019

LSC Members Present:
Robert Boehm
Tim Hoeffner for Paul Ajegba
Valerie Hoag for Jeff Mason
Les Brand
Dr. David Closs
Roger Huff
Dr. Pasi Lautala
Fred Schlemmer (via phone)

PAC Members Present:
Paul LaMarre
Erin Kuhn
Gabe Schneider
Rodney Stokes
Kyle Burleson
Paul Strpko
Charles Squires

Members Absent:
Peter Anastor for Gary McDowell
Janice Walsh
Robert Innis
Mark Pontti

The meeting was called to order at around 9:35 a.m.

Tim Hoeffner, MDOT Office of Rail Director welcomed Commission and Committee members and MDOT support staff. A quorum was established.

Draft minutes from May 9, 2019 were approved.

Port Advisory and LSC Update

Paul LaMarre, Port of Monroe Liaison for Port Advisory Committee provided a brief update.

The Port Advisory Committee has put together a list of deliverables for Governor Whitmer’s office. Several of these deliverables span the course of 20 to 30 years. The biggest challenge that
the ports are facing is discrimination from US Customs and Border Patrol regarding Containerized Breakbulk Cargo. Senator Gary Peters submitted a letter on August 12, 2019, to U.S. Customs and Border Protection regarding this matter. Currently, Michigan is the only state in the nation that are not allowed to handle this type of cargo.

Tim Hoeffner, Director, Office of Rail for MDOT gave an update on working with the Michigan Association of Railroads on making main line turnouts with the introduction of precision railroading and PTC. On August 16, 2019 the Michigan Economic Growth Corporation will hold a panel on transportation where Tim Hoeffner and Dr. Pasi Lautala will be guest speakers.

Some highlights of LSC’s activities since the last joint meeting with the Port Advisory Committee in November 2018 are:

- **Regular reports on:**
  - State talent and workforce development efforts
  - State and federal legislation related to freight
  - Progress on State Long Range Transportation Plan and Freight Engagement

- **Presentations on:**
  - US-31 relocation from Napier Road to I-94
  - Michigan Logging

- **On-Site Visits to:**
  - Aruco North America Tour in Grayling
  - Camp Grayling

**Revenue Package Update**

Craig Newell, Asset Management and Policy Division Administrator for MDOT provided a high-level revenue package update. The 2015 Revenue Package took effect in January 2017 and was divided among all 696 agencies. Governor Whitmer has proposed a 45-cent fuel tax increase. A new formula was created based on functional class lane-miles including most new revenue for state trunklines. The senate budget bill (SB 149) went out in May 2019 followed by
the House (HB 4246) in June 2019. A large portion of the budget will be changed due to no revenue being allocated to transportation. The Legislature resumes on September 3, 2019 with a budget deadline of September 30, 2019.

**MEDC Project Update**

Valerie Hoag with MEDC filled in for Beth Colosimo with a update on job creation and investment projects. The MEDC will announce the week of August 19, 2019, forty-seven grants worth $3.4M to cover regions from the Western Upper Peninsula to Southeast Michigan. MEDC also works with the sites on getting ready for some of the larger projects to come in. October 1, 2019, MEDC will open the bidding process for grants.

**Carbide Dock Build Grant Update**

Linda Basista, with City of Sault Ste. Marie, presented the BUILD Grant project schedule. The project has two components seawall repair and replacement along with Carbide Dock compound area site improvements. The project is on track and bidding will take place in late 2020 with construction to start in early 2021. The $21.7M budget that was submitted with the grant application is currently being revised with the help of the MEDC.

**Overview of Muskegon Activities**

Erin Kuhn & Kathy Evans, West Michigan Shoreline Regional Development Commission presented a brief presentation on the history of the Port of Muskegon followed by a video titled: Back from the Brink (https://www.youtube.com/watch?v=n7HCN0RQK-w). The City of Muskegon is in the development stages of building a waterfront property connecting downtown Muskegon to Muskegon Lake that can utilize commercial property and create retail space. The Cobb Coal Dock has been 90% decommissioned and cleaned up ready to be repurposed alongside the waterfront. There is also an initiative to enhance the Port of Muskegon’s Marine Transportation offerings for cross-lake and short shipping.
Open Discussion
None.

Public Discussion
None.

Meeting was adjourned at around 12:07 p.m.