OUTSOURCE

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THE SOURCE

Trucking companies still under pressure to find drivers

First-quarter turnover rate presents muddled picture of labor market for drivers as firms get creative with efforts to attract women to the industry.

By Victoria Kickham DC Velocity July 19, 2019

Inside this issue
Cover Story:
Driver Shortages Persist Change of approach?

Trucking companies remain under pressure to recruit and retain drivers, as high turnover rates persist nationwide. First-quarter data from the American Trucking Associations (ATA) released July 17 shows that turnover at large truckload carriers rose five points to 83 percent while turnover at smaller fleets dipped four points to 73 percent. Although the results present a muddled picture of the labor market for drivers, ATA said it remains tight overall.

"While the market for drivers in certain segments continues to be tight, we're seeing the impacts of a softer freight environment," the association's Chief Economist Bob Costello said in a statement announcing the quarterly results. "Despite weaker freight growth, it is clear that there is still strong demand for quality drivers industry wide, which will continue to put carriers under pressure to recruit and keep good ones."

At 83 percent, turnover at fleets with more than $30 million in revenue was below the 2018 average rate of 89 percent and 11 points below the first quarter of 2018, ATA said. At 73 percent, the turnover rate for smaller fleets is the same as it was in the year-ago period, according to ATA.

The tight labor market is causing some firms to get creative in their recruiting efforts. Fort Worth, Texas-based heavy-haul carrier Lone Star Transportation is one. The specialty firm is marketing directly to women with a campaign designed to showcase its growing staff of women drivers. A recruiting page on the company's web site features interviews with some of its most successful female drivers, one of whom is Sage Mulholland, star of the company's video blog "Flatbed Diva," which aims to show women what it's like on the road. Lone Star Transportation's Chief Financial Officer Kristi Williams says Mulholland is one of a handful of employees who have joined the company in recent years and inspired its newfound focus on hiring women.

"[Sage] was amazing. She was so excited, undaunted, very eager—she just wasn't worried at all about doing [the work]," says Williams, pointing to the physical aspects involved in the flatbed industry, which requires drivers to secure large loads using straps, chains, and tarps.

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OUTSOURCE
THE FREIGHT MANAGEMENT COMPANY

Driver Shortages

(Front page article continued)

"Women comprise over half the U.S. population, but [they make up] only eight to 10 percent of truck drivers—and in our niche, flatbed, it's probably a fraction of that. We thought, 'we are missing out; there must be more of these ladies out there.'"

It turns out they were right. Williams says Lone Star has seen a steady increase in applications from women since launching the hiring campaign earlier this year. "It's slow, but we're definitely seeing an uptick [in applications from women]," says Williams, noting that Lone Star employed just two women drivers out of a total 235 drivers a year ago and now employs eight. "We're trying to shine a spotlight on these ladies and it's made a huge difference."

She adds that Lone Star's efforts are part of a larger play to attract more women to the industry. "The driver shortage is so great, everyone is doing everything they can to widen the net," she says. "I absolutely feel like this is happening industry-wide. People are focused on [women] because it's an untapped market."

FOR IMMEDIATE RELEASE July 24, 2019

ATA Releases Updated Driver Shortage Report and Forecast

Industry Ended 2018 Short More Than 60,000 Drivers

Arlington, Virginia — Today, the American Trucking Associations released its latest examination of the driver shortage, finding the industry needed 60,800 more drivers at the end of 2018 to meet the country's demands for freight services.

"Over the past 15 years, we've watched the shortage rise and fall with economic trends, but it ballooned last year to the highest level we've seen to date," said ATA Chief Economist Bob Costello. "The combination of a surging freight economy and carriers' need for qualified drivers could severely disrupt the supply chain. The increase in the driver shortage should be a warning to carriers, shippers and policymakers because if conditions don't change substantively, our industry could be short just over 100,000 drivers in five years and 160,000 drivers in 2028."

The report details the factors that contribute to the shortage, including an aging driver population, increases in freight volumes and competition from other blue-collar careers. It also outlines potential market and policy solutions. While the report covers the entire trucking industry, the bulk of the shortage is in the over-the-road for-hire truckload market. "The trucking industry needs to find ways to attract more and younger drivers," Costello said. "Right now, the average age of an over-the-road driver is 46 years old, and almost as alarming is that the average age of a new driver being trained is 35 years old.

"Whether by removing barriers for younger drivers to begin careers as drivers, attracting more demographic diversity into the industry, or easing the transition for veterans, we need to do more to recruit and retain drivers," he said. "That includes increasing pay, which happened at a brisk pace last year, to keep pace with demand, addressing lifestyle factors like getting drivers more time at home, and improving conditions on the job like reducing wait times at shipper facilities."

In order to meet the nation's freight demand, the report says the trucking industry will need to hire 1.1 million new drivers over the next decade – an average of 110,000 per year to replace retiring drivers and keep up with growth in the economy.

TRIVIA QUESTIONS

1) When do baby Great White sharks leave their mothers?
A. After 1st year **B.** When of age to breed **C.** 6 months **D.** Immediatly

2) How many years is the life expectancy of a Great White?
A. 25 - 30 years **B.** 40—50 years **C.** 15—20 years **D.** 100 years

3) Which grow to be larger, males or female Great White sharks?
A. Males **B.** Females **C.** Neither **D.** Both the same

4) Great White's teeth fall out and regenerate. How many teeth does a Great White go through in their life?
A. 30 **B.** 300 **C.** 3,000 **D.** 30,000

5) The Great White shark is not the largest shark known. Which shark is the largest?
A. Thresher Shark **B.** Basking Shark **C.** Tiger Shark **D.** Whale Shark

6) What year was the movie "Jaws" released?
A. 1975 **B.** 1969 **C.** 1971 **D.** 1973

Answers Later In The Newsletter

FUEL REPORT

U.S. On-Highway Diesel Fuel Prices* (dollars per gallon) http://www.eia.gov/petroleum/gasdiesel/

	7/08/19	7/15/19	7/22/19	Change from week ago	Change from year ago
U.S. National Average	$2.743	$2.779	$2.750	-0.029	-0.081

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Higher diesel taxes take effect in 12 states

Diesel fuel taxes increased in 12 states as of July 1.

Matt Cole | @MattColeRR | July 2, 2019

With the turn of the calendar to July, truck drivers will see increased diesel fuel prices in 12 states due to rising fuel taxes. While some states' increases are less than a cent, some states' taxes on diesel will be immediately noticeable. All of the following fuel tax increases took effect Monday, July 1. (chart of increases is editor's based on article. See link) https://www.ccjdigital.com/higher-diesel-taxes-take-effect-in-12-states/?mod=djemlogistics_h Chart is all increases

CT – 2.6% IL – 24 cents/gallon IN – 1 cent/gallon MD – 1.35 cents/gallon MI - 0.2 cents/gallon
MT - 0.2 cents/gal NE – 0.1 cents/gal OH – 19.0 cents/gal * RI – 1 cent/gal SC – 2 cents/gal
TN – 3 cents/gal VA – 7.7 cents/gal along the I-81 corridor to help fund road improvements

Still no sign of a peak season, and volatile fuel prices add to the pressure on carriers

By Gavin van Marle 19/07/2019

Deepsea container shipping freight rates on the Asia-Europe trades this week again showed that the peak season has yet to materialize, with price quotes for next week showing more marginal declines. According to today's Shanghai Containerized Freight Index (SCFI), which records a sample of freight rate quotes for the following week, the all-in spot rate for China-North Europe is set to decline 0.6%, to $672 per teu, and for China-Mediterranean ports to drop 0.3%, to $692 per teu.

The risible state of the trade led Hapag-Lloyd to announce a rate restoration program this week. Due to be applied on 1 August, the German carrier said a freight rate of $840 per teu, plus $226 marine fuel recovery (MFR) charge per teu, would cover Asia-North Europe shipments; while Asia-Mediterranean shipments would see a rate of $850 per teu with an MFR of $210 per teu. Likewise, CMA CGM announced it would apply a new FAK rate of $1,150 per teu on Asia-North Europe services and $950 per teu on Asia-West Mediterranean shipments, also on 1 August.

These increases will coincide with a series of blanked sailings in the remainder of this month and the first half of August, which will bring the withdrawal of capacity so far to around 130,000 teu. Meanwhile, on the transpacific there were conflicting signals. The SCFI recorded a decline of $120 per 40ft to $1,539, equating to a week-on-week fall of 7.2% on shipments to the US west coast, while to the US east coast there was a 0.9% decline to finish the week at $2,891 per 40ft. Capacity cuts on the transpacific have reversed a prolonged period rate decline as the peak season got underway. "Rates along transpacific tradelanes continued to be supported by peak season demand, much to the chagrin of the carriers which had voided sailings, and those on the Asia westbound tradelanes not expecting any upside in rates over the coming weeks," said George Griffiths, S&P Global Platts' editor of its global container freight market.

Eytan Buchman, chief marketing officer at Freightos, which manages the Freightos Baltic Index, added: "Even though the next (and most substantial) China trade tariff has been temporarily deferred, there's still a backlog of advance orders becoming shipment-ready. "Carriers will hope this additional boost keeps demand up for a few more weeks while peak season demand is ramping up. Carriers are now gearing up for peak season. Although several modestly increased prices, most backed off and are holding back until August," he said.

However, Mr Griffiths added that shippers should expect to see increased volatility in fuel prices. "This comes in the face of ongoing tension in the Middle East, which has sent bunker fuel prices into a tailspin of volatility that does not appear to be ending any time soon, especially with the latest Iran tanker issues this week. On the back of this volatility, however, come calls from shippers for clarity surrounding the bunker clauses offered by carriers, with seemingly endless queries being fielded by S&P Global Platts regarding the adoption of a third-party independent index in the market. Thrilling times ahead, it seems, for the containers market – as if IMO 2020 wasn't exciting enough already."

Truckers at Port of Oakland expand trials of electric vehicles

By DC Velocity Staff July 19, 2019

Battery-powered truck vendor BYD North America to deliver two class-eight tractors by October.

Third party logistics provider (3PL) GSC Logistics is expanding its use of electric trucks at the Port of Oakland, announcing plans today to add two battery-powered rigs to haul cargo on highways in addition to the electric vehicle it now uses to move containers around the port. Oakland, Calif.-based GSC, which is the port's largest trucker, said it wants to test whether zero-emission tractors can haul cargo containers over highways in the company's ongoing efforts to improve fuel efficiency and reduce emissions. GSC, which hauls the equivalent of 120,000 20-foot-containers annually through Oakland, began electric truck testing 18 months ago. "Our first tractor is fine moving containers around the Port...it does the job," GSC Director of Transportation Brandon Taylor said in a release. "Now we want to test these new trucks on the road - the manufacturer says they can haul fully loaded containers 55 miles per hour up a steep grade."

The company will use state grants to help acquire two 13-ton electric trucks, both with twin 241-horsepower battery-driven motors and 125-mile range per battery charge. GSC will acquire those two trucks by October from Los Angeles-based BYD North America, a firm that calls itself the world's largest manufacturer of electric vehicles and batteries and whose name is an acronym for Build Your Dreams. Publically traded BYD says its largest public shareholder is Berkshire Hathaway, the holding company run by billionaire investor Warren Buffet, which owns an eight percent stake in the company. To date, BYD has sold more than 45,000 battery-electric buses, as well as other vehicles including: high-efficiency automobiles, medium- and heavy-duty trucks, electric forklifts, SkyRail (monorail), energy storage, and solar power generation. The company has also sold an all-electric drayage truck to BNSF Railway Co. in a plan to reduce emissions by replacing diesel vehicles with electric and hybrid-electric alternatives.

The results of GSC's expanded trial of battery-powered tractors could factor in Oakland's stated quest for zero-emission cargo handling, the port said. Four companies already operate electric tractors near the port—including GSC, Impact Transportation, Oakland Maritime Support Services, and ConGlobal—and together they could be running as many as 20 battery-powered trucks hauling containers by year-end. While those pilots have been delivering promising results, the project has a long way to go. The port hopes to eventually replace the 6,000 diesel tractors hauling containers with emission-free electric trucks. Many other logistics and transportation providers share similar goals, prompting new vehicle launches in the past year from electric truck manufacturers such as Tesla, Daimler, Volvo, and Thor. Buyers of those battery-powered vehicles include many of the country's largest fleets, including UPS Inc., FedEx Corp., PepsiCo Inc., Schneider, Sysco, and Penske.

Despite that growing momentum for the new technology, the electric truck industry won't be able to claim a more substantial portion of the nation's cargo vehicles until the industry finds solutions to challenges such as bringing costs down, enabling trucks to go further on a single charge, and building a broader battery-charging infrastructure, GSC's Taylor said. "The technology and capability of electric tractors is moving fast," said Taylor. "But the ability of a truck owner-operator to buy an electric truck and have the electrical infrastructure to support it may be years away."

Answers to Trivia

UPS Seeks Authority for Commercial Drone Flights

Parcel carrier joins a growing list of companies advancing unmanned
aerial deliveries as regulators work out rules for the skies
By Jennifer Smith, WSJ, July 23, 2019

United Parcel Service Inc. is seeking U.S. authorization to operate commercial drone flights, signaling the delivery giant's intent to compete in a developing but increasingly crowded sector. The parcel carrier said Tuesday it had applied to the Federal Aviation Administration for certification of drone flights through the company's recently formed subsidiary called UPS Flight Forward Inc. The certification if approved, would allow drone flights beyond an operator's visual line of sight, at night and without limit to the number of drones or operators in command, the company said. Such flights are highly restricted in the U.S. The FAA is working out the regulatory framework to govern commercial uses of unmanned aircraft, which has been generally restricted to flights below 400 feet and within sight of an operator on the ground.

UPS is one of several companies vying for approval to ferry food and consumer goods to residential customers in the U.S. as the technology develops and regulations advance. Earlier this year, Alphabet Inc.'s Wing Aviation LLC spinoff received the first U.S. authorization to operate a fleet of unmanned aircraft for consumer-goods deliveries in a rural area around Blacksburg, Va. In March, UPS began using drones to deliver medical samples at the Raleigh, N.C., campus of health-care provider WakeMed Health & Hospitals. The parcel carrier says the service is the first FAA-sanctioned use of a drone for routine revenue flights transporting a product under a contractual delivery agreement. If approved, what is known as the Part 135 certification would "pave the way" for expansion of those services to several other U.S. health-care networks that have expressed interest, UPS said.

UPS Rides a Surge in Overnight Air Shipments

Delivery giant's earnings beat analysts' estimates, as it prepares to fight
rival FedEx for a bigger slice of domestic e-commerce shipping volumes
By Paul Ziobro July 24, 2019

United Parcel Service Inc. UPS 8.66% posted a 30% quarterly surge in next-day air shipping volumes, as online shippers used the delivery giant's planes to get packages to homes faster. The sharp increase in fast air shipments boosted UPS's second quarter revenue nearly 8% in its domestic unit and 3.4% overall to $18 billion. Profit rose 13.5% from last year, beating Wall Street expectations. Online retailers from Amazon.com Inc. to Walmart Inc. have reset customer expectations for orders to reach doorsteps faster, boosting demand for next-day delivery options. UPS Chief Executive David Abney said changes the company is making to speed up its network, add air capacity and process packages with automated facilities are winning over shippers from competitors' two-day air service. "This structural change is creating opportunities for UPS," Mr. Abney said on Wednesday's earnings call.

UPS's air-shipment growth comes as its main rival, FedEx Corp., ended a major air-shipping contract in the U.S. with Amazon at the end of June. That leaves more of the online retailer's packages up for grabs, with analysts expecting many to move to UPS as a result. UPS is taking other steps to woo customers, speed up shipping and lower costs. It is moving to seven-day-a-week service next year, adding up to 12,000 new retail locations with CVS Health Corp., Advance Auto Parts Inc. and Michaels Co s. Inc., and it also is offering a later pickup time for orders.

Such changes match some of the plans outlined by FedEx in recent months, setting up a showdown as the two rivals fight for a larger slice of the online delivery market. FedEx expects the volume of e-commerce packages to double over the next few years. "We are always encouraged when we see others following our actions," a FedEx spokeswoman said. Amazon is also building out its own delivery network with planes, trucks and delivery vans, which it intends to use to handle more of its own packages.

Growth in the U.S. comes as UPS encounters a more-muted environment overseas amid weakness in Europe and trade disputes causing uncertainty in trade patterns. Mr. Abney said that while he is encouraged by talks between U.S. and China trade representatives, "we need to see more measurable progress toward a comprehensive agreement." UPS's international-package revenue for the quarter ended June 30 declined to $3.51 billion from $3.6 billion. Domestic-package revenue climbed to $11.15 billion from $10.35 billion a year earlier.

Peter Friedmann's View from Washington DC

July 2019 www.FederalRelations.com

Impact of China Trade Battle on US Logistics

While Congress continues to investigate the President and seemingly, every living thing in the White House, the US -China trade relationship is changing in ways that are defying expectations. As the US adapts, we are seeing far reaching impacts on our domestic economy - although it is too soon to know whether these will be positive or negative in the long term. Some will be winners, some will be losers.

The tariffs have accelerated the trend which already existed: the transition of sourcing away from China to other countries, such as Vietnam, and even further afield. But the pace is even faster than most expected. In turn, the international logistics to carry those consumer and other goods from the new source countries (such as Vietnam, Indonesia, India, Philippines) to the United States is changing much quicker than predicted. Ocean carriers are reducing the number of sailings and freight capacity from China to the US, while increasing the number of sailings from South Asia, such as Vietnam. If the origin is SE Asia or South Asia, transit to the US can be more efficient via Indian Ocean/Suez Canal (as opposed to Trans-Pacific). The ships taking this route, arrive at US East Coast ports. Ocean carriers are increasingly choosing to land imported consumer goods at these ports, as they are closer to 2/3 of the US population.

The impact on the US logistics and supply chain will be substantial. More cargo for Eastern railroads, less cargo for Western railroads; more cargo moving across Eastern docks, and less cargo moving across West Coast docks. More work for trucking, longshore, warehousing on the east and gulf coasts, less on the West Coast. Some will be winners, some will be losers. All of these changes will take time to work out, but the point is that our US-China trade dispute will have long term impacts much deeper into the US economy than simply an increase in the price of some goods coming from China.

At the same time, China is feeling pain from the tariff battle. China appears to be trying to find ways to walk back some retaliatory tariffs it imposed on US exports The US implemented an exclusion process by which a US manufacturer or supplier could seek exemption from specific tariffs we have imposed on certain imports from China. Now China is doing the same. Chinese importers can petition the Chinese government to create an exclusion from its retaliatory measures against US exports. For instance, China textile mills are petitioning the Chinese government to lift the tariffs it had imposed on US cotton. This is something we did not anticipate, thinking China's President Xi would have full control and not allow any exceptions from his mandated retaliatory tariffs. It is now clear that President Xi does not exercise the control over China's trade policies that many had initially thought. He has had to back track due to pressure from so called China's hardliners. Who are they? Many do not know that the Chinese military also controls and owns elements of the China's economy, including manufacturing plants -- something unheard of here in the US. It has added complexity to President Xi's ability to negotiate a resolution of the US China tariff dispute.

And now for the real unexpected -- some believe there is diminishing incentive to resolve the trade dispute. Obviously a resolution of disputes requires compromise on both sides. If compromise is viewed as weakness, then we could expect neither President Xi nor President Trump to be eager to compromise. Here in the US, Congress (both Republicans and Democrats) remain largely united in supporting the tariffs imposed by President Trump. So where is the political motivation for the President to compromise, to retract tariffs? Much depends upon whether Chinese importers are successful in getting China to lift its tariffs on some US exports, particularly in agriculture.

All this suggests that the tariffs may remain in place for years to come while the global logistics and transportation network, across the oceans and within our country, will continue to shift --- impacting employment and economic health of communities in ways that were unexpected before the tariff dispute began.

CBP NOLA officers seize $2.6 million in counterfeit designer bracelets

By: AJOT | Jul 22 2019

NEW ORLEANS — U.S. Customs and Border Protection (CBP) officers in New Orleans seized 180 pieces of counterfeit Cartier jewelry Thursday from a shipment coming from Hong Kong. If authentic, the jewelry would hold a manufacturer suggested retail price (MSRP) of more than $2.6 million.

The shipment was discovered in a parcel addressed to a local dealer. When CBP officers inspected the parcel, which was manifested as "jewelry accessory," they discovered bracelets of poor quality packaged in Cartier boxes, and determined them to be counterfeit. Hong Kong has been known to be a frequent shipper of counterfeit jewelry. CBP officers around the nation, including in Philadelphia and Indianapolis have also seized shipments of counterfeit jewelry from Hong Kong. To date, this is the largest jewelry seizure in New Orleans this year.

Officers assigned to CBP New Orleans seized their largest jewelry shipment this year. "This is another win for American consumers and retailers who would have lost significant revenue had these illegal items gotten past our borders," said Mark Choina, Acting Area Port Director for New Orleans. "Our CBP officers and import specialists are committed to enforcing Intellectual Property Right laws, and we will continue to work with our federal and local partners to protect our citizens from this criminal activity."

On a typical day in 2017, CBP officers throughout the nation seized $3.3 million worth of products with IPR violations. In Fiscal Year (FY) 2017, counterfeit jewelry seizures accounted for 38 percent of total IPR seizures, followed by counterfeit wallets and handbags. The total estimated MSRP of the seized goods, had they been genuine, totaled more than $1.2 billion. For more information IPR enforcement, visit 2017 IPR Enforcement Statistics.

France's Neopolia wins contract to build first wind-powered ro-ro vessels

Picture: Renault Chargeur, NEOLINE

Article by: Alexander Whiteman July 2, 2019

Construction will commence on a wind-powered ro-ro vessel at the end of the year, with vehicle shipper Renault among the backers. Following a call for tenders, sustainable shipping project Neoline announced yesterday the selection of Neopolia to build its first two vessels, with wind as the main propulsion.

Neoline president Michel Pery said: "Our team is fully dedicated, with Neopolia's support and all our partners, to mobilise the necessary financing to realise this project. "We're very pleased to have been able to select the offer of a local player, because we are convinced sailing propulsion is a new sector of excellence for French shipbuilding."

According to the company, the vessels are expected to generate an 80-90% cut in CO2 emissions, compared with existing vessels. One source told *The Loadstar* Neoline had designed and would operate the vessels. International Windship Association (IWSA) general secretary Gavin Allwright said: "We are delighted to see Neoline taking another significant step towards the building of these two wind propulsion vessels. There is a significant upswing in interest in wind-assist and primary wind propulsion designs and technologies in the industry. With rapid, deep levels of decarbonisation required in shipping, any technology that can deliver this level of propulsion – free at the point of use – has to be a major consideration."

Shipping services are expected to launch at the end of 2021, aiming to connect Saint-Nazaire to the US east coast and Saint-Pierre & Miquelon. Another source told *The Loadstar* if wind-assisted propulsion were to take off, it would be a "win" for shippers, carriers and the climate, but would "hurt" the oil industry. "The oil majors are counting on the shipping sector's 5% of global oil consumption growing for decades," said the source. "Neoline, Maersk and even ICS see it shrinking to zero, so it is an interesting time to be in shipping."

Alongside Renault, Manitou Group and Groupe Beneteau are also backing the project. The source said while Renault and other cargo owners like to be seen to be doing "green things", there were also definite economic positives to consider. "They are interested in the potential freight savings from slashing fuel consumption, typically the single biggest operating expense. They're exploring how to use time flexibilities in their supply chains to cut bunker fuel out of the equation."

DOT awards $856 million in infrastructure grants

by Hugh R. Morley, Senior Editor JOC | Jul 25, 2019

The Port of Miami

The expansion of a container terminal at the Port of Miami and upgrades to the key I-70 freight corridor in Missouri are two of the projects that will receive some of the $856 million in federal infrastructure grants made Thursday by the US Department of Transportation. DOT awarded 20 grants under the Infrastructure for Rebuilding America (INFRA) program, designed to improve highways, ports, bridges, and railroads. The grants range from $6.66 million to $125 million.

The grants include $60.4 million to rebuild a viaduct that creates bottlenecks on the I-95 corridor in Rhode Island, and $36 million to replace the Madawaska International Bridge that links the Maine town of Madawaska with Edmundston in Canada.

The I-70 project will receive $81.2 million that will help fund two upgrades meant to ease the flow of 12.5 million vehicles a year along the highway, of which about 25 percent are trucks.

The $8 million for the Port of Miami will pay for just under half of the $19 million project to rebuild the bays and create new capacity at the Seaboard Marine Terminal, DOT said in a statement. The project will strengthen the berth and remove two roll-on/roll-off ramps, increasing the overall berthing capacity from three to five vessels, port spokeswoman Andria Muniz-Amador said.

The DOT also awarded $9 million to a project to replace the dilapidated bulkhead on the Cuyahoga River Ship Channel and prevent a hill above falling into the water. The project backed by the Port of Cleveland. “If the existing bulkheads fail and a landslide takes place, Irishtown Bend would be closed to ship and barge traffic and local businesses will be unable to rely on waterborne transport for shipping/receiving essential goods,” the DOT said, describing the project.

Incentivizing local and private dollars

INFRA grants seek to encourage state and local governments and private companies to invest in infrastructure projects by prioritizing projects that have a relatively high proportion of local money to go with the federal funds.

DOT also awarded $125 million to a project to elevate the Howard Street Tunnel so double-stack trains can pass into the Port of Baltimore, a project seen as key to increasing discretionary cargo bound for the Midwest.

The grant was one of two for $125 million that were the largest awards announced Thursday, with the other going to a new six-lane cable bridge across the Mobile River in Alabama.

The DOT released the funding list a day after the Coalition for America’s Gateways and Trade Corridors (CAGTC), whose members include the ports of New York and New Jersey, Long Beach, and Los Angeles, urged the department to reform the INFRA grant selection process. The coalition spoke in support of a report by the US Government Accountability Office that concluded the selection process for awarding grants lacks transparency and consistency.