

**Written Testimony submitted by
Geno Marconi, Director, Division of Ports and Harbors
to the
Capital Budget Overview Committee
September 19, 2017**

Mr. Chairman and Members of the Committee,

Due to prior commitments relative to Port business, I am unable to attend the meeting today and directly address the requests before you for consideration. Therefore, I respectfully submit the following testimony regarding the PORT EXPANSION FUND.

Request #1: Use of funds for a Reimbursable Project

Over the last 3 years NH-DOT and ME-DOT have been in the process of constructing a replacement for the Sarah Long Bridge across the Piscataqua River. The old bridge bisected the North portion of the Port Terminal, however, the new bridge is located up stream of the terminal. There were many transportation issues that resulted in the replacement bridge project but from a navigation perspective, the new location and orientation to the shipping channel became a priority for the safety of navigation.

The old bridge was not aligned with the navigation channel (approximately a 32 degree skew) and the horizontal opening was narrow. Ships were limited to a maximum beam of 106 feet in breadth and when approaching the bridge opening, the assist tugs would release the ship and race through the bridge and catch the ship on the other side. Today, with the new bridge, the opening is more aligned with the navigation channel (approximately 13 degrees) and the opening will allow a 118 foot wide ship to transit, with an assist tug on each side. Attached are 2 photographs: the first, showing a ship transiting the old bridge and the second, showing the same ship transiting the new bridge. These 2 navigation improvements increased the safety factor for not only the ships and the crews manning them, but also for the citizens of the neighboring communities as well as greater protection of the environment.

There was however an adverse effect to the port terminal. In order to orient the new bridge to reduce the skew, the most advantageous location cut across the Barge Dock on the North end of the terminal. A recent aerial photo is attached for your reference. We have lost the functional use of that dock which is unique in that it was constructed to handle a second vessel when there is a ship at the main wharf and most importantly, it was designed to handle low freeboard vessels, particularly barges. The loss of the Barge Dock presents serious and negative economic and operational problems.

Working with NH-DOT a concept plan was developed which would provide the State of New Hampshire with a functional replacement which would off-set the loss of the Barge Dock and allow the Division to return to the level of operations that existed prior to the bridge construction. The components of that functional replacement are:

- Lengthen the main ship wharf 140' to the North
- Lengthen the Main ship wharf 60' to the South
- Dredge the shallow area which was the location of the former bridge
- Install 300' of fender system similar to the system that was on the Barge Dock
- Remove obstructions on the shore side where the former bridge was located

The estimated cost of these functional replacement items is \$18.55 million as indicated in the information you have been provided with the request. This project is eligible for federal funding from the Federal Highway Administration, through NH-DOT. Furthermore, it was agreed that the Division of Ports and Harbors would be the Sponsor and Manager of the Project with the cooperation of NH-DOT, subject to the approval of the Governor and Executive Council.

The request before you today is relative to the design, engineering and permitting phase of the construction project. The Pease Development Authority Division of Ports and Harbors conducted a Qualification Based Selection and awarded a contract for On-Call Marine Engineering Services with Appledore Marine Engineering who provided a proposal for those services in the amount of \$1,773,028.00. Furthermore, an Independent Government Estimate was conducted for the engineering services. A copy of that proposal is also in the information provided with the request before you.

Although the project is to be funded by the Federal Highway Administration, the FHWA does not provide the monies up front, rather it is reimbursable from Federal Highway and the Division of Ports and Harbors does not have the funds on hand to pay the monthly invoices and wait for the reimbursement. Therefore, the Division requests the use of the Port Expansion Fund to proceed with the engineering, subject to the Governor and Council approving the agreement with NH-DOT, which will be reimbursed back to the fund.

I have asked Mr. Robert Landry from the DOT Bridge Division to attend this meeting today to answer any questions regarding the funding and reimbursement.

Request #2: Expend funds for preparation of INFRA Grant Application

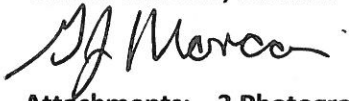
This request is relative to the rehabilitation of the existing Main Wharf. In the past the Division has unsuccessfully submitted applications to the U.S. Department of Transportation for funding assistance in rehabilitating the existing Main Wharf. This is the same Main Wharf that the Functional Replacement Project will be added to. Although the Division submitted an application in December 2016 under FASTLANE, the new administration in Washington has rewritten the grant requirements, now called INFRA, for resubmission by November 2, 2017. The application request to US-DOT would be for \$7.5 million dollars for the rehabilitation project.

Both of these projects are extremely important to the future of the Market Street Marine Terminal, the State's only public access, deep water, general cargo facility in Portsmouth Harbor. My absence

from the meeting today is due to prearranged meetings with shipping companies and cargo companies in the hope of establishing a relationship with them to bring ships and cargo to the Port. It is our desire that the two projects references above will bring the terminal back to a "State of Good Repair" which will be attractive to shipping companies, shippers and cargo owners and will continue to contribute to the economy of New Hampshire.

Respectfully,

Geno J. Marconi, Director

A handwritten signature in black ink, appearing to read "G. Marconi", written in a cursive style.

Attachments: 3 Photographs





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