



TEXAS DEPARTMENT OF TRANSPORTATION

GULF INTRACOASTAL WATERWAY

Texas Freight Advisory Committee

May 14, 2013



Maritime Industry in Texas

- The maritime industry today is a significant part of the Texas economy, both directly and indirectly, with an impact of over \$277B per year (25% SGDP), \$6B in tax revenues and \$1.44M in related jobs
- Texas is the first maritime state in the U.S. handling 1/5 of the nation's freight and vessel traffic



Tout Maritime Division

Promote the development of high value growth in Texas' maritime system

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- Tout Maritime Division is a resource to the maritime industry in Texas in the way of planning, promotion, development and operation of Texas related maritime transportation business
- Represent Tout interests with maritime stakeholders

Gulf Intracoastal Waterway (GIWW)



- GIWW extends along 423 miles linking the 26 Texas ports

Why the GIWW is important



- Serves Texas' deep and shallow draft ports linking them with the US Inland Waterway System
- 90 percent of activity along the GIWW in Texas is related to petrochemical production
- Part of the multimodal transportation system, which keeps hazardous materials off highways
- The Eagle Ford shale development is heavily dependent on the GIWW
- On an annual basis, the GIWW sees over 73 million tons of cargo in 52,000 barge trips with a commercial value of over \$25 billion



Critical Issues for the GIWW



- The GIWW is not being maintained to authorized dimensions of 125ft x 12ft due to lack of sufficient funding
- This creates costly lost GDP for the state, a missed opportunity for environmental and fuel efficiency, and real economic cost for freight shippers in Texas

Benefits of Restoration and Modernization of the Texas GIWW

- Potential transportation cost savings benefits are estimated at \$180 million per year at current tonnage levels
- Annual return on investment to fully maintain the GIWW at a 12-foot depth is an estimated 600% from dredging alone



What Can Be Done for the GIWW



- \$60M of additional funding is required by USACE to dredge to authorized depth and width in addition to \$30M per year to maintain a depth of 12ft on top of the \$25M per year of federal appropriations
 - A one (1) foot restriction equates to approximately \$98M in increased transportation costs
- Keep working closely with USACE, ports, industry, state and federal government to ensure appropriate funding and adequate utilization of the GIWW



TIGER V Grant Application



- The Texas Department of Transportation is applying for a TIGER V Discretionary Grant which will provide crucial major restoration and modernization of the Texas GIWW infrastructure that represents an important component of the Texas and United States maritime system
- This creates a unique opportunity to fund a number of projects that can help get us to the goal of having a 12 ft. depth in the GIWW
- This helps to tell the story of why the GIWW is essential to the economy in both Texas and the US

Application Due Date: June 3rd

We need letters of support by May 20th





THANK YOU