



General Bonding Subcommittee

March 31, 2021

Dear Senator Moore, Representative Borer, Senator Martin, Representative Piscopo and distinguished members of the General Bonding Subcommittee,

As you are aware, the Connecticut Port Authority (CPA) is the state's quasi-public agency responsible for promoting and coordinating the development of the state's ports and maritime economy. As Chairman and Executive Director of the CPA, we appear before you today to provide brief testimony regarding the Authority's mission and strategic vision, our existing unallocated bond authorizations, as well as those new authorizations proposed this 2021 Session.

It is important to note the Port Authority's role as it relates to our three deepwater ports and multitude of working harbors on Long Island Sound and our rivers; the CPA only directly manages one facility - the State Pier in New London – and so our efforts cover a broad range of activities but are limited outside that single property to supporting - through policy, investment, and marketing - the municipal and private participants in the state's maritime economy.

This broad range of activities is effectively documented and fleshed out in the State's first maritime strategy, produced by the Authority with robust stakeholder engagement in 2018. We remind you all that the strategy includes eight strategic objectives that are meant to provide a roadmap for investment decisions and resource allocations over a five-year period. Those objectives are:

- Manage the State Pier to Increase Utilization and Profitability
- Build More Volume in Our Commercial Ports
- Support Dredging of Connecticut's Ports and Waterways
- Support the Small Harbor Improvement Projects Program (SHIPPP)
- Create Intermodal Options
- Leverage of Emerging Opportunities
- Enhance Ferry Systems and Cruise Coordination Activities
- Ensure Future Support of CPA

We are proud to say that, as we near the halfway point of the strategy's envisioned lifespan to 2023, we have already made progress across all eight strategic objectives. With the additional requested resources before this committee, we are confident that the Authority will be well positioned to advance the interests of Connecticut's maritime economy.

Unallocated Bond Authorization Balance

The CPA's unallocated bond authorization balance as of March. 1, 2021, totals \$70,084,169 comprised of:

- Grants-in-aid for improvements to deep water ports, including dredging
 - PA 13-239 32(f) \$84,169

- PA 20-1 13(j) \$35,000,000
- PA 20-1 32(j) \$25,000,000
- Grants-in-aid for improvements to ports, harbors and marinas, including dredging and navigational improvements
 - PA 15-1 13(h)(1) \$5,000,000
 - PA 15-1 32(m) \$5,000,000

Proposed 2021 Bond Authorization

The proposed 2021 authorization to the CPA totals \$50,000,000:

- Grants-in-aid for improvements to deep water ports, including dredging
 - [FY 2022-2023 Governor's Budget] \$50,000,000

Project Background

Connecticut's ports are (or will be) seeing significant investment to improve their competitiveness. The 2020 Water Resources Development Act (WRDA) authorizes a substantial navigation improvement project for New Haven. Addressing the problems of transportation efficiency, maneuverability, and safety, the project does so by deepening and widening parts of the channel and turning basin. The objectives of the project are to reduce tidal delays and the need for lightering (transferring cargo to a barge), to accommodate anticipated growth in cargo volumes, to support a shift to larger ships, to improve maneuverability for deep draft vessels, and the beneficial use of the dredge materials. This project represents a substantial commitment of state and federal resources to keep New Haven successful for the foreseeable future. The project addresses several of the objectives identified above, most importantly building more volume in our commercial ports and supporting dredging. I should note that, because this is a deepening project, there is a local match component; and so we thank the General Assembly for including the match in last year's bond bill.

Another, mission-critical initiative is the Small Harbor Improvement Projects Program (SHIPP) – a competitive grant program managed by the CPA. Under SHIPP, Connecticut municipalities with properties in or adjacent to waters of the state, may apply for matching funds to conduct a project that improves the infrastructure or management of their local waterway. A SHIPP grant may be used on a wide range of improvements including: marina repair, dredging, boat ramp facilities improvement, breakwaters, harbor management plans and feasibility studies. In 2017, the State Bond Commission approved over \$4 million in funds for 18 Authority-authorized projects in 17 towns and cities throughout the state. In 2020, the Authority Board authorized a second round of recipients for SHIPP grants, including 10 projects in 8 towns and cities. Funding will flow to these municipal projects as soon as the funding is approved by the State Bond Commission. The CPA continues to advocate for this action prior to the next dredging window.

Finally, as you are all aware, the CPA is on the cusp of initiating a once-in-a-generation improvement to the State Pier facility in New London so that infrastructure can anchor economic development in the 21st Century just as it did in the 20th. The antiquated finger piers will be transformed into a state-of-the-art heavy-lift-capable port facility that will accommodate a wider

variety of cargoes than could flow through the port previously, including the near-term opportunity presented by wind turbine generator staging and assembly that New London Harbor is uniquely well-positioned to take advantage of. The proposed State Pier infrastructure improvements are being designed to address previously identified facility shortcomings (pointed out in multiple prior studies commissioned by the Connecticut Department of Transportation going back decades) and enhance the State Pier facility to accommodate future cargo needs through greater versatility and resilience.

We would be remiss if we did not also mention the significance of an additional project, which, while not before you now, will be critical in the very near future. The US Army Corps of Engineers is developing a Dredge Material Management Plan (DMMP) for a proposed maintenance dredge of Bridgeport and Black Rock Harbors. Maintenance dredging is a federal responsibility so they will be responsible for all of the cost of the dredge. A Contained Aquatic Disposal (CAD) cell is proposed for the disposal of unsuitable materials. This portion of the project will be a shared state and federal responsibility. The harbors have silted in to far less than their authorized depths. The project is currently scheduled to commence in fiscal year 2024, subject to the availability of funding. The project will address similar objectives of building more volume in our commercial ports and supporting key dredging opportunities. Not waiting for federal action, local private companies have revitalized the shipyard in Bridgeport, launched the redevelopment Steel Point including a substantial new top-of-the-class marina, and there is near-term potential for the activation of long-dormant harbor-front industrial sites as a terminal for off-shore wind components resulting from an offshore wind developer's recent successful bid for a Connecticut Power Purchase Agreement. The Army Corp's proposal currently plans for dredging somewhat less than the harbors' authorized depth. We highly recommend that we dredge to the fully authorized depth, as it has been more than fifty years since the harbors were dredged. The CPA will play a major role with the local Port Authority to advocate for this outcome.

We look forward to working with the General Bonding Subcommittee to secure this critical investment to advance the interests of Connecticut's maritime economy. We look forward to any questions or comments you may have today or in the future.

Sincerely,



David Kooris, Chair



John Henshaw, Executive Director