Ports group backs BR ‘credits’ try

By BOBBY LAMB
Advocate business writer

The Port of Greater Baton Rouge has received the backing of the Ports Association of Louisiana in its quest to use past expenditures as “credits” to obtain state transportation trust fund grants for capital improvement projects.

Port Director Gary Pruitt told Baton Rouge port commissioners Monday that 10 PAL-membership ports approved a resolution supporting the credit system at a Jan. 10 meeting.

Five others not at the meeting have voiced verbal approval, bringing the approval rating to at least 75 percent of the PAL membership, Pruitt said.

The state’s deep-water ports compete annually for about $10 million in port priority program funding in the state’s transportation trust fund. Another $5 million is set aside for shallow-water ports.

Interim guidelines for 1990-91 funding gave ports “credit” for projects that ports paid for themselves over a two-year period between July 1, 1988, and July 1, 1990. Those credits could be used toward a port’s 25-percent match on port priority program funding.

However, credit allowances were eliminated recently in a new set of interim DOTD guidelines forwarded to ports two weeks after a Nov. 1 deadline to submit 1991-92 projects.

The credit allowances are particularly important to the Port of Greater Baton Rouge, which spent $8.9 million on a general cargo dock expansion during 1989-90.

That project and others reduced an $11 million cash reserve to less than $2 million, leaving the port with little cash for matching state grants.

Pruitt has said ending the credit allowances and the cash crunch are endangering 1991-92 funding for a proposed $1.2 million dock project at the Baton Rouge port and could cripple the port’s ability to compete for future priority program funding.

The PAL resolution asks that credit allowances be reinstated for the 1991-92 fiscal funding program. It is being sent to DOTD, the governor’s office and appropriate legislative committees and delegates.

The resolution also asks the co-chairman of the Governor’s Transportation and Infrastructure Evaluation Committee to schedule a meeting of the sub-committee on ports to develop permanent guidelines for the port construction program no later than Feb. 15.

Port President Robert Miller also had solicited the support of 22 legislators in the port’s four-parish jurisdiction in November.

That triggered at least one letter from state Sen. Larry Bankston of Baton Rouge, who, in a letter Dec. 5, 1990, chastised DOTD’s handling of the rules change and urged Roemer to review the policy decision.

In a Dec. 28 response, Roemer said the revised rules were published in the Dec. 20 Louisiana Register as a “notice of intent.”

The letter said there is a 90-day comment period during which the Joint Legislative Committee on Transportation, Highways and Public Works will convene to hear comments and vote on the new interim rules.

“Should you desire to challenge the rule, it would be appropriate to do so then,” Roemer’s letter said.

In a recent interview, DOTD Secretary Neil Wagoner said the transportation committee would discuss any position statement from PAL. Wagoner did not rule out the possibility of an extension of the credit allowances in the newest set of interim rules.

However, he said the permanent rules should discontinue the credits.

He said the Legislature never intended for the trust fund to be a “giveaway program in which the state puts up 100 percent of the funds for port projects, but did allow the credits as a leniency in starting the

CONTINUED FROM 1C

program.

In other action the port commission approved spending $11,402 on a $18,600 study that will profile the overall economic impact of public port and private docking facilities on the Baton Rouge economy.

The study will be conducted by the LSU Ports and Waterways Institute. LSU is funding $5,198 of the cost.

The LSU study was recommended by the commission’s marketing/public relations and executive committees.

The finance/planning committee had suggested seeking additional proposals, citing LSU’s Department of Economics as an alternative.

Committee chairman Thomas Turner argued Monday that Economics Department Chairman Loren Scott is well recognized in the Legislature and his study might carry more weight in seeking state funding.

The commission sided with the waterways institute’s maritime expertise on a motion by Commissioner Cyril Vetter. He said LSU’s Ports and Waterways Institute is one of three national maritime institutes recognized by the U.S. Department of Transportation.

“It’s just that the level of expertise is just a little bit different,” Vetter said.