The four major drivers behind the increasing freight demand are –

- **Consumption**
  - Population growth

- **Production**
  - Expanding durable and non-durable goods manufacturing

- **Trade**
  - Import and export growth

- **Supply Chain Practices**
  - Changing logistics strategies
Top Gateways for International Freight
Exports & Imports
(in tons)

Exports
Imports
Waterborne Freight Network
MISSISSIPPI

Ports

3 DEEP WATER PORTS ON THE GULF OF MEXICO
Mississippi has 16 public ports:

- The State of Mississippi controls 2 of the 16 ports,
- The remaining 14 ports are locally owned and operated.
- Mississippi’s ports contribute $1.4 billion to the State economy,
- Representing 3% of the Gross State Product and including some 34,000 direct and indirect jobs paying $765 million in wages and salaries
MDOT Multi-Modal Funding—
we need it...

- Multimodal Capital Improvement Fund (MCIF) was established by the Legislature and is contained in Title 65 of the Mississippi Code of 1972.

- MDOT is designated by statute to administer the program, and final approval of recommended projects
Funding Break up—

- Ports 38%
- Airports 34%
- Transit Systems 16%
- Rails 12%
Project Eligibility

Projects must be:

- Directly related to capital improvements or the rebuilding or rehabilitation of basic infrastructure and not for routine maintenance, administrative or operational expenses;

- For a project or use directly related to the operation of the port in its modal role; and

- For a purpose outside the normal operating budget of the port.
Lowndes County Port—
Casa de John Hardy
Water Ineligible Items

Some examples of items that are ineligible for funding are:

- maintenance equipment (tractors, sweepers, etc)
- general business, marketing and service studies
- port promotional information
- fences
- conceptual planning studies that do not relate directly to capital improvements related to water transportation facilities.
Just a few of my favorite things...

All purchased with Multi-Modal Funding
Comprehensive Assessment of the Ports of Mississippi

- MDOT—contracted Parsons Brinckerhoff in Dec. of 1998

- Study exams sixteen public ports located within the state and a strategy to support and sustain in port industry
COMPREHENSIVE ASSESSMENT OF THE PORTS OF MISSISSIPPI
FINAL REPORT

submitted to
Mississippi Department of Transportation

submitted by
Parsons Brinckerhoff Quade & Douglas, Inc.

January 2000
Port Capabilities and Needs

Total Capital Needs by Port

- Gulfport $86,100,000
- Pascagoula $12,764,000
- Biloxi $1,650,000
- Natchez $10,635,000
- Claiborne $1,150,000
- Vicksburg $6,680,000
- Yazoo $25,000
- Greenville $7,700,000
- Rosedale $4,885,000
- Lowndes $4,955,000
- Clay $3,350,000
- Amory $2,405,000
- Itawamba $2,515,000
- Bienville $7,450,000
- Yellow Creek $11,275,000
MDOT Port Needs Inspection Report

Mississippi Forecast of Total Port Traffic
(Thousands of Short Tons)
Port Capabilities and Needs

Capital Needs by Region

- Gulf Coast Ports: $107,964,000
- River Ports: $31,075,000
- Tenn-Tom Ports: $29,190,000
Port Capabilities and Needs

Capital Needs by Classification

- Immediate: $67 million
- Critical: $2.0 million
- Future: $99 million
Port Jobs to Mississippi Economy

Every port job supports 18 related jobs in the economy.

Total Jobs Supported per Direct Sector Job

- Ports & Waterways: 18
- Food Production: 4
- Forestry & Fishing: 4
- Chemicals-Petrol Refining: 6
- Paper Products: 4
- Mining: 1
- Electric & Gas Utilities: 5
## Direct and Indirect Employment and Earnings

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>JOBS</th>
<th>PAYROLL ($ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port and Port Servicing Industries(^1)</td>
<td>2,585</td>
<td>69.27</td>
</tr>
<tr>
<td>Freight Transport Services, Trucking, Warehouse &amp; Distribution</td>
<td>4,207</td>
<td>94.80</td>
</tr>
<tr>
<td>Port User Industries</td>
<td>26,877</td>
<td>601.08</td>
</tr>
<tr>
<td>TOTAL</td>
<td>33,689</td>
<td>$765.15</td>
</tr>
</tbody>
</table>

\(^1\) Water Transportation Sector, SIC Codes 4440 and 4490
Tennessee-Tombigbee Waterway

Executive Summary of Updated Analysis of the Economic Impact of the Tennessee-Tombigbee Waterway

By:

February 17, 2009
Almost $43 billion created in the four state region by the waterway
### Four State Economic Impact

* 9 Billion *

**Table 1: Four State Economic Impact**

<table>
<thead>
<tr>
<th>State</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>$15,217,102,169</td>
<td>$550,276,590</td>
<td>$718,784,871</td>
<td>$16,486,147,612</td>
</tr>
<tr>
<td>Kentucky</td>
<td>$887,172,199</td>
<td>$163,141,200</td>
<td>$559,095,466</td>
<td>$1,609,408,860</td>
</tr>
<tr>
<td>Mississippi</td>
<td>$6,854,648,787</td>
<td>$1,332,995,518</td>
<td>$1,275,900,223</td>
<td>$9,464,243,502</td>
</tr>
<tr>
<td>Tennessee</td>
<td>$2,361,558,106</td>
<td>$38,139,237</td>
<td>$47,083,481</td>
<td>$2,446,780,822</td>
</tr>
<tr>
<td>Regional</td>
<td>$25,320,481,677</td>
<td>$2,093,291,355</td>
<td>$2,641,117,273</td>
<td>$30,054,890,166</td>
</tr>
<tr>
<td>United States</td>
<td>$25,320,483,122</td>
<td>$5,822,592,936</td>
<td>$11,380,624,515</td>
<td>$42,523,700,444</td>
</tr>
</tbody>
</table>

For every one dollar spent in operations on the Tenn-Tom and additional $0.68 is generated in the United States.

**MISSISSIPPI DEPARTMENT OF TRANSPORTATION**
## Table 2: Four State Employment Impact

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>8,384</td>
<td>3,878</td>
<td>7,567</td>
<td>19,830</td>
</tr>
<tr>
<td>Kentucky</td>
<td>8,046</td>
<td>1,192</td>
<td>5,850</td>
<td>15,097</td>
</tr>
<tr>
<td>Mississippi</td>
<td>12,145</td>
<td>7,858</td>
<td>13,440</td>
<td>33,443</td>
</tr>
<tr>
<td>Tennessee</td>
<td>507</td>
<td>272</td>
<td>493</td>
<td>1,271</td>
</tr>
<tr>
<td>Regional</td>
<td>29,191</td>
<td>13,293</td>
<td>27,806</td>
<td>70,289</td>
</tr>
<tr>
<td>United States</td>
<td>29,191</td>
<td>29,001</td>
<td>79,471</td>
<td>137,663</td>
</tr>
</tbody>
</table>
# Labor Income Impact

## Table 3 Labor Income Impacts

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Alabama</strong></td>
<td>$481,134,399</td>
<td>$166,559,484</td>
<td>$223,351,200</td>
<td>$871,045,092</td>
</tr>
<tr>
<td><strong>Kentucky</strong></td>
<td>$297,642,154</td>
<td>$55,890,114</td>
<td>$172,290,114</td>
<td>$525,822,500</td>
</tr>
<tr>
<td><strong>Mississippi</strong></td>
<td>$829,232,314</td>
<td>$357,577,766</td>
<td>$396,689,402</td>
<td>$1,583,499,498</td>
</tr>
<tr>
<td><strong>Tennessee</strong></td>
<td>$41,808,523</td>
<td>$11,671,511</td>
<td>$14,509,193</td>
<td>$67,989,228</td>
</tr>
<tr>
<td><strong>Regional</strong></td>
<td>$1,649,817,387</td>
<td>$594,783,792</td>
<td>$820,704,386</td>
<td>$3,065,305,626</td>
</tr>
<tr>
<td><strong>United States</strong></td>
<td>$1,749,942,787</td>
<td>$1,705,759,662</td>
<td>$3,544,303,389</td>
<td>$7,000,005,837</td>
</tr>
</tbody>
</table>

* * 1 Billion *
Table 4: Tax Revenue Generated

<table>
<thead>
<tr>
<th></th>
<th>Federal</th>
<th>State</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>$176,933,838</td>
<td>$101,555,675</td>
<td>$278,489,513</td>
</tr>
<tr>
<td>Kentucky</td>
<td>$100,300,209</td>
<td>$55,845,791</td>
<td>$156,146,000</td>
</tr>
<tr>
<td>Mississippi</td>
<td>$372,848,412</td>
<td>$285,333,046</td>
<td>$658,181,458</td>
</tr>
<tr>
<td>Tennessee</td>
<td>$13,812,74</td>
<td>$8,856,152</td>
<td>$22,668,898</td>
</tr>
<tr>
<td>Regional</td>
<td>$667,584,080</td>
<td>$454,150,637</td>
<td>$1,121,734,717</td>
</tr>
<tr>
<td>United States</td>
<td>$1,737,482,064</td>
<td>$1,130,052,049</td>
<td>$2,867,534,113</td>
</tr>
</tbody>
</table>

* 658,181,458

MISSISSIPPI DEPARTMENT OF TRANSPORTATION
Escalating Energy Costs and Reduced Gas Revenues

Equal significant short falls within

Asphalt
Rebar
Petroleum
Concrete

MISSISSIPPI DEPARTMENT OF TRANSPORTATION
Federal highway officials predict that the nation's main highway trust fund will finish in 2009 between $4 billion and $5 billion in the red.
For more information contact:
Chris Smith
202-624-5839
csmith@aashto.org