

# The Riverport Industry in Kentucky

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**KENTUCKIANS FOR BETTER  
TRANSPORTATION**  
WE MAKE KENTUCKY **GO**



# ABOUT KBT

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- KBT was formed in 1977 by a group of individuals representing the multi-modal transportation network. We are the unified transportation voice of all modes — air, highway, public transit, rail, and waterways — as well as providers and users of transportation.
- The organization has grown to more than 300 members who continue to represent all modes of transportation across the Commonwealth including air, local streets and roads, highways, bridges, rail, public transit, and Kentucky's ports and river industries.



# A Holistic Approach to Transportation

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- Multi-Modal Transportation Network leads to a prosperous economy and quality of life for all Kentuckians.
- Kentucky's Waterways Create Value by Enabling the Commonwealth to:
  - Trade with the World: In 2018, Kentucky traded over 89 million tons of freight using inland waterways, valued at over \$18 billion. About 79% of Kentucky's waterborne trade (by tonnage) is exchanged with trading partners outside of the Commonwealth.
  - Kentucky's waterborne transportation system overall saves approximately 2.3 billion vehicle-miles of travel (VMT) and over 43 million vehicle-hours of travel (VHT) each year in ground transportation costs.
  - Our Waterways Support Kentucky's Supply Chains: energy, chemical, agriculture/food/lumber, and metals/minerals supply chains are highly dependent on Kentucky's waterways.
- How can we support the Riverport Industry? What is needed to be successful? In the coming months we will be working with interested parties on additional ways the state can invest more in Kentucky's riverports.

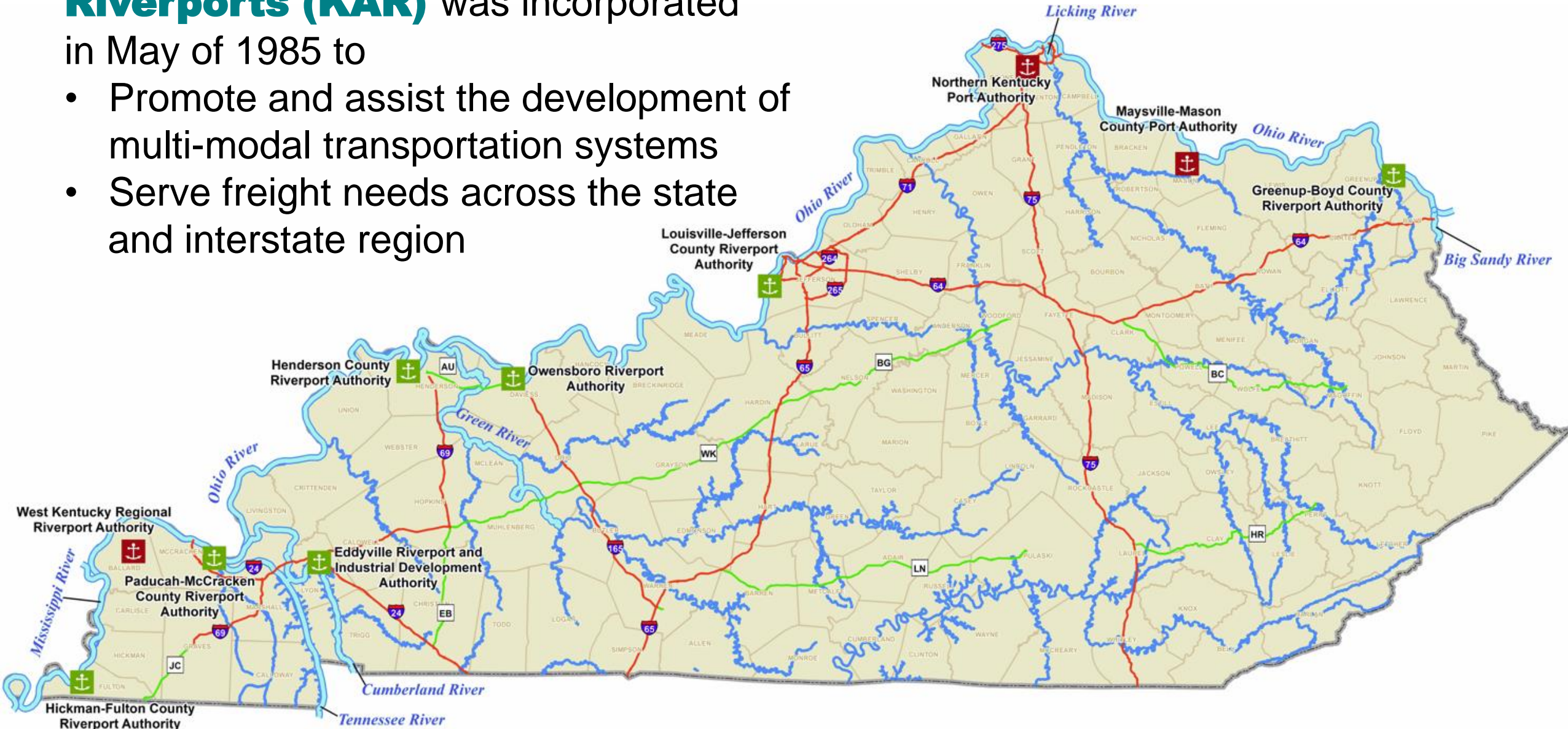




# The **Kentucky Association of Riverports (KAR)** was incorporated

in May of 1985 to

- Promote and assist the development of multi-modal transportation systems
- Serve freight needs across the state and interstate region



# How Does Kentucky Invest in Riverports?

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- Since 2013, the Commonwealth has supported the riverport industry through the Kentucky Riverport Improvement (KRI) Grant Program. Current budgeted allocation is \$500,000 annually.
- KRI funds are a General Fund appropriation in the Transportation Cabinet Budget.
- The program requires a 50% local match.
- KRI applications due each year in May for July 1 FY and funds must be used by June 30th or returned to General Fund.



# Investment by Surrounding States\*

	Kentucky	Ohio	Indiana <sup>4</sup>	Illinois	Missouri	Tennessee	Virginia
Number of Public Port Terminals	11	8	3	19	15	5	5
State Budget Dedicated Funds	<b>\$500K</b>	<b>\$7.5 M</b>	<b>\$0</b>	<b>\$0</b>	<b>\$600 K</b>	<b>\$0</b>	<b>\$42 M</b>
State Ports Grant Program	<b>\$0</b>	<b>\$23 M</b>	<b>\$0</b>	<b>\$150 M</b>	<b>\$9.4 M</b>	<b>\$0</b>	<b>\$5 M</b>

\*Kentucky Transportation Cabinet. (2022). (rep.). *Kentucky Riverports, Highway, and Rail Freight Study Executive Summary* (p. ES5). Frankfort, KY.





# Kentucky Riverport Improvement Grant Program

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FY	Project Cost	Requested	Granted	Unfunded
2020	\$ 1,338,723	\$ 669,361	\$ 500,000	\$ (169,361)
2021	\$ 1,207,660	\$ 603,830	\$ 500,000	\$ (103,830)
2022	\$ 1,990,936	\$ 995,468	\$ 500,000	\$ (495,468)
2023	\$ 1,294,406	\$ 647,203	\$ 500,000	\$ (147,203)

**NOTE:** Requested funds are artificially low; needs are much greater than applications reflect. Due to the low KRI fund amount & the need for a 50% match, the grant application effort does not offer a return on investment.



# KRI Grant Program FY 2023

Riverport	Project	Total Cost	KRI Requested
Eddyville	Barge Positioning Winch System Project	\$210,116.00	\$105,058.00
Eddyville	Laydown Yard Project	\$369,792.00	\$184,896.00
Hickman	Dock Dredging Project	\$63,600.00	\$31,800.00
Hickman	Mooring Dock Cell Repair Project	\$100,000.00	\$50,000.00
Owensboro	Bucket for Liebherr LH 120 Project	\$114,980.00	\$57,490.00
Owensboro	Caterpillar 903D Wheel Loader Project	\$73,580.00	\$36,790.00
Owensboro	Grapple for Sennebogen 875 Project	\$71,824.00	35,912.00
Owensboro	Terminal Facility Asphalt Paving Project	\$145,072.00	\$72,536.00
Paducah	Bulk Commodity Receiving Hopper Project	\$145,442.00	\$72,721.00
	<b>Total</b>	<b>\$1,294,406.00</b>	<b>\$647,203.00</b>



# KRI Challenges

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- Inadequate funding – especially compared to surrounding states
- Riverports are unable to use these funds to match federal grants
- The funds don't carryover
- The 50% local match is a disincentive for some riverports to participate. Other grant programs in KYTC require a 20% local match
- Looking ahead: KRI vs Riverport Trust Fund





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