

Congress of the United States
House of Representatives
Washington, DC 20515-2308
September 5, 2019

The Honorable Elaine L. Chao
U.S. Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

RE: Duluth Seaway Port Authority Grant Application - MARAD Port Infrastructure Development

Dear Secretary Chao,

I write in support of the Duluth Seaway Port Authority's (DSPA) application for an \$11.1M grant to help fund the Duluth Port Logistics Hub 2020 Revitalization and Expansion Project (Duluth 2020 Project) under the Port Infrastructure Development Program.

The Clure Public Marine Terminal is located in the Port of Duluth-Superior, the largest port on the Great Lakes, one of the top 20 ports in the U.S., by tonnage and one of the largest marine gateways for U.S. trade with Canada, the nation's number one trade partner. The Duluth 2020 Project will restore to good state of repair essential terminal infrastructure components, enhance capacity to facilitate industrial exports, and provide product distribution services to support domestic manufacturing and agriculture. Specifically, the project will construct a 50,000-ft² warehouse, reconstruct 1,750 feet of existing dock wall, and reinstate 7.12 acres of outdoor materials laydown space. The \$20.3M proposed project features a 46% state/local match and leverages the port's position at the furthest west point of the Great Lakes-St. Lawrence Seaway system, with direct uncongested access to three major highway corridors and four Class I railroads.

The Clure Public Marine Terminal is the only heavy-lift and general cargo terminal on the western end of Lake Superior. The Clure is renowned for its warehousing, cargo handling, and trans-loading services, and hosts the only multi-modal terminal in Minnesota north of the Twin Cities. The "catchment" area for the intermodal terminal reaches from eastern Montana in the west to Michigan's Upper Peninsula in the east, and from the northern reaches of North Dakota and Minnesota, south to Iowa. Manufacturers in this largely rural region that use the Clure's Intermodal terminal and warehousing services realize significant (up to 33%) freight cost savings.

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When completed, the Duluth 2020 Project will complement current infrastructure by:

- Increasing maritime cargo handling capability and growing gross project revenues;
- Providing market access to facilitate new exports of high value cargoes;
- Adding warehouse capacity to create new supply chain opportunities that support domestic manufacturing;
- Reinstating laydown area critical to large-scale mining and manufacturing, electric generation and transmission, and wind energy projects; and
- Restoring berth capacity for winter layup and emergency maintenance for vessels servicing the port and its 35 million tons of annual cargoes.

The Clure Public Marine Terminal serves a vital role in many of our nation's key industries, including energy, manufacturing, agriculture, mining and mineral processing, sustainable forest products and more. The Duluth 2020 Project demonstrates domestic preference, project readiness, and provides clear and substantial benefits to our nation's industries, manufacturers and farmers.

Thank you for your consideration and approval of this application.

Sincerely,



Pete Stauber
Member of Congress
Minnesota's 8th Congressional District