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Infrastructure

Maryland Seeks Federal Funding to Prevent Port Bottleneck

By [Jim Watts](#)
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DALLAS – Maryland is seeking more than \$150 million of federal grants to expand a subsea rail tunnel beneath Baltimore Harbor to accommodate trains hauling double-decked shipping containers and build new surface infrastructure to handle the freight.

The request includes \$75 million for the tunnel project and \$76.3 million of additional funding for the surface infrastructure needed to connect trucks carrying the containers to the highway system. The grants would come from the Transportation Department's Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies, or FASTLANE, program.

The tunnel expansion is needed to accommodate the movement of additional numbers of freight containers that can be carried by large ships capable of transiting the expanded Panama Canal later this year, state officials said. The expanded tunnel would be big enough so that standard shipping containers going into or out of the port could be stacked two-deep on rail cars.

The Maryland Department of Transportation and CSX Transportation will contribute \$270 million to the expansion of the 1.7 mile-Howard Street Tunnel, which was built in the 1890s. The project is expected to cost \$425 million.

Maryland Gov. Larry Hogan said in a letter of support for the project that an expanded Baltimore tunnel is needed to handle U.S. freight shipments that are expected to increase 45% by 2040.

"Double-stack clearance routes, such as the one proposed by this project, are critical for the country to prepare for the expected increase in freight demand over the coming decades," Hogan said in the letter to Transportation Secretary Anthony Foxx. "However, the nation will not be fully prepared until the Howard Street tunnel bottleneck is addressed."

Maryland Transportation Secretary Peter Rahn said the Howard Street tunnel is the greatest impediment to double-stacked container rail cars along the heavily traveled Interstate 95 corridor.

Expanding the tunnel to accommodate the two-stack container car would remove more than 3.6 million truck trips from Baltimore's congested highway system every year, he said.

FASTLANE funding is limited to \$500 million over the five years for rail and port projects that improve freight movements on highways. Freight rail does not contribute to the Highway Trust Fund, the source of the grants, and ports have their own dedicated harbor trust fund.

The tunnel expansion project had been expected to cost up to \$3 billion and require extensive disruption to surface transportation, but an improved construction method will allow all the work to be carried out below ground, said Louis Renjel, vice president for strategic infrastructure at CSX.

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"We're underground the whole time," Renjel said. "That was a game changer."

Even with the lower, revised cost of the tunnel expansion it is still beyond the ability of the state to fund it, Rahn said in the grant submission.

"While the figure is more manageable than earlier estimates, limited financial

resources and competing funding needs prevent MDOT and CSX from funding the project entirely on our own," he said.

The freight-handling grant programs were authorized in the five-year Fixing America's Surface Transportation (FAST) Act transportation law that was enacted late last year.

FASTLANE funding begins at \$800 million in fiscal 2016 and increases by \$50 million per year before topping out at \$1 billion in the fiscal 2020, the fifth and final year of the FAST Act. The FASTLANE grants are the first federal transportation grants dedicated specifically to resolving freight bottlenecks.

The FAST ACT's National Significant Freight and Highway Projects Program formula-based funding will provide states with a total of \$6.25 billion for road freight through fiscal 2020.



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