“Goods Movement” Understanding the Supply Chain

Propeller Club Northern California

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Supply Chain Economics

- Water transport is least expensive mode for cargo transport
- Significant decrease in air emissions
- International gateway for trade
- Backbone of society

Supply Chain Economics

- Federal Channel authorized depth = -30’ MLLW
- Vessel = 40,000 MT vs. 21,000 MT
- Barges = 5,000 MT @ $9/metric ton
- Trucks = 20 MT @ $1,700/truck
- Every foot loss of depth = 5,000 MT of cargo

Supply Chain Economics

- Cause and Effect – channel depth directly increases the cost to consumer
- Port Partner “Z” - $$$1.6M – 2M* annually passed onto consumer – direct cost
- Does not include indirect increased costs – additional labor

*Intrinsic costs in GHG emissions/infrastructure impacts

USACE Partnership

- Non-Federal Sponsor
- WRDA – 1122 Pilot Project
  - Strategic Placement
  - Eden Landing
- Annual Appropriations
- Channel Restrictions Impact <u>Commerce</u>
- Channel Restrictions Impact <u>Emergency Preparedness</u>

Strengthening Resiliency

- **FEMA – FSA 2017**
  - Earthquake
  - Sea-level Rise
  - Terrorist Attack
- **Port FSA provides:**
  - Deliver resources/responders, Evacuate residents
  - WETA ferry service (dual purpose)
  - Transportation & Emergency Response
- **$21M Capital Investment**

Federal “Policy” Change

- Pre-pandemic biennial
- Annually loss of 9’ of depth
- Stakeholder forum 2020

  Electeds/Port Partners
- Port growth – small to midsize
- Financial analysis warrants annual dredge cycle

Port Policy

- **Public Education**
  - Outreach Efforts
  - Community Events
- **Pilot Initiatives**
- **Sea Level Rise**
  - Climate Adaptation

Strategically planning for our future…

Keep our region moving; keep our Port ready and resilient

Thank you!