

# **2021 Annual Report**

## **Great Lakes Maritime Task Force**

*Promoting Shipping on America's Fourth Sea Coast Since 1992*



## MEMBERS:

### ILLINOIS

ArcelorMittal USA  
ARTCO Chicago Drydock, LLC  
Calumet River Fleeting, Inc.  
The Chicago and Western Great  
Lakes Port Council  
CN  
Illinois International Port District  
Int'l Union of Operating  
Engineers Local 150  
LafargeHolcim

### INDIANA

Central Marine Logistics, Inc.  
Ports of Indiana

### KANSAS

International Brotherhood  
of Boilermakers

### MICHIGAN

Consumers Energy  
DTE Energy  
Detroit/Wayne County Port Authority  
Dock 63 Inc.  
Durocher Marine  
Edw. C. Levy Co.  
Grand River Navigation Company  
IAMAW District Lodge 60  
International Shipmasters' Association  
The King Co., Inc.  
Lake Michigan Carferry Service, Inc.  
Lakes Pilots Association  
Luedtke Engineering Company  
MCM Marine, Inc.  
Michigan Maritime Trades Port Council  
Pere Marquette Shipping Company  
Port of Monroe  
Ryba Marine Construction Co.  
Seafarers International Union  
Soo Marine Supply, Inc.  
Verplank Dock Co.  
Waterfront Petroleum Terminal  
West Michigan Dock and Market –  
Port of Muskegon  
Western Great Lakes Pilots Association

### MINNESOTA

Duluth Seaway Port Authority  
Great Lakes Fleet

### MONTANA

Montana Coal Council

### NEW JERSEY

Gallagher Marine Systems (USA)

## GLMTF 2021 Year in Review

2021 was another challenging year due to COVID-19 impacts, yet progress was made on many fronts and Great Lakes maritime commerce rebounded nicely to include increased shipping, new ship construction, dredging, steel production, and expanded port activity and development.

Something that didn't change, and never will, was the importance GLMTF member companies placed on their employees and their families. Proactive and creative efforts were undertaken to ensure COVID vaccines were available, and risk reduction measures were maintained to keep workers safe. A highlight was a cooperative agreement between the U.S. Army Corps of Engineers and the Chippewa County Health Department in Sault Ste. Marie, Michigan. The agreement, aptly titled "Shots on Ships" or SOS, allowed mariners to get a COVID vaccine onboard their ship while transiting the Soo Locks. Over 350 sailors received vaccines through the program and COVID cases onboard ships have been very limited.

This year, GLMTF welcomed three new members. Bay Engineering Inc. in Sturgeon Bay, Wisconsin, a naval engineering and design firm; Waterfront Petroleum Terminal Company in Detroit, Michigan providing petroleum and petroleum wholesalers' services; and Gallagher Marine Systems headquartered in Moorestown, New Jersey providing environmental compliance services.

The new GLMTF website design and roll out was a collaborative effort focused on the employees who make our businesses possible. New features include a timeline of the numerous successes GLMTF has had since its inception in 1992 and a concise mission statement which captures the essence of our existence. Visit the new site at [www.glmtf.org](http://www.glmtf.org).

Due to the concerted effort of GLMTF members, several important goals for the Great Lakes Navigation System (GLNS) have come to fruition or are pending in legislation. First, the dredging crisis, while not completely resolved, received a massive shot in the arm with the passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020 which included a provision that in effect removed Harbor Maintenance Trust Fund (HMTF) dispersals from the constraints of the federal government's top line spending. This opened the entire fund to be allocated to the U.S. Army Corps of Engineers for dredging channels and to repair failing navigational structures. In addition, the passage of the Water Resources Development Act (WRDA) 2020, ensures the GLNS will receive no less than 13 percent of the total HMTF annual dispersal. That translates into hundreds of millions of dollars more to maintain the GLNS and an opportunity to dig away at the 10.5 million cubic yards of sediment backlog still clogging our harbors and waterways.

Another huge success has been the continued efficient funding of the new large lock in Sault Ste. Marie, Michigan. Due to GLMTF outreach and continued advocacy, the project has been funded to date at \$411.2 million. The most recent pending funding comes from the Fiscal Year (FY) 2022 President's Budget which includes \$480 million for construction activities. Work remains to continue to keep the project on track with an estimated \$586 million needed by the Army Corps beginning in FY 2023 through completion of the construction. The 53-year-old Poe Lock isn't getting any younger and the new large lock needs to be completed as soon as possible.

Finally, U.S. Coast Guard (USCG) icebreaking on the Great Lakes has been abysmal with an aging fleet, less of them than in years past, and a rigged system to measure performance in the GLNS. This neglect meant the Great Lakes region



**NEW YORK**

American Steamship Company  
St. Lawrence Seaway Pilots Association

**OHIO**

AK Steel Corporation  
American Maritime Officers, AFL-CIO  
Cleveland-Cliffs Inc.  
Cleveland-Cuyahoga County  
Port Authority  
Consumer Energy Alliance-Midwest  
CSX Transportation-Toledo Docks  
Faulkner, Hoffman & Phillips, LLC  
Great Lakes District Council, ILA, AFL-CIO  
The Great Lakes Towing Company  
The Interlake Steamship Company  
ILA Lake Erie Coal & Ore Dock  
Council  
ILA Local 1317  
ILA Local 1768  
IAMAW Local Lodge 1943  
International Organization of  
Masters, Mates & Pilots, AFL-CIO  
Lake Carriers' Association  
Lorain Port Authority  
Osborne Concrete & Stone Co.  
Toledo Port Council MTD, AFL-CIO  
United Steelworkers, District 1, AFL-CIO-CLC  
United Steelworkers, Local 5000

**PENNSYLVANIA**

Carmeuse Lime and Stone, Inc.  
Donjon Shipbuilding & Repair, LLC  
IAMAW District Lodge 98  
United States Steel Corporation

**WISCONSIN**

Bay Engineering, Inc  
Bay Shipbuilding Company  
Brown County Port &  
Resource Recovery Department  
Fraser Shipyards, Inc.  
Hallett Dock 8 LLC  
Midwest Energy Resources Company  
Roan Salvage Company

**GREATER WASHINGTON, DC**

American Great Lakes  
Ports Association  
American Maritime Officers Service  
K&L Gates, LLP  
Marine Engineers' Beneficial  
Association, AFL-CIO  
Transportation Institute

suffered \$2 billion in negative economic impacts and 10,000 jobs lost over the past 7-years. Major progress was made this year with all hands-on deck to include maritime labor, steel manufactures, ports, and shipping companies. No stone was unturned as a major push began in earnest to educate legislators and Administration officials on the icebreaking problem. Results are pending, but all indications are pointing to an additional heavy Great Lakes icebreaker being fully funded for the USCG and new mandatory reporting requirements for transparent icebreaking performance measurements which illustrate the actual health and reliability of the GLNS during the winter months.

While ports on the west coast suffer from supply chain disruptions, the Great Lakes continue to surge with increased cargo numbers across the board. Iron ore and limestone shipments, the largest bulk materials moved in the system, are above the 5-year average as of November 2021. Virtually every Great Lakes port has seen an increase in activity. Maintaining this momentum is critical as the economy continues to recover from the COVID pandemic and major infrastructure improvements will require the raw materials and products manufactured from those materials here on the Great Lakes to build the needs of the future strengthening the North American economy.

The following annual report highlights the needs of the future and the challenges that remain to ensuring a reliable and viable Fourth Sea Coast that is the Great Lakes. Please visit us online at [www.glmtf.org](http://www.glmtf.org) for more details.

We thank you,

John E. Clemons, American Maritime Officers, AFL-CIO, GLMTF President

James H. I. Weakley, Lake Carriers' Association, GLMTF Vice President – Positions and Resolutions

John D. Baker, International Longshoremen's Association – Local 1317, GLMTF Vice President – Resolutions

Richard Hammer, Donjon Shipbuilding and Repair, GLMTF Vice President – Government Relations

Members of the Great Lakes Maritime Task Force



## **A message from the GLMTF President, John E. Clemons**

### **American Maritime Officers, National Vice President, Great Lakes**

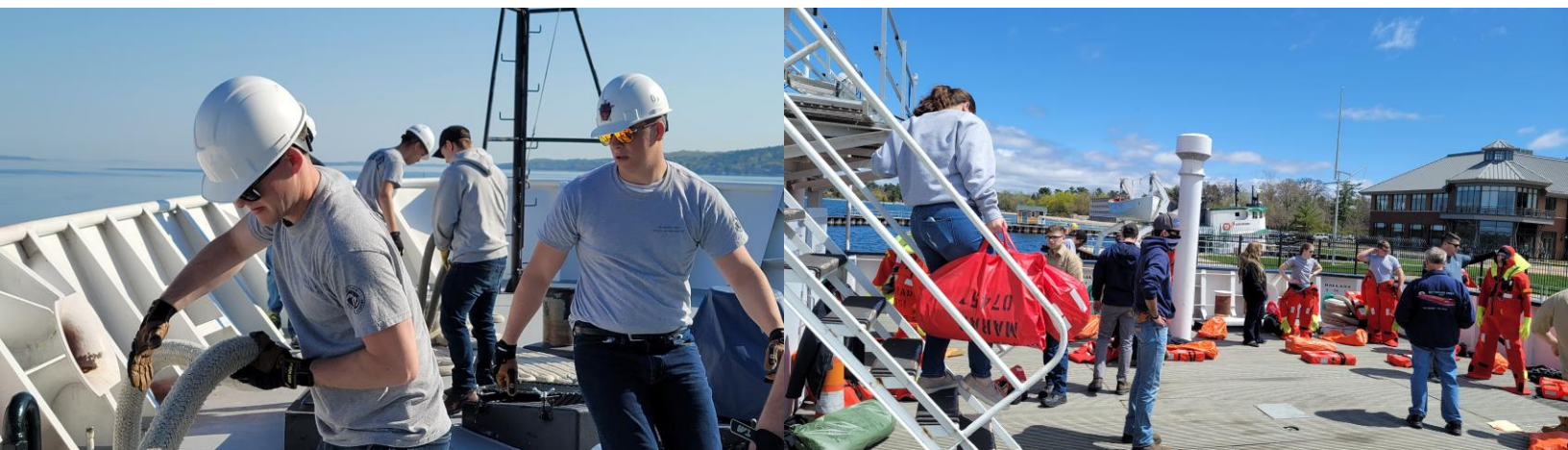
One of the greatest challenges facing every industry right now is hiring and retaining a qualified workforce. The maritime industry is not immune to this problem and continues to face a shortage of sailors. The impacts have been exacerbated by the COVID pandemic and the national supply chain issues illustrate the seriousness of the problem.

Being a sailor is a service to a greater cause. The movement of goods by water is critical to the welfare of every human being and we need young men and women to serve for the sake of not only this nation, but those around the world. Serving on a maritime vessel is not easy, but it is rewarding. We have witnessed the tight knit family of seafarers come together during the COVID crisis to get the job done despite the challenges. The protective environment of a self-contained vessel proved invaluable to making sure sailors remained safe and healthy.

Now is the time to highlight the advantages of going to sea, whether it is the excellent pay and benefits or the sense of family and duty to each other that each crew feels when departing the dock to deliver life sustaining products all over the world. There are endless opportunities to advance from the moment a sailor takes to the water. Whether you want to be a Captain of a 1000-foot vessel or Chief Engineer of a tug, anything is possible and very achievable. Everyone onboard a merchant vessel is vitally important to its safe and efficient operation. A college degree is not necessary, but the six State Maritime Academies do accelerate promotion potential and even higher wages.

The Great Lakes Maritime Academy (GLMA) in Traverse City, Michigan is one of the finest institutions in the nation and provides perspective mariners with a huge leg up with graduates receiving a Great Lakes Pilotage endorsement on their mariner credential. That credential is worth its weight in gold as it allows a sailor to operate a Great Lakes vessel without the need of an additional paid pilot. GLMTF fully supports the mission of GLMA and offers an annual scholarship to offset the cost of tuition.

I encourage everyone reading this annual report to reach out to a young man or woman and let them know that a career as a sailor is an investment in their future and an opportunity to serve a greater need. When you enter the sailing family, you are saying, "YOU CAN COUNT ON ME!"



***GLMA Cadets onboard the Training Ship STATE of MICHIGAN***

## ***Great Lakes Maritime Task Force***

***We are 75 partner organizations collectively focused on the people, the economy, and the environment of the Great Lakes, America's 4<sup>th</sup> Sea Coast!***





## Full Federal Funding for State Maritime Academies

Congress should appropriate sufficient federal funding for state maritime academies, including the Great Lakes Maritime Academy, for them to continue their mandate to educate and train cadets to become the next generation of licensed officers. These cadets become our mariners for tomorrow on both commercial vessels and crews for the Department of Defense's Military Sealift Command. Additionally, Congress should continue the funding and construction of National Security Multi-Mission Vessels that will be used both as state maritime academy training ships and as federal emergency, humanitarian, and disaster relief vessels.

## Reliable Great Lakes Winter Shipping and Climate Resiliency

Over the past ten years, the lack of adequate icebreaking on the Great Lakes has caused the loss of over 10,000 jobs and \$2 billion to the economy. In addition, ice jam flooding in the Great Lakes region has become extreme due to higher water levels and more frequent polar vortexes. GLMTF fully supports the \$350 million for a new heavy U.S. Coast Guard (USCG) Great Lakes icebreaker included in the Build Back Better Act. The vessel is needed immediately and should be built in a Great Lakes shipyard. Finally, GLMTF supports the "Great Lakes Winter Commerce Act" which will require the USCG to provide transparent performance impacts of icebreaking mission failures due to a lack of adequate resources.



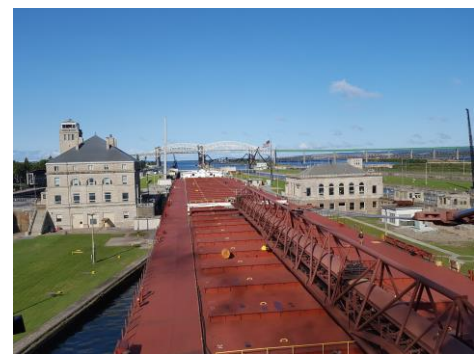
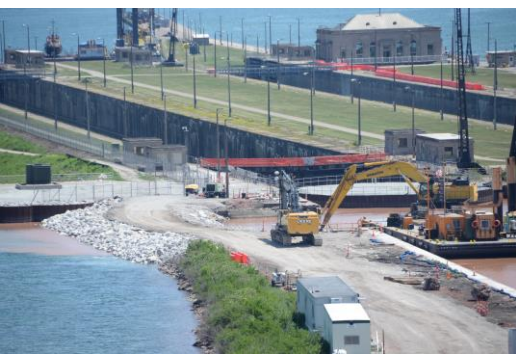
*U.S.-flag laker stopped just shy of Cleveland Harbor by ice.*

## Smart Ballast Water Regulations

The Great Lakes need U.S. and binational ballast water regulations that are protective of the environment, maintain efficient waterborne commerce on the Great Lakes and St. Lawrence Seaway, and are binationally compatible and equitable. The Vessel Incidental Discharge Act (VIDA) established that long-sought process on the U.S. side of the Lakes to set uniform federal discharge requirements jointly regulated by the U.S. Environmental Protection Agency and the U.S. Coast Guard. However, Canadian ballast water regulations are not compatible and place undue and unfair burden on the U.S.-flag fleet. This is an untenable mandate.

## Continue to Efficiently Fund the New Soo Lock

A resilient Great Lakes navigation system requires sufficient and efficient federal funding to complete the second Poe-sized lock at Sault Ste. Marie, Michigan. Congress has funded \$411 million to date. The Fiscal Year 2022 President's Budget includes an additional \$480 million. The Corps estimates it needs an additional \$586 million beginning in FY 2023 through the completion of the construction to maintain an efficient project work schedule.





### Dredging: An Annual Need

The Great Lakes Navigation System is funded for dredging through the Harbor Maintenance Trust Fund (HMTF). The Water Resources Development Act (WRDA) 2020 made substantial improvements to HMTF expenditures. The CARES Act passed in March 2020 ensures funds from the HMTF are not held hostage to federal government top line expenditures. With WRDA 2020, the Great Lakes Navigation System will receive no less than 13 percent of all annual HMTF expenditures and the \$10 billion in HMTF surplus will be spent down by 2030. Continue to support full dispersal of HMTF funds, including spending down the \$10 billion in surplus funds sooner rather than later, in accordance with WRDA 2020.



### The Jones Act is National Security

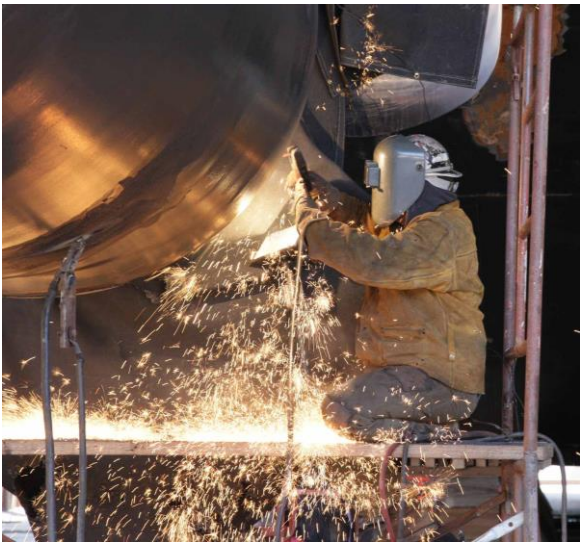
GLTMF supports strict adherence to the Jones Act and all existing maritime cabotage laws, as they play a crucial role in America's national, homeland, and economic security. The American Great Lakes states' maritime industry, operating under the Jones Act, contributes 123,600 jobs and an annual economic impact of more than \$30 billion, 20% of the national economic impact. Cabotage laws ensure the U.S. has the ships, skilled mariners, and shipyards needed to supply American troops during a national emergency. GLTMF opposes any legislation to amend or repeal this fundamental law of the American maritime industry and related laws; opposes blanket waivers such as those instituted following hurricanes Harvey, Irma, and Maria in 2017; and opposes inclusion of changes to the Jones Act in any trade agreements.

### Short Sea Shipping

In recent years, transportation planners have been struggling to identify ways to move people and goods more efficiently while reducing the impacts to the environment. Congested highways, particularly in urban areas, hinder the flow of commerce and hamper North America's economic growth. Several new short-distance shipping services have been proposed in the Great Lakes region. In each case, the goal has been to relieve highway or border congestion and move commerce more efficiently. The Harbor Maintenance Tax is a key impediment to launching new short sea shipping services. The tax is only assessed if the cargo moves by vessel, so it serves as a disincentive to move trucks and their payloads by water. GLTMF supports legislation that provides an exemption from the Harbor Maintenance Tax for non-bulk cargo moving between U.S. ports and between U.S. and Canadian Great Lakes ports.

### Support Great Lakes Shipyards

Great Lakes shipyards employ more than 2,700 men and women, and the wages they provide top \$125 million each year. Great Lakes shipyards are fully capable of building all types of commercial and military vessels for service throughout the world, limited only by the size of the navigational locks in the St. Lawrence Seaway. GLTMF supports the Title XI Ship Loan Guarantee Program and Capital Construction Fund. The minimum appropriation for Title XI should be at least \$100 million. We also support trade negotiations and/or legislation to end foreign government subsidies to their own shipyards. Finally GLTMF supports federal tax policies that encourage modernization of both plant and equipment for shipowners and shipyards by the use of investment tax credits.





**Great Lakes Maritime Task Force** is a member-driven organization formed in 1992 to promote Great Lakes commercial maritime industry and trades; speak with a unified voice on issues impacting our members, the economic efficiency, and environmental benefits; and advocate for the Great Lakes in the state capitals and in Washington, D.C. The Great Lakes Maritime Task Force promotes:

- A strong U.S.-flag Merchant Marine on the Great Lakes.
- Expanded domestic and international trade through public and private Great Lakes ports and docks.
- Fully funded maintenance and operation of Great Lakes deep-draft ports and waterways.
- Maximum utilization of U.S. shipyards in the Great Lakes.
- Protection of the Great Lakes environment.
- A strong maritime-dependent Great Lakes economy.
- Necessary icebreaking resources in Great Lakes ports and waterways.



# GREAT LAKES MARITIME TASK FORCE

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