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From the Captain's Chair

Scott Pearson Photography

BOATS, TRAINS, COMMERCE & JOBS

By: Phil Purcell

Growing the marine industry in South Florida is influenced by many factors including the overall economic vitality of the region, jobs creation, transportation and access issues both on land and on water and maintaining the boating and marine resources upon which our customers rely. Whenever we see opportunities in plans or programs that enhance these resources, we should be ready to support them; conversely, if the resources are threatened, we need to act to protect them.

All Aboard Florida, the proposal to grow passenger rail service and freight capability in our region, is an example of a project that promises to deliver jobs, beef up commerce and grow tourism, all important to our industry. At the same time, the increased rail traffic will impact our customers' ability to freely navigate the river and access the services of our up river yards and marinas. We are continuing our meetings with the "All Aboard" proponents and maintaining the dialogue to keep them apprised of the importance of our needs, economic impact and jobs. Read more about the latest meeting below.

To underscore our industry's importance to regional jobs and to attract qualified job seekers, MIA SF is staging Marine Industry Day on June 11 followed by a social party on June 14 in Esplanade Park, Downtown Fort Lauderdale, from noon to 6 p.m. All those that work in or support the marine industry and their families are invited. It will be a showcase for Broward County's diverse marine industry of 90,000 workers from businesses that generate an economic impact in excess of \$7 billion. There will be opportunities

to network, build relationships, listen to live entertainment, activities for children while recognizing the skilled jobs that bring growth and development to the world's leading yacht and boating capital and its corresponding services.

We are also incorporating the marine industry job resource into the newly designed and refreshed www.MIASF.org website. Under the "Jobs" tab is a developing job resource and search tool for those seeking employment and a recruiting site for members. Over time, we plan for this web location to become a robust destination for the widely varied jobs our members offer, from manufacturing to retailing, brokering to lending, chartering to crewing and more.

While you're investigating the "Jobs" section of the website, you'll notice a significant change in its look and updated content on literally everything MIA SF offers and represents. Designers have made it inviting, easy to navigate, a bright reflection of the industry, and informative. Our goal for the overall site is to make it a place you'll want to visit often for news and industry developments and events specific to MIA SF, the region and when appropriate, the global yacht and boating community. Your participation and suggestions about the website will keep it a valuable benefit for your business and the boating community.

Feel free to communicate your ideas and issues with us, too. You can reach me at info@miasf.org.

Phil Purcell is the executive director of the Marine Industries Association of South Florida

News

Marine Industry Continues Discussions with All Aboard Florida



Florida East Coast Industries (FECI), developer of the All Aboard Florida (AAF) passenger rail plan, met recently with MIASF membership to provide a status report on the project which is currently in the Environmental Impact Statement (EIS)

of the process. The EIS takes into consideration among other items, the social and economic impact to communities. AAF executive Husein Cumber explained the EIS at this time is under review by federal commenting agencies including the US Coast Guard and will be released for public comment in June. Throughout his presentation Mr. Cumber emphasized that the goal is to find common ground to have the marine industry and the railway system coexist. He highlighted the multiple meetings that have been held with marine industry leadership over the past year in order for AAF to better understand the needs of the New River.

FECI recognizes concerns that the marine industry has with increased rail traffic which will include additional freight as the ports prepare for the arrival of the larger Panamax ships. Additional bridge closures will further impede the movement of traffic on the river includes those vessels restricted by draft that are being towed to the cluster of boatyards west of the railroad bridges. In answer to the industry concerns FECI has committed to instituting an onsite bridge tender to facilitate direct radio communication with vessel traffic. Currently the bridge is operated remotely from Jacksonville. Additional track improvements (positive train control) will reduce the closed cycle time to 12-13 minutes per cycle. The AAF proposal is to close the bridge twice per hour inclusive of passenger and freight and to maximize efficiencies and minimize closures the

passenger trains will be using the New River as their starting point for their entire system's schedule. The marine industry is requesting a predictable and guaranteed forty minutes that bridge will be open per hour for boat traffic with specific times for closures. This action will help protect the 90,000 jobs the marine industry supports in Broward County and its \$7 billion economic impact.

Representative Lois Frankel, whose staff was present at the meeting, has gone on record in support of the Broward Metropolitan Planning Organization utilizing an Economic Development Administration (EDA) study grant. The study will consist of all rail traffic (passenger and freight) on FECI and CSX tracks, its impacts on the businesses, residents and community including both vessel and vehicle traffic. According to the presentation. FDOT is currently conducting an impact study as part of the process.

Benefits by AAF include creation of more than a thousand jobs statewide during construction for station and rail infrastructure and increased tourism opportunities by connecting three of South Florida's major destinations with a convenient mode of transportation. This discussion provided an opportunity to confirm AAF had included in their plan to address times such as marine events with high vessel traffic (i.e. Fort Lauderdale International Boat Show, Winterfest Boat Parade).

MIASF will continue meeting with all parties involved in the AAF proposal, advancing the marine issues and concerns, and reporting to the industry on developments.

Fort Lauderdale City Commission reinforced the marine industry's position at their May 6th meeting by passing a resolution "RECOGNIZING THE CONCERNS OF THE MARINE INDUSTRY RELATING TO THE FLORIDA EAST COAST ("FEC") ALL ABOARD FLORIDA ("AAF") PROJECT."

News

New Guidelines for Boat Spray Painting Coming



Environmental and safety concerns have long been associated with painting in boat plants, repair facilities and yards, and some proactive effort by the marine industry will be

bringing workable guidelines to processes and procedures. The goal is to benefit businesses, workers and the environment.

A new chapter within Code 33 of the National Fire Protection Agency (NFPA) was recently approved for spray painting in temporary membrane enclosures. New standards will address the risks of spray painting yachts and other objects that are too large to fit into a conventional spray booth. The new chapter will be published in the 2015 edition of the NFPA 33 Code. Lauderdale Marine Center and their fire consultant, Greg Cahanan, brought this proposal to NFPA several years ago after the Fort Lauderdale Fire Marshal stopped spray operations, citing LMC for operating outside the fire code. *continued on next page...*

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Jim Parks of Lauderdale Marine Center, who was involved in the development of the standard explains, "Many responsible yards have already been employing the best management practices that are set forth in the standard. These are common sense measures that address electrical, ventilation, fire sprinklers and the mixing of flammable materials. The most important thing about the new standard is that it takes the guess-work out of the situation for the local fire marshal, as well as the yard operators."

The new standard also addresses the issue of using these enclosures within buildings. With the help of William Koffel, FPE, LMC's consultant, a new technology has been approved that

allows the top of the tent to fail at a low temperature in order for sprinklers to function properly in the event of fire.

NMMA's Vice President of Government Relations, John McKnight, who chaired the membrane enclosure Task Group, said, "Insurance companies are not comfortable taking the word of the marine facility on fire safety; they need guidelines." Referring to the proposed new code, "It sets the bar for fire protection during spray painting, which is critical for the yard and those who permit and insure it."

For more information, contact Jim Parks, parksj@lauderdalemarinecenter.com.

Dredging Project Boosts Dania Canal Boatyards



Scott Pearson Photography

The boat yards along the Dania Canal on the south side of Port Everglades in Dania Beach are benefitting from the recent dredging to 17-feet which improves the unrestricted access to their facilities and

opens service to even larger vessels. Members of the Dania Canal Group along 7th Avenue recently gathered to identify ways to leverage the improvement and gain additional enhancements for customers, crew and businesses in the active boatyard neighborhood. Support for the effort is coming from the Marine Industries Association of South Florida, Fort Lauderdale and the City of Dania Beach.

Those meeting with the city included representatives from Broward Shipyard, Derecktor Shipyard, Dania Cut Superyacht

Repair, Marine Max, and Powell Brothers/Playboy Marine who employ close to 200 workers and who subcontract with another roughly 100 marine related businesses in the region. The businesses asked the city to consider helping them make improvements in the area to street lighting, drainage, traffic flow, signage and landscaping. These enhancements, along with the dredging benefits, are expected to spur additional business for the yards as well as improve working and safety conditions in the area for employees and visitors.

A news item in DredgingToday.com said the deepening project will provide safer and increased access by vessels to the boatyards on the canal. The Florida Inland Navigation District, sponsor of the dredging project, performed an economic analysis that indicates that this project may result in an economic output increase of between \$3.6 and \$9.2 million per year and 24 to 38 new jobs at these facilities. Additionally, a commercial shipping company on the canal will be able to load and transport more cargo to the Bahamas.



The 2014 session in Tallahassee was filled with activity.

MIASF continued to lay the groundwork for a tax cap on repair service for large refit projects. Building on the success of the vessel sales tax cap which resulted in a large increase of vessels closing their sales in Florida and a significant increase to the state's general revenue fund,

the service cap would serve to provide the same benefit to the state coffers and a competitive edge to yards as they compete with other areas for the major refit work that is expected over the next decade do to the large number of vessels built from 1999 thru 2010. This cap would not benefit the boatyards alone but the hundreds of businesses which provide their services to supplement the boatyards in house services. This effort will continue as we prepare for the 2015 session.

A last minute amendment to a FWC anchorage bill caused a furor of calls in the last days of the session. The original bill was intended to expand a pilot program to uniform the regulations of anchoring throughout the state. The amendment would have given Miami Dade and Broward Counties the ability to write their own area specific rules. Public input resulted in the bill dying by the end of session.

While in Tallahassee, MAISF Executive Director, Phil Purcell attended a meeting of Florida's Ocean Alliance (FOA). Phil was one of eight panelists four from the industry (others representing Ports, electric utilities and Tourism) plus four more from academia, to dig into the issues of promoting and attracting workers to jobs in businesses along the coasts.

The panel discussion was a result of last year's release of the FOA report highlighting the importance of Florida's coastal economy – including impact of the marine industry, fishing and recreation.

In its 2013 report, "Florida's Oceans and Coasts: An Economic and Cluster Analysis," FOA summarized that:

- Florida's coastal counties contributed over \$584 billion in gross regional product to Florida's economy in 2010 or 79 percent of the state's economy.

More than 228,000 jobs in Florida are directly created by activities that use ocean resources. When indirect effects are taken into account, the number of jobs supported by ocean resources exceeds 440,000.

According to a study by MIA SF in 2010, the tri county area of Miami-Dade, Broward, and Palm Beach counties contributed over 100,000 jobs to the state's economy in fiscal year 2010, with wage income over \$3 billion and nearly \$9 billion in total output. Gross retail sales of boat and motor products were \$3.5 billion statewide, with the tri county area accounting for 49 percent of those sales.

Table 19
Economic Impact of Marine Industry in Miami-Dade, Broward, and Palm Beach Counties (FY2010)

	Total Jobs	Wage Income	Total Output
Broward County	92,832	\$2,593,962,110	\$7,440,152,206
Miami-Dade County	5,476	\$195,932,393	\$540,982,000
Palm Beach County	8,931	\$334,400,500	\$923,301,392
Total Tri-County Areas	107,239	\$3,124,295,003	\$8,904,435,598

Adding in the boating related activities supported by the Fishing/Living Resources (there are over 2.4 million saltwater anglers in Florida, with total revenue topping \$25 million from recreational fishing license sales) and Recreation industries (saltwater beaches, saltwater fishing, saltwater boat ramps, wildlife viewing and nature study), the economic impact by the marine industry in for southeast Florida and the balance of state coastlines grows even greater.

TABLE 12
Ocean Economy Total Contribution to Florida GDP in 2011
(Millions of Dollars)

	Direct Contribution	Indirect & Induced	Total	Percent	Multipliers (Total/Direct)
Fishing/Living Resources	\$350.7	\$257.0	\$607.7	1.7	1.73
Marine Industry	1,775.6	1,829.4	3,605.0	10.3	2.03
Seaports/Water Transportation	6,314.0	6,737.8	13,051.8	37.1	2.07
Recreation	1,089.8	1,220.0	2,309.8	6.6	2.12
Ocean Tourism	7,984.8	7,605.9	15,590.7	44.3	1.95
Total	\$17,514.9	\$17,650.1	\$35,165.0	100.0	2.01
Percent	49.8	50.2	100.0		

The point of all these numbers and reports clearly underscores the importance of boating and fishing to the quality of life for the state's residents and importance of the industries that serve them. To access the complete FOA report, go to www.floridaoceanalliance.org/documents/OceansDay2013/FLORIDAS_OCEANS_AND_COASTS_AN_ECONOMIC_AND_CLUSTER_ANALYSIS.pdf.

News

Sales and Use Tax Exemption for Purchases of Industrial Machinery and Equipment



industrial machinery and equipment if they are purchased before the date the machinery and equipment are placed in service.

Effective April 30, 2014, an exemption from sales and use tax is available for purchases of industrial machinery and equipment used at a fixed location in Florida by an eligible manufacturing business that will manufacture, process, compound, or produce for sale items of tangible personal property. The exemption also includes parts and accessories for the

An “eligible manufacturing business” means any business whose primary business activity at the location where the industrial machinery and equipment are located is within the industries classified under manufacturing NAICS (North American Industry Classification System) codes 31, 32, and 33 published in 2007 by the Office of Management and Budget, Executive Office of the President. The primary business activity of an eligible business is that activity which represents more than 50 percent of the activities conducted at the location where the industrial machinery and equipment are located.

The Greater Fort Lauderdale Alliance has been working with the Department of Revenue to clarify “eligible manufacturing business”. Several shipyards have already been recognized as eligible. If you have questions or would like assistance determining your qualifications please contact Todd Holt, Director – Business Development 954-627-0124 tholt@GFLAlliance.org.

News

Riviera Beach Marina Getting \$375 Million Remake



Beach Community Redevelopment Agency Executive Director Tony Brown said in a news release. “We have one of the most spectacular waterfront locations in all of South Florida, and now we can finally move forward.” The first phase of construction broke ground on April 10.

Voters in Riviera Beach have approved a \$375 million public-private redevelopment plan for its marina, it was reported in the South Florida Business Journal on March 14. “The Marina redevelopment will bring hundreds and eventually thousands of jobs to local residents, in addition to millions in property tax revenues,” Riviera

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Event

NOAA, Coast Guard, and Army Corps of Engineers schedule public listening session



**May 22nd,
Embassy Suites,
Fort Lauderdale,
5-7 p.m.**

Tell us what info you need.

NOAA's Office of Coast Survey is joining the U.S. Coast Guard and the U.S. Army Corps of Engineers as hosts of a series of public discussions on navigational aid technology and information requirements. Coast Survey particularly wants to hear from mariners about their informational needs as they make navigational and voyage planning decisions.

"Mariners have unprecedented access to data and information streams, but are they getting the right information in the form they need it, when they need it?" asks Capt. Jon Swallow, chief of Coast Survey's Navigation Services Division. "Do navigators have the information they need for decisions on the bridge? What kind of information do ships need for smarter voyage planning?"

"NOAA is transforming navigational information into digital and electronic formats, and hearing from the men and women who use that data can help guide our future product development," Swallow says.

The public listening sessions are scheduled around the country, to give the maritime community -- both professional and recreational mariners -- and waterways stakeholders opportunities to tell federal officials about their emerging needs for navigational information and service delivery systems.

Local session

• Fort Lauderdale, Florida: May 22, 5-7 pm, Embassy Suites, 110 SE 17th Street

For more information on particular sessions, check with the [NOAA navigation manager in your region](#). If you are unable to attend any session, you can always provide comments through Coast Survey's [Nautical Inquiry & Comment System](#).

Event

MIASF Social on the River

**MARINE INDUSTRY'S
SOCIAL ON THE RIVER**
MIASF.ORG

**June 14, Esplanade
Park, Downtown
Fort Lauderdale,
noon to 6 p.m.**

A showcase for Broward County's

diverse marine industry of 90,000 workers from businesses that generate an economic impact in excess of \$7 billion. Opportunities to network, build relationships, listen to live entertainment and activities for children while recognizing the

skilled jobs that bring growth and development to the world's leading yacht and boating capital.

There will be a Jobs page on the MIASF website which will include the member companies offering positions, along with a brief job description and company contact person. Members interested in submitting details of available jobs should do so by contacting info@miasf.org or 954-524-2733. The goal is to have over 100 open positions offered on the website and to connect interested job candidates with employers in the marine industry. Over time, it's hoped the service will grow in use by members and the public.

Event

MIASF Annual Meeting- Save the Date



**Marine Industries Association
of South Florida**

**Here's the Deal -
June 28th at 6 p.m.**

MIASF's Annual Meeting will take on a new venue this year

with a waterfront view. This is your opportunity to meet the new Board of Directors and be present as we recognize outstanding

industry leaders and businesses for their contributions. As always there will be fun and this year there will be games. Be sure to mark your calendar!

NOAA, Coast Guard, and Army Corps of Engineers schedule public listening session in Fort Lauderdale on May 22nd, Embassy Suites, 110 SE 17th Street