



PORT MASTER PLANNING

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10.24.17



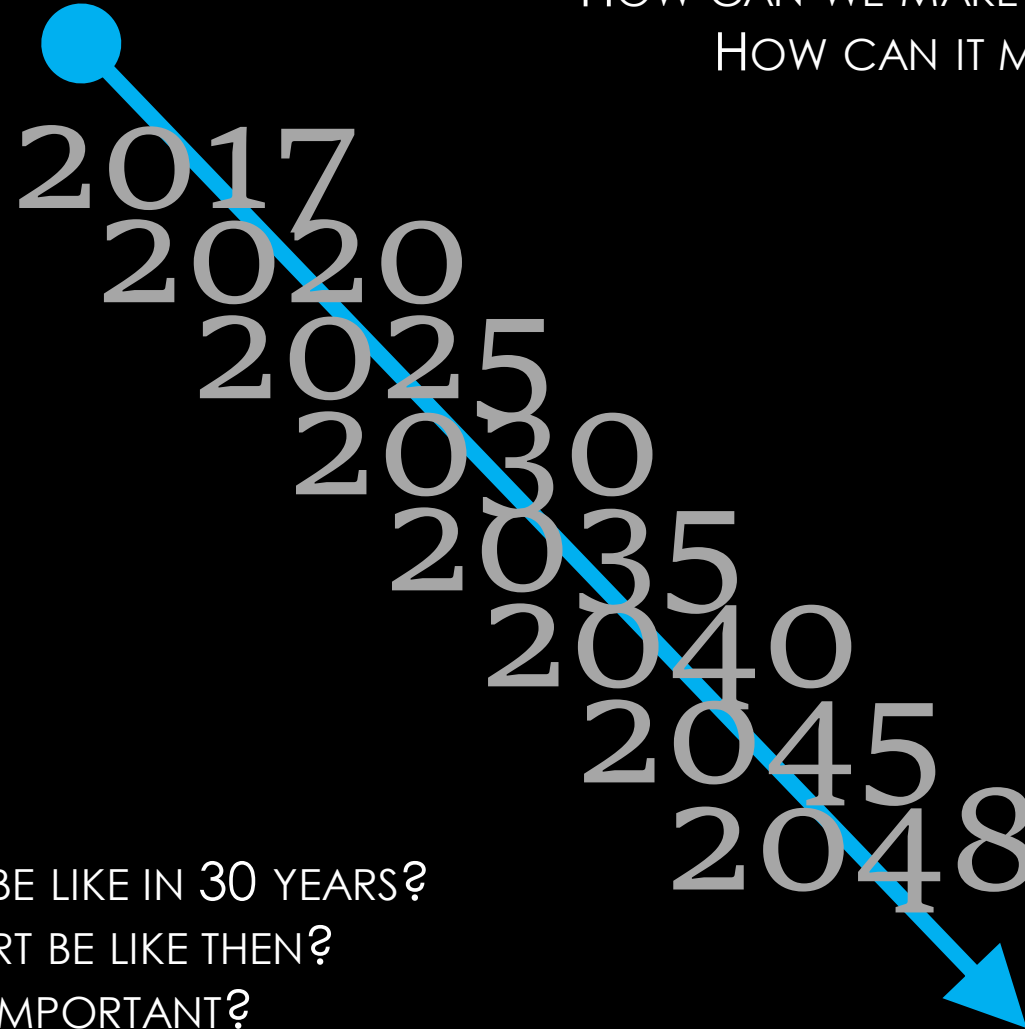
B&A Ports experience



Master Planning

Practical

WHAT ARE THE NEEDS OF THE COMMUNITY?
HOW CAN WE SUPPORT THE USERS?
HOW CAN WE MAKE THE PORT SUSTAINABLE?
HOW CAN IT MEET ITS MISSION?



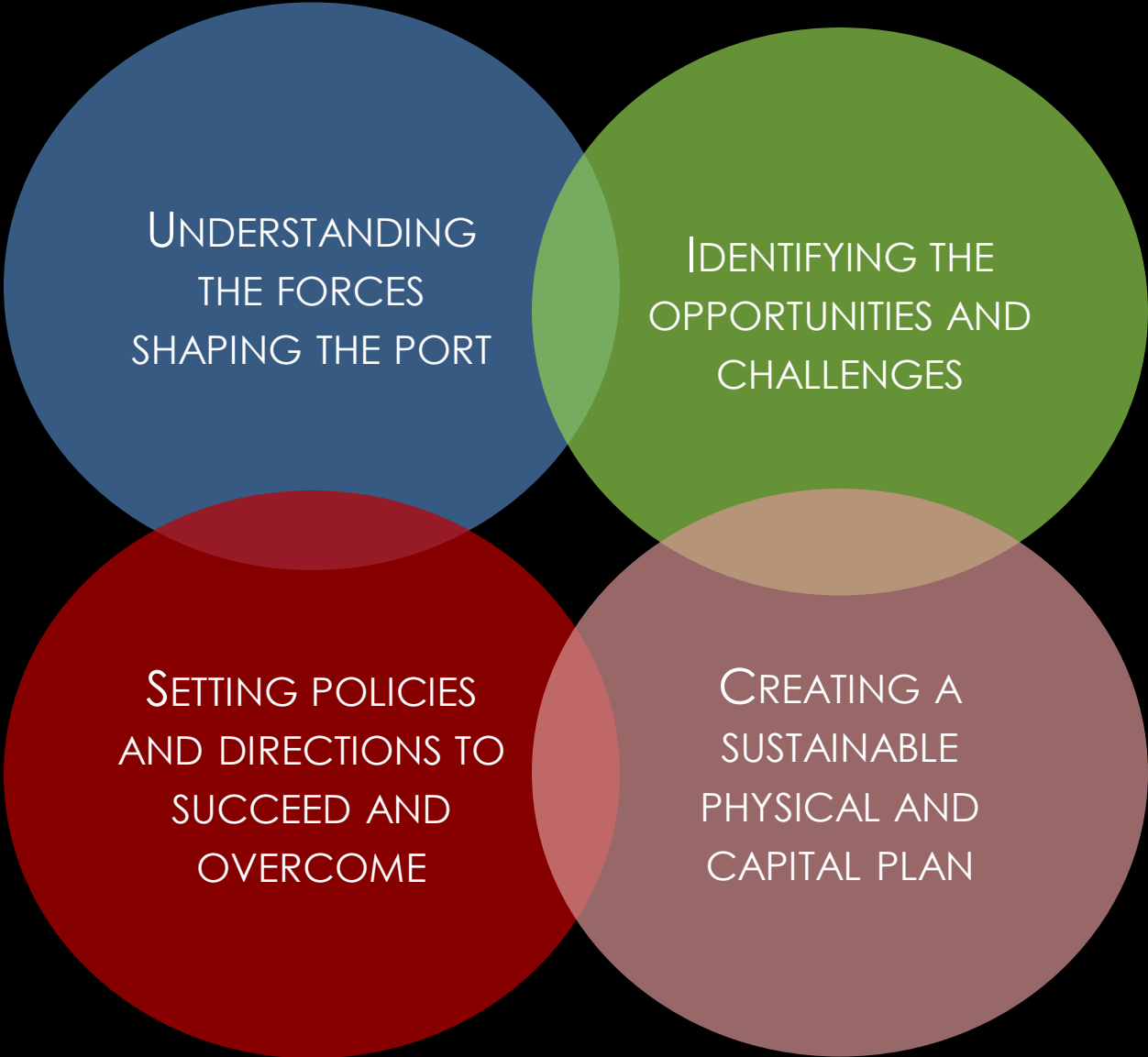
WHAT WILL THIS PLACE BE LIKE IN 30 YEARS?
WHAT WILL THE PORT BE LIKE THEN?
WHAT WILL BE IMPORTANT?

Visionary

What type of master plan does a port need

- **Strategic plan** - needed when underlying forces change direction
 - Market
 - Political
 - Environmental
- **Master Plan** - A “regular” detailed plan is an engineering document solving the physical aspects of a facility
- **Specific facility master plan** – set to execute individual projects

Strategic plan



Cohesive planning approach

- As a strategic document
 - Creating the vision - emotive - a source of inspiration
 - Setting direction
 - what the organization wants to be
 - what the world in which it operates will be
 - a long-term view
- As a Master Plan
 - Shifting and prioritizing capital resources
 - Providing flexibility
- As a tactical plan
 - Identifying specific projects or ideas
 - Creating a sequence of events
- As a community document
 - Foresees and avoid issues
 - Builds support

CREATING THE VISION

**AS A PLATFORM FOR
GROWTH BY THE PRIVATE
SECTOR**

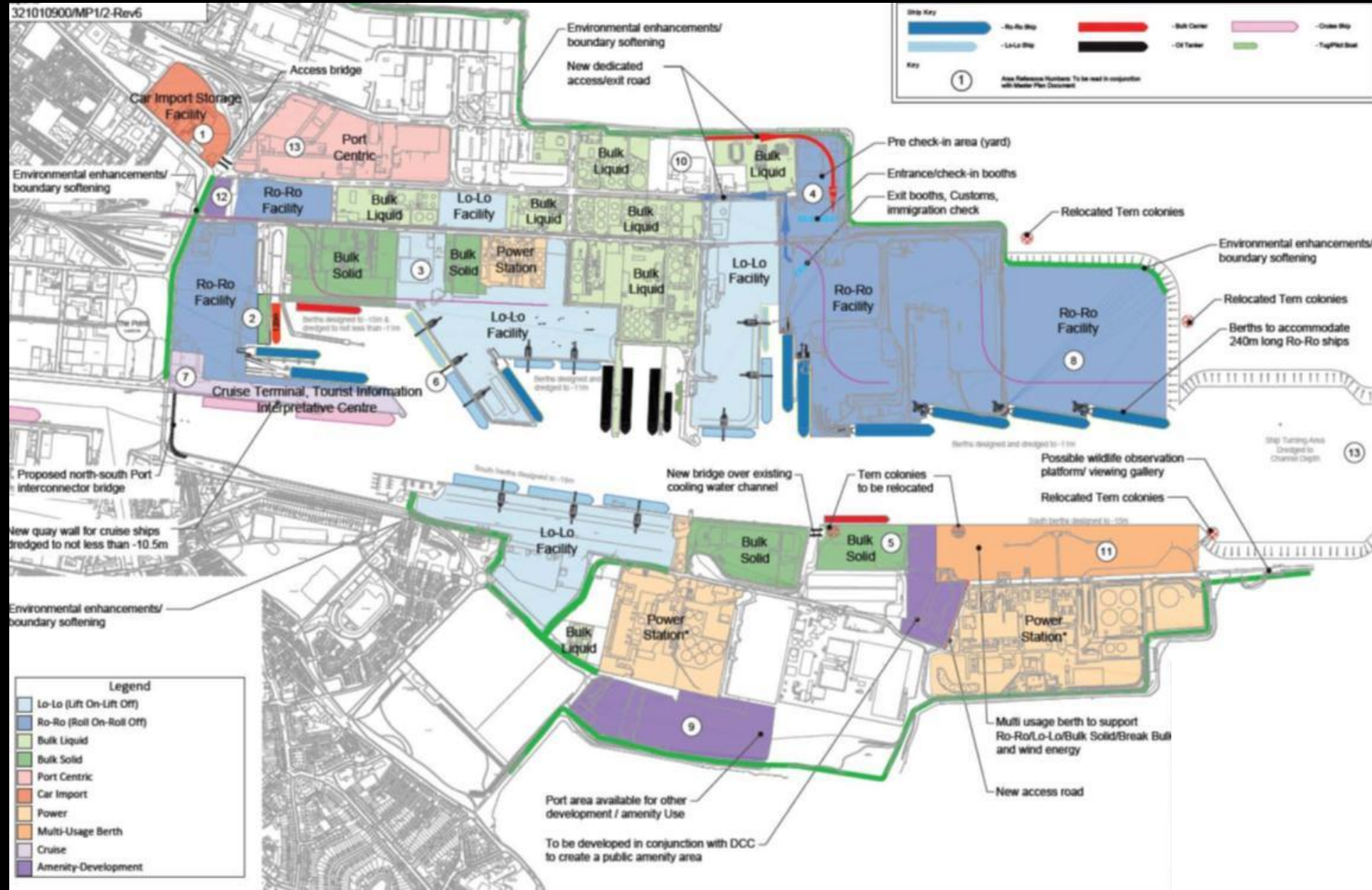
**CREATE A MORE
COMPETITIVE FACILITY**

SUSTAINABLE PLAN

Approach

- Sometimes you need to step back with fresh eyes
- Begin with a historic context
- Overlay the realities of today
- Frame the “Vision” for the region
- Develop a context for the surrounds
- Creating a vision might require change; lots of change difficult

Dublin's master plan



Dublin.....Port

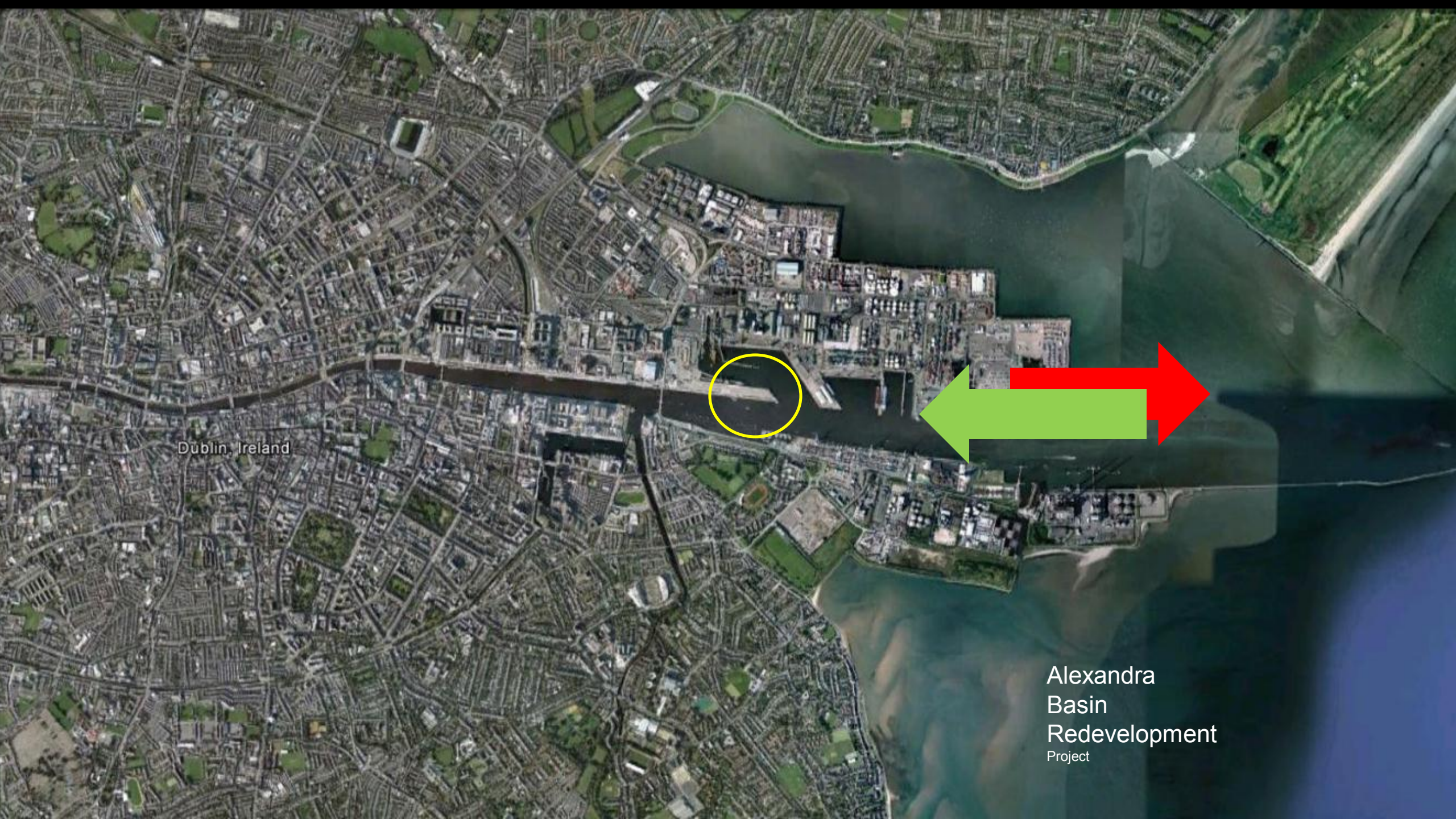


The port and Dublin

- Has given way to the City, providing docklands for regeneration
- Moving seaward to deeper waters
- The City quickly filled in behind
- What was once an intimate relation has given way to walls and separation

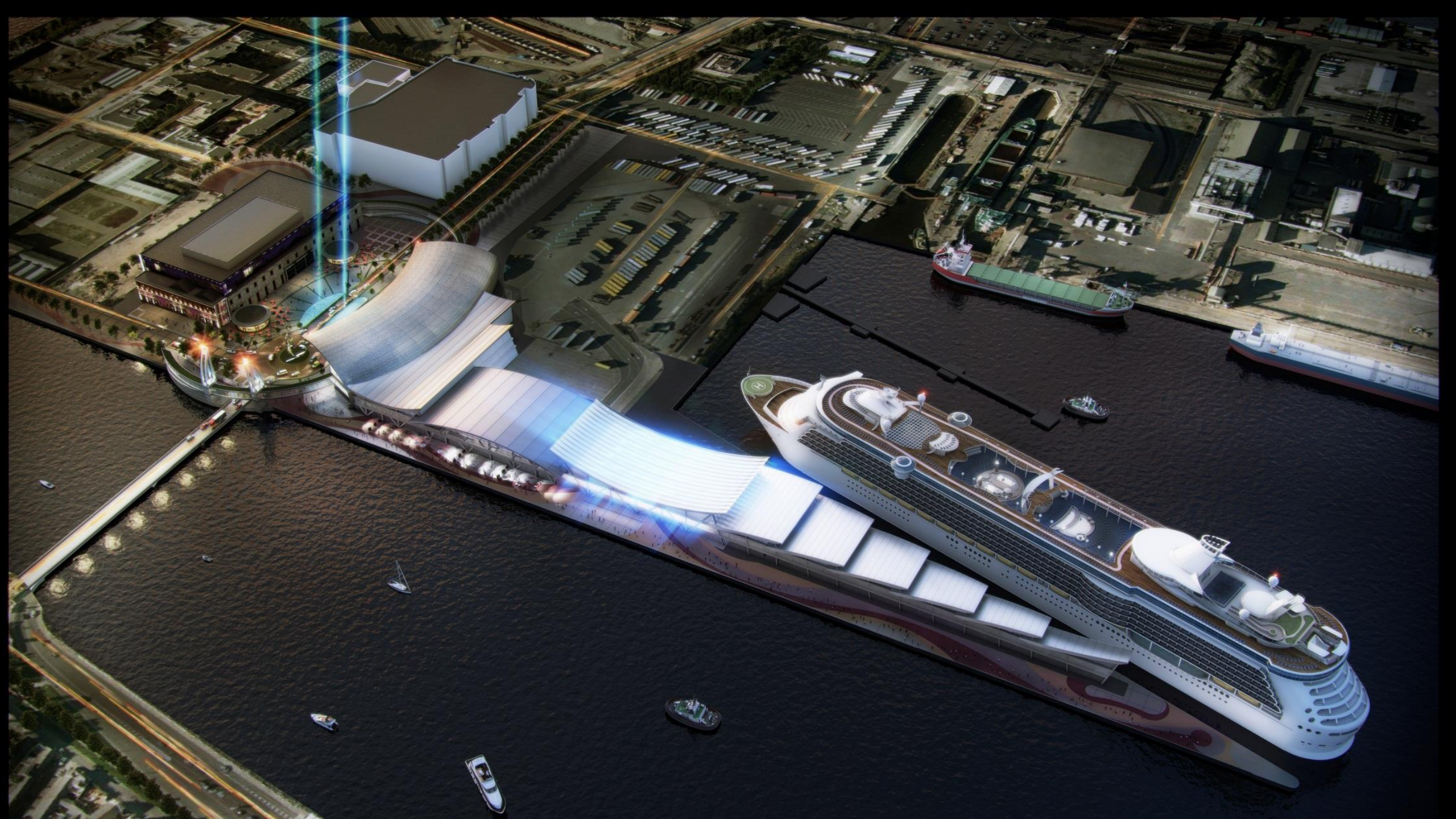
- An ongoing “dance” between the Port and the City

- Now we have a unique opportunity to grasp a new future relationship between the Port and City
- Based on sound economics
- With the purpose to stimulate the economy and the City
- Reengage the role of a working waterfront in a modern Dublin



Dublin, Ireland

Alexandra
Basin
Redevelopment
Project



The new port square – “two personalities - with and without ships”





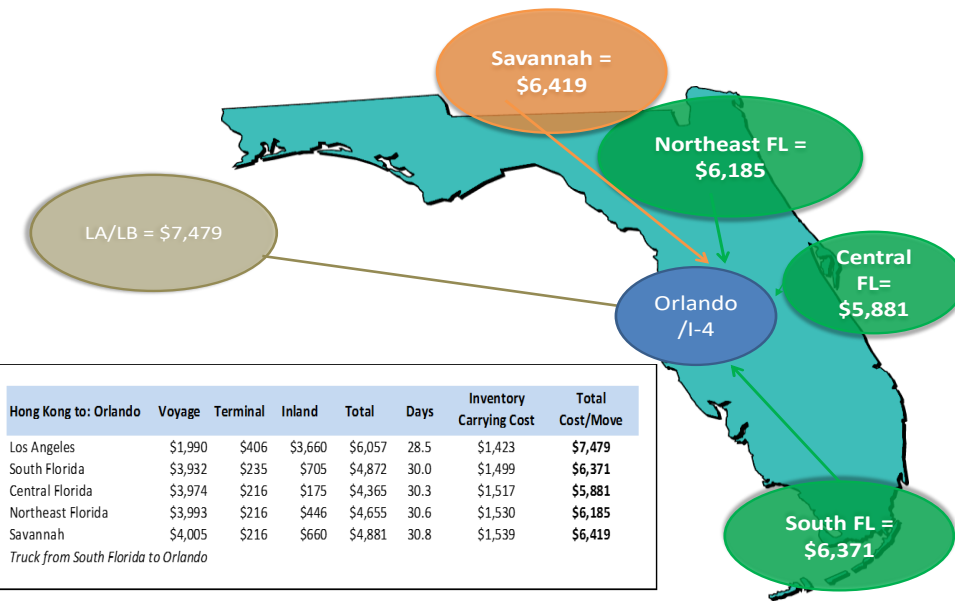
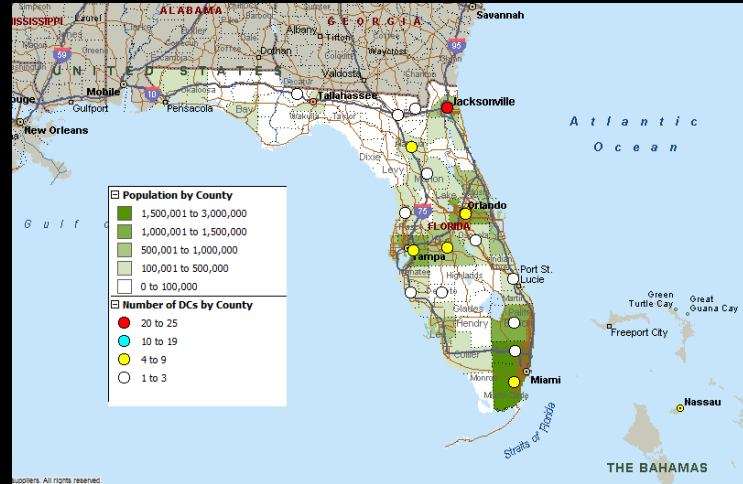
COMMODITIES

- Assessing markets
 - Bulk
 - Container
 - General
 - Auto
 - Project
 - Industrial
 - Cruise
 - Ferry

Forecasting

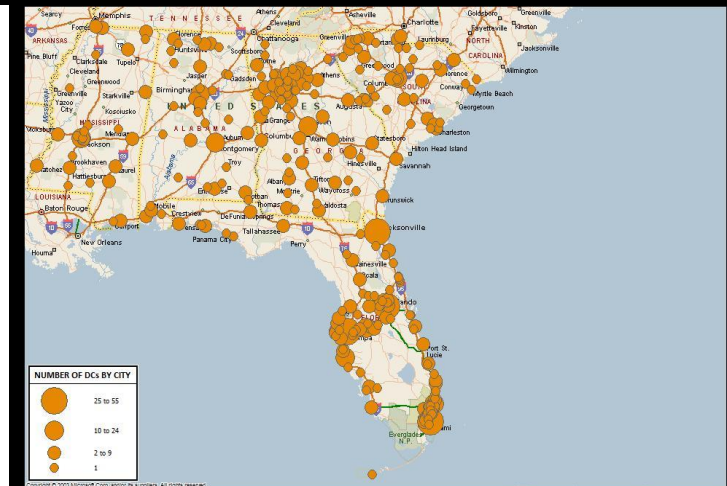
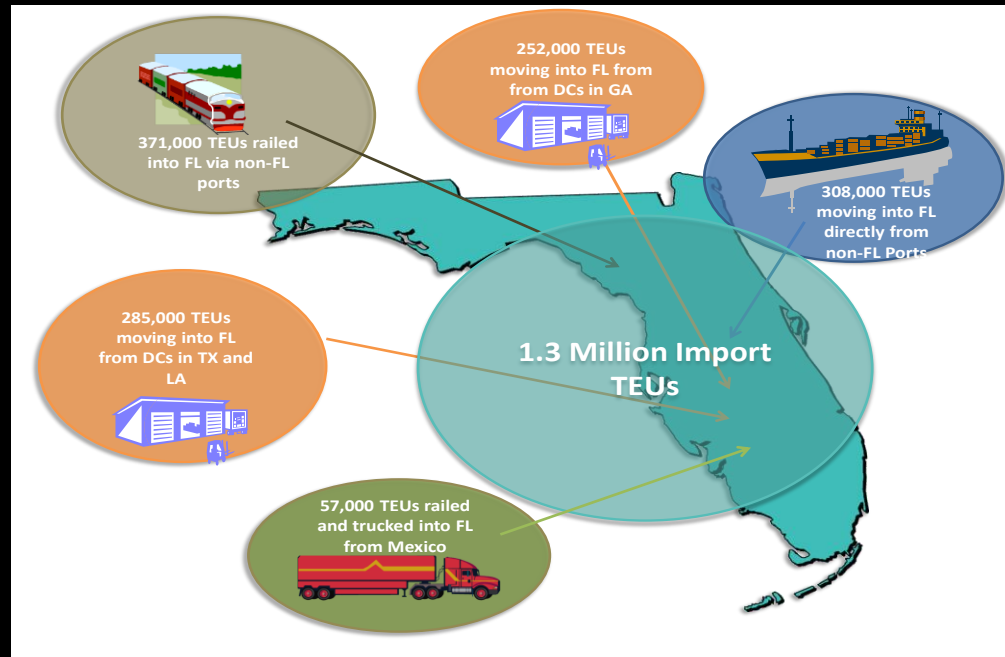
- Sometime it is an understanding of where market might be going
- Another time is recognizing when the market is going the other way
- It is rarely – long-term a regression study.

Understanding consumption and transport logistics



Hong Kong to: Orlando	Voyage	Terminal	Inland	Total	Days	Inventory Carrying Cost	Total Cost/Move
Los Angeles	\$1,990	\$406	\$3,660	\$6,057	28.5	\$1,423	\$7,479
South Florida	\$3,932	\$235	\$705	\$4,872	30.0	\$1,499	\$6,371
Central Florida	\$3,974	\$216	\$175	\$4,365	30.3	\$1,517	\$5,881
Northeast Florida	\$3,993	\$216	\$446	\$4,655	30.6	\$1,530	\$6,185
Savannah	\$4,005	\$216	\$660	\$4,881	30.8	\$1,539	\$6,419

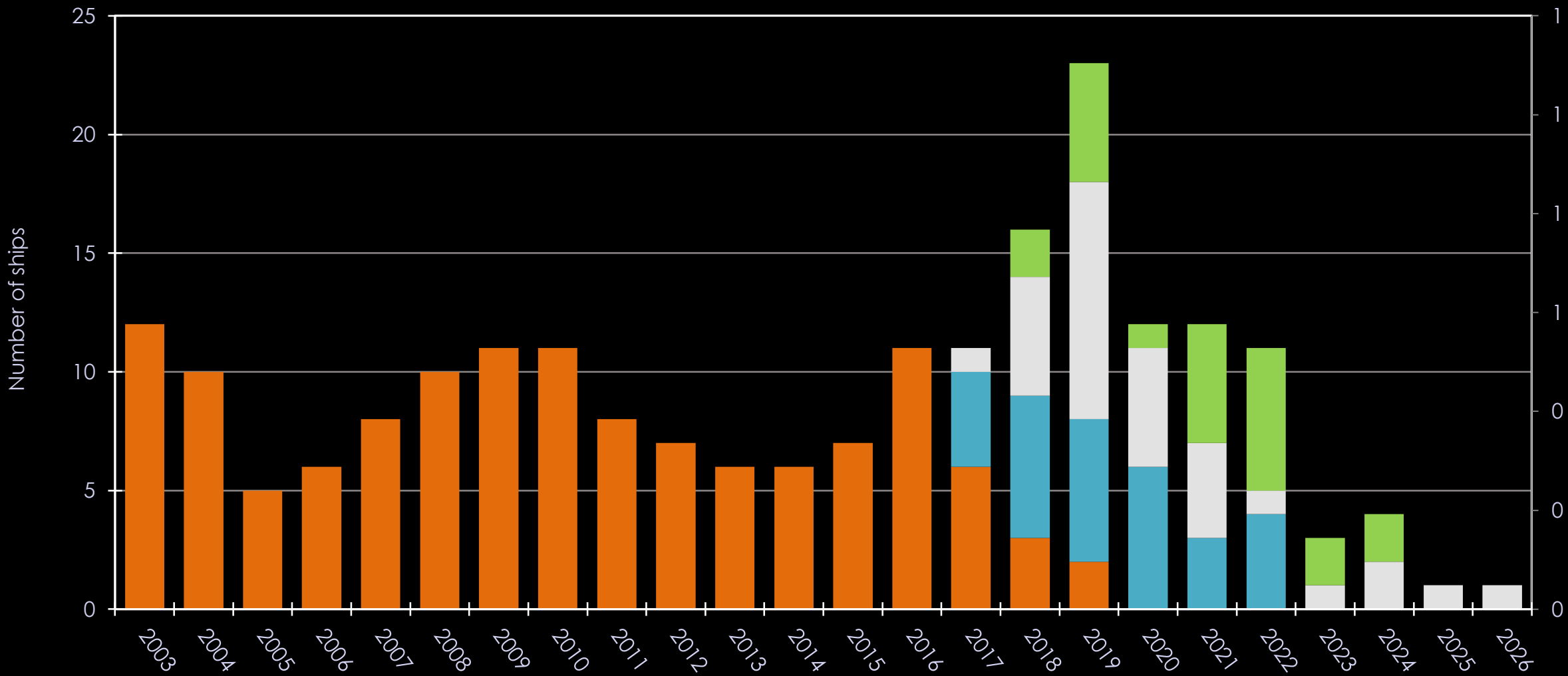
Truck from South Florida to Orlando



Market assessment

- Interview intensive
 - Current operations
 - Markets served
 - Potential new markets
 - Competitive position of operations compared to other ports
 - Rail/highway interface
 - Productivity
 - Terminal operating costs
 - Lease structure/Pricing
 - Constraints
 - Physical
 - Operational
 - Potential impact of enhanced access
- Facility needs/Operational changes
 - Optimization of assets

Ship order progression



ships 2014

ships 2015

ships 2016

ships 2017

REAL ESTATE

The role of commercial development

- In many ports throughout the US, real estate income is major source of income
 - San Diego
 - Seattle
 - NY/NJ
 - San Francisco
- Diversity of income
- Income not dependent on user fees
- The port needs a strong third leg to its financial stool
 - Cargo
 - Cruise
 - Commercial



Three strategies

- ① Identify real estate strategic for cargo growth
 - Yards
 - Distribution centers
 - Ancillary
- ② Identify real estate strategic to meet community needs
 - Open space
 - Recreation
 - Buffer
- ③ Identify real estate to generate revenue

ENVIRONMENT



Environmentally friendly policies

- More with less
- Minimize the environmental footprint
 - Physically
 - Emission / discharge
 - Construction
 - DO MORE WITH LESS
 - Higher development densities
 - Define the physical footprints

The role of the environmental part in a strategic plan

- Cooperative relationships regarding challenging issues
- Use SMP to continually improve communications
- Identify ways to promote positive environmental image for the port
- Selection of least environmentally damaging practicable alternatives (LEDPA)
 - Develop short, medium, and long term environmental strategies
 - Define an approach to balance building and preservation
- Engage the regulatory agencies into the process
- Development of a long-term permitting strategy



COMMUNITY

The relationship of a port and its community

- Is framed within the management structure
 - Elected Port Authority
 - Appointed Port Authority
 - A Department of a municipal entity
 - A private port
- Most ports have had to evolve to off-site facilities
- The relationship changes when the site boundary is crossed
- When a port loses traffic the relationship changes

Keys to successful community involvement

- Having credibility!
- Identifying the key people early
- Communications from the on-set
- Willing to change and respond
- Listening
- Feedback
- Appropriate forums
- Know and balance the audience to get a total picture

Define the community

- Community as a whole as the fundamental stockholders of the port
- Policy Board
- Management
- Port users
- Direct customers
- Indirect customers
- Community as defined by interests
 - Businesses that rely on the port
 - Businesses that are impacted by the impact of the port
 - Immediate neighbors to all properties
 - Special interests
 - Environmental
 - Fishing
 - Recreation
 - Boaters
- Outside interests
- Media

Approach



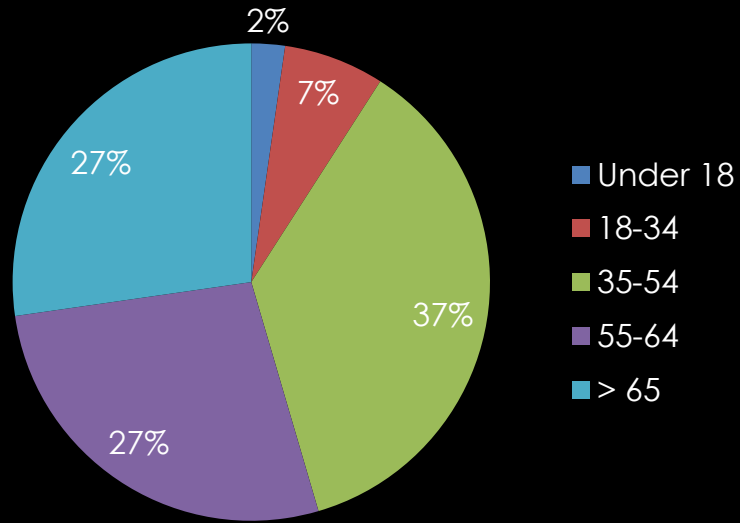
Outreach approach

Community	Milestones					
	1	2	3	4	5	6
Board	█			█		█
Management	█	█	█	█	█	█
Port users	█	█	█			█
Direct customers	█		█			█
Indirect customers	█			█		█
Business community	█		█			█
Neighbors	█		█	█		█
Environmental	█		█	█		█
Fishing	█		█	█		█
Recreation	█		█	█		█
Boating	█		█	█		█
Region	█			█		█
State	█			█		█
Media	█			█		█

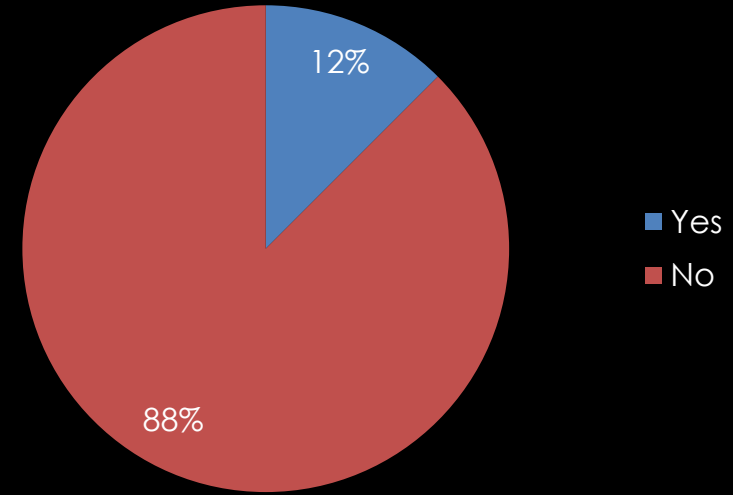
Outreach approach

- One on one
- Committees
- Groups of common interest
- Social media
- Survey mechanisms
- Port web site platform
- Newsletters
- Interviews
- Presentations to community groups
- Public meetings (open houses)

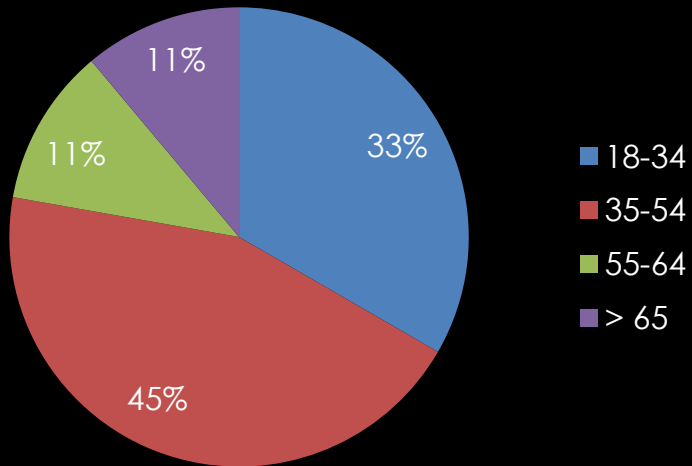
Understanding the constituency



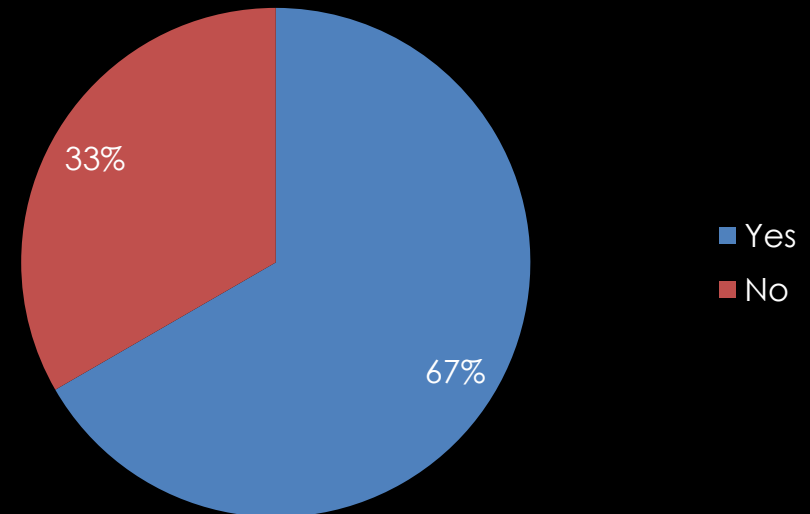
AGE - RESIDENTS



DO YOU HAVE CHILDREN?

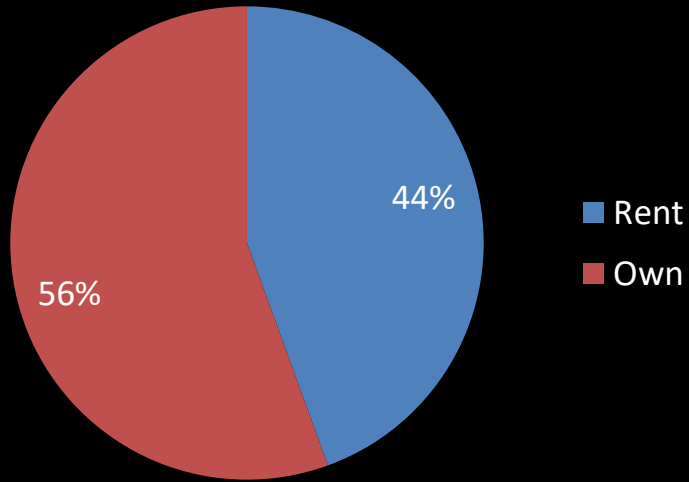


AGE - NON-RESIDENTS

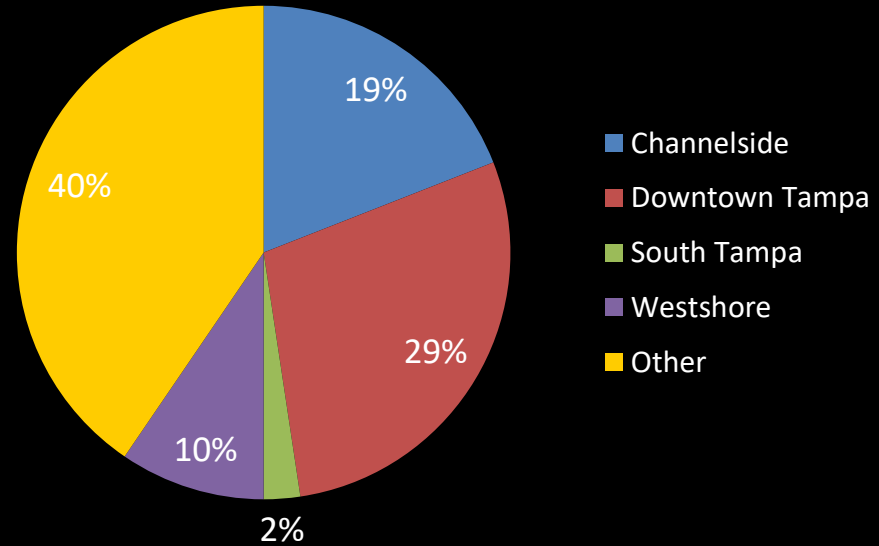


DO YOU HAVE DOGS?

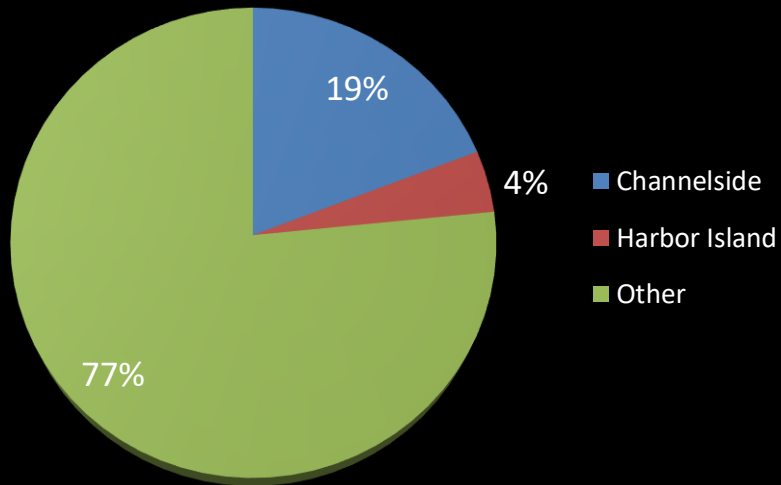
Understanding the constituency



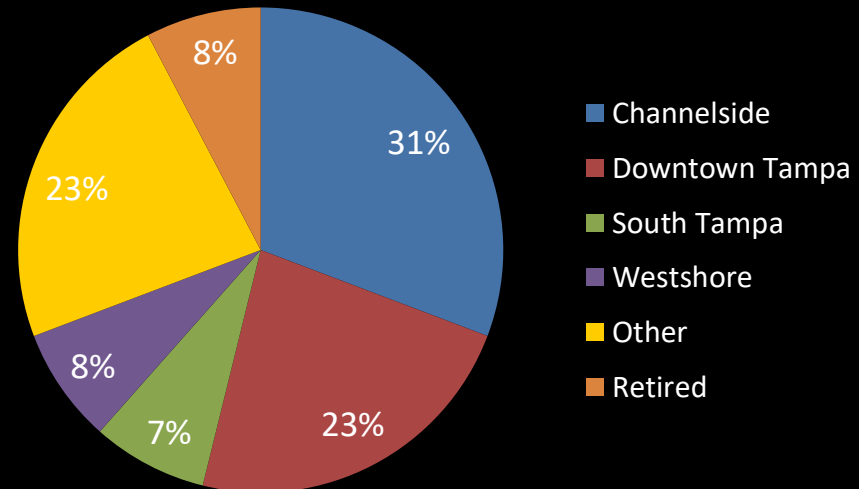
DO YOU OWN OR RENT?



WHERE DO YOU WORK? (RESIDENTS)



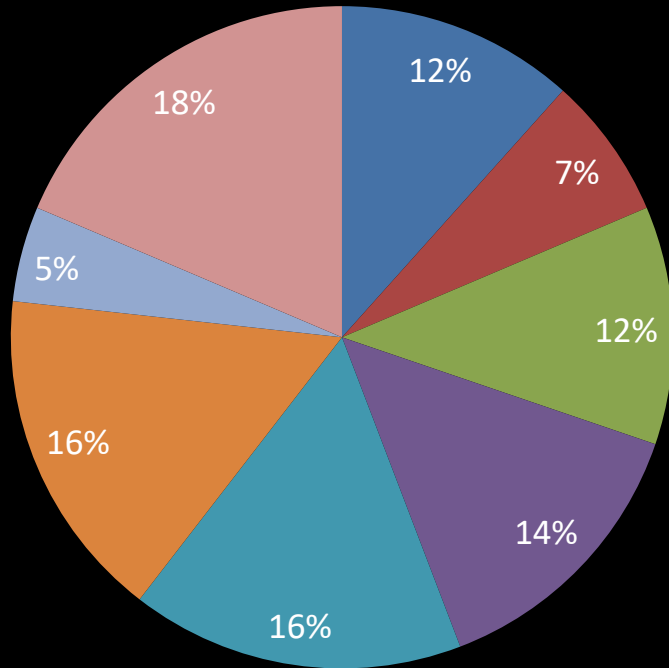
WHERE DO YOU LIVE?



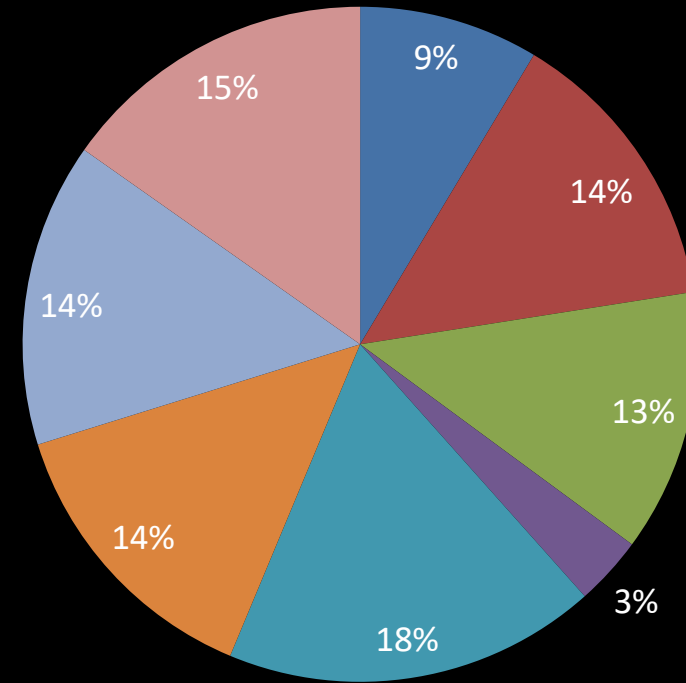
WHERE DO YOU WORK? (ON-RESIDENTS)

What kind of land uses would you like to see?

Residents



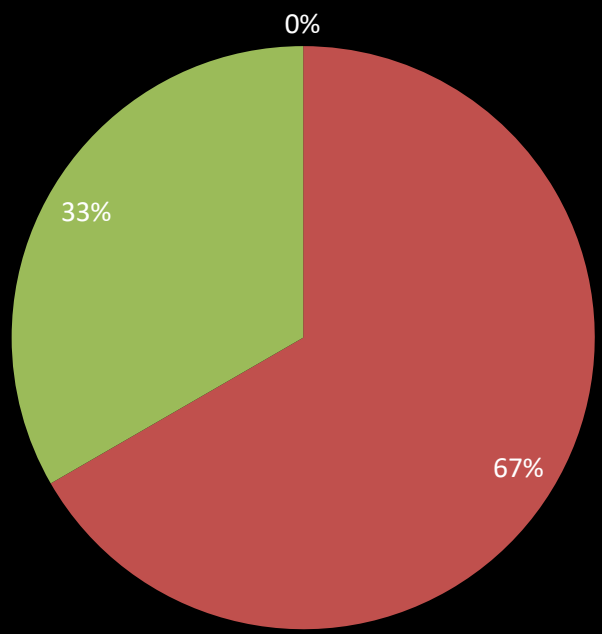
Non-residents



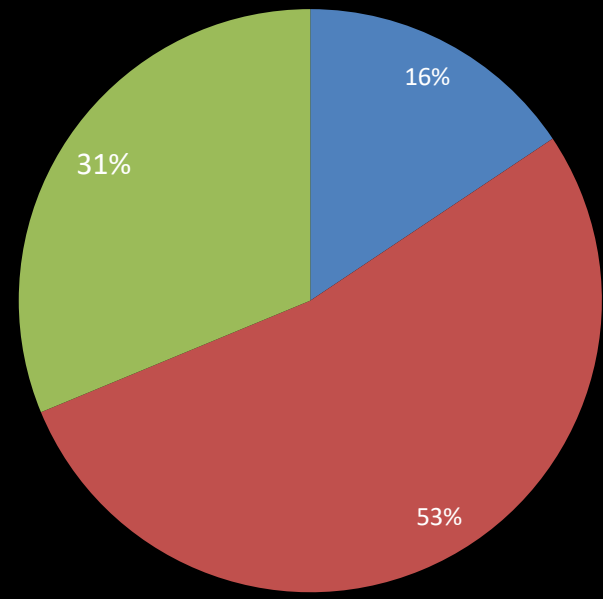
- Active Recreation
- Passive Recreation
- Midrise Residential
- Midrise Office
- Ground Floor Retail
- Hotel
- Tourist Destinations
- Marina

Which option do you prefer?

Residents



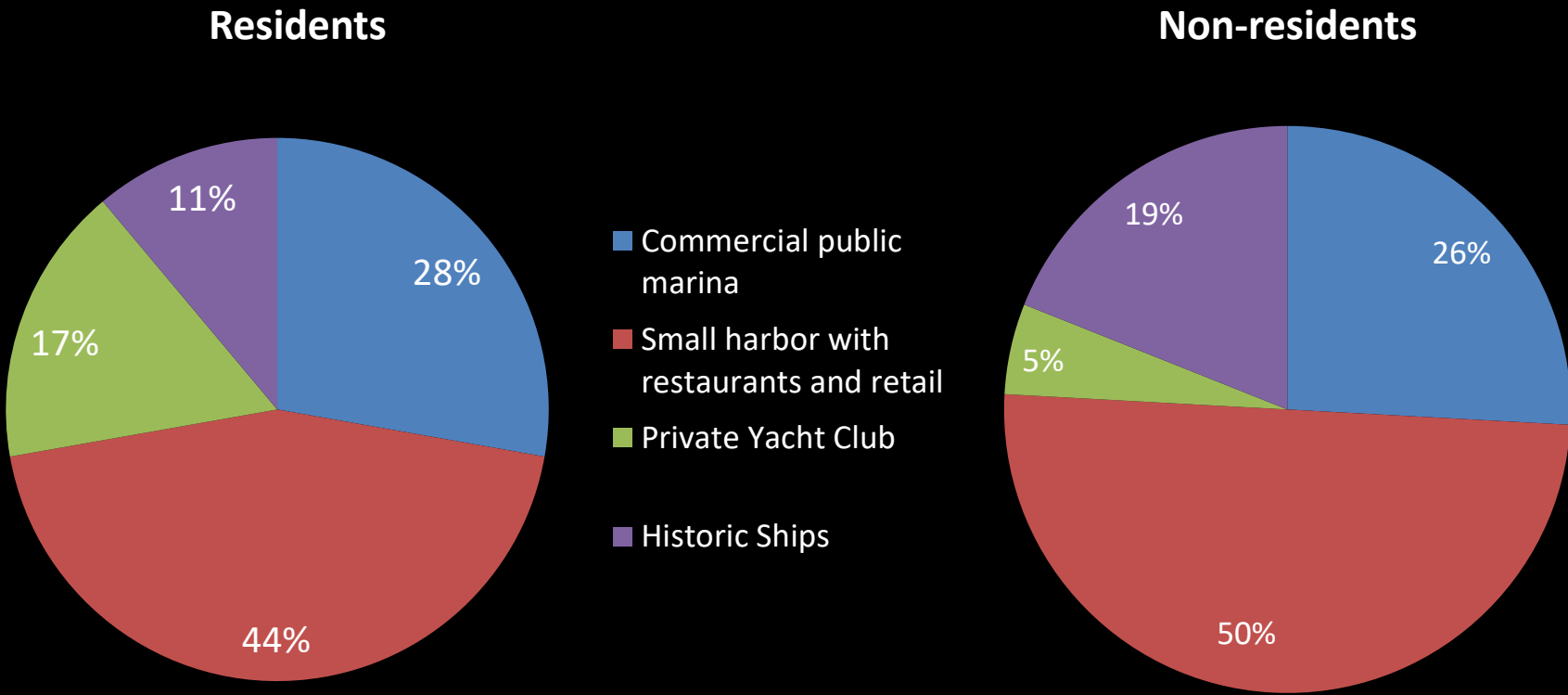
Non-residents



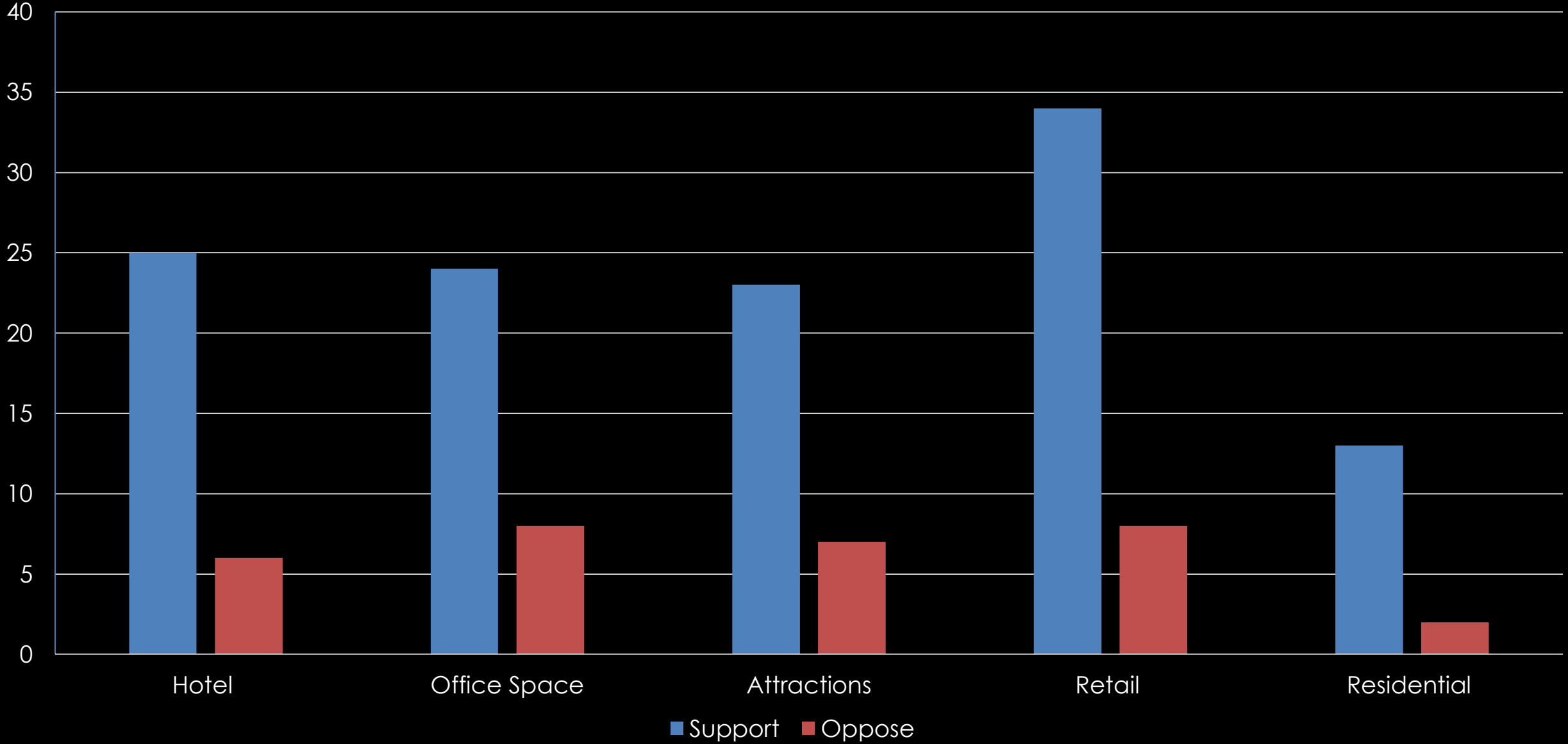
- Option A
- Option B
- Option C



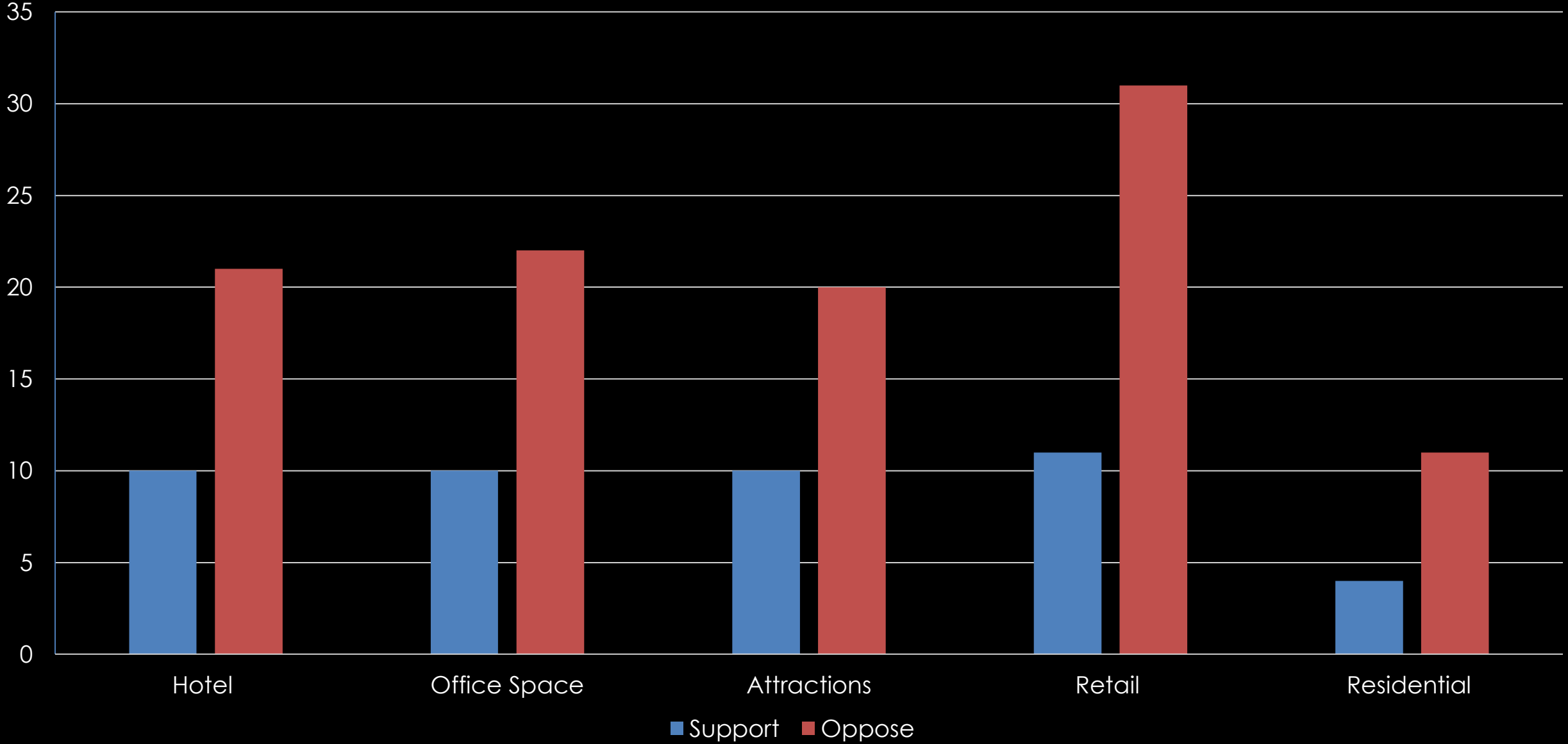
What would you like to see in non maritime areas?



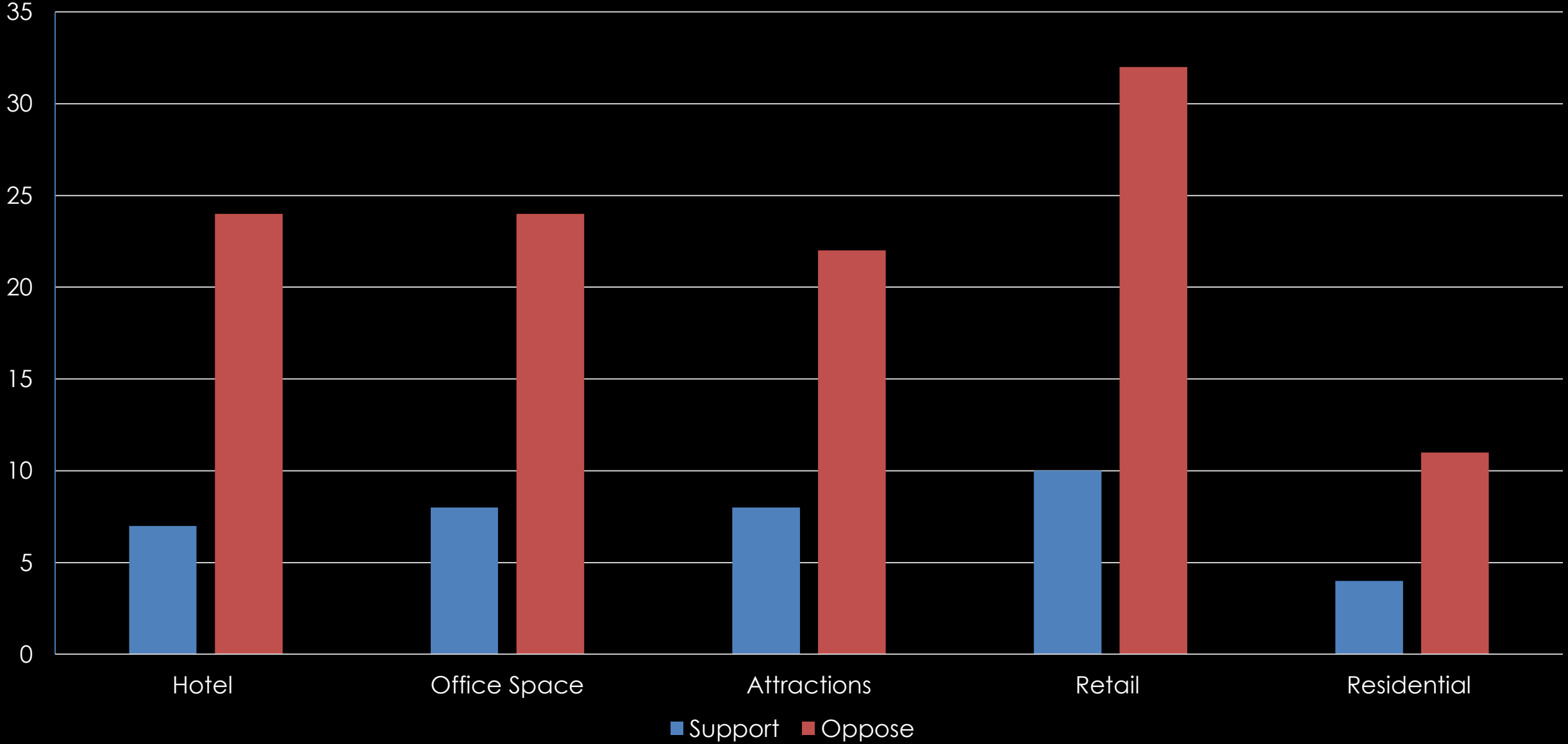
Citizens



People that do business with the port



People that depend on the port





FINANCIAL

Financial sustainability

Being able to achieve the mission

While staying competitive = user fees

Maintaining financial sustainability

- Identify income sources
- Achieving a higher diversity
- Non maritime income

- Evaluate and plan for expenses
 - Reserves
 - Maintenance
 - R&R funds

- Revenue producing VS
- Public non-revenue producing

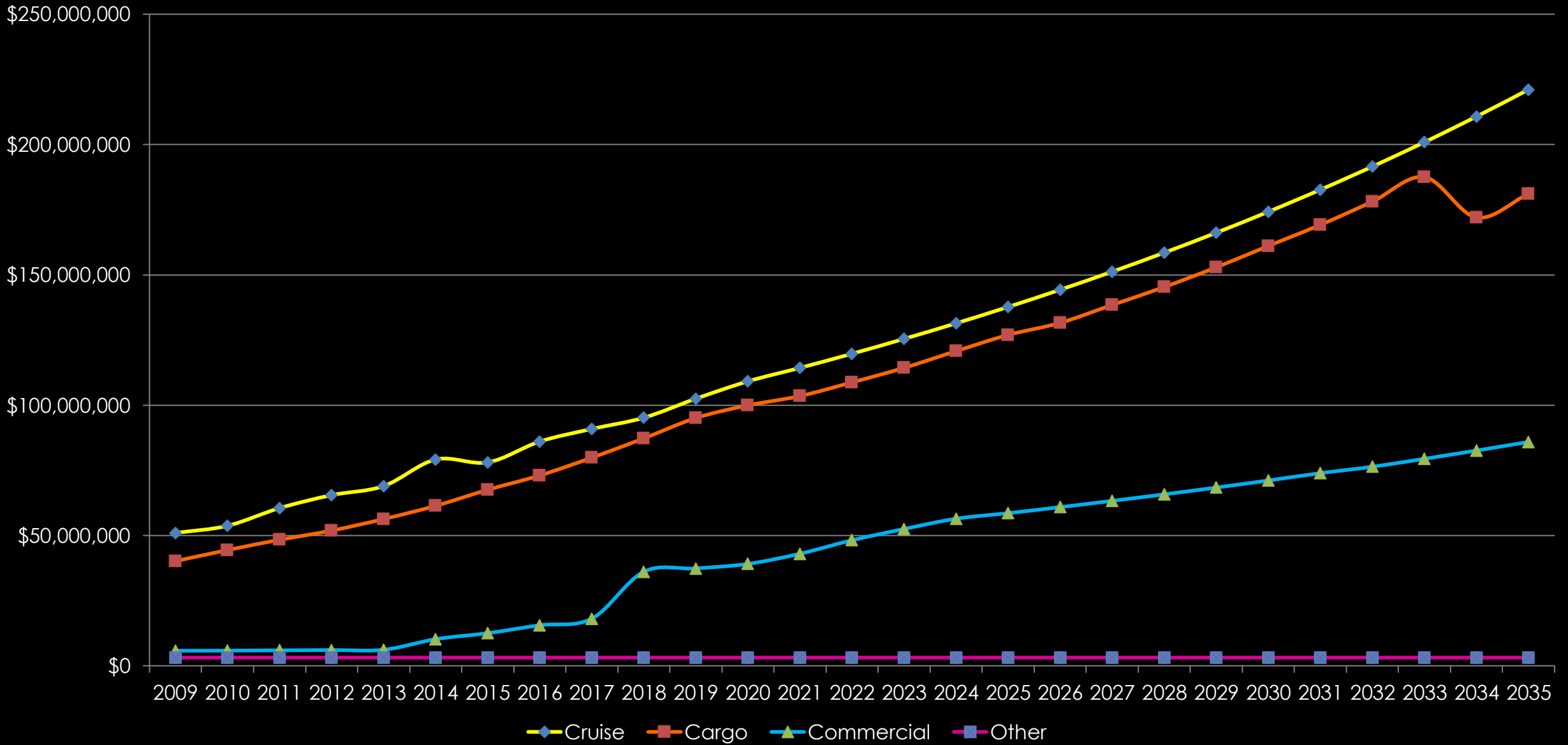
Financial sustainability goals

- Design a plan for profitable operating performance
- Create mechanisms to evaluate timing of investments
- Look at mechanism to balance investments based on:
 - Political needs
 - Tests for ROI
 - Test for economic impacts
- Sequence investments to weigh long-term sustainability
- Create a predictable financial model to test the plan

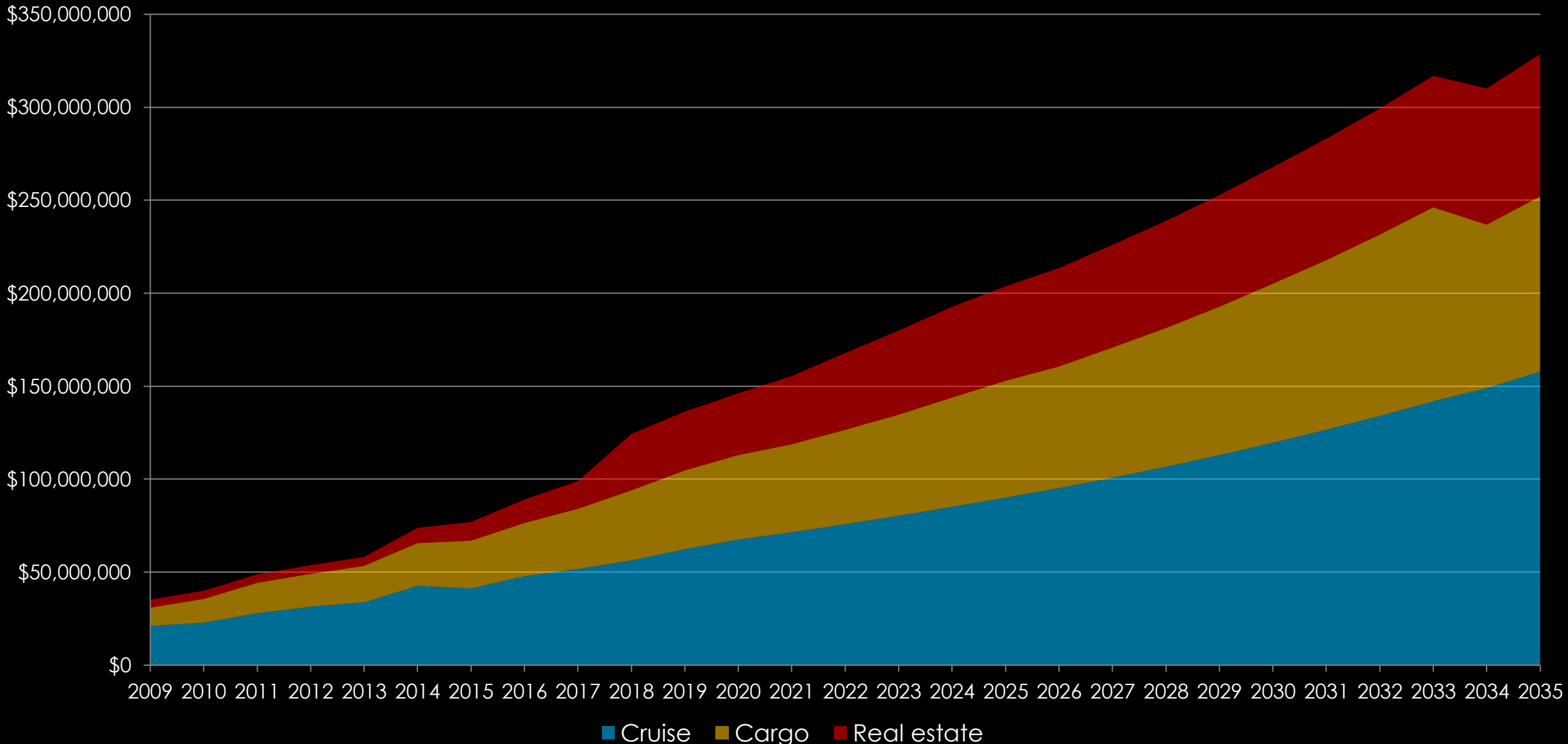
Creation of an integrated and queryable financial model

- Revenues
 - Forecast based
 - Includes all individual usage agreements
 - Includes all leases and other revenues
 - Segregated by division (cruise, cargo, leases, recreation, etc.)
- Tariffs
 - Sensitive to future tariff increases
 - By contract
 - By published tariff
- Future uses
 - Includes all future identified uses
- Expenses
 - By division (maintenance, management, security, operations, etc.)
 - By business unit
- Net revenues
 - By division
 - By business unit

Gross revenues by business unit



Net revenues by business unit



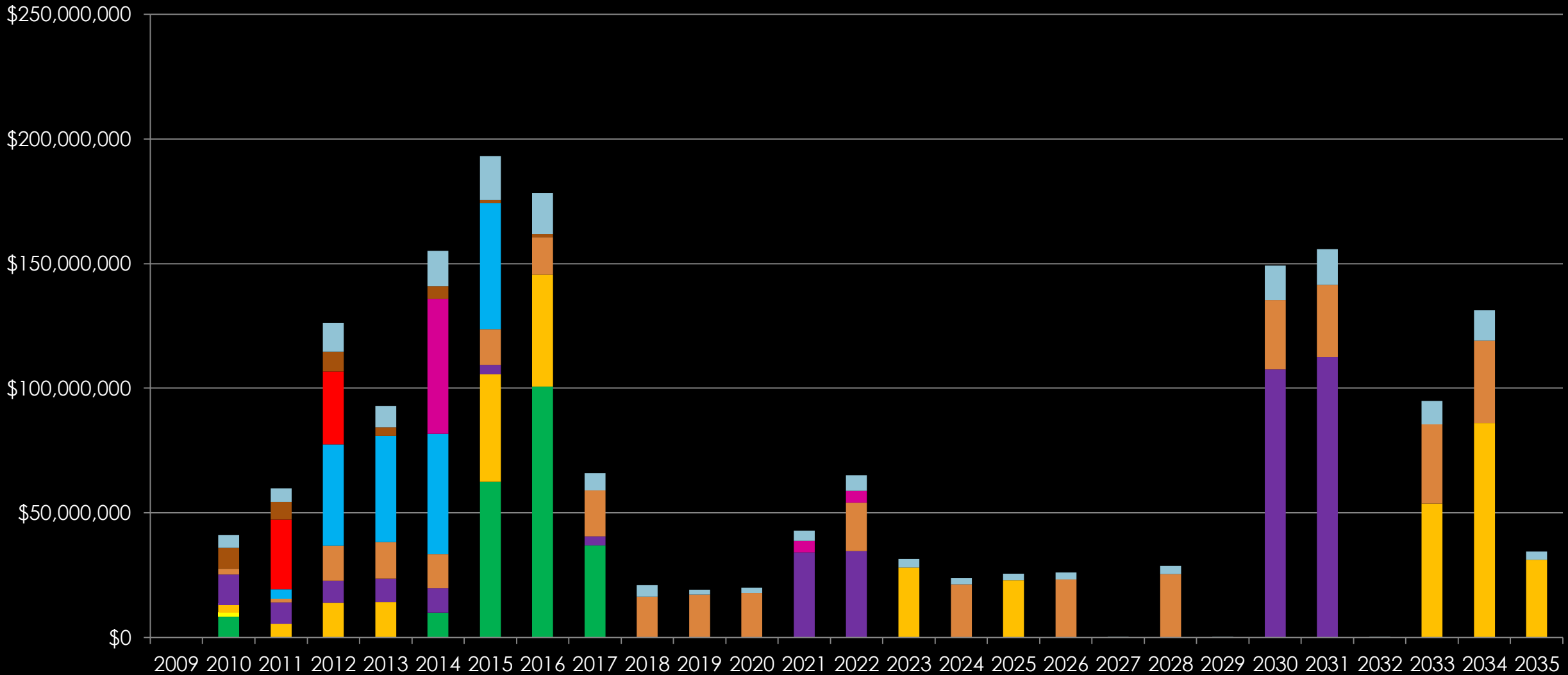
Expenses to revenue ratio



Funds available for debt service

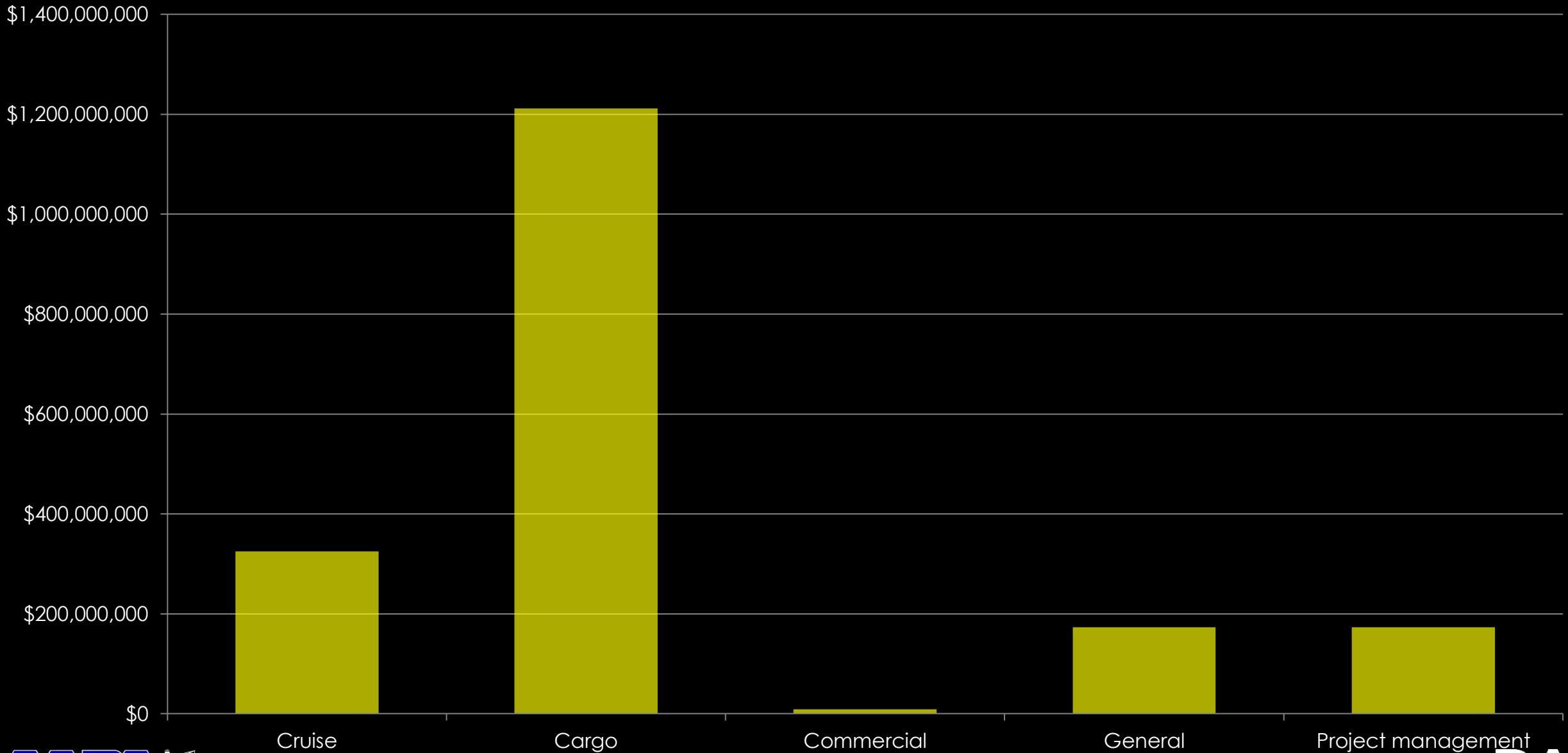


Capital needs by project type

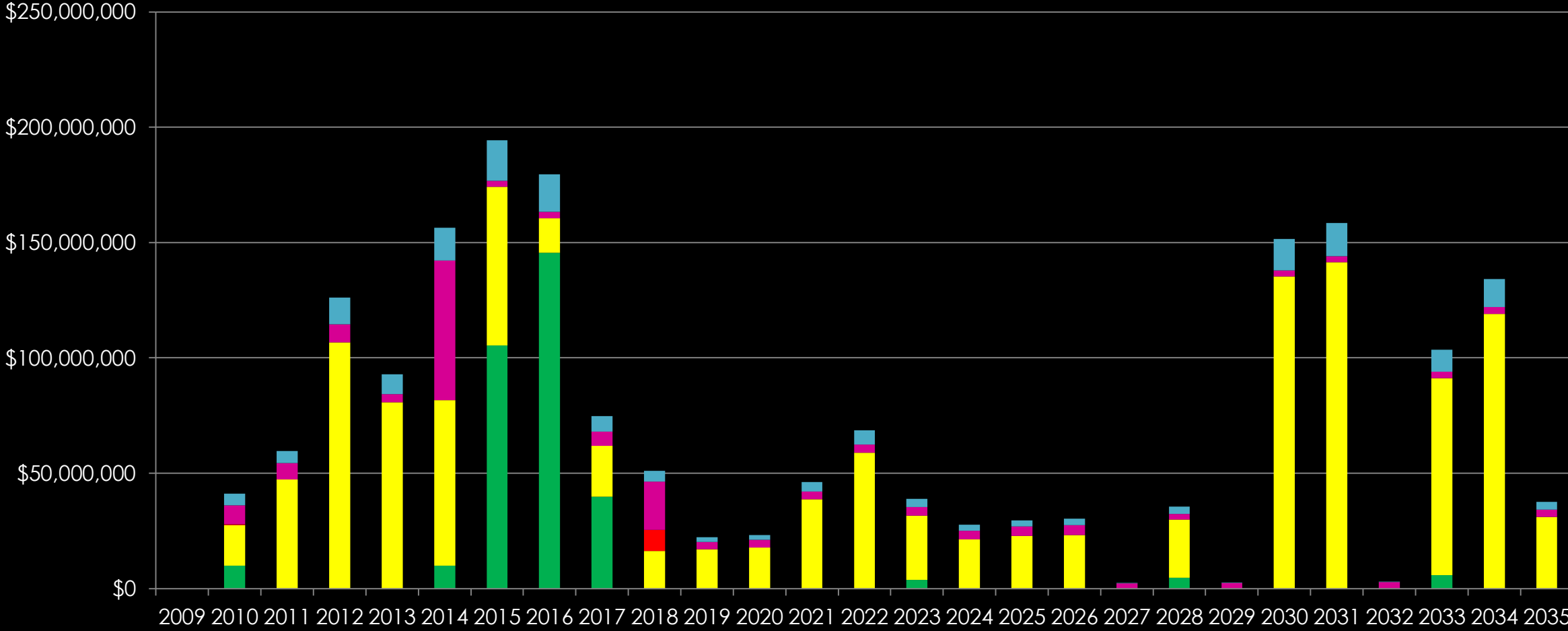


- Cruise terminal
- Parking
- Berth and apron
- Security
- Cargo yard
- Cranes
- Channel
- Transportation
- Railroad
- General operations
- Administration

Capital needs by business unit

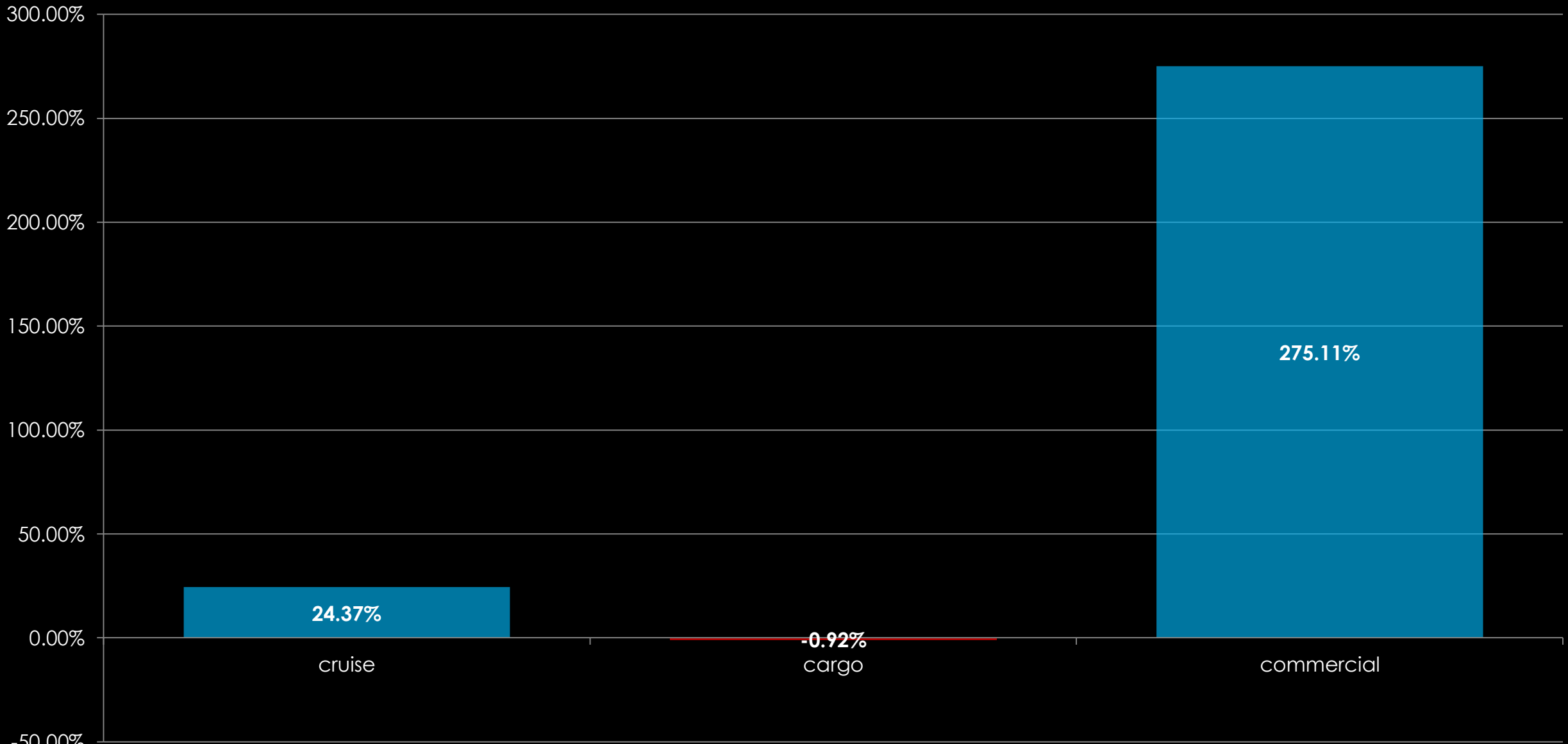


Capital needs by business unit



■ Cruise
 ■ Cargo
 ■ Commercial
 ■ General
 ■ Project management

IRR by business type



2017



2020



2022



2024



2025



2030



2040



2047



2047 Master plan



CLOSING

A Strategic Plan

- Ability
 - Vision
 - Forecast
 - Track
 - Finance
- Understanding
 - Community
 - Markets
- Integration
 - Capital plan
 - Financial plan
 - Implementation plan
- Practical
- Bring experts in each of the major fields
- Inclusive approach to planning
- Heavy coordination



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