

THE CRITICAL NEED FOR
ALTERNATIVE FUNDING
FOR
HARBOR DEEPENING
PROJECTS

August 27th - 28th, 2012

Sofitel Lafayette Square Hotel

806 15th Street NW

Washington, DC 20005

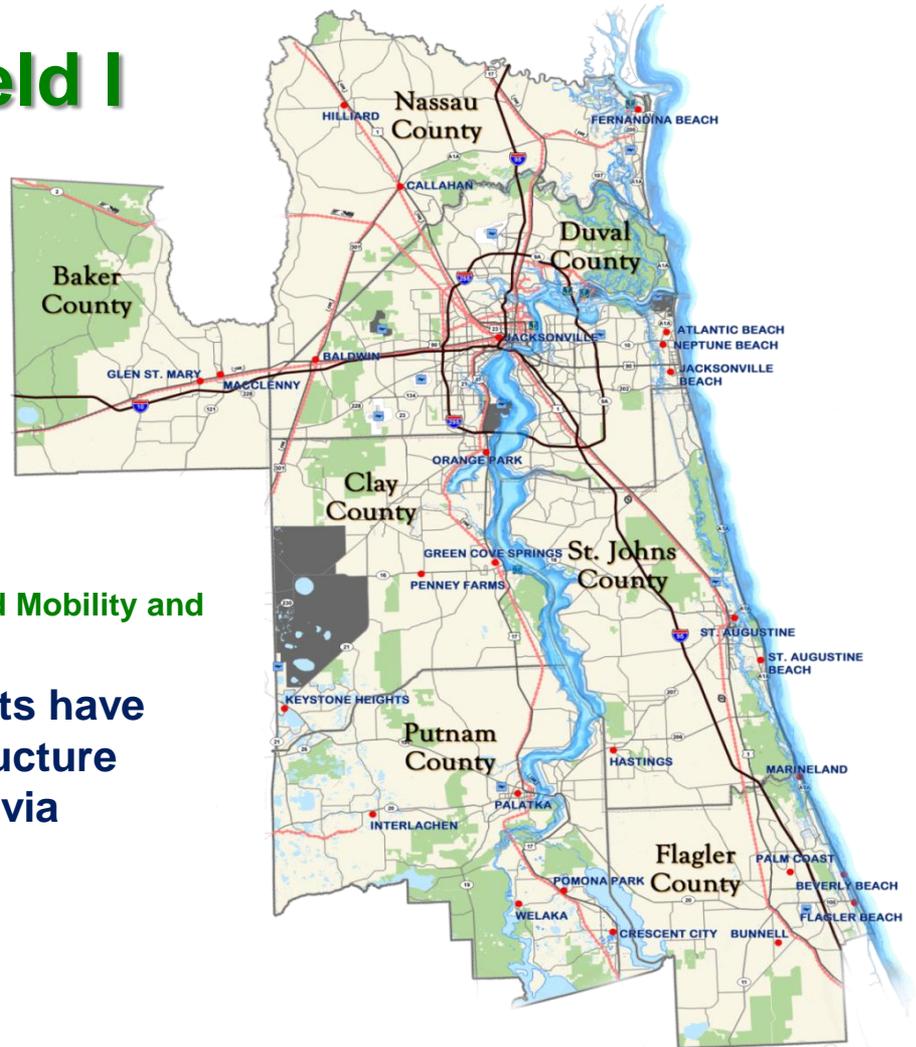
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AGENDA

- **JAXPORT’s “Playing Field”**
- **Our “Need for Speed” and Adequate, Reliable Funding**
- **Funding Constraints and Options**
- **The Impacts and Consequences to NE FL and JAXPORT**
- **Recommendations**

JAXPORT's Playing Field I

- NE FL's Regional growth - population projected to more than double in next 50 years (projected growth is 120%).
- Improvements in Integrating Regional Transportation Plans and Options for Traffic/Rail/Waterways are underway:
 - Corridors ID'd
 - Provides Better Regional Connectivity / Improved Mobility and
 - Focused on NE FL's Economic Competitiveness
- In the past two years, only 5 of 15 FL Ports have received significant increases in infrastructure investment funding from the state of FL (via Governor Scott, Legislature and FDOT).



JAXPORT's Playing Field II



- **Federal Funding support remains uncertain, unreliable**
 - USACE's CW GI/CG Budgets / Programs – no new starts, budgets slashed annually, continued lack of political will or support from White House / OMB or Capitol Hill / CBO
 - USACE's O&M Budgets inadequate to maintain federal channels, DMMA's



- **State Funding – FL Governor, State Legislature, FDOT support is improving, but limited**
 - Port of Miami (Deepening)
 - Port Canaveral (Deepening, widening)
 - Port of Jacksonville (Bartram Island (DMMA's), ICTF, Wharf Repairs, Mile Point (Navigation Restriction))



- **Local Government / City of Jacksonville Funding very limited – No funding mechanism and no budget in today's economy**



- **Public/Private Partnership – unlikely with no reliability of attractive ROI**

If we stay the current course, our nation, our people and our maritime industry will face a diminished and uncertain future.

We CANNOT continue down the current path; where there exists no political will to build or maintain critical infrastructure projects 1) That are key to our nation's ability to promote commerce and support our ability to compete in the Global Marketplace, and 2) That in turn promotes job growth and provide for the common good and well-being of our nation.

Our “Need for Speed” and Adequate, Reliable Funding

- Larger Vessels are coming ... NOW!!! ... but light loaded
- Suez and Panama Canal traffic impacts are already here
- A National Infrastructure Policy that includes ports and maritime programs does not exist
- U.S. ports infrastructure is at end/near end of useful life
- U.S. Ports will be unable to facilitate job growth, economic development and global marketplace competitiveness without financial assistance
- U.S. Ports are increasingly becoming an impediment to our export / import industries – due to increasing inefficiencies, a lack of throughput velocity, inability to handle larger vessels due to lack of channel depths/widths/turning basins, etc.
- USACE processes - inadequate to meet the global marketplace’s demands as well as U.S. maritime industry’s needs/demands ... processes remain too slow, costly, and cumbersome to meet the challenges we face as a nation
- Current U.S. regulatory processes are too cumbersome, burdensome and impede economic development as well as USACE CW projects.



Funding Constraints and Options

- **The Economy**
- **Political Will? (White House, US Congress, Citizenry)**
- **Governors and State Legislature**
 - RE Development and Tourism dropped off significantly
 - JAXPORT is 1 of 15 ports in FL
 - FL Governor Scott focusing on 5 large ports in FL
 - Tampa, Miami, Everglades, JAXPORT, Canaveral
- **Mayor, City Council & City Hall**
 - Mayor Alvin Brown's pledge: NO NEW TAXES
 - Significant funding / budget shortfalls!!! (\$12M+)
- **Viability / Economics of PPPs (ROI uncertain)**

JAXPORT's "IMMEDIATE" NEEDS :

- | | |
|---|-----------------|
| • <u>Build MOL TraPac Automated Terminal (Completed 2009)</u> | \$ 340M |
| • <u>Build DPMT ICTF (In Design Prep Phase/Funded)</u> | \$ 30M |
| • <u>Mile Point Fix (In PED Phase) (Need Auth/Approvals)</u> | \$ 40M |
| • Future Automated Container Terminal @ DPMT (Hanjin) | ~\$ 220M |
| • Future Permanent Cruise Ship Terminal | \$ 45M |
| • Upgrade Existing Crane Fleet (Electric/100 Gauge/Shore Power) | \$ 70M |
| • Rebuild/Upgrade BIMT Container Yards | \$ 100M |
| • Upgrade BIMT Near Dock Rail Capacity | \$ 25M |
| • Deepen Harbor (~45' - ~50') | ~\$ 450M |
| • <u>Reconstruct Wharfs at TMT</u> | \$ 10M |
| • Reconstruct Wharfs at DPMT (if channel deeper than 45') | \$ 50M |
| • <u>Reconstruct Wharfs at BIMT (if channel deeper than 45')</u> | ~\$ 125M |
| • <u>Annual Maintenance Dredging Expenses (On-going)</u> | \$ 4M |
| • <u>DMMA Revitalization/Rpr (Bartram and Buck Islands)(w/ USACE)</u> | \$ 15M |
| • TOTAL | ~\$1.5 B |

The Impacts and Consequences to NE FL and JAXPORT

- **Loss of jobs, diminished futures for our citizens**
- **Loss of productivity, economic growth stagnated**
- **Infrastructure will continue to degrade**
- **Loss of ability to compete in Global Marketplace**
- **Inability as a port to compete regionally**
- **Ships, shipping firms will sail on by, go elsewhere**

Recommendations

- **End the deadlock on CW Projects; increase annual budget**
- **Unlock the HMTF to allow the Corps to maintain our channels properly**
- **Push the Corps for faster, cheaper studies, and better execution!**
- **Allow the Corps the flexibility to receive funding and execute projects that have local or state funding support when Congressional action is gridlocked / delayed indefinitely.**
- **We must collectively tell the story and stress the importance of these maritime projects to the hinterland communities and their representatives as these projects help generate jobs and impact our economy beyond the coastal communities and ports**
- **Develop a National Plan / Consensus on the need for critical maritime infrastructure investments to facilitate our nation's Global competitiveness and economic future.**

Thank you for your time!

Please refer all questions, suggestions or comments to:

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Engineering and Construction Department**

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JAXPORT Construction Projects:

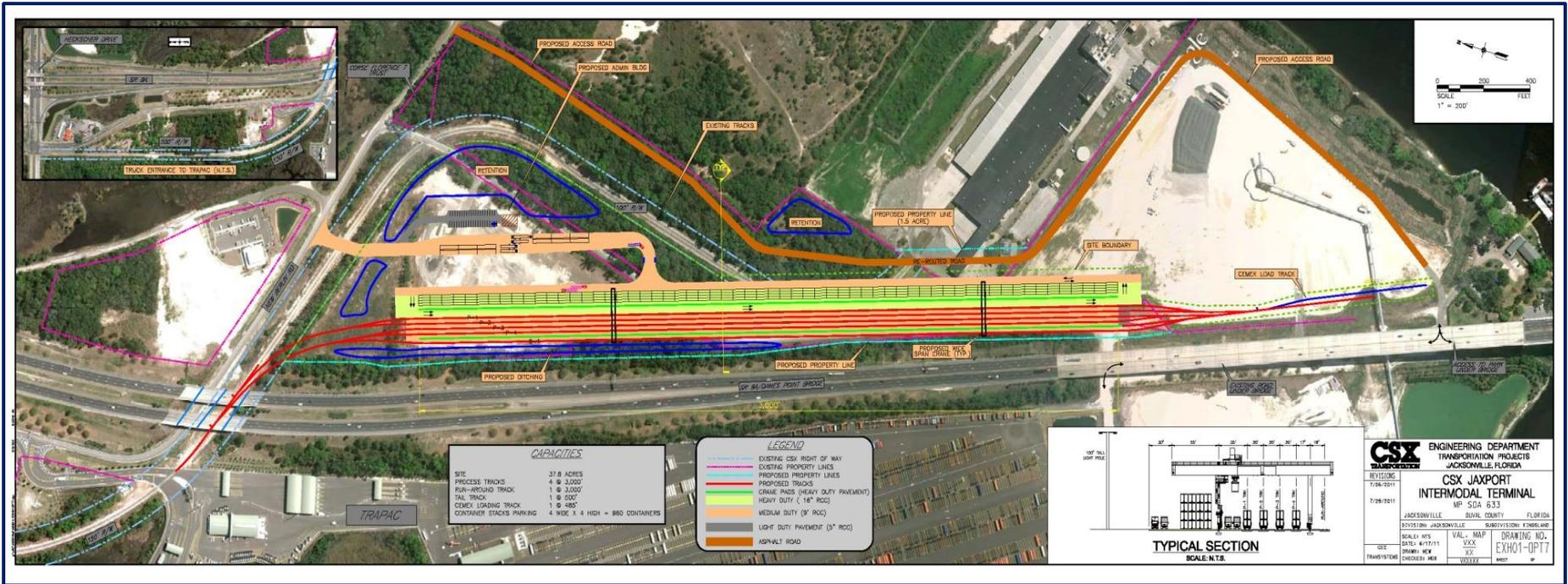
In Design, Recently Completed or In Progress

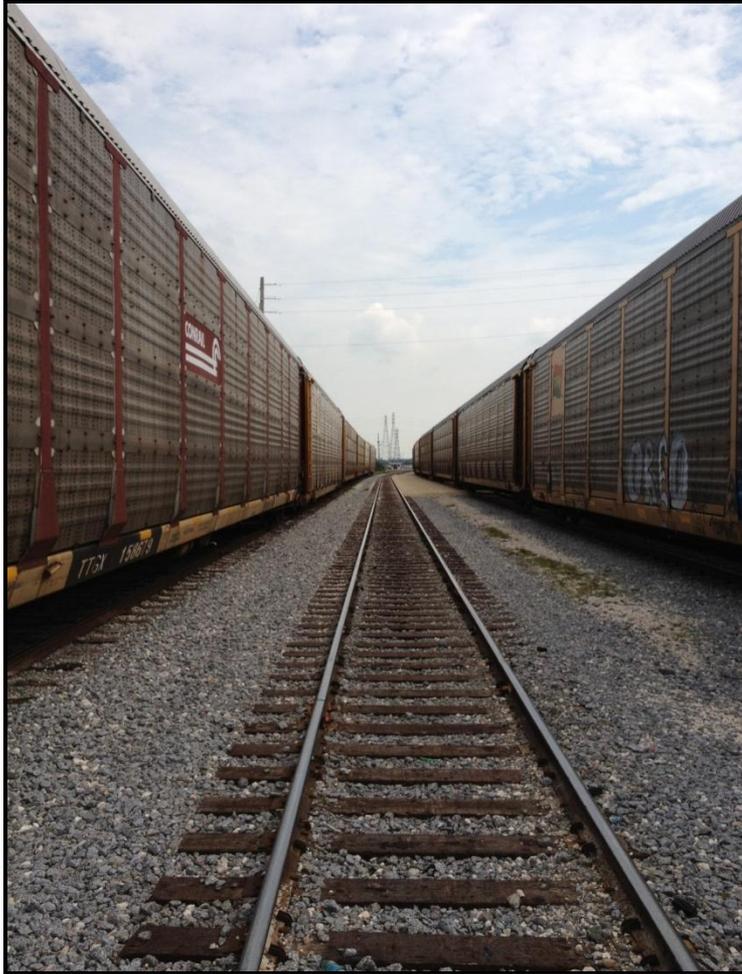
DAMES POINT MARINE TERMINAL INTERMODAL CONTAINER TRANSFER FACILITY (ICTF)

- RFQ/RFP Design Criteria Package (30% Design) and SDC Package
- RFQ/RFP Design-Build Opportunity
- **Total Project Budget: NGT \$30M....All In!!**
- Key Funding Partners:
 - **USDOT (MARAD) \$10M (Tiger # Grant)**
 - **FDOT (\$20M)**
- Construction NTP ~ August 2013
- RTG capable (but able to quickly adapt to RMG capable when container volumes dictate.)
- **Goal: NLT Dec 10, 2014 completion date**



DAMES POINT MARINE TERMINAL INTERMODAL CONTAINER TRANSFER FACILITY





**Blount Island Marine Terminal
Railroad Rehabilitation Project**

Completed: July 2012

(Ahead of schedule)

Cost: \$8M +

(On budget)

FEDERAL GRANT \$s



**Blount Island
Marine Terminal**

**Phase 1 (Berth 31)
Wharf
Rehabilitation
Project**

**(To be completed
January 2013)**

6 Phase Project

**\$30M +
To be completed
in Dec 2013**

FDOT \$\$

