

**“An East Coast Port Perspective...
Meeting Future Infrastructure Needs
Landside & Inland”**

**American Association of Port Authorities
Tampa, Florida**

**Doug J. Marchand
Executive Director
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Presentation Outline

- ▶ **bottlenecks impacting port congestion**
- ▶ **initiatives being undertaken by the GPA to increase capacity**
- ▶ **the relevance of inland ports**
- ▶ **the viability of short sea shipping as an option to ease rail and highway congestion**

Scrutinizing Supply Chain Strategies, Adding Flexibility, More Sourcing Options...



Redefining the pace of trade.



Shifting International Trade Routes- Planning for the Panama Canal Expansion

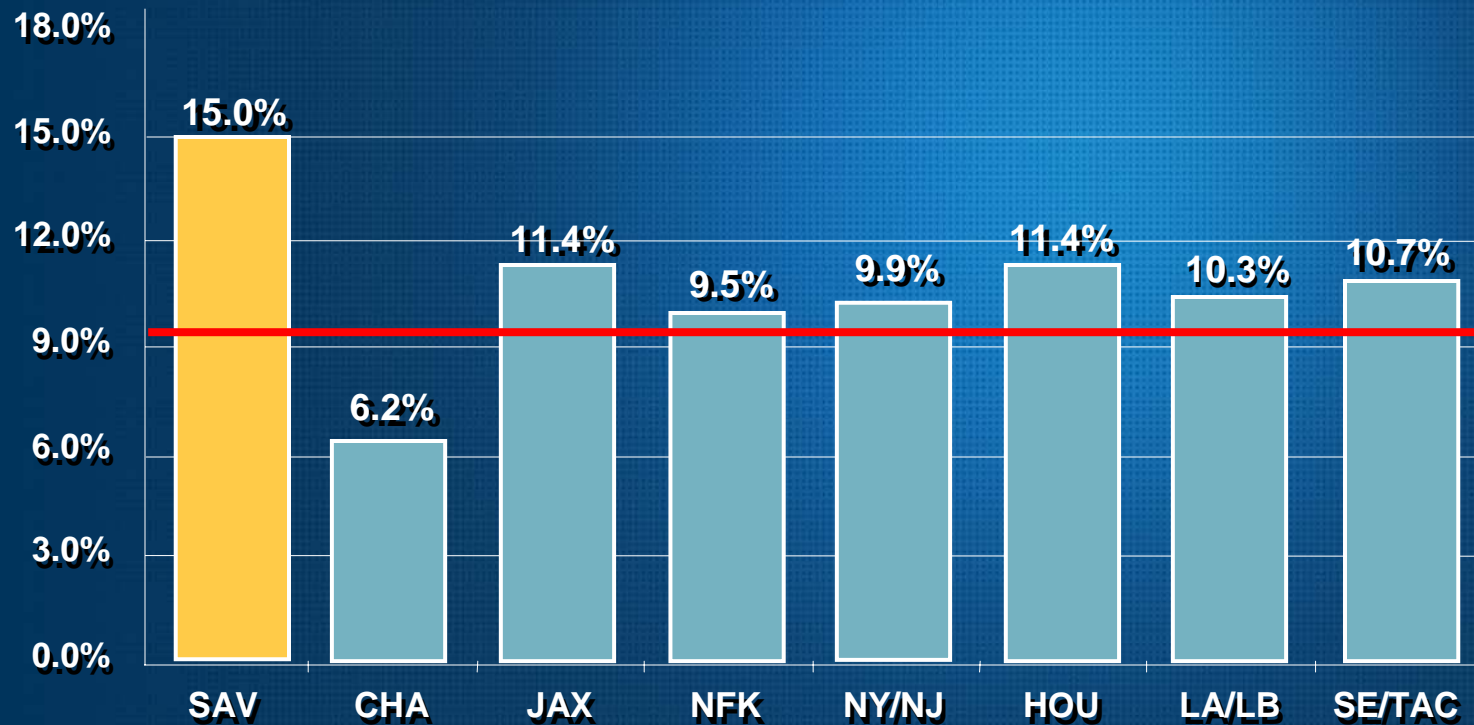


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Overall U.S. Ports 2001 to 2006 Compounded Annual Growth Rate (CAGR) = 9.3%



Source: PIERS

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Savannah Harbor Channel

Garden City Terminal, together with additional site options, would provide the Port of Savannah with the necessary space to more than accommodate future growth.

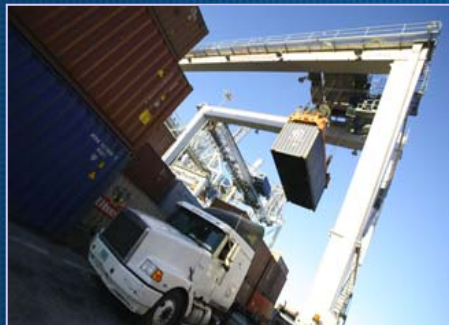


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\$1.2 BILLION IN CAPITAL EXPENDITURES & NEW HIRES TO SUPPORT GROWTH

- ▶ **60 New Hires to support container field operations**
- ▶ **4 New Super Post-Panamax Container Cranes operational by April 2008**
- ▶ **4 Additional Super Post-Panamax Container Cranes to be operational by 1st quarter 2008**
- ▶ **OCR Gate Project completion by November 2007 (gate portion of ATAMS)**
- ▶ **15 RTGs purchased in 2007 & 14 more in 2008. Operational in phases.**
- ▶ **Savannah Harbor Expansion Project to begin 2008 and scheduled for completion in 2012 / Cost: \$412 million**
- ▶ **On-terminal Rail Expansion (2 Class I railroads provide on-terminal services)**
 - **Additional track being added to the Mason ICTF. July '07. Served by NS**
 - **Construction underway. New Chatham ICTF. Opens Oct. '08. Served by CSX**



To summarize the report's findings...

- ▶ **1. Fast volume growth is impacting inland infrastructure with “rail” and “truck” volumes projected to increase by 98% and 88%, respectively, by 2035.**

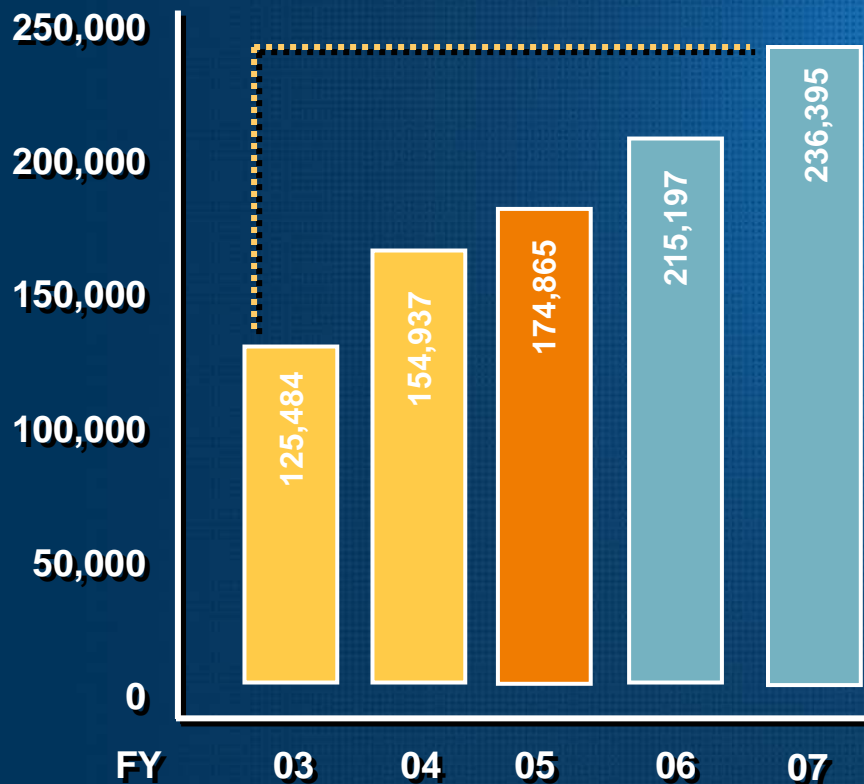
- ▶ **2. An aging transportation network is constrained by a number of natural and manmade factors.**

- ▶ **3. Inefficiencies such as poor signal timing and prices paid by users that do not align with infrastructure costs that result in congestion.**

Source: The U.S. Government Accountability Office, Jan. 2008

ICTF and On-Dock Rail Operations

5-year Container Volumes



↑23.4% **FY04 over FY03**

↑13% **FY05 over FY04**

↑23% **FY06 over FY05**

↑9.8% **FY07 over FY06**

- ▶ Between FY02 and FY06, ICTF volume grew by 88.3%.
- ▶ Between 2007 & 2015, Savannah's intermodal traffic is projected to double.
- ▶ 20% of Savannah's total container volume in FY07 moved via rail.

MASON ICTF: Savannah's Strategic On-terminal Intermodal Advantage...



Current Specifications

(5) 2,500 ft (762 m) working rail tracks
Total: 12,500 ft (3,810 m)

(3) 2,500 ft (762 m) storage tracks
Total: 7,500 ft (2,286 m)

Final Build-out Specifications

The 160 acres (65 ha) facility will include 79 acres (32 ha) of paved marshalling area

This phase will double the trackage
40,000 ft (12,200 m) of lead track

Plus, room for additional expansion

Project Expansion Cost: \$72.9 million

Today, 10 Trains Weekly move via the Mason ICTF with overnight service to Atlanta, as well as 3 to 4 day service to markets such as Dallas, Chicago, Memphis, Charlotte, St. Louis and beyond.

A SECOND ICTF FOR THE FUTURE: Served on-terminal by CSX Transportation

Chatham ICTF Track Capacity

- ▶ Working tracks... 3 at 2,145 ft (654 m) each
- ▼ Total Working tracks... 6,435 ft (1,961 m)
- ▶ Storage Total... 12,406 ft (3,781 m)
- ▶ Project Start-up: Underway
- ▶ Project Completion: October 2008
- ▶ CSX today operates on-terminal

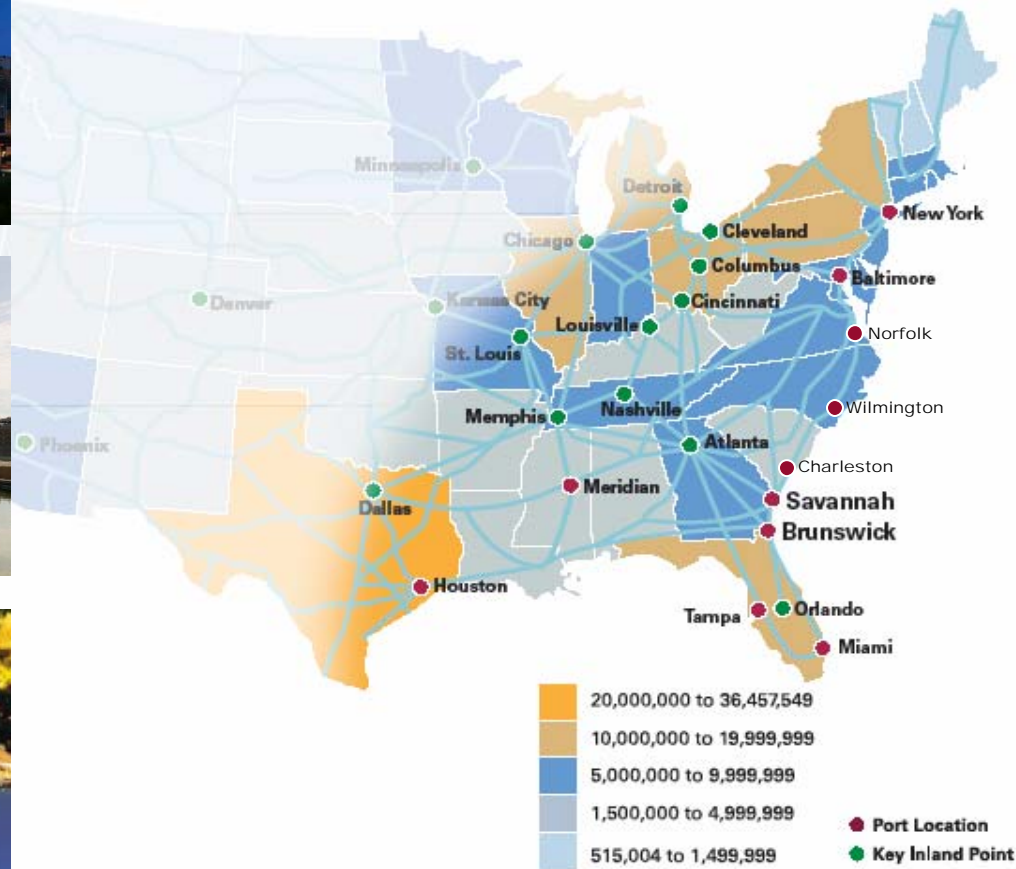


▶ CSX On-terminal Rail "tomorrow"

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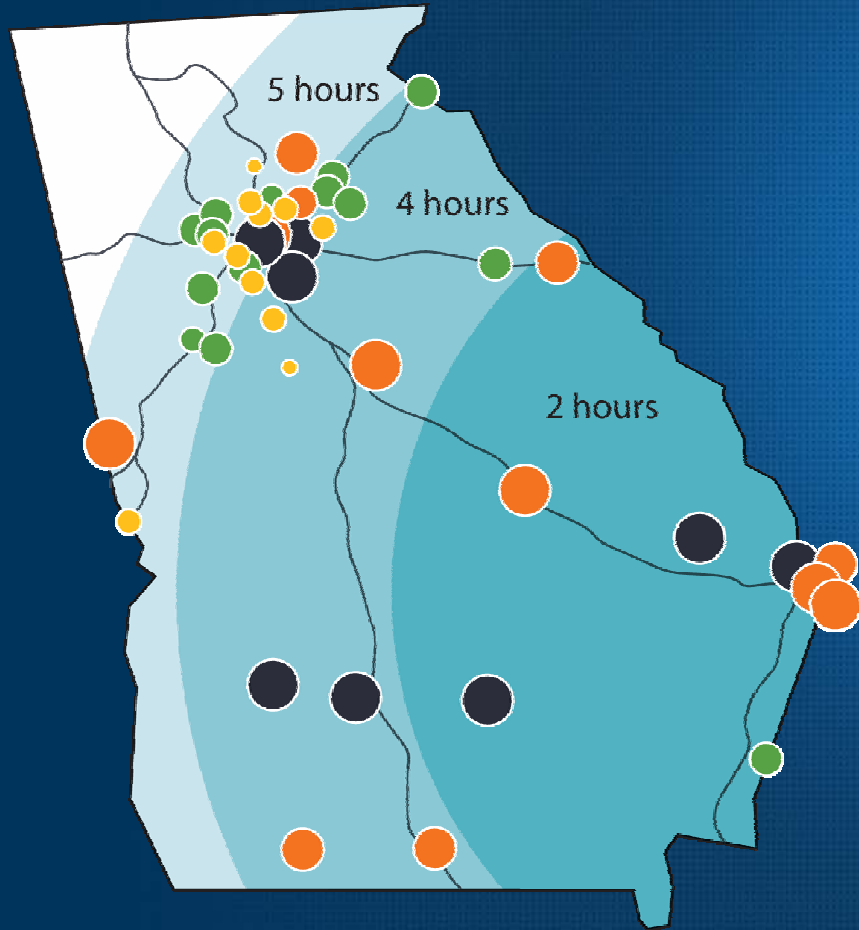


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GEORGIA IMPORTERS: 20+ Savannah-area Import DCs, 200+ more within 5 Hours

Savannah-area Import DC's



	Sq. Ft.	Sq. M.
Academy Sports	1,000,000	92,903
Advance Auto Parts	380,000	35,303
Bass Pro Shops	600,000	55,742
Best Buy	748,000	69,491
Citi Trends Fashion	155,000	14,400
Dollar Tree	800,000	74,322
Farmer's Furniture	250,000	23,226
Fred's	600,000	55,742
Hugo Boss	165,000	15,329
Icon H & F	600,000	55,742
IKEA	1,700,000	157,935
Kmart-Sears	2,200,000	204,387
Kohl's	600,000	55,742
Lowe's	1,250,000	116,129
Midwest Air Technologies	150,000	13,935
Noritake	105,000	9,754
Oneida	500,000	46,452
Paper Tigers	115,000	10,684
Pier 1 Imports	783,000	72,743
Target	2,100,000	195,096
The Home Depot	1,400,000	130,064
Tire Rack	250,000	23,226
Wal-Mart (2)	3,300,000	306,580

Sources: GPA Marketing 08.21.2007

Note: This list is not intended to be definitive of Georgia's extensive list of port dependent DCs.

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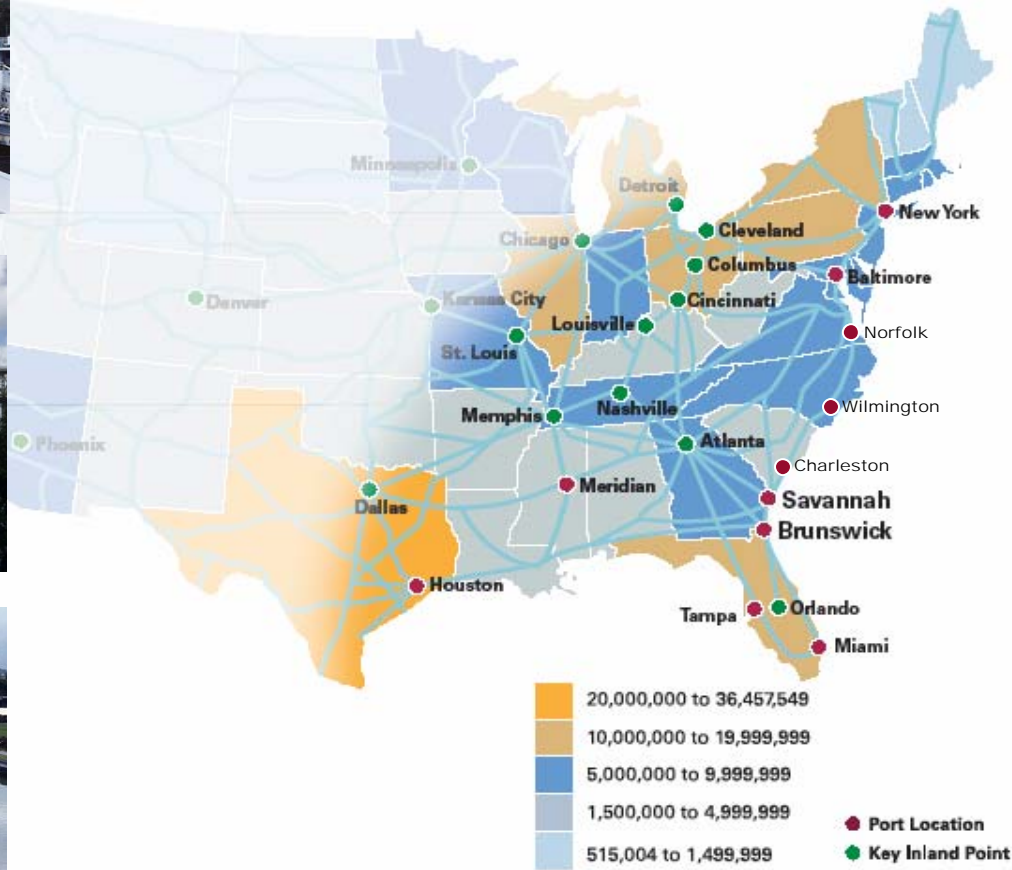
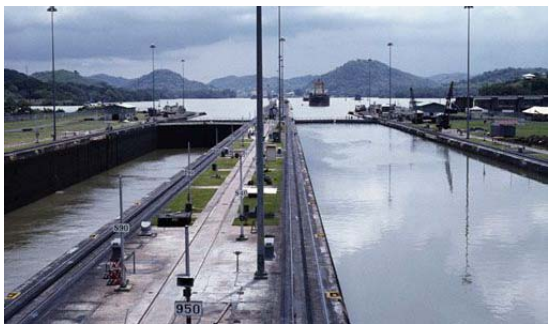
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