

Commissioners Seminar
June 4-6, 2013
Westin Beach Resort and Spa
Fort Lauderdale, FL

What in the World?

Global market trends are shaping the future of ports of the Western Hemisphere. How can we discern what the world will be demanding and develop policies to fulfill those needs, to the benefit of our port constituents?

Lori Baer
Kenneth Parkinson
AECOM Ports & Marine Leads

Good Morning & Welcome to South Florida

- Port of Port Arthur Nav. District
- Canaveral Port Authority
- Broward County's Port Everglades
- Brownsville Navigation District
- Ports of Indiana
- Caddo-Bossier Port Commission
- Port of New Orleans
- Provoport Inc.
- Port of Pascagoula
- Port of Galveston
- Port of Harlingen Authority
- Plaquemines Port District
- Port of Palm Beach
- Alabama State Port Authority
- Port of Hueneme/Oxnard Harbor
- Port Fourchon
- Calhoun Port Authority
- Port of Gulfport
- North Carolina State Port Auth.
- Port of San Diego
- Virgin Islands Port Authority
- Port of South Louisiana
- Duluth Seaway Port Authority
- Port of Galveston
- Port of Beaumont
- Port of Seattle
- Port of Houston Authority
- Port of Iberia District



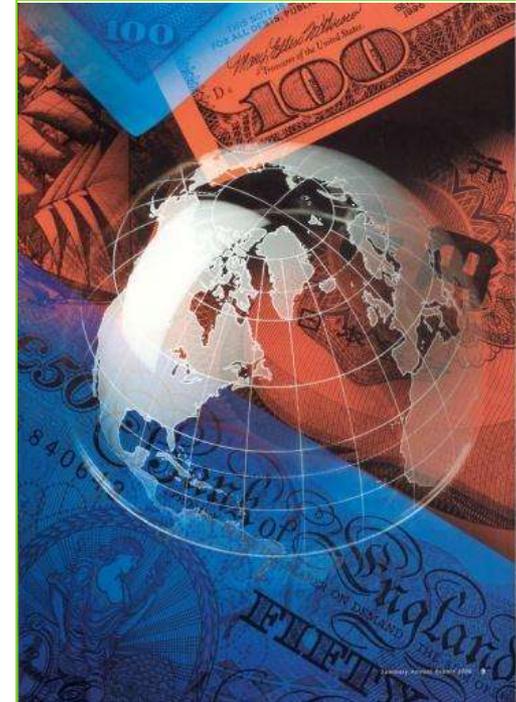
Global market trends are shaping the future of ports of the Western Hemisphere.



Global Perspective

– Developing a Global Approach

- Trading Partners
- Trade Relations
- Trade Agreements
- Government Regulations
- Trade Flows
- Competition
- Transportation Services
- Facilities, e.g., Ports, FTZ, Warehousing, etc.

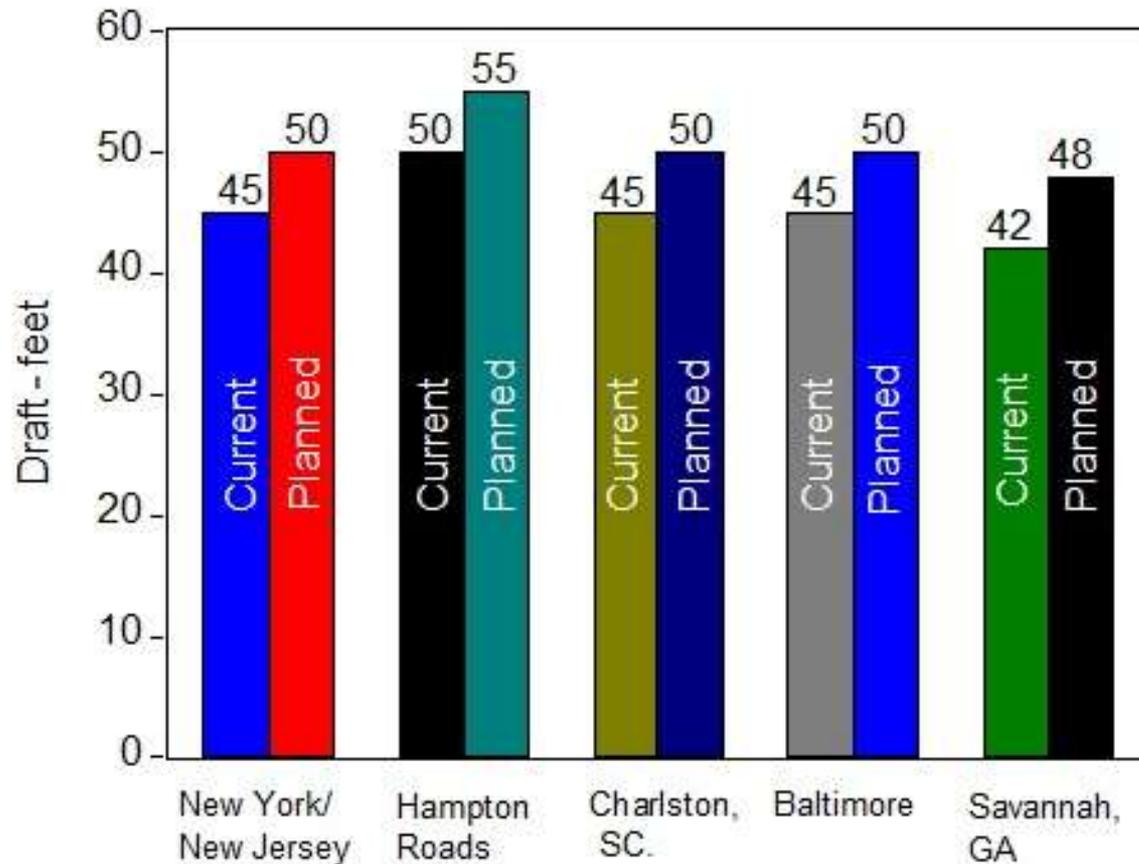


The 3rd Set of Panama Canal Locks and the International Liner Shipping Industry's VLCS – APM & CMA CGM

– Suez Canal vs. Panama Canal

Ship Type	LOA		Beam		Airdraft		Draft	
	Meter	Feet	Meter	Feet	Meter	Feet	Meter	Feet
Triple-E	400	1312'4"	59	193'7"	73	239'6"	15.5	50'10"
E-Class Carrier	397	1302'6"	56	183'8"	58	190'	15.5	50'10"
Marco Polo	396	1299'2"	54	177'2"	58	190'	16.0	52'5"
Panama Canal 3rd Set of Locks Restrictions	366	1200'	49	160'	∞	∞	15	50'

Sampling of Harbor Deepening Projects to address 3rd Set of Panama Canal Locks and Suez Canal



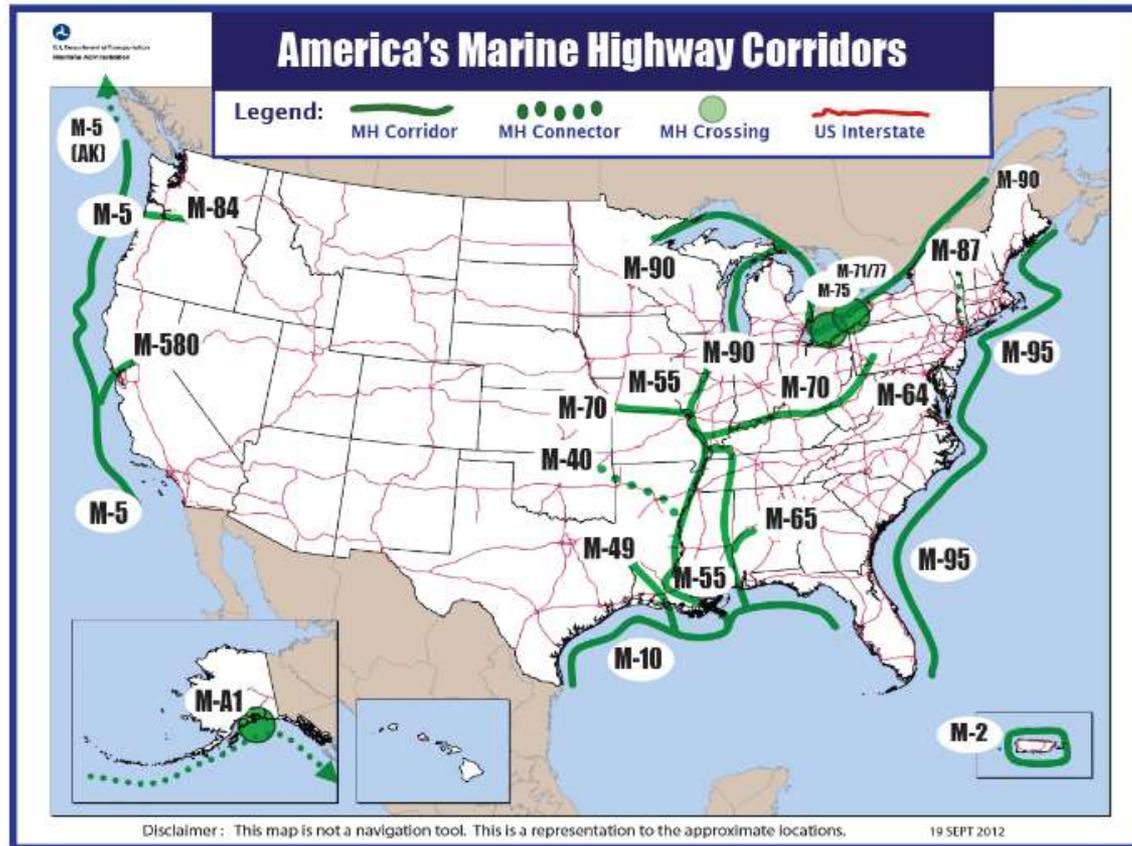
Current U.S. Landbridge Corridors



This map is published with the kind permission of Professor Jean-Paul Rodrigue, Department of Global Studies and Geography, Hofstra University.

America's Marine Highway Program

- Two critical bills passed expanding the definition of the AMH program and providing for the continuance of funding considerations:
 - The Coast Guard and Maritime Transportation Act of 2012 – H.R.; and
 - The National Defense Authorization Act of 2013



How can we discern what the world will be demanding?



Understanding the Missions “What is the Potential and Key Tasks”

– Potential:

- Significant Direct and Indirect Job and Economic Growth at the local, regional and national levels.

– Key Tasks to Consider:

- Providing Infrastructure/Determine Capital Costs
- Role within the Logistic/Supply Chain
- Trade Flows
- Transportation Services
- Facilities, e.g., Ports, ICTF, FTZ, Warehousing, etc.



Understand Resources in the U.S.

- Expand Relationships with Several Agencies and Associations
 - State Export Center
 - Housing and Economic Development
 - Industry Associations
 - U.S. Small Business Administration – Export Trade Finance
 - U.S. Department of Commerce
 - State and U.S. Department of Agricultural Resources
 - Produce Councils
 - National Export Initiative (NEI)
 - Export Promotion and Trade Policy, International Trade Administration
 - U.S. Commercial Service
 - U.S. DOT/U.S. Maritime Administration
 - Customs Brokers & Freight Forwarders
 - America Association of Port Authorities



U.S. Transportation Secretary LaHood Announces National Freight Advisory Committee Members

NFAC Will Provide Recommendations to Improve National Freight Transportation System (May 30, 2013)

- Moving Ahead for Progress in the 21st Century (MAP-21) established a national freight policy and called for the creation of a National Freight Strategic Plan.
- Freight Policy Council, an internal body of DOT leadership created to facilitate cross-modal implementation of freight provisions in the recently signed MAP-21.
- May 30, 2013, Advisory Committee announced - comprised of 47 voting members from outside the Department of Transportation
- First NFAC meeting is scheduled for June 25, 2013
- Members - various perspectives on freight transportation and represent various modes of transportation, geographic regions, and policy areas.
 - Kristin Decas, Port of Hueneme
 - Leonard Waterworth, Port of Houston Authority



Develop policies to fulfill those needs, to the benefit of our port constituents?



How can Port Authorities Assist with the Development of Trade?

- Define Cargo Targets based on your existing and future position within the supply Chain?
 - Working with Service Providers, e.g., Carriers, Shipping Lines, Terminal Operators and Others
 - Understand the Economics of Trade and Transportation Services, e.g., Are there “backhaul cargos” for services
 - Who are the buyers?
 - Where are the Manufacturers, Producers and Distribution Centers
 - How can Government promote Imports and Exports
 - How can Private Section affect



Follow-up and “The Plan”

- Establish a Continuing Dialogue with Respective Ports Heads through a formal Trade Mission and Sister Port Relationship
- Establishing a Trade Missions - Grassroots Promotion of National Policy to Increase Exports
- Map the Protocol for a common Strategy and Policy to Build and Expand Trade
- **CASE EXAMPLE:**
 - Understand Logistical Connections to Respective Regional Producers and Consumption Markets and Strategic Plans to expand more direct and sustainable Import and Export
 - Understand the recent Infrastructure Improvements implemented by both Ports other Government Organizations to support Trade Development

Here's a few examples of ports that are setting policy and preparing to capitalize on world demand.



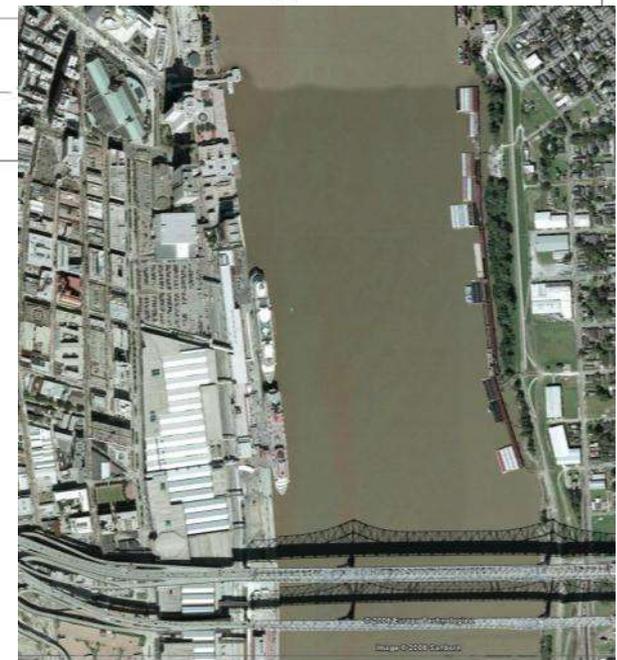
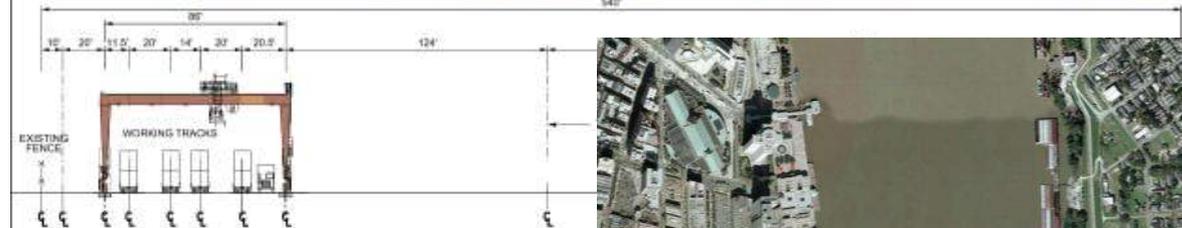
Port Everglades – “South Florida’s Powerhouse Port”

- Creative PPP brings ICTF to Port
- Meets cruise demand with \$54million upgrade of four terminals
- Ranked No.1 exporting FTZ in US
- Launched new branding/ad campaign



Port of New Orleans: Diversified offerings

- 2012: Third straight year of healthy tonnage increases/ \$300 million in infrastructure investments
- New intermodal terminal and yard improvements for Napoleon Avenue Container Terminal
- New cruise terminal in the works to handle largest cruise ships in fleets



Port of Galveston builds to add facilities to support cargo and better withstand natural disasters

- Filling in two underutilized slips to create much-needed laydown space and new berths
- Multiuse transit terminal with 5,000 sf of retail space and 300 adjacent cruise parking spaces supports economic development and serves local transit needs



Port of Houston readies Barbours Cut for larger ships, greater demand

- Port is widening the current channel 75ft northward and will excavate those parts of the turning basin that are not yet at 45ft depth
- Docks are being ungraded to support newer, heavier cranes that will require a larger footprint



Port of Hueneme, California (Oxnard Harbor District)

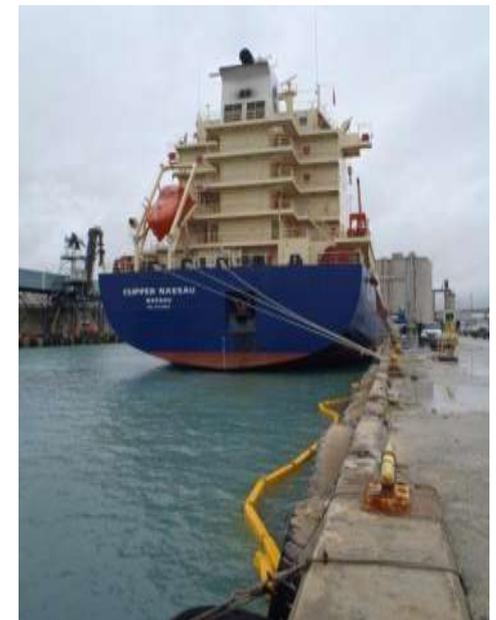
Explore the potential of the Port of Hueneme to emerge as a strategic hub in the America's Marine Highway (AMH) and Short Sea Shipping network.



- DOT's multi-modal National Freight Strategic Plan to include Marine Highway Systems
- New federal trucking regulations will create a market for AMH Projects in California as trucking focuses on shorter haul profitability
- Increase cross border trade resulting from new sourcing manufacturing along with stiffening regulation in trucking creates potential SSS opportunities for the U.S. West Coast

Port of Palm Beach supports industry and region by filling specialty needs

- Successful smaller size family-style cruise experience
- Renovated Slip 3 ensures continued service for bulk/break-bulk commodities
- Regional carrier and flagship port tenant, Tropical Shipping, marks 50 year anniversary of service – all 50 years at Port of Palm Beach



Louisiana meets U.S. needs by attracting global firm to Port of Caddo-Bossier

- Louisiana attracted Benteler Steel/Tube to build a new \$900 million hot rolling tube mill in Caddo, Louisiana, strengthening the company's North American oil country tubular goods (OCTG) market. Currently more than 25 percent of the firm's products flow into North America. Their global strategy is to increase that by siting, constructing and partnering with this mill. Completion planned for second half 2015



Port of Pascagoula knows wood pellets are in demand in Europe as a power plant fuel source product

- Port is developing a marine terminal for exporting wood pellets. Product ready to start shipping out early 2015.
- Later this year, port to begin widening entrance channel to 550ft from 450ft. Two dredged material disposal sites under construction.



Port Canaveral can deliver huge Central Florida market



- Port receives authorization and \$24.4 million in state funding for 100 ft. harbor widening and 2 ft. deepening—project accelerated by four years
- Two ship-to-shore Post-Panamax harbor cranes acquired and on-port rail being added to capture cargo destined for huge Central Florida market

Port Canaveral to host AAPA Annual Convention in October

Thank You – We appreciate the opportunity to be on your program this morning!