



# Port of Gulfport Restoration Program

October 2009



## P R O J E C T   D E S C R I P T I O N



## Agenda



- Build a Sustainable Future
  - Viable Long-term Business Model
  - Resilient Port Restoration
  - Sensitive to Environment
  - Supports Social Framework
- Program Status
- Next Steps



# Build A Sustainable Business for the Current Market Conditions

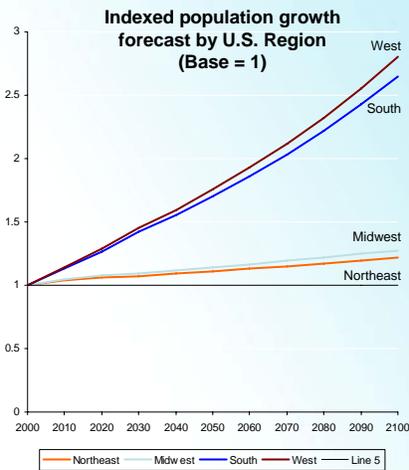
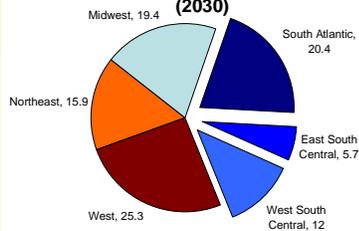


# Demand - Population Growth

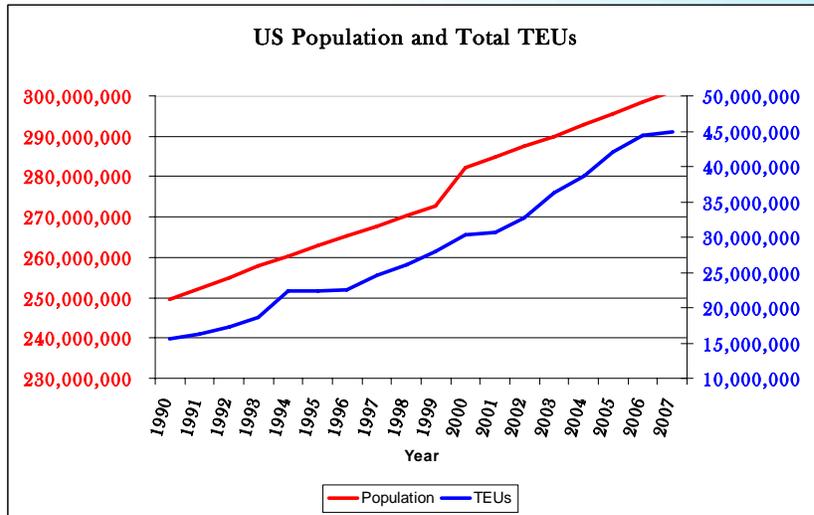
### Observations

- By 2030, the South will represent the largest regional population base – over 38% of the population
- Substantial growth in the West may realign existing assets for regional demand
- Northeast and Midwest growth is flat

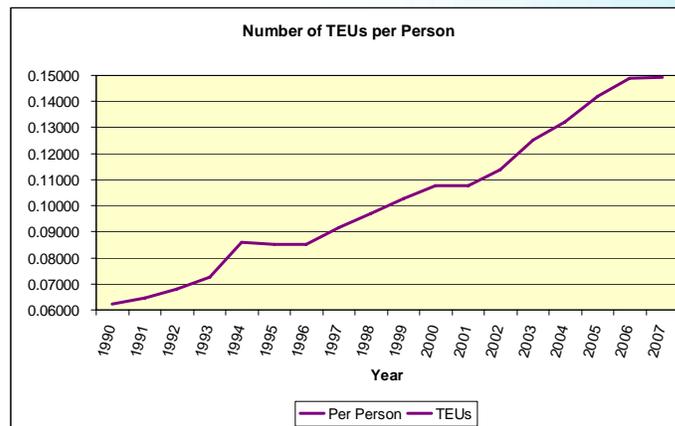
### U.S. Population Distribution (2030)



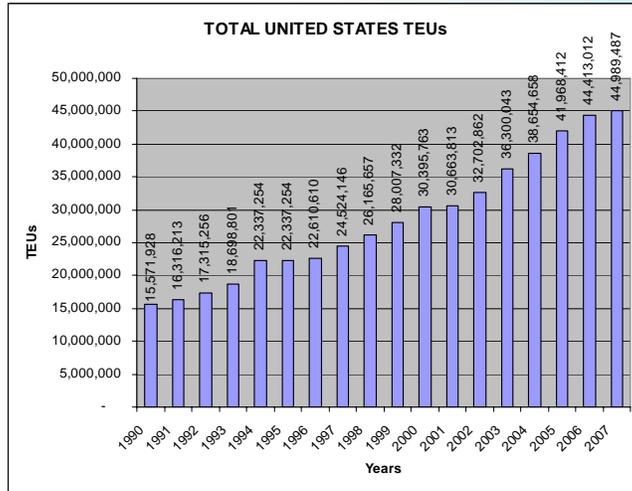
# Population and TEUs



# Demand for Trade Goods

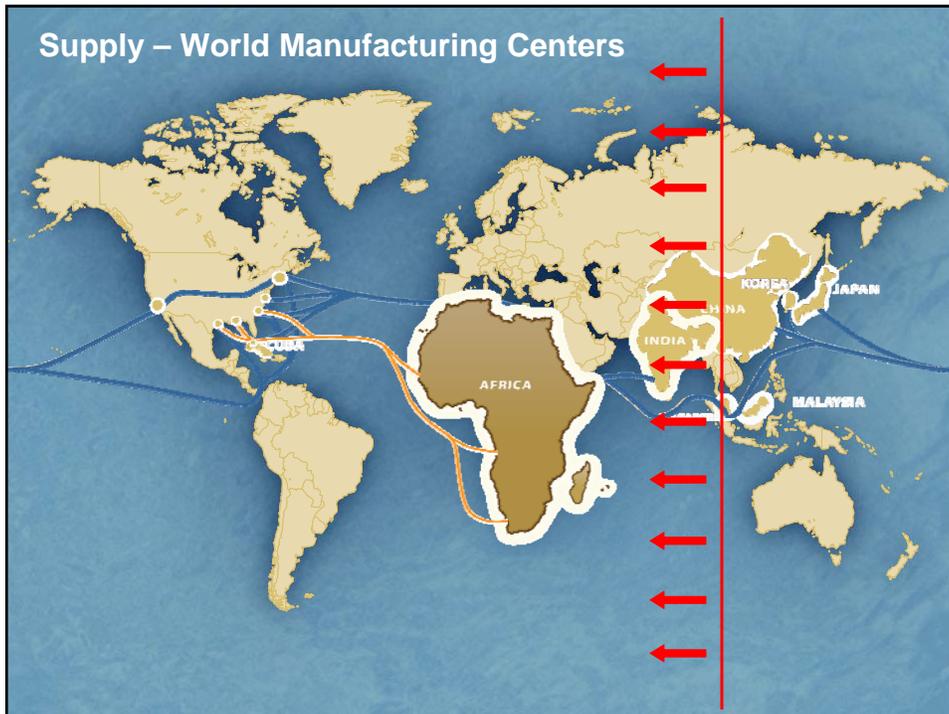


# Growth in Trade



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## Supply – World Manufacturing Centers

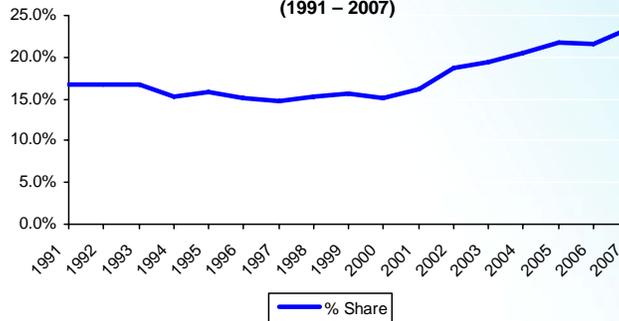


# East Coast Trade Improving



All Water Trans-Pacific Share to East Coast

(1991 - 2007)

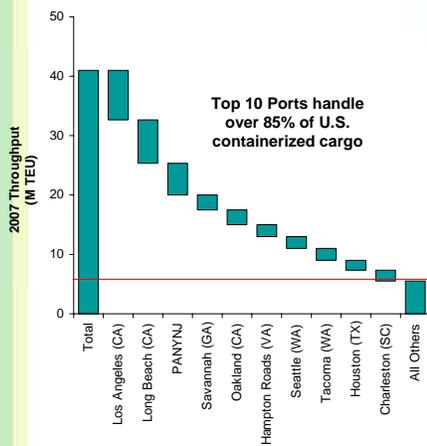


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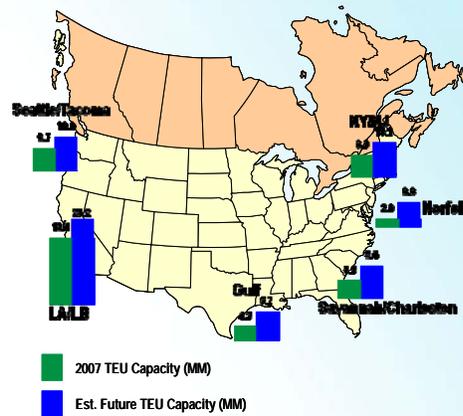
# US Container Ports



2007 U.S. Container Port Volume (M TEU)



2007 U.S. Container Gateway Capacity (M TEU)

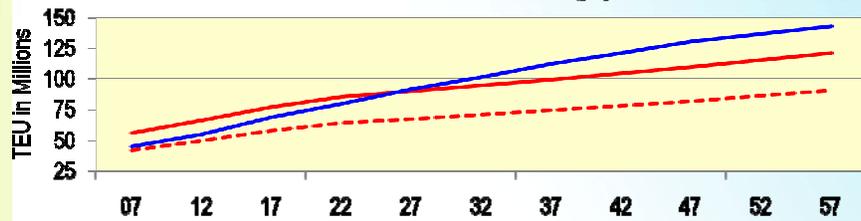


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# Demand Exceeds Capacity



**U.S. Projected Port Capacity in Various Operating Environments versus Throughput**



— TEU Capacity/MPC (CAGR=1.8%) — TEU Throughput - - - Sustainable Capacity

**Comments**

- Throughput exceeds nominal port capacity (MPC) in 2026
- Throughput already exceeds the "sustainable level" (SC or 75% of capacity)
- Port capacity projections do not incorporate efficiency gains (densification, 24-hour operations, etc.)



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# US Interstate Highway System



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# MS Interstate Road Infrastructure



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# US Class 1 Rail System



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# Major MS Rail Infrastructure



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# Build A Sustainable Restoration of the Port of Gulfport for the next 100 Years



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## Objectives

- Protection of Port, City, and Property.
- Plan the Port of Gulfport for the next 100 years.
- Leverage CDBG funds for greater return.
- Create well-paying jobs.
- Stimulate education in the workforce.
- Encourage a revitalized City Business District.
- Produce a context sensitive plan.
  - Socially
  - Environmentally



## Port of Gulfport 2006



# Baseline Plan



Gulfport Vision Plan Phase 5



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# Comparison to Existing

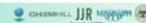


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# Baseline Plan



Gulfport Vision Plan



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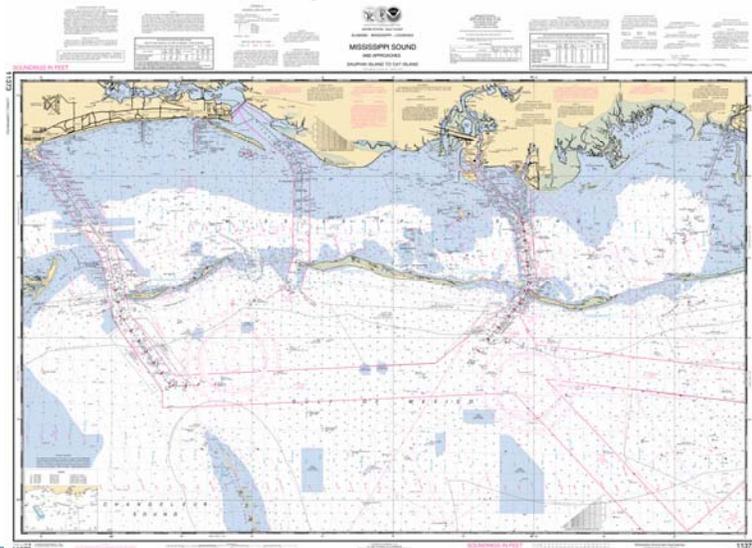
# Private Investment Potential



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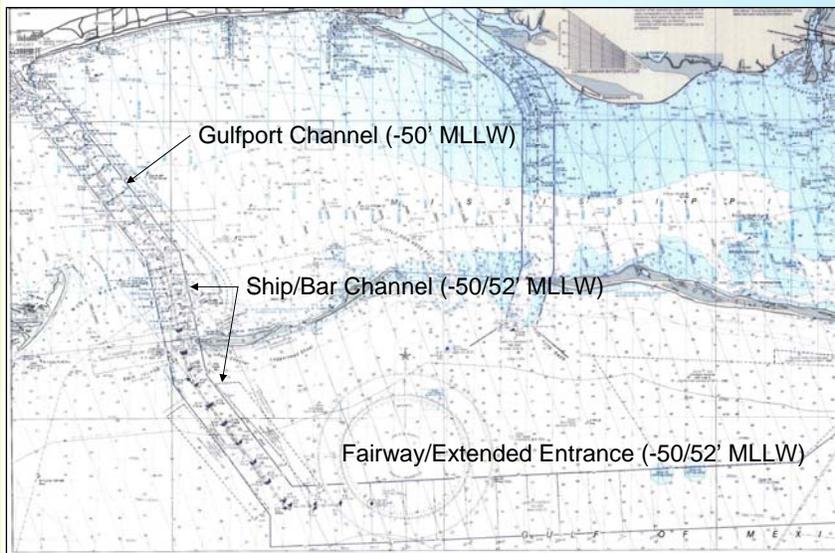


# Federal Navigation Channel



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# Gulfport Channel Overview (NOAA Chart)



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# Gulfport Dredging Program



- Key Features:
  - Deepen and widen ship channel, with Ship Island Pass relocated West and Fairway Entrance extended to grade
  - Suitable fill material (TBD) used for construction of Gulfport facility; offshore borrow sites to be investigated
  - Phased construction, w/multiple equipment types required (cutter, hopper, bucket)
  - 70+ MM CY dredging quantities for 50-Foot Channel
  - 30+ MM CY fill is required for Gulfport Facility
  - Upland, in-water, and offshore placement
- Dredge Consultant RFQ issued October 2009
  - Survey, channel design, quantities, fill calculations, geotechnical investigations, modeling, etc.
  - Construction phasing, permit assistance, production/cost estimates



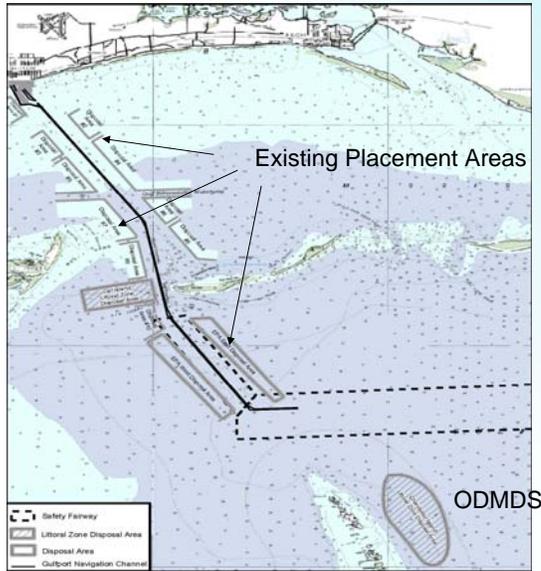
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# Comparison to Existing



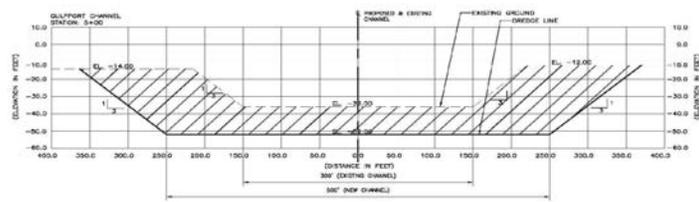
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## Placement Areas

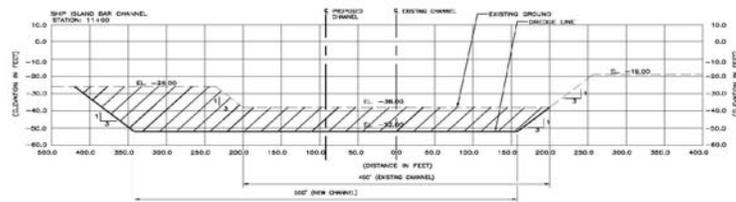


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## Channel Cross Section (Depth 50-Ft Channel)

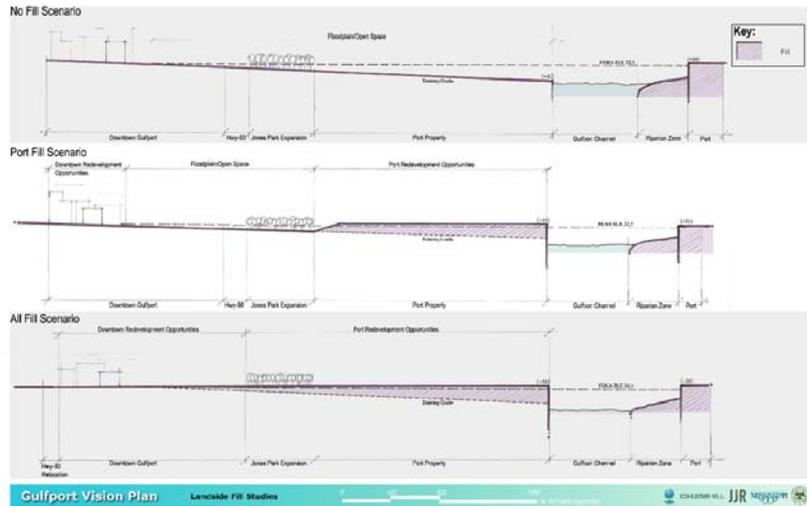


## Relocation Channel Cross-Sections (Depth 50-Ft Channel)



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# Landfill Alternatives



Gulfport Vision Plan Levelside Fill Studies



# Protecting against the wind



## Environmental Benefits

- Beneficial Use of Dredged Materials.
- Fish Passage.
- Develop a water circulation path.
- Better Water Quality.
- Reduced Noise.
- Higher Technology – low pollution.
- Protecting view shed.



## Current Progress

- **Major Milestones**
  - Selected Program Manager through competitive process (June 08).
  - Performed Community Outreach.
  - Approved new vision for Port Restoration Program.
  - Initiated HUD Compliance and Reporting.
  - Received HUD amendment approval documenting new concept (October 24, 2008).
  - Signed Sub Recipient Agreement with MSPA (December 23, 2008).
  - CH2M HILL Program Mgmt. assigned to MSPA (December 23, 2008).
  - MSPA awarded 60-Acre Fill Project (January 12, 2009).



## Plan Going Forward

- Initiated 60-Acre Fill construction - April 2009.
- Permitting the Vision Plan began - May 2009.
- Temporarily relocate existing tenants.
- Initiate environmental studies and permitting for vision plan.
- Encourage MDOT construction of connector road.
- Encourage USACE dredging of the navigation channel.
- Encourage CSX and KCS participation.
- Build new facilities for existing tenants.
- Bid first Concession.
- Finish infrastructure improvements.
- Build bridge and cut interior channel.



## Multi-Phase Program

- Phase 1 – Program Development.
  - Create 50-Year Vision and define components.
  - Complete Business and Economic Analysis.
- Phase 2 – Tasks for Immediate Execution.
  - Re-construction of port with existing permits.
  - Permitting for new port configuration.
- Phase 3 – Construction of Vision Plan.



## Phase 1 Activities

- Program Development.
  - Improve Program Description.
  - Analyze coastal processes for Recreation Channel.
  - Gather field geotech data (material characterization).
  - Aerial survey.
  - Underground survey.
  - Improve cost estimates.
  - Economic and Business Analysis.



## Phase 2 Activities (1<sup>st</sup> half)

- Re-construction of port with existing permits.
  - Environmental Services for HUD compliance.
  - Possible re-construction the freezer.
  - 60-acre fill (awarded).
  - Tenant improvements.
  - Demolition of casino ramp.
  - Temporary roadways.
  - Land-side fill.
  - Emergency dredging of Navigation Channel.



## Phase 2 Activities (2<sup>nd</sup> half)



- Permitting for new port configuration.
  - Environmental studies.
  - Alternatives Identification and Analysis.
  - Coastal studies.
  - Preliminary Engineering (to support EIS).
  - Complete Engineering where possible.
  - Economic Benefits Studies.
  - Permitting.



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## Phase 3

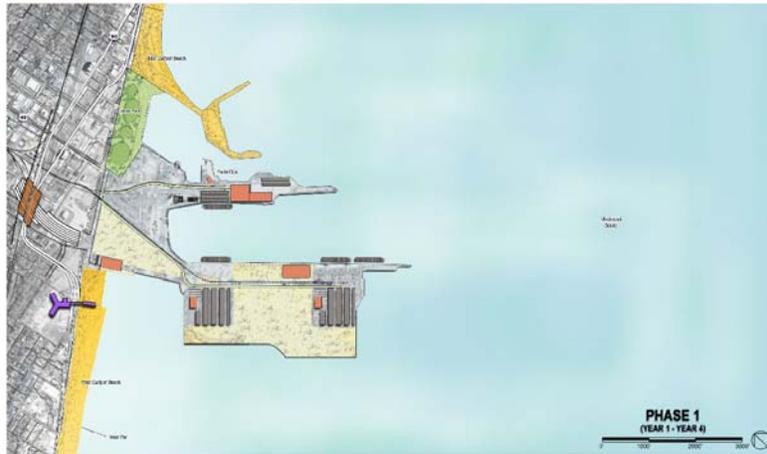


- Construction of Vision Plan.
  - Dredge Navigation Channel.
  - Demolish East Pier structures.
  - Construct new landform (fill).
  - New tenant facilities (Dole, Chiquita, Crowley).
  - Construct railway system and yards.
  - Construct roadway system and bridge.
  - Construct mitigation program.
  - Dredge Gulfport Recreation Channel.



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# Step 1 Restoration



Gulfport Vision Plan Phase 1

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# Step 2 Restoration



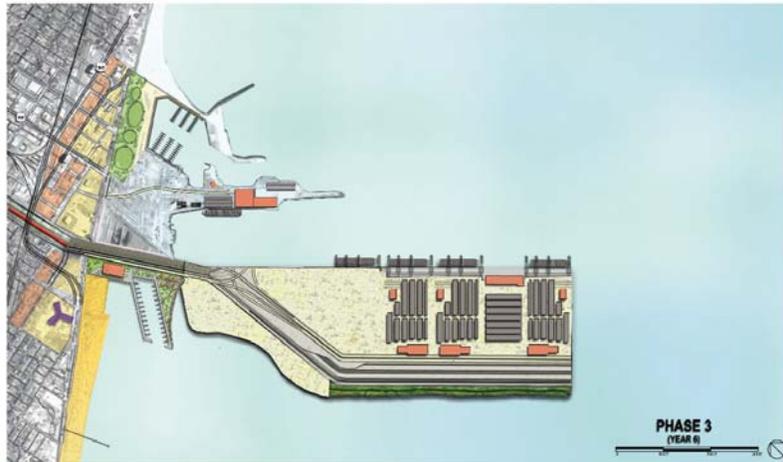
Gulfport Vision Plan Phase 2

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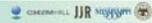


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# Step 3 Restoration

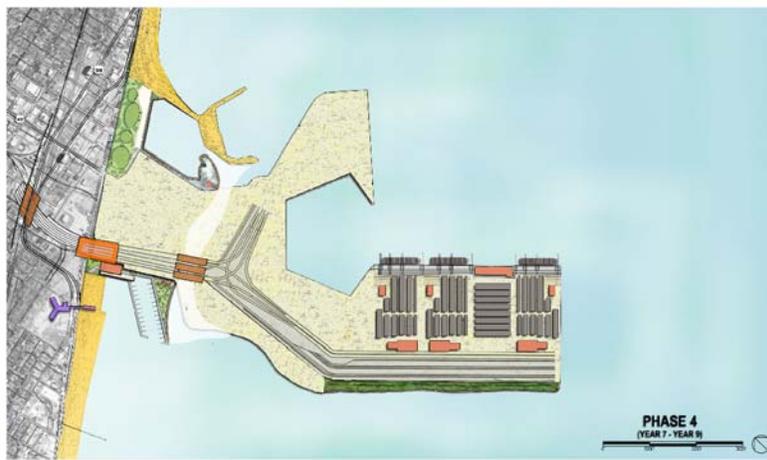


Gulfport Vision Plan Phase 3



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# Step 4 Restoration



Gulfport Vision Plan Phase 4



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## Unique Opportunities

- Only hurricane resistant port on Gulf Coast.
- Good, reasonable-cost labor pool.
- Modern more efficient operation.
- Direct access to interstate highway system.
- Direct access to national rail system.
- Potential future short-sea shipping opportunity.
- Significant support in local community.
- Active State Government support.
- Economic Stimulus - Very high Benefit/Cost Ratio.



## Key Elements of Success

- Develop of road system on time.
  - MS DOT supports the new vision.
- Develop rail support system on time.
  - CSX and KCS provide capital improvements
- Deepen channel serve carrier requirements.
  - US Congressional Delegation provides appropriation.
- Community Support for total program.
  - Will aid in all permitting elements (time and cost)



Thank you for your attention.

Questions and Comments



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## Baseline Plan



Gulfport Vision Plan Phase 5

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