    

Port Everglades

Master/Vision Plan Update

Cruise and Liquid Bulk

Charrette Meeting

June 18, 2009

    

The purpose of this presentation was to review the progress of the update to the 2006 Master/Vision Plan with the audience. The information contained herein is in draft form and was accompanied by a verbal description during the presentation and has not been approved by Broward County. Since the following slides are in draft form the information thereon is subject to change.





Progress to Date

Working on Phase I Update

- **Updating Element 1: Existing Conditions Assessment**
  - Discussed at 3-27-09 Tenant/Stakeholder Meeting
- **Updating Element 2: Market Assessment**
- **Updating Element 3: Plan Development**

Updating Element 2: Market Assessment

- **Bermello, Ajamil & Partners -** Cruise
- **Martin & Associates -** Containerized Cargo
- **Purvin & Gertz -** Liquid Bulk
- **Sclar & Associates -** Non-Containerized Cargo

(For 20-year Design Horizon; 2009 to 2029)

PORT EVERGLADES
BROWARD COUNTY, FLORIDA





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Cruise Market Analysis for Port Everglades

Prepared by:

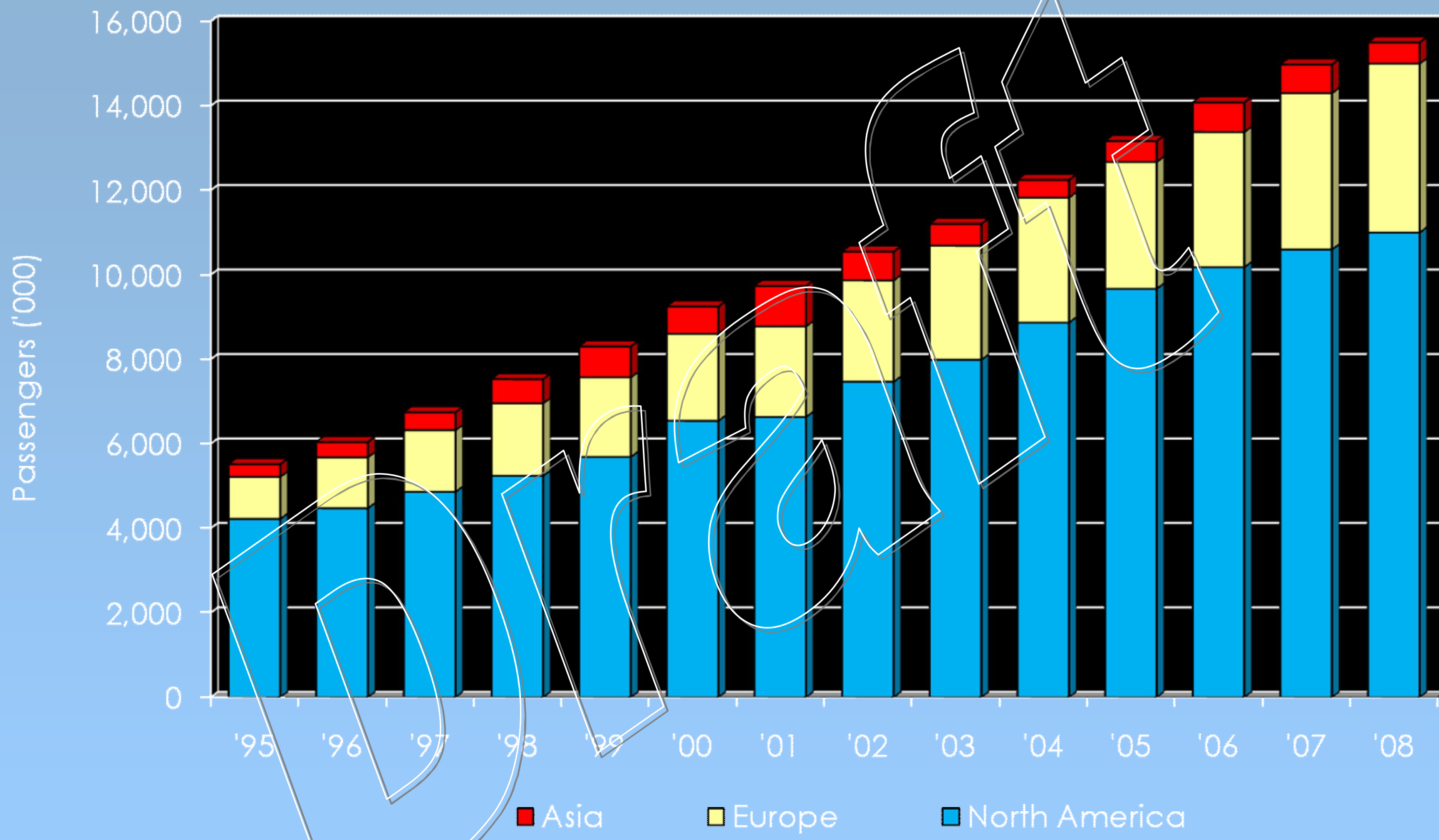
Bermello, Ajamil & Partners





Steady Expansion

Conventional cruise passengers, 1995 - 2008



Since 1995, worldwide passenger levels have tripled

Sources: CLIA, PSA, B&A, 2009

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Global Growth Trends

- Constrained by ships (supply), not passengers (demand);
- Cruise lines rapidly expanding in several cruise regions;
  - repeat clientele
  - saturation of traditional ports and regions
- Non-US passengers are taking more cruises;
- Industry is controlled by handful of profitable operators;
- Industry outperforms others during recession by:
  - shifting capacity from longer to short, closer-to-home, more affordable segments
  - offer deep discounting
  - shift of land based to cruise - perception of all-inclusive value

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New Cruise Ship Introductions

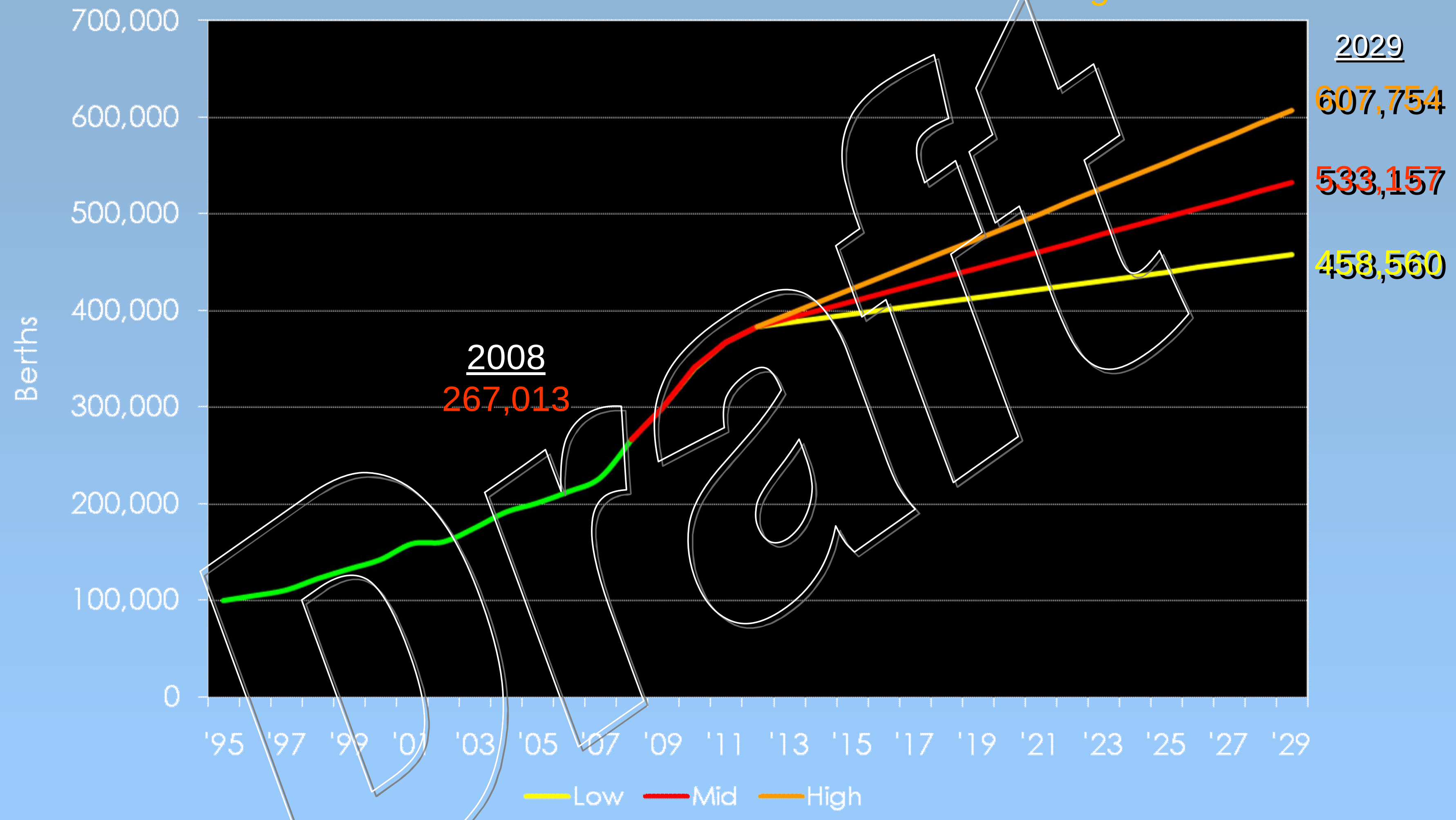
2008		2009		2010		2011/12	
AIDA	2,050	AIDA	2,050	AIDA	2,174	AIDA	2,174
Carnival	2,974	Carnival	3,652	Celebrity	2,850	Carnival	3,652
Celebrity	2,850	Celebrity	2,850	Costa	2,260	Celebrity	2,850
HAL	2,100	Costa	2,260	Cunard	2,092	Costa	3,012
MSC	2,568	Costa	3,004	HAL	2,100	Disney	2,500
MSC	3,300	MSC	3,300	NCL	4,200	Oceania	1,260
Princess	3,100	RCI	5,400	MSC	2,550	Seabourn	450
P&O Cruises	3,100	Seabourn	450	Oceania	1,260	MSC	2,550
RCI	3,643	ACL	104	P&O Cruises	3,076	AIDA	2,174
Pearl	210	Silverseas	540	Seabourn	450	Celebrity	2,850
				Ponant	264	Costa	3,012
				Ponant	264	Disney	2,500
						MSC	2,550
						Oceania	1,260
10		**11**		**13**		**8/6**	
(25,895)		(23,836)		(28,940)		(18,448/14,346)	

48 New Ships / 111,465 New Berths

Sources: B&A and Seatrade, 2009

Projected North American Berths

Inclusive of estimated withdrawals from service through 2020



Net n berth inventory anticipated to add an additional 112,000 to 220,000 berths by 2020

Source: B&A, 2009.

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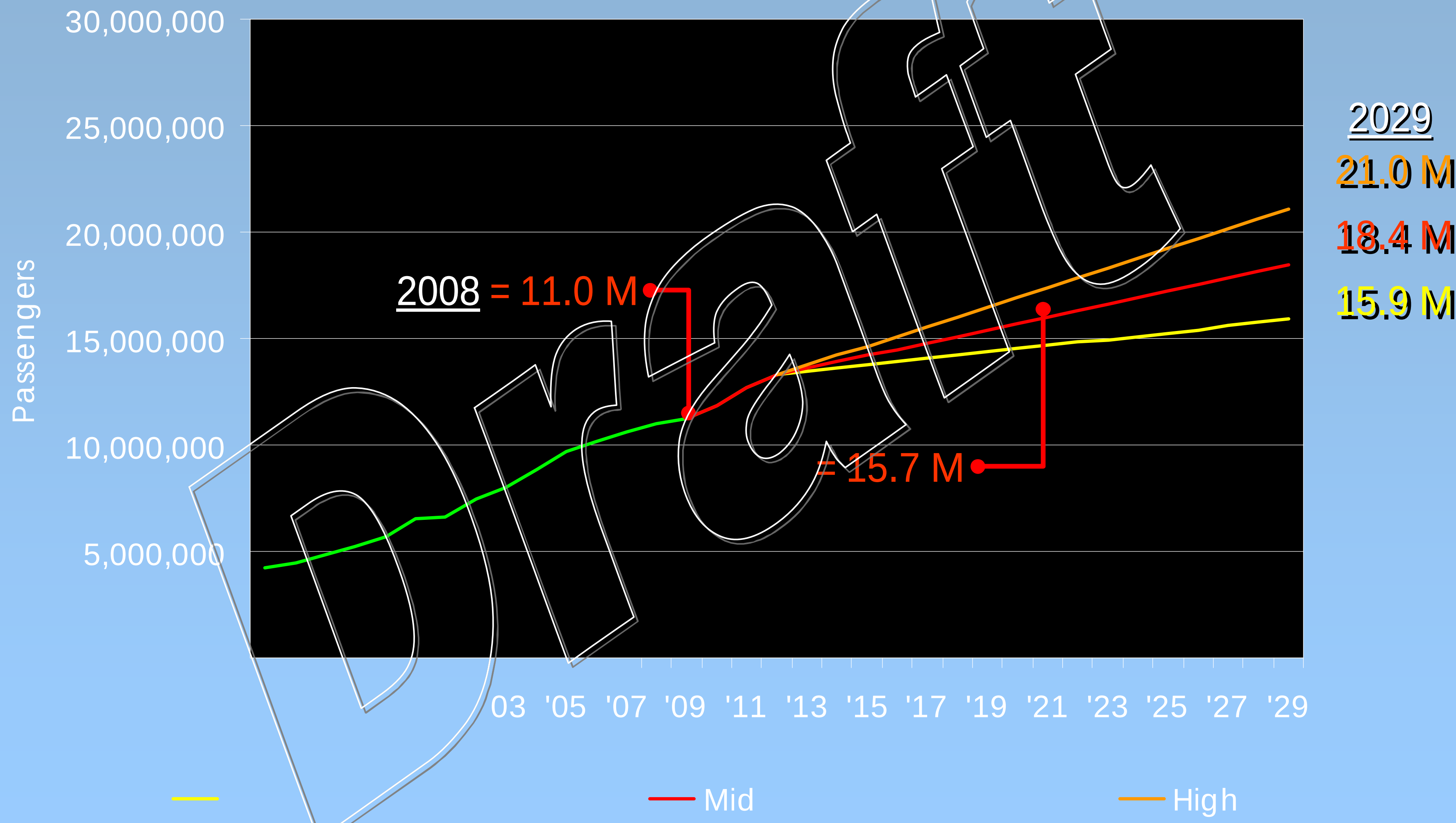
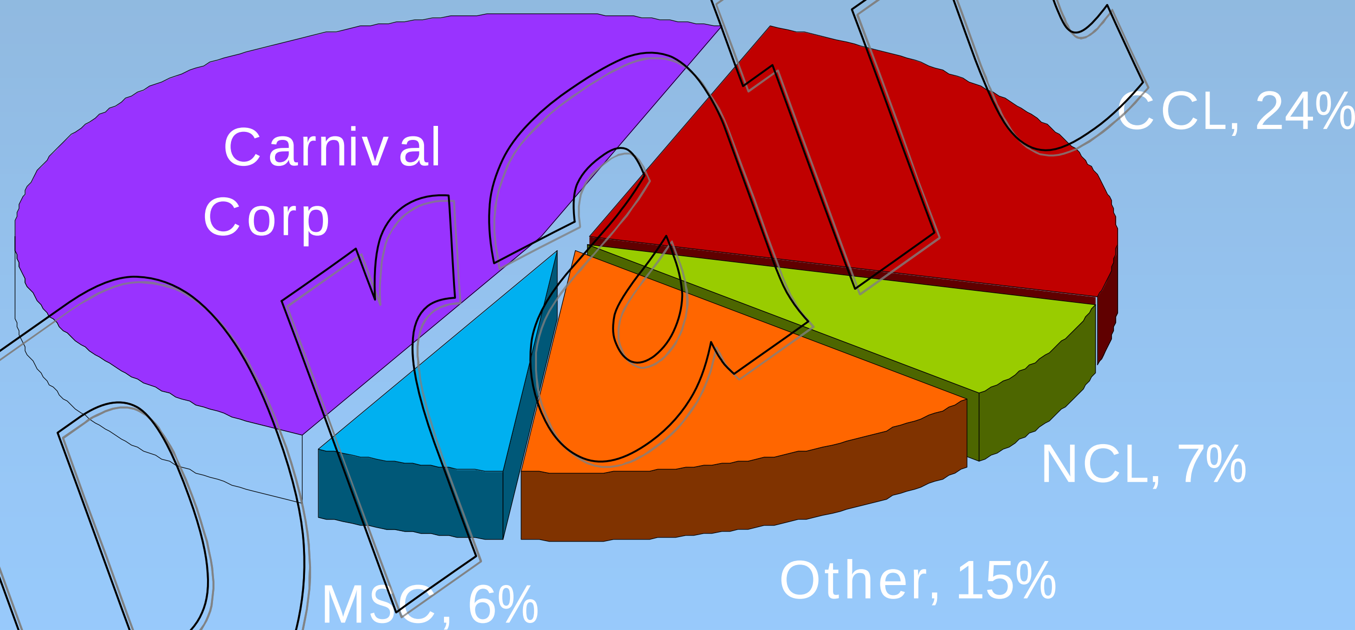
Projected North American Passengers

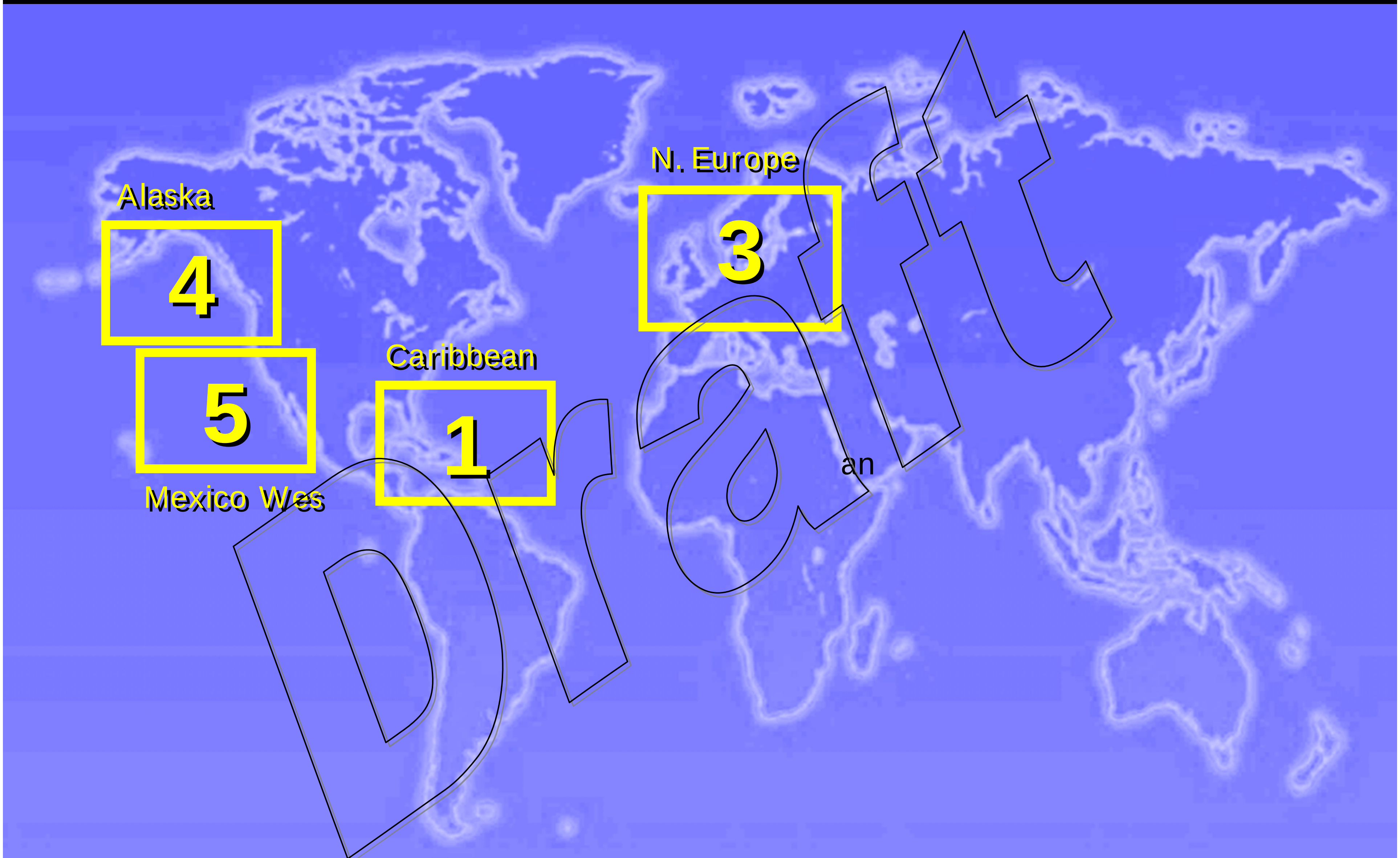


Source: B&A, 2009.

Major Cruise Corporations



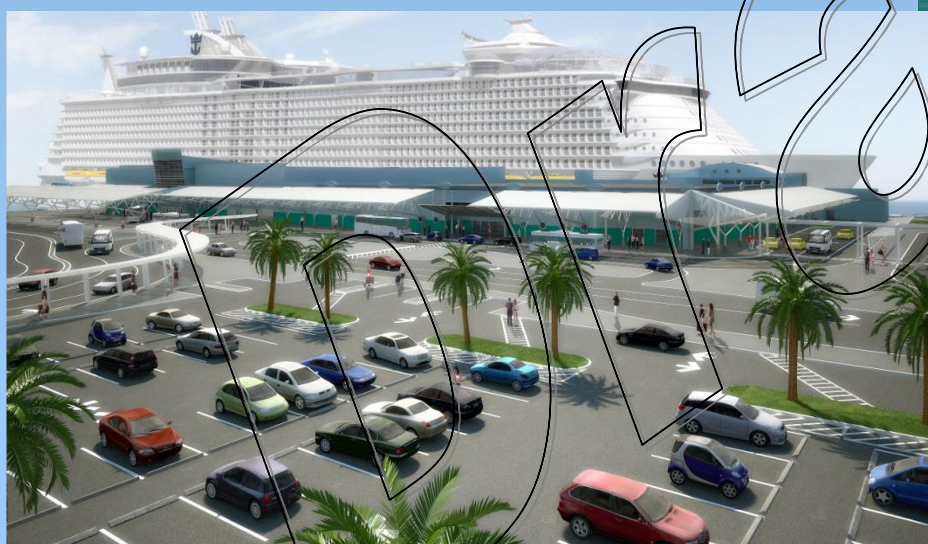
Source: Cruise Industry News , B&A, 2009.



Source: CLIA, and B&A 2009.

Cruise Overview

- Strengths include:
  - Access to regional consumers;
  - High quality tourism infrastructure and tourist offer;
  - Deepwater marine access;
  - New Terminal 18;
  - Number and length of cruise berths.



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Cruise Summary

- Cruise passenger throughput increased by 76.4% between 2000 and 2009 (approx. 6.95% annually);
  - Oasis of the Seas – 2010 FY
  - Allure of the Seas – 2011 FY
  - Adding 1.2-million revenue passengers in 2 years
- Multi-Day cruise calls falling with larger ships deployed to Port Everglades; and,
- Daily & Non-conventional cruise is a “wildcard” due to market influences.
  - Bahamas Celebration added in March 2009





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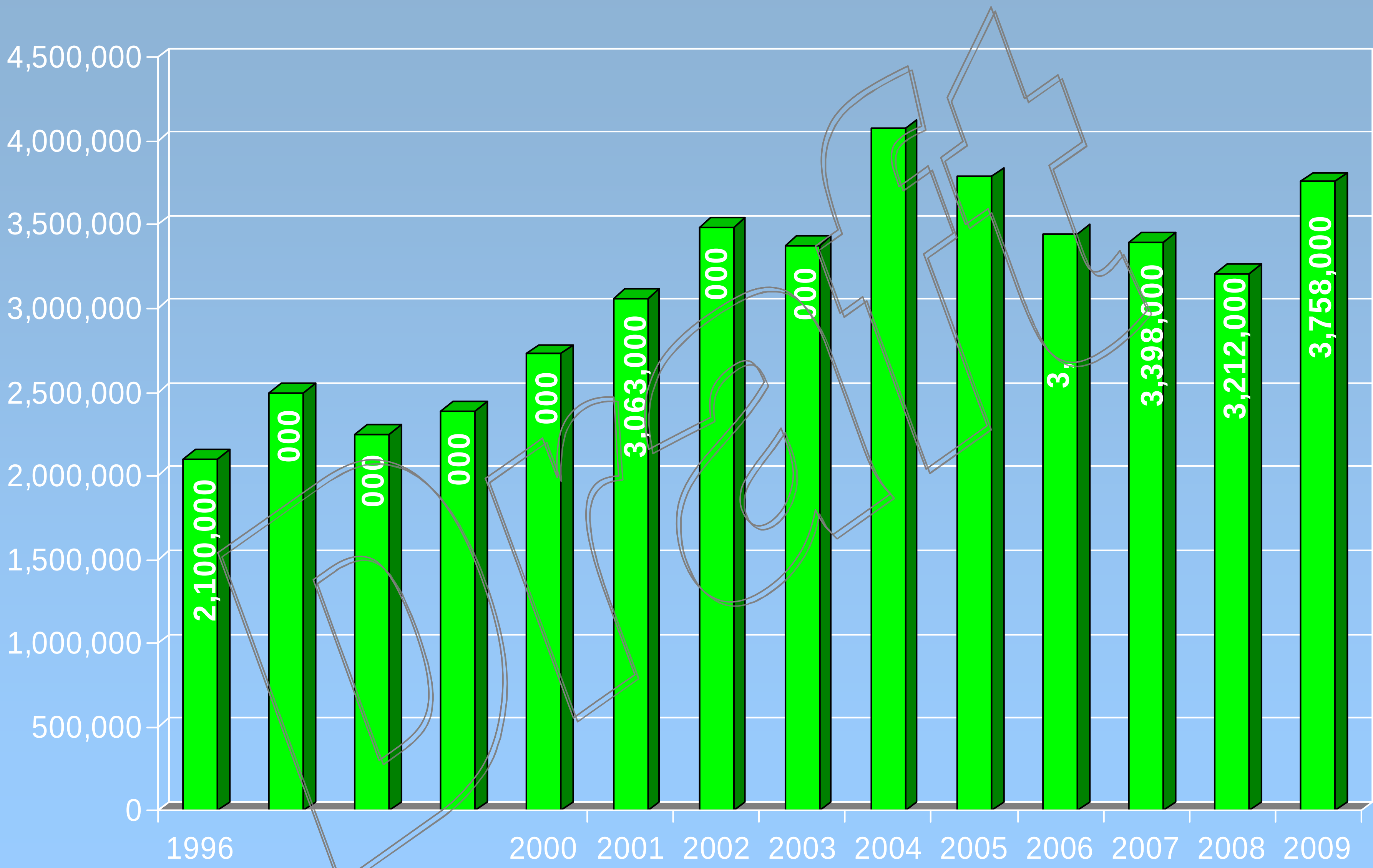
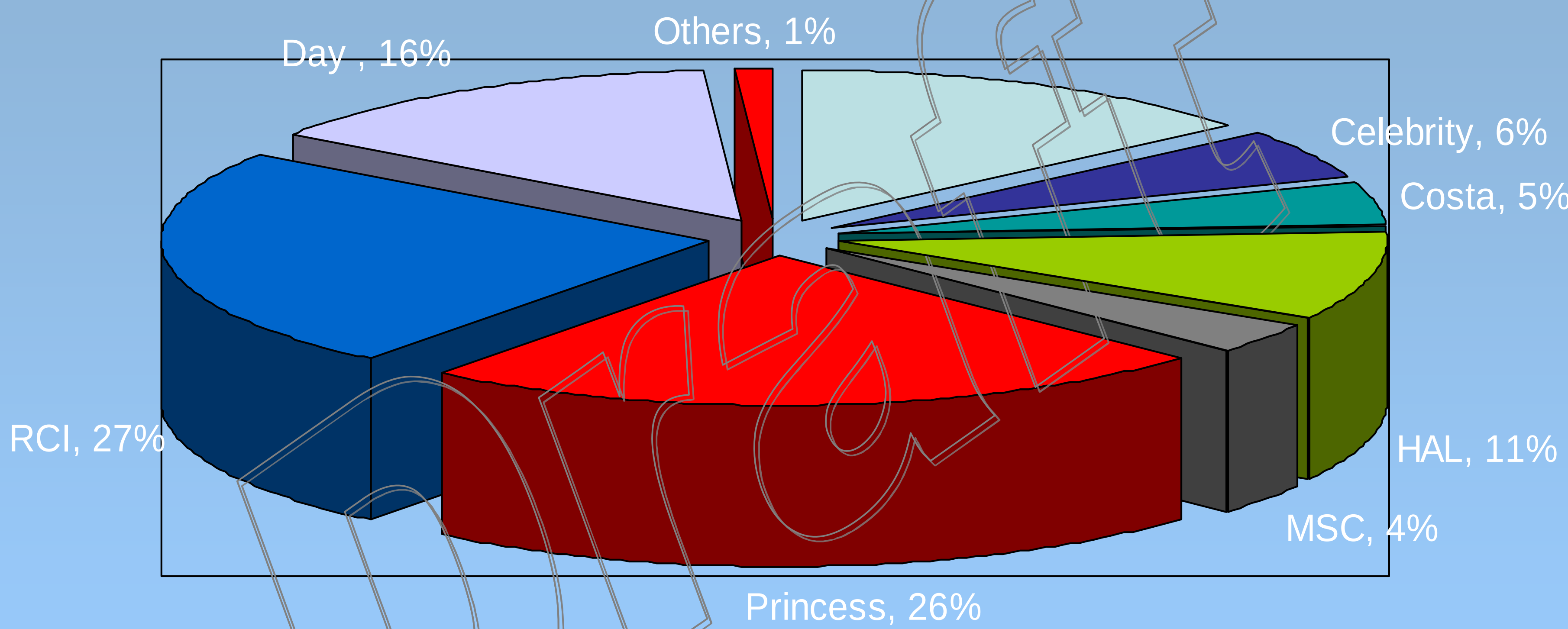
Cruise Revenue Passenger Growth, *FY1996-FY2009*



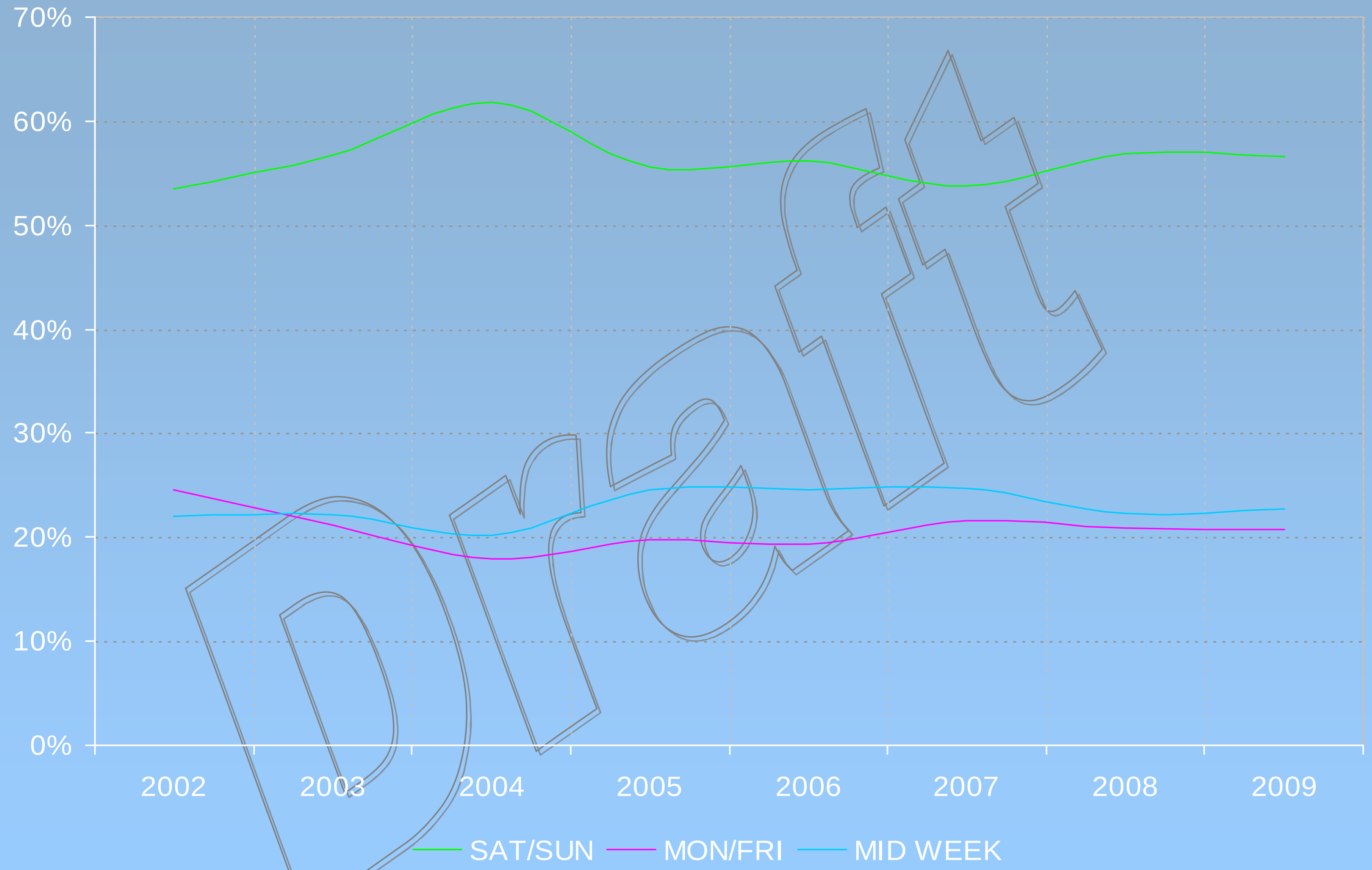
Source: B&A, 2009.

Cruise Line Activity, *FY2010 Projected*



Source: B&A, 2009.

Daily Traffic Comparison



Source: B&A, 2009.

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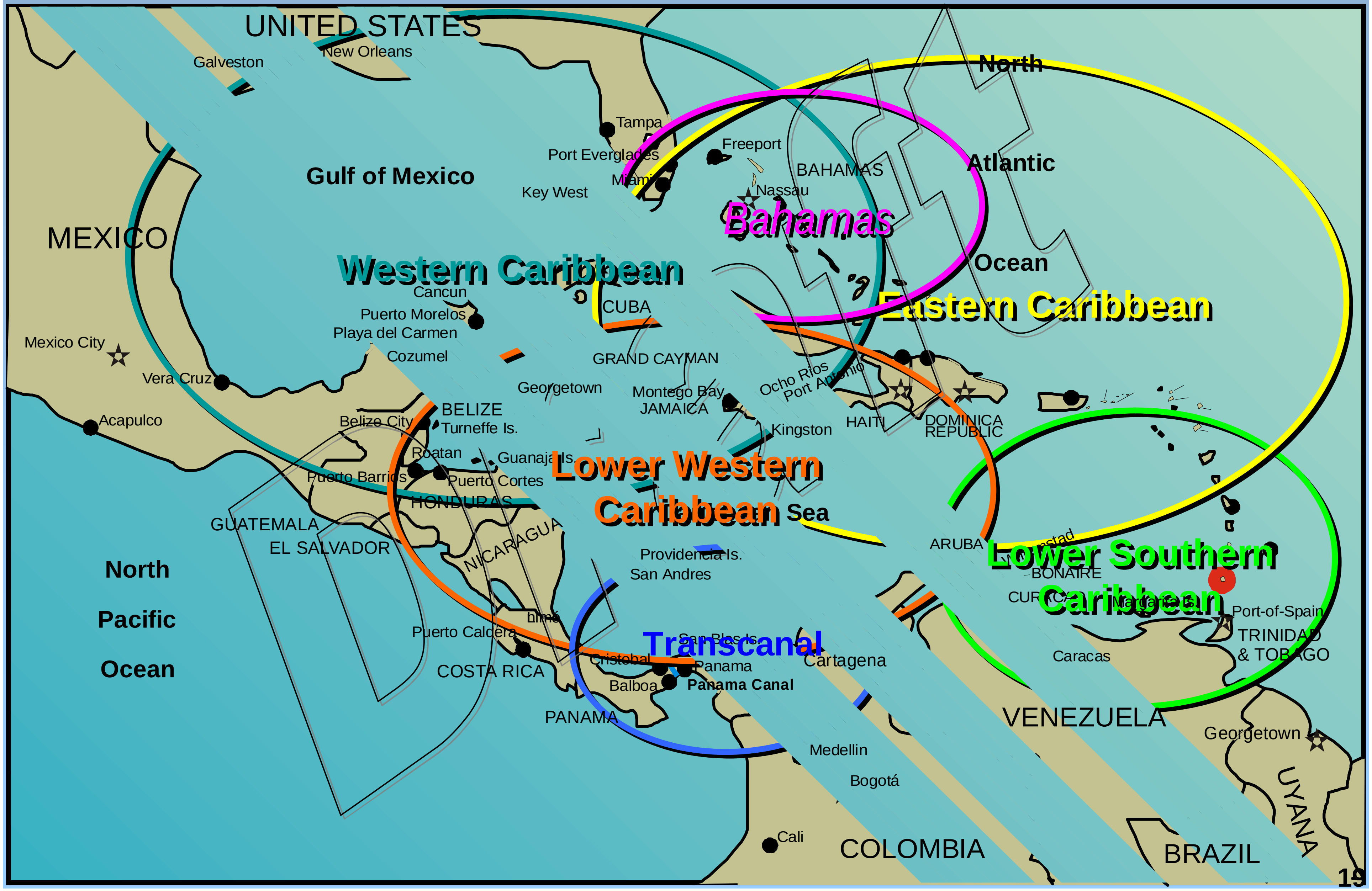
Port Everglades And Port Of Miami Growth

Source: B&A, 2009.

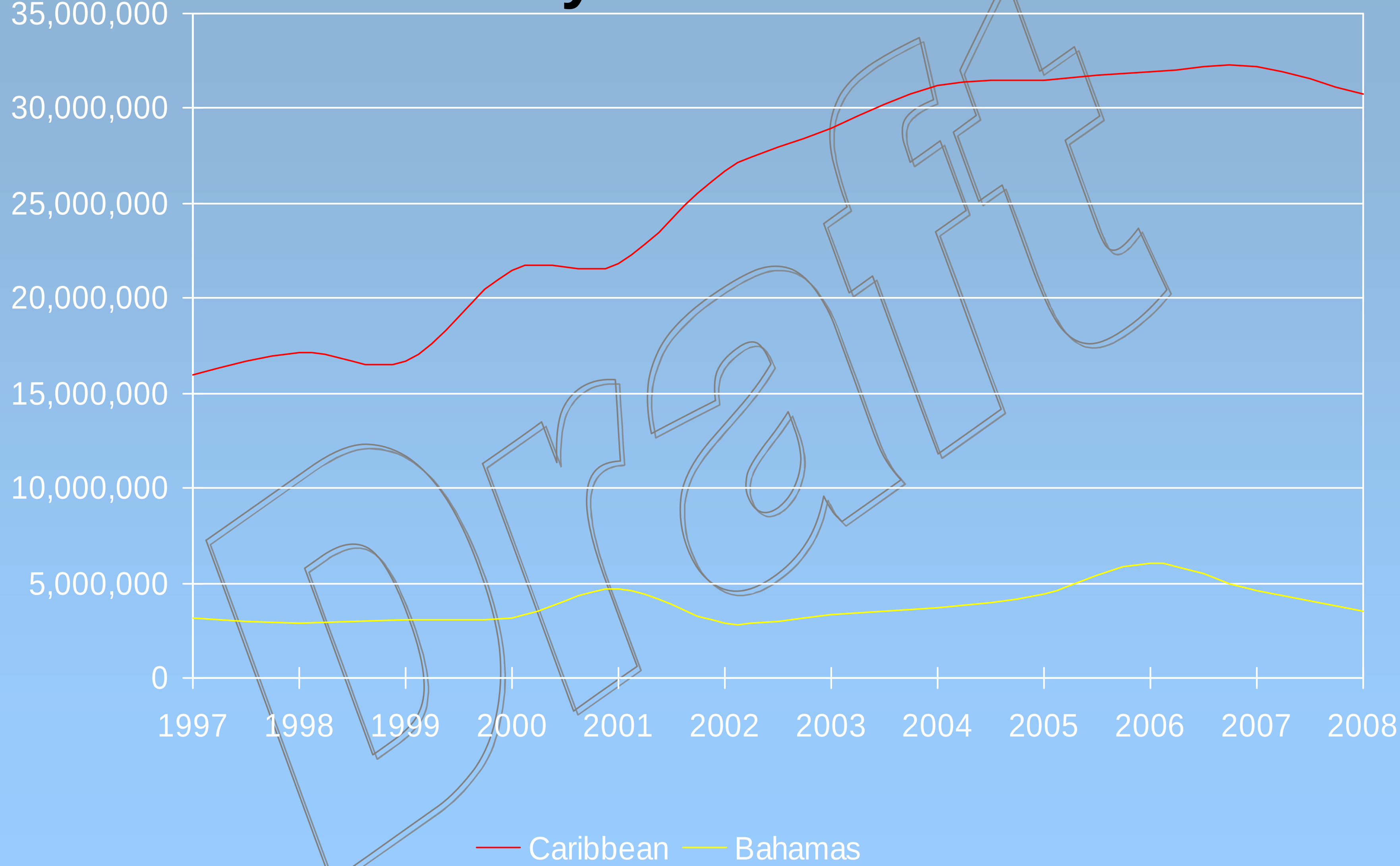




Primary Cruise Target Regions



N.A. Capacity Placement – Primary Influence on P.E.



Source: B&A, 2009.

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Caribbean Growth Factors

- N.A. lines trending toward US homeports and key Caribbean homeports to reach lower Caribbean
- Carnival controls majority of all beds in the region
- NCL focusing on US market - expanding presence
- RCI moving out small ships in favor of larger ships
- Consumer demand for value for money
- Economic downturn growing shorter cruises





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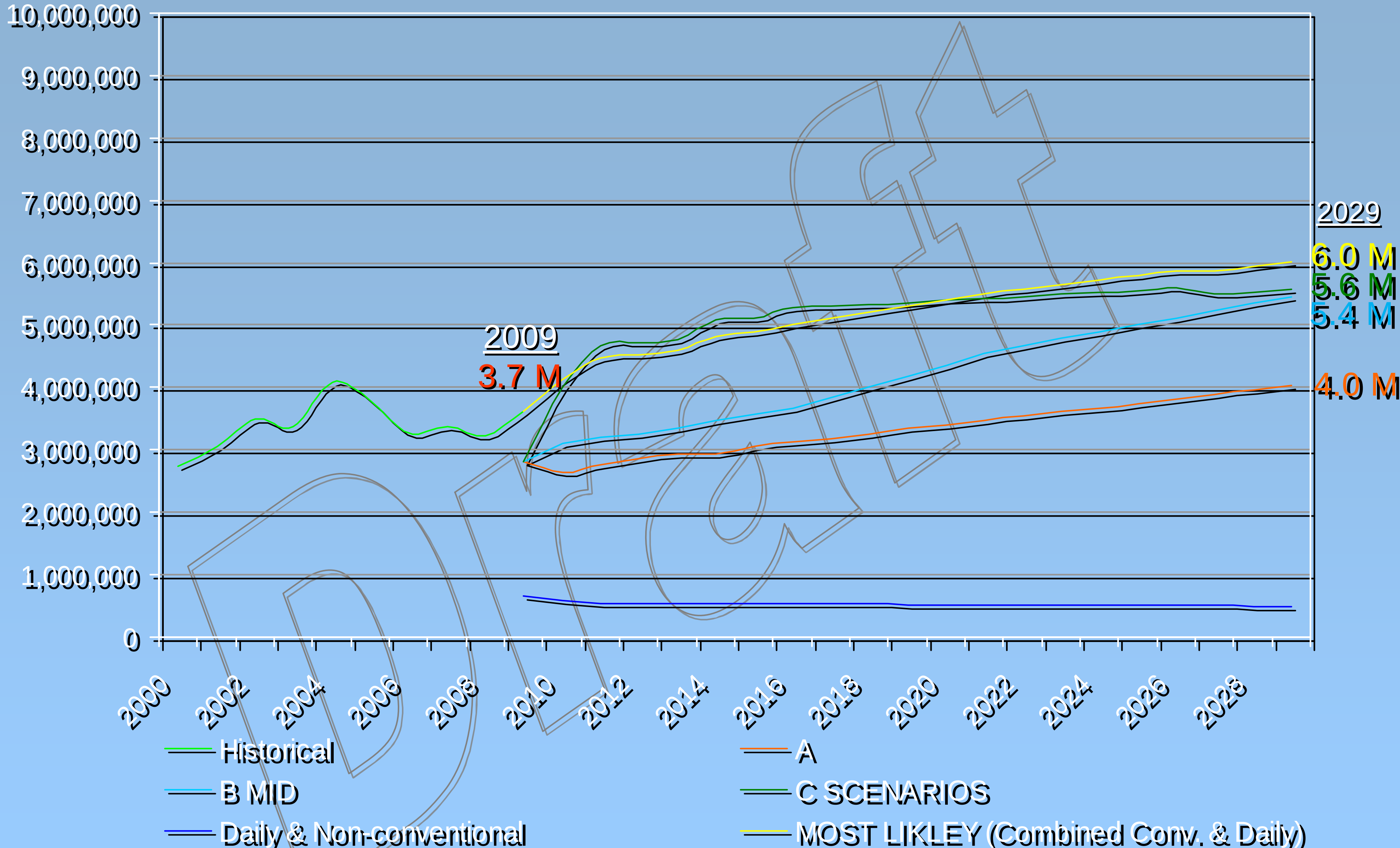
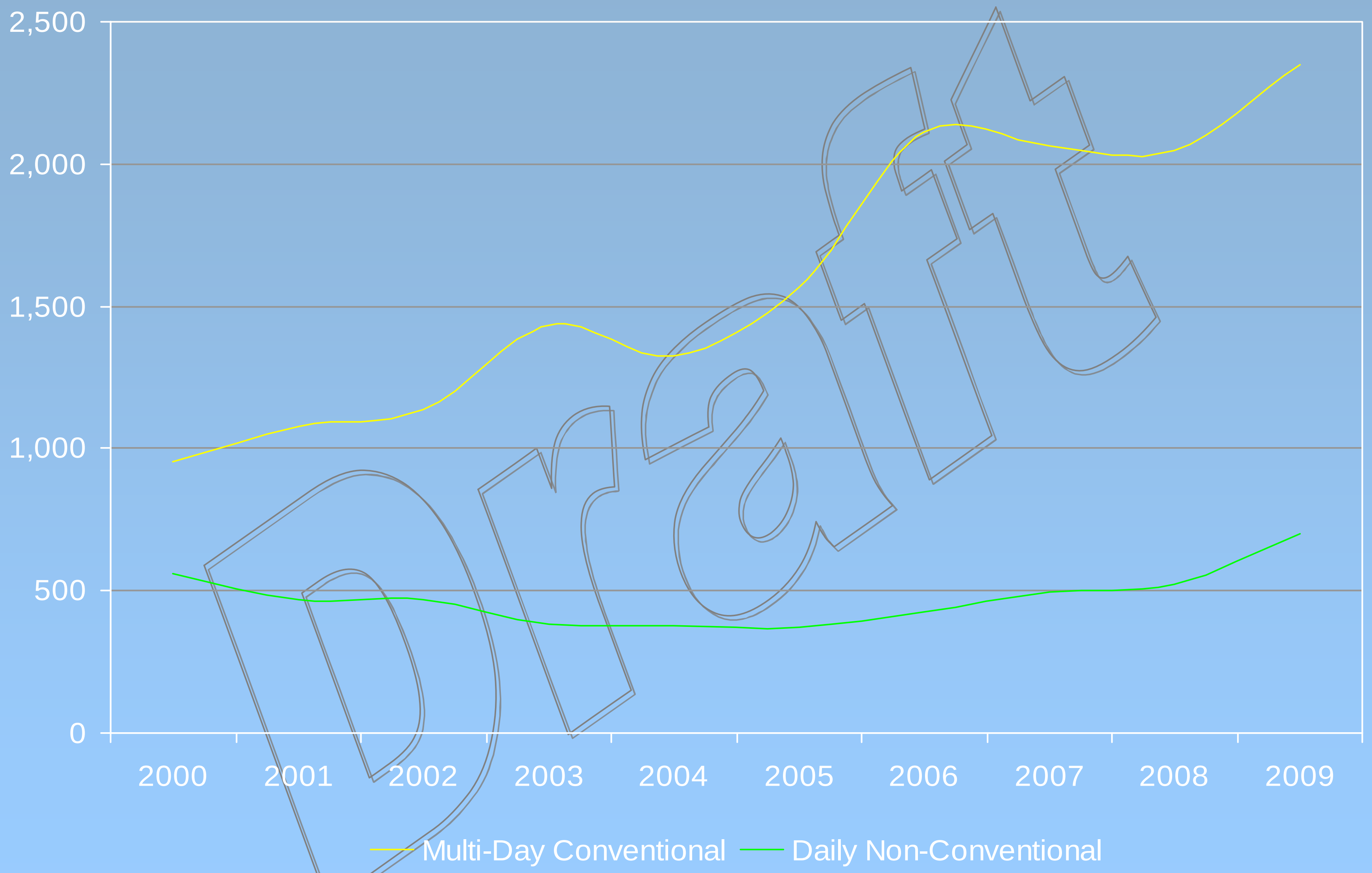
Range Of Revenue Passenger Projections



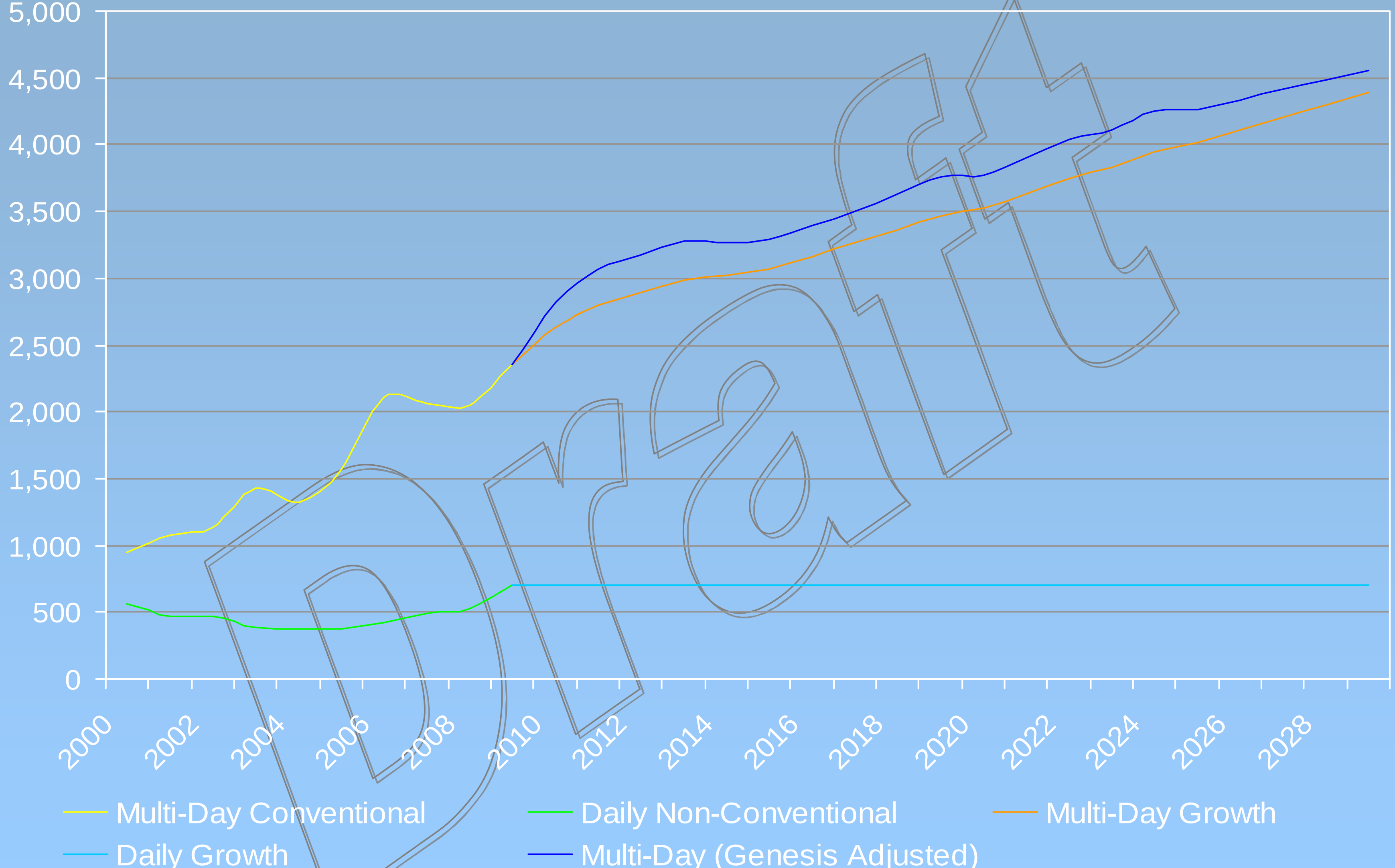
Source: B&A, 2009.

Passengers Per Ship Growth



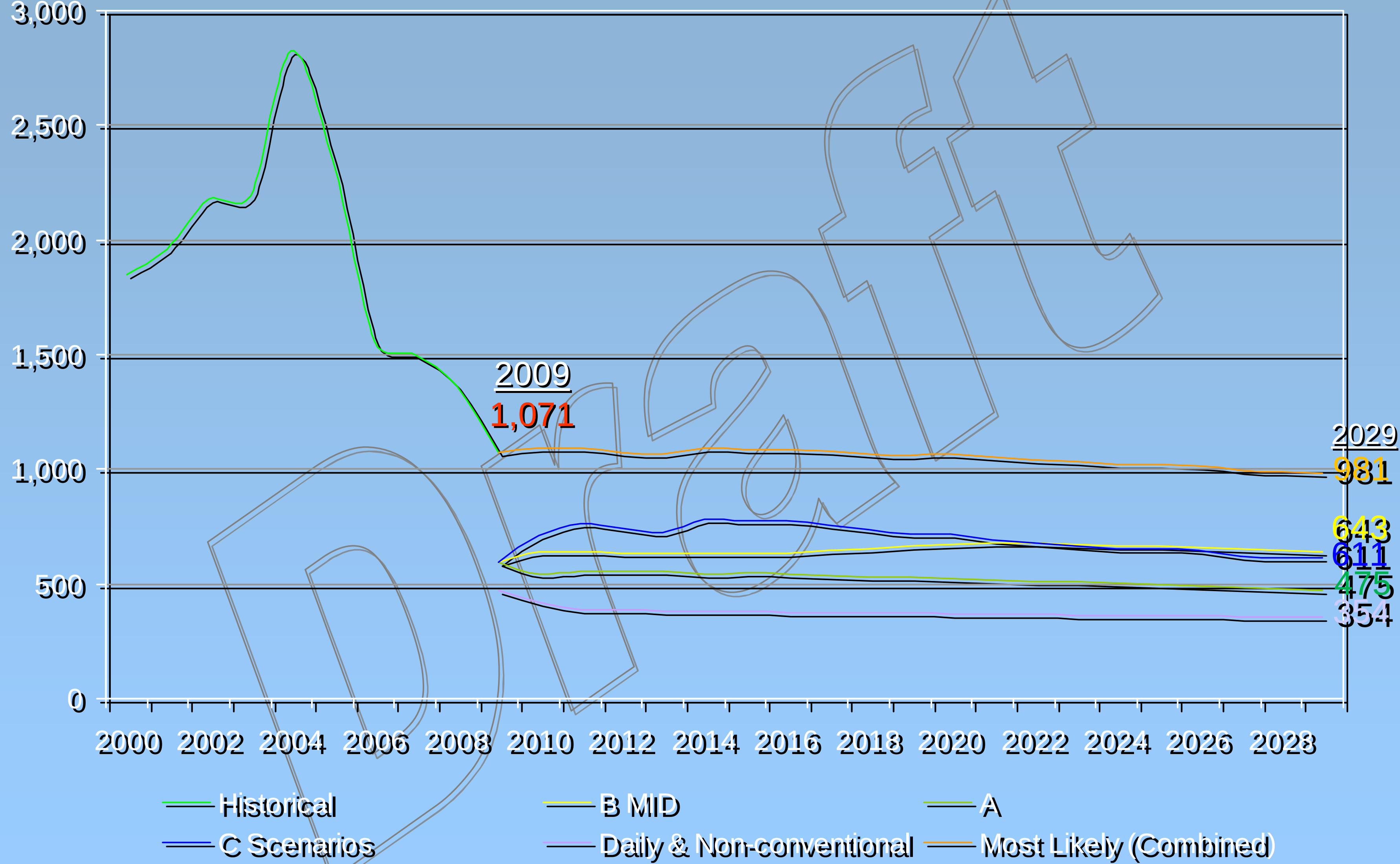
Source: B&A, 2009.

Passengers Per Ship Projections



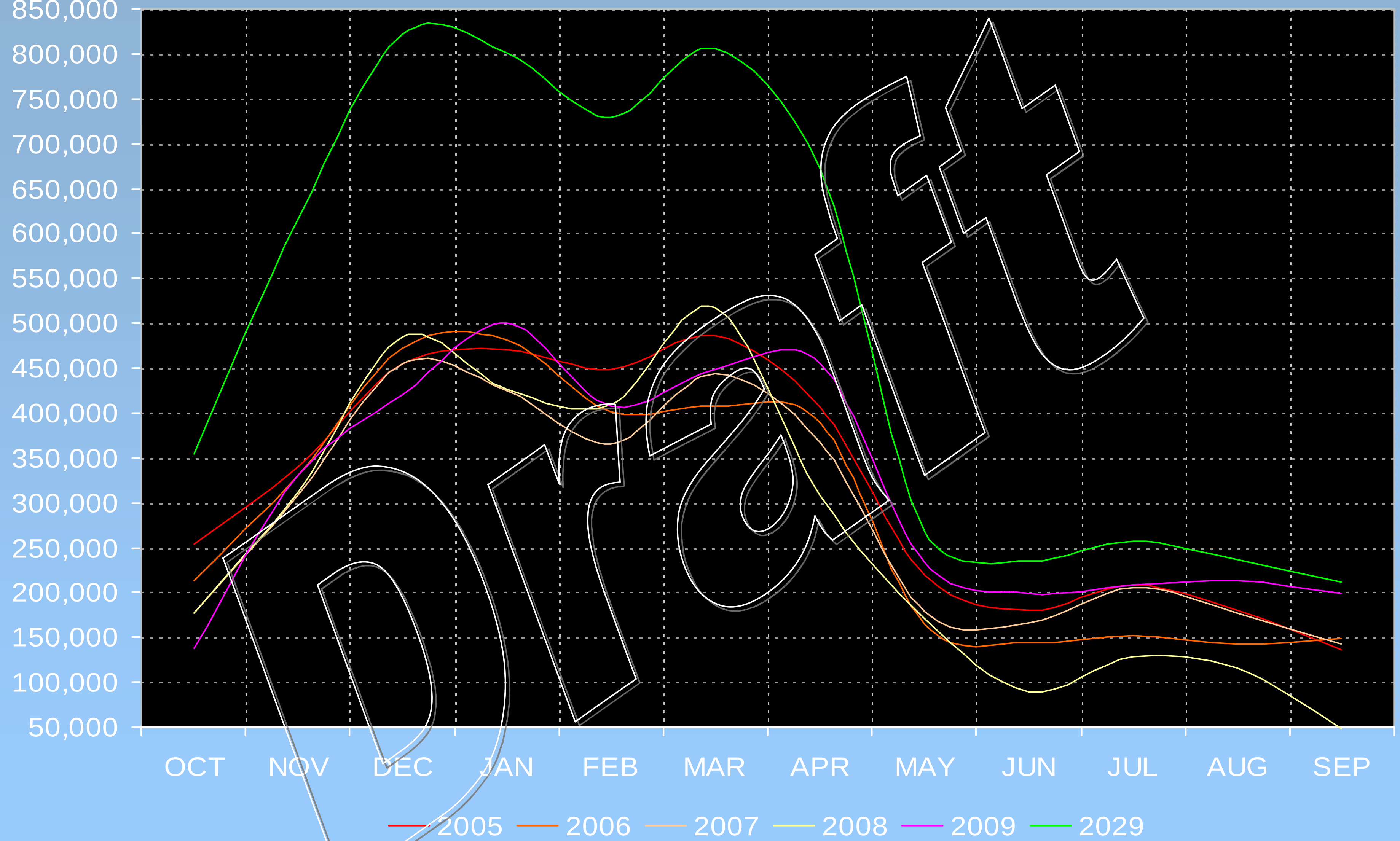
Source: B&A, 2009.

Ship Call Projections



Source: B&A, 2009.

Monthly Passenger Traffic



Source: B&A, 2009.

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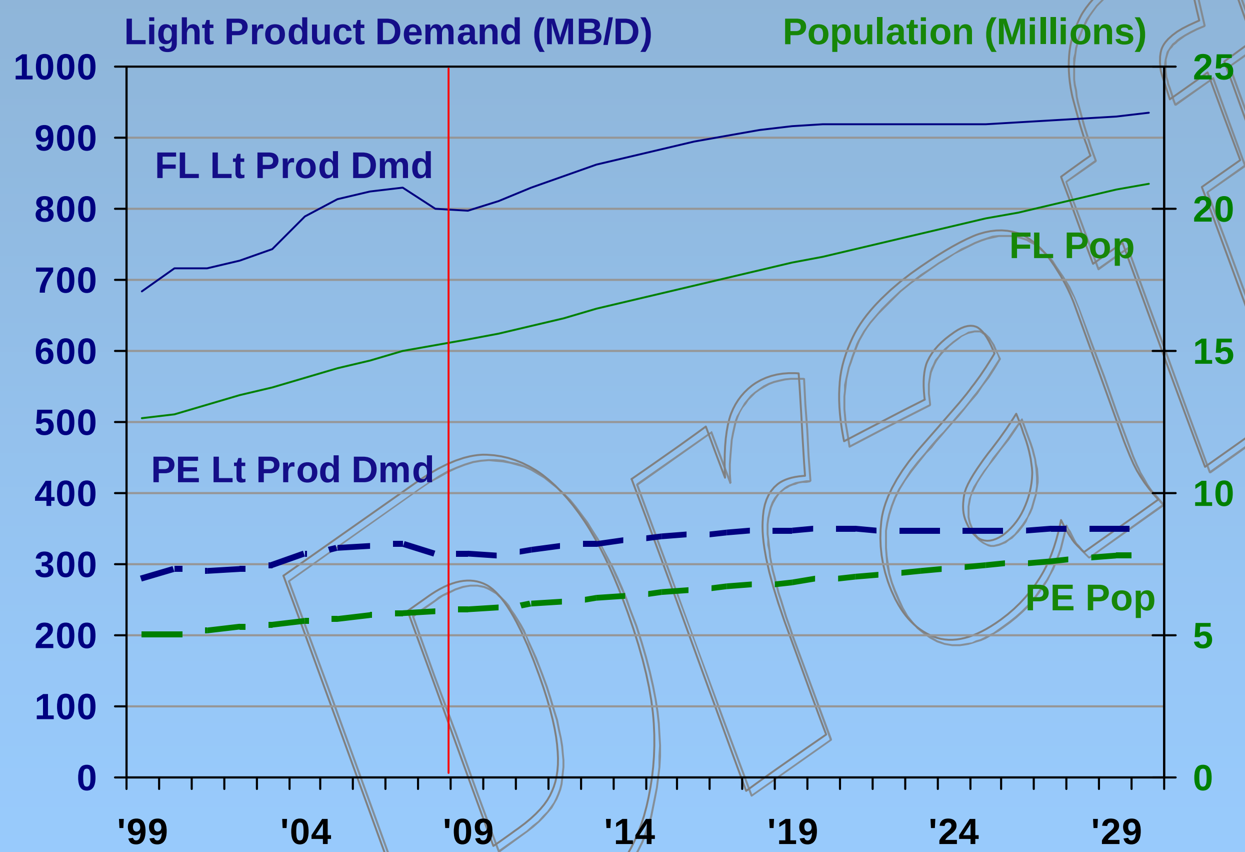
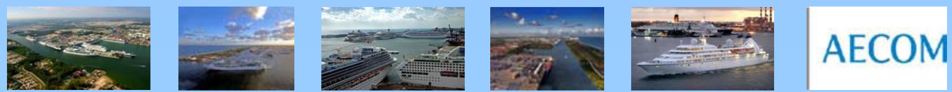
Purvin & Gertz - Liquid Bulk

Presented by Stephen Jones

Light Product Demand



- Light product demand forecast mostly population driven
- U.S. light product growth (0.1)% per yr
- PADD I light product growth (0.1)% per yr
- FL light product growth 0.7% per yr
- PE light product growth 0.5% per yr
- U.S. population growth 0.9% per yr
- PADD I population growth 0.8% per yr
- FL population growth 1.9% per yr
- PE population growth 1.4% per yr



Port Competition

- Seven major commercial ports in Florida
  - Currently only two other ports have diversified petroleum operations – Tampa and Jacksonville
    - Only Tampa directly competes with Port Everglades
    - Other ports reviewed include: Palm Beach, Canaveral, Manatee and Miami. The BORCO terminal was also reviewed
  - Port Canaveral is currently adding 2.7 million barrels of petroleum storage capacity that will compete directly with the Port
    - Late 2009 startup
  - Tampa adding an additional 1.1 million barrels of storage that is to be operational by January 2010
    - Utilization rates currently very high, additional capacity to help meet future demand increases
    - Possible delay in project due to funding issues
  - Competitive interfaces are accounted for in the throughput outlook





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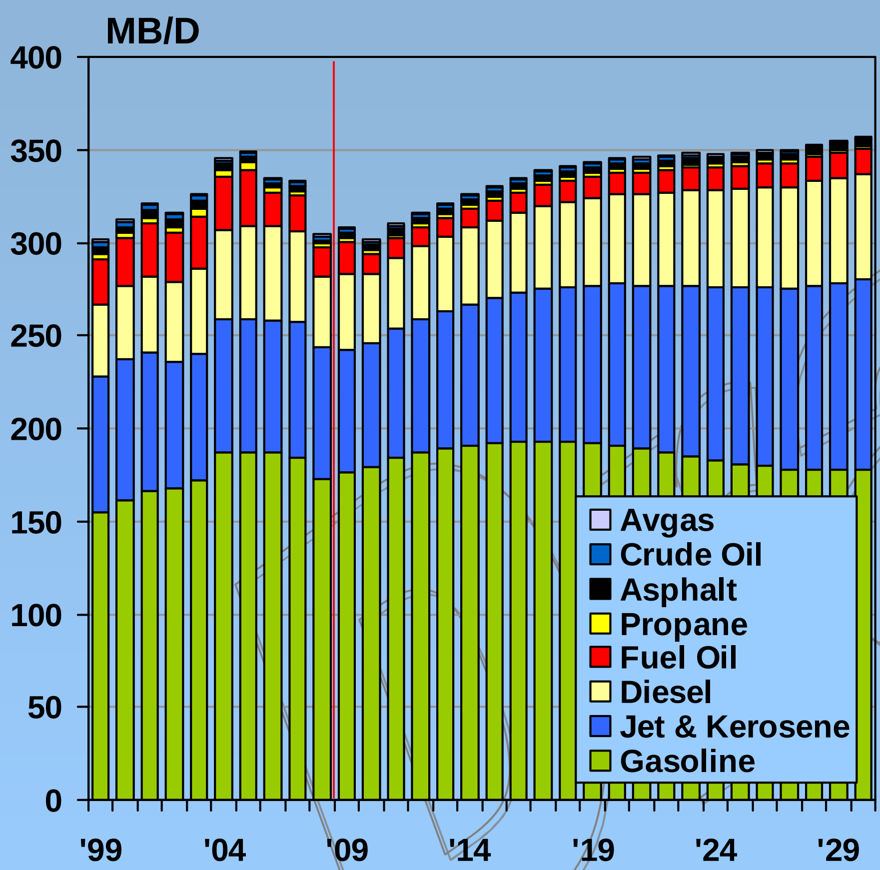
Port Everglades Throughput



- Throughput flat through 2010, 0.9% per year increase thereafter
- Gasoline will continue to be largest throughput volumes
- Distillate to become larger percentage of throughput
- Biofuels and greater number of fuel grades to create additional complexities

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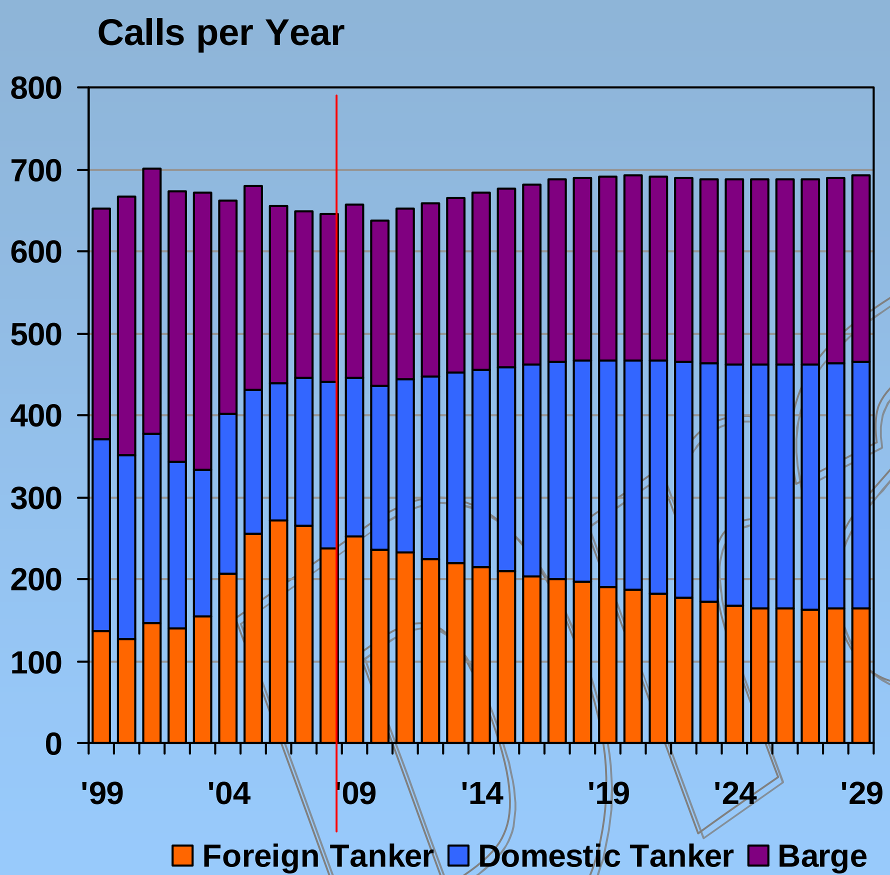
Vessel Calls at Port Everglades



- Decrease in vessel calls through 2010
- 0.4% increase per year from 2011 through 2029
- Trend toward some larger foreign tankers, therefore less calls
- Barges and foreign tankers have been replacing domestic tankers in recent years
- New Jones Act tankers currently being added to fleets and under construction are expected to recover much of lost market share

Additional Considerations

- Despite the recent market demand downturn, several other factors must be considered when making decisions regarding the Port's liquid bulk infrastructure.
  - Deliveries to the Port are not ratable and annual average volumes may not reflect peak activity at the Port
  - Continued improvements to reduce demurrage should create a competitive advantage and help preserve market share
  - The increased number of terminal operators is adding ship calls to the Port
  - New fuels have created a complexity not previously managed by the Port. Additional products such as biodiesel, ethanol, and several fuel grades may require additional dock piping, tankage and calls
  - Inherent uncertainty in the planning basis (forecast) suggests a need to monitor market conditions and maintain infrastructure improvement plans.

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Common Observations from Tenant/Stakeholder Discussions

- Operators expect throughput to be flat or down slightly over the next few years
- No significant changes are expected in mix of ships versus barge traffic
- Preference for using larger vessels has highlighted the need for loading arms with wider operating envelope
- Periodic high port traffic and congestion appear to hinder petroleum vessel movements
- New ethanol requirements for supplying finished gasoline add complexity to cover demand during hurricane events

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Updating Element 3: Plan Development

- **Updating Project Development:**
  - **- Midport Berth Expansion**
  - **- Northport Berth Expansion**
  - **- “Carve Out” of Convention Center**
  - **- By-Pass Road Development**
  - **- Port–Wide Traffic and Parking Strategies**

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Midport and Northport Berth Expansion

- **Location of berth(s) for cruise ships to accommodate:**
  - **Vessel LOA: 1100 +/- feet**
- **Location of berth(s) for liquid bulk ships**
- **Location of bulk and general cargo ships**

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Midport Berth Expansion

- **Location of berth(s) for panamax ships to accommodate:**
- **Existing crane height of 160 feet AMSL**
- **Vessel LOA: 900 feet**
- **Berth 27 expansion for cruise ships**
- **Location of Ferry Vessels?**

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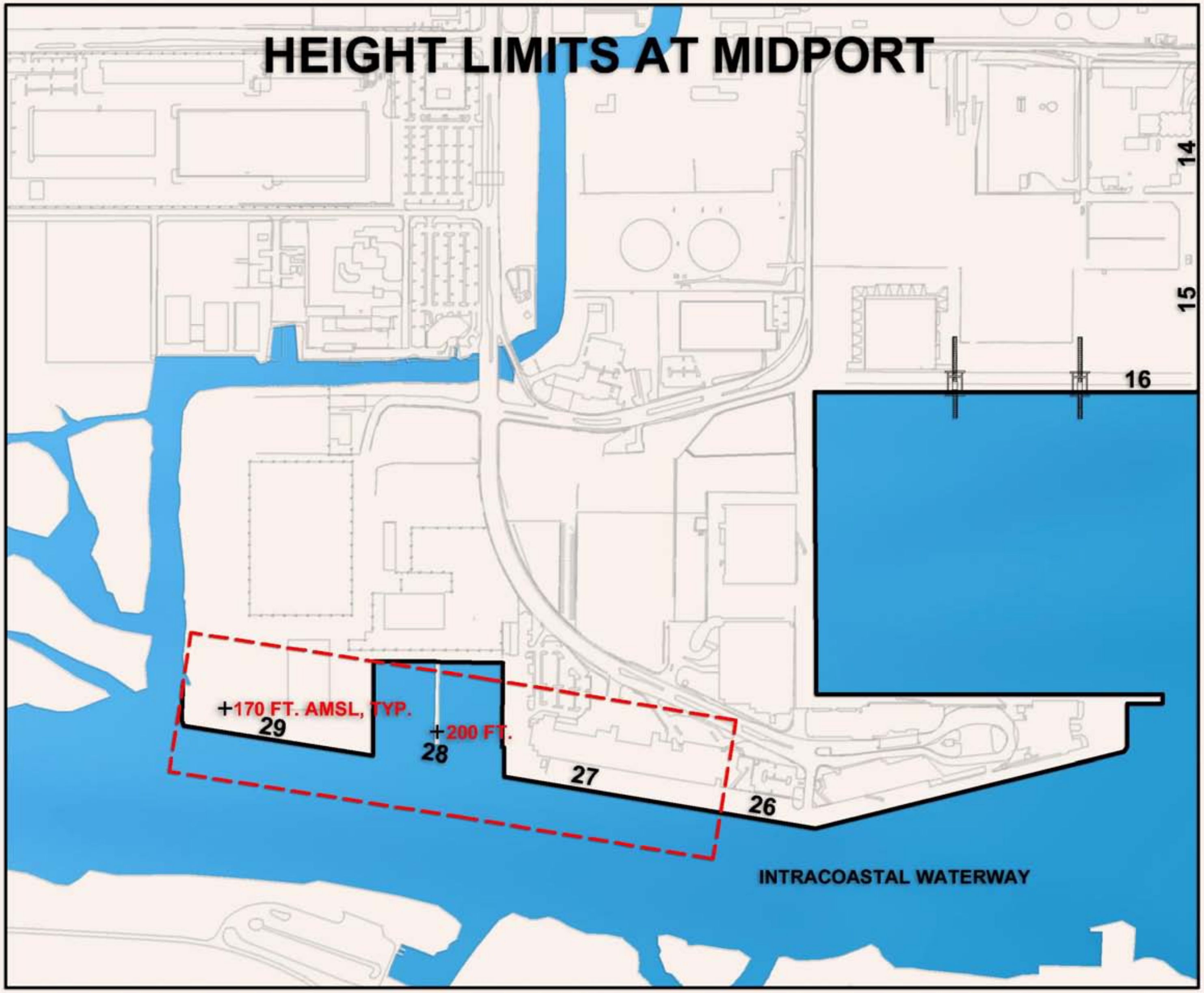
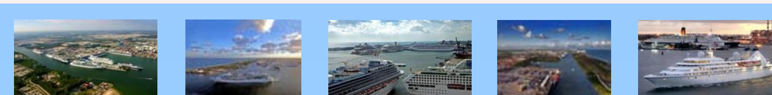
HEIGHT LIMITS AT MIDPORT





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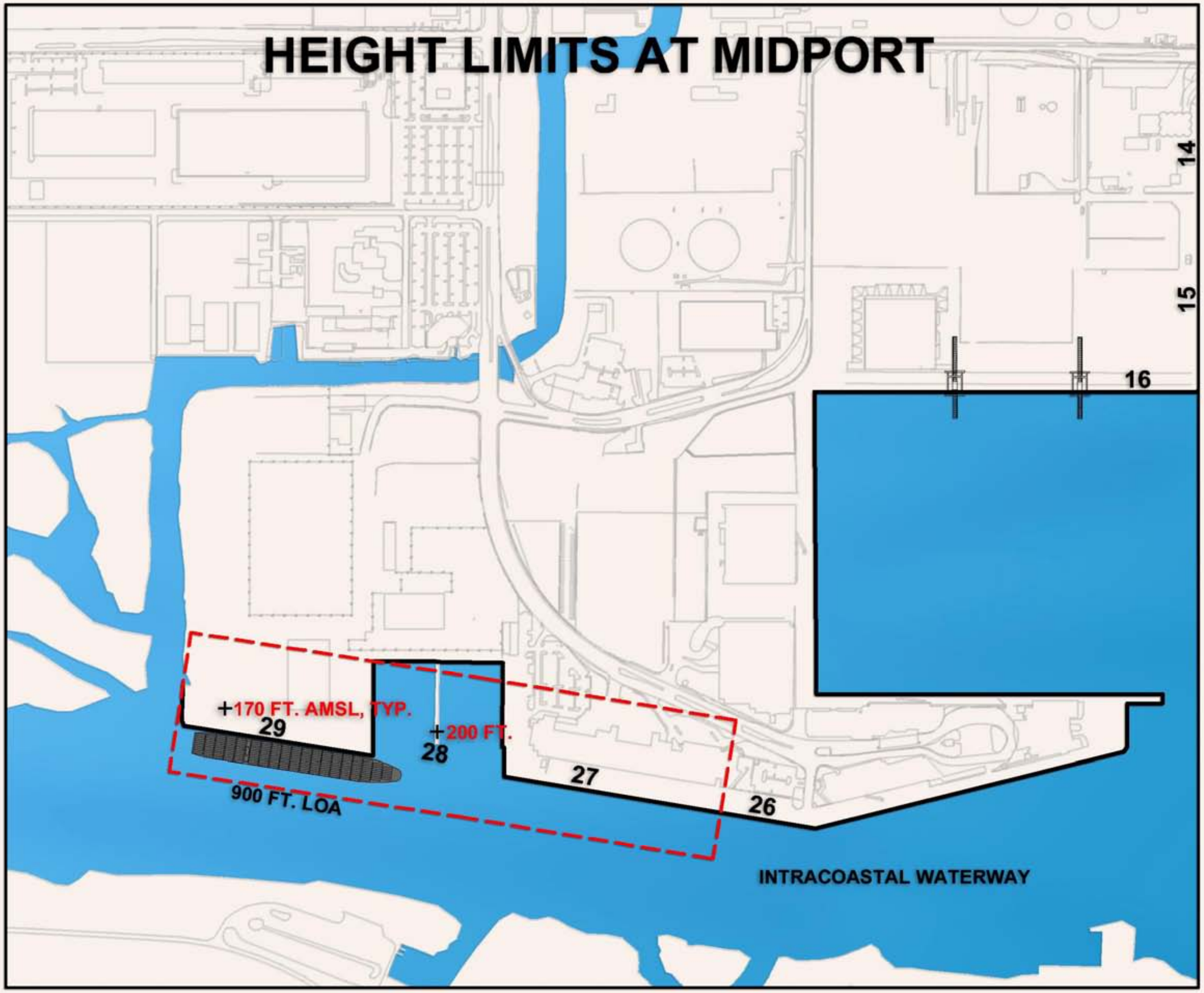
HEIGHT LIMITS AT MIDPORT
14
15
16
+170 FT. AMSL, TYP.
29
+200 FT.
28
27
26
900 FT. LOA
INTRACOASTAL WATERWAY

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Midport Parking Expansion

- Location of near term and far term structured parking facilities

“Carve Out” of Convention Center

- Identification of security infrastructure requirements for CT 2 & 4

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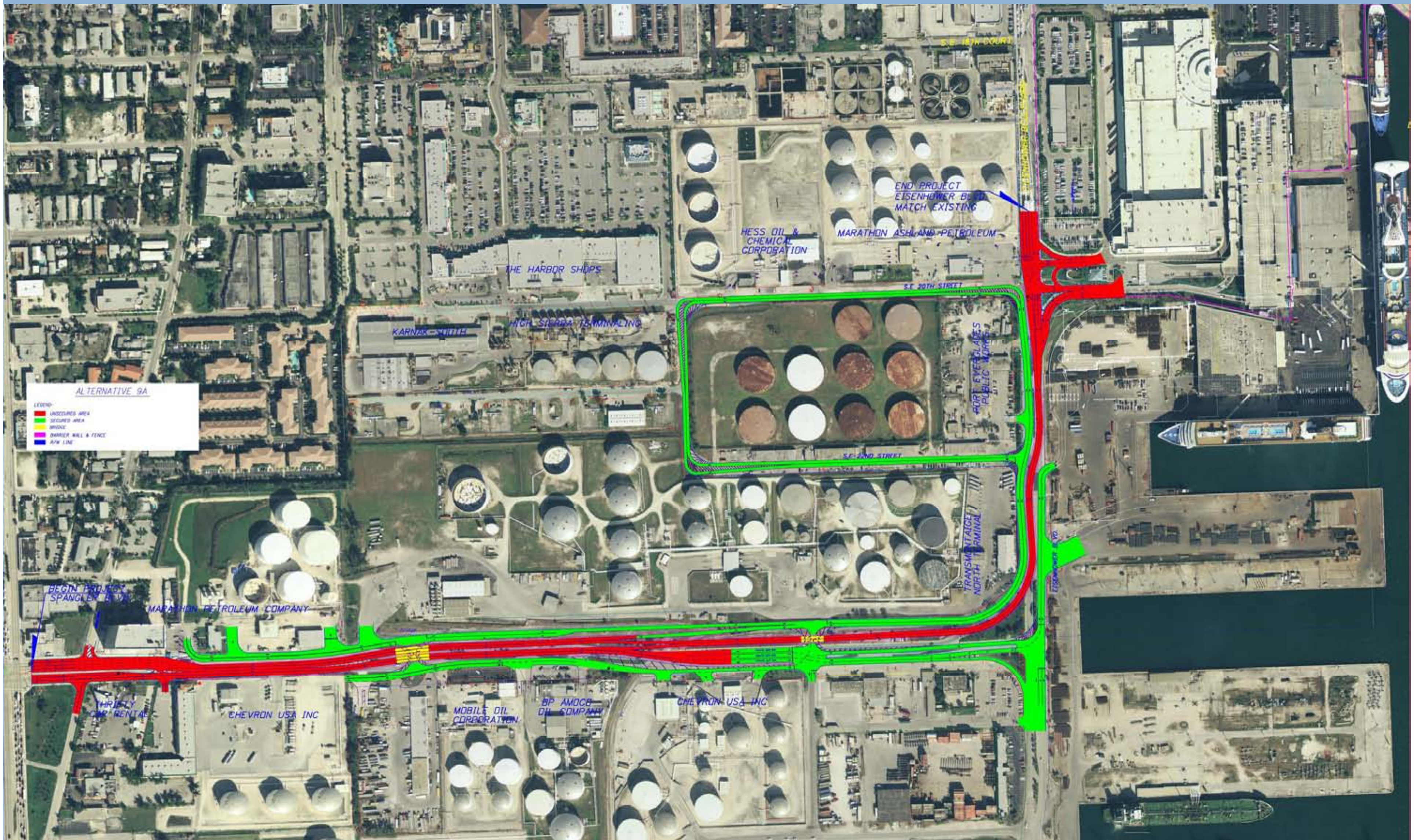
By-Pass Road


ALTERNATIVE 9A
LEGEND:
UNSECURED AREA
SECURED AREA
BRIDGE
BARRIER WALL & FENCE
R/W LINE
S.E. 18TH COURT
END PROJECT
EISENHOWER BLVD
MATCH EXISTING
HESS OIL &
CHEMICAL
CORPORATION
MARATHON ASHLAND PETROLEUM
THE HARBOR SHOPS
S.E. 20TH STREET
KARNAK SOUTH
HIGH SIERRA TERMINALING
PORT EVERGLADES
PUBLIC WORKS
S.E. 22ND STREET
TRANSMONTAIGNE
NORTH TERMINAL
BEGIN PROJECT
SPANGLER BLVD
MARATHON PETROLEUM COMPANY
THRIFTY
CAR RENTAL
CHEVRON USA INC
MOBILE OIL
CORPORATION
BP AMOCO
OIL COMPANY
CHEVRON USA INC

Port-Wide Projects

- Incorporation of Locally Preferred Plan for Harbor Dredging and Widening
- Incorporation of Updates to the Bulkhead Conditions Assessment
- Location of ID center
- Traffic and Parking Strategies

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Traffic Projections through the Gates

Location: McIntosh Road s/o Eller Drive Start Date 04/01/09						
	Direction: N		**Direction: S**		**Combined Total**	
24-Hour Totals	4216		4113		8329	
Peak Volume	Hour	Volume	Hour	Volume	Hour	Volume
	AM 0945	444	AM 0645	452	AM 0945	841
	PM 1430	454	PM 1200	393	PM 1350	784
	Daily 1430	454	Daily 0645	452	Daily 0945	841
Truck Percentage	19.69		28.84		24.40	

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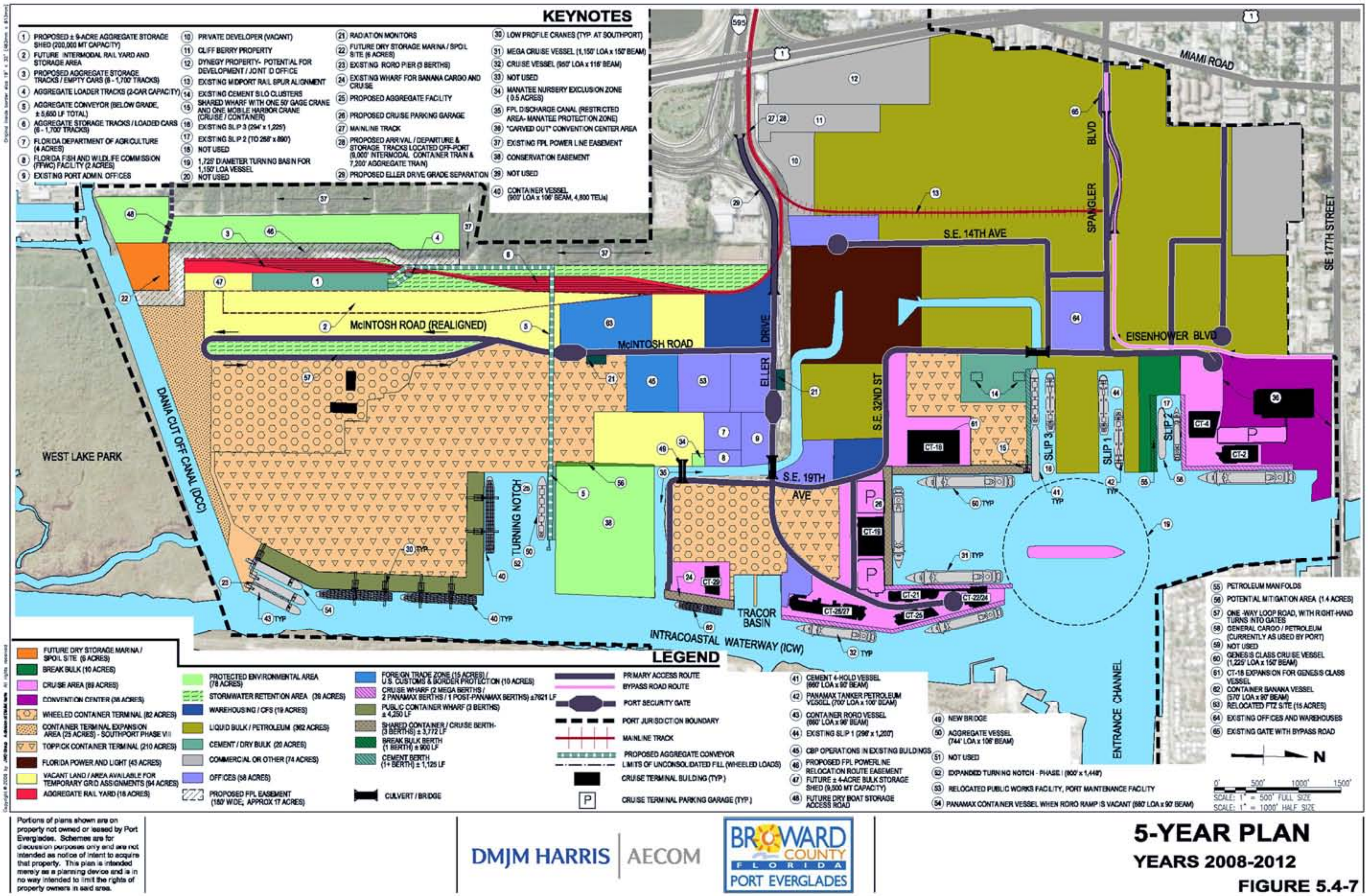
Parking Projections

Parameter	Parking Facility				Additional Parking
	Midport	Northport	T-19 Surface Lot	Total Spaces	CT-18
Parking Capacity	1,950	2,350	404	4,704	600
Peak Month Overnight	Dec-08	Mar-08	Nov-08		
Average peak Month Overnight	1,622	955	250	2,827	
High Peak Month Overnight	1,872	1,229	404	3,505	





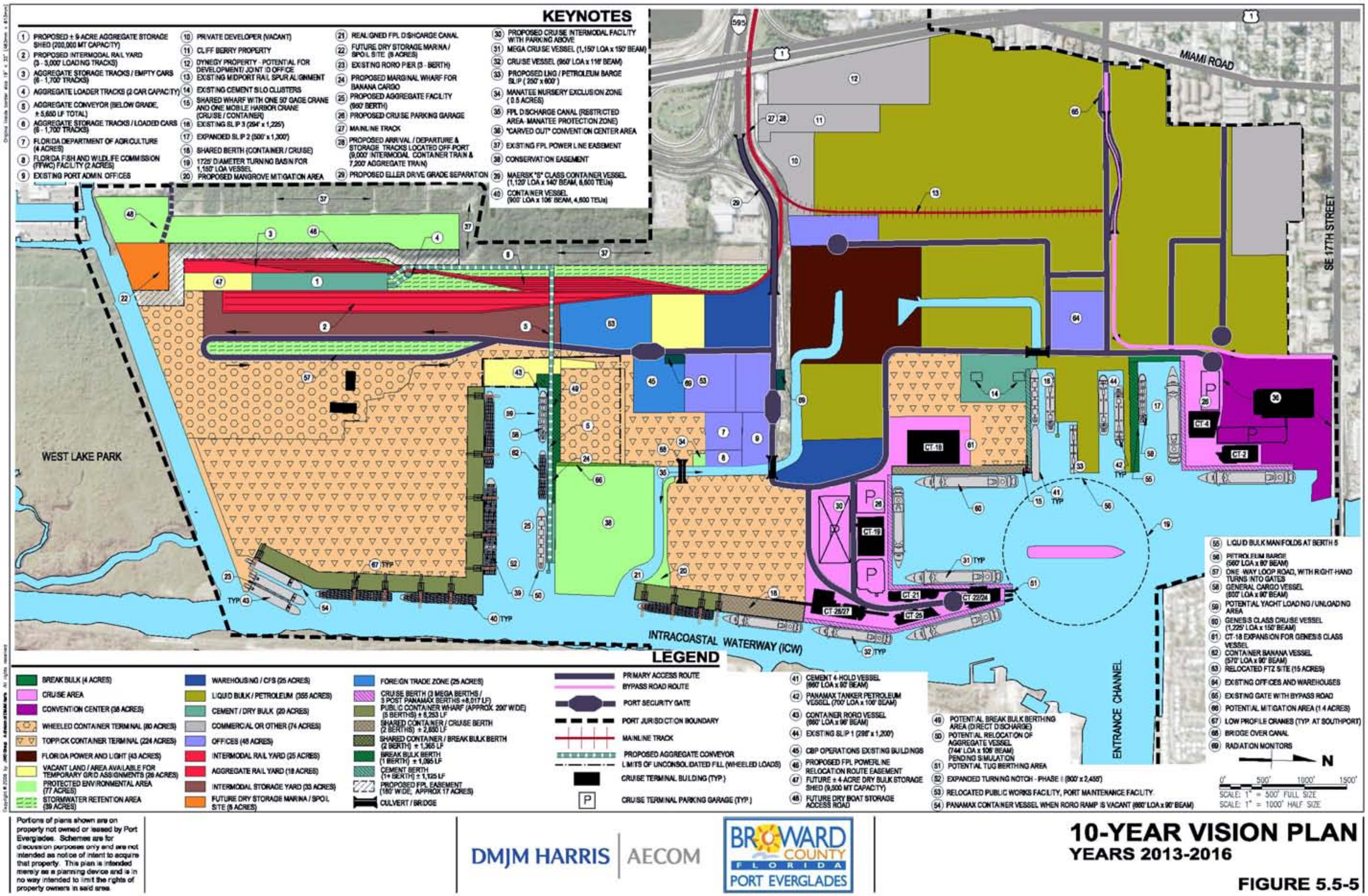
5-Year Plan to be Updated to Fiscal Years 2010 to 2014



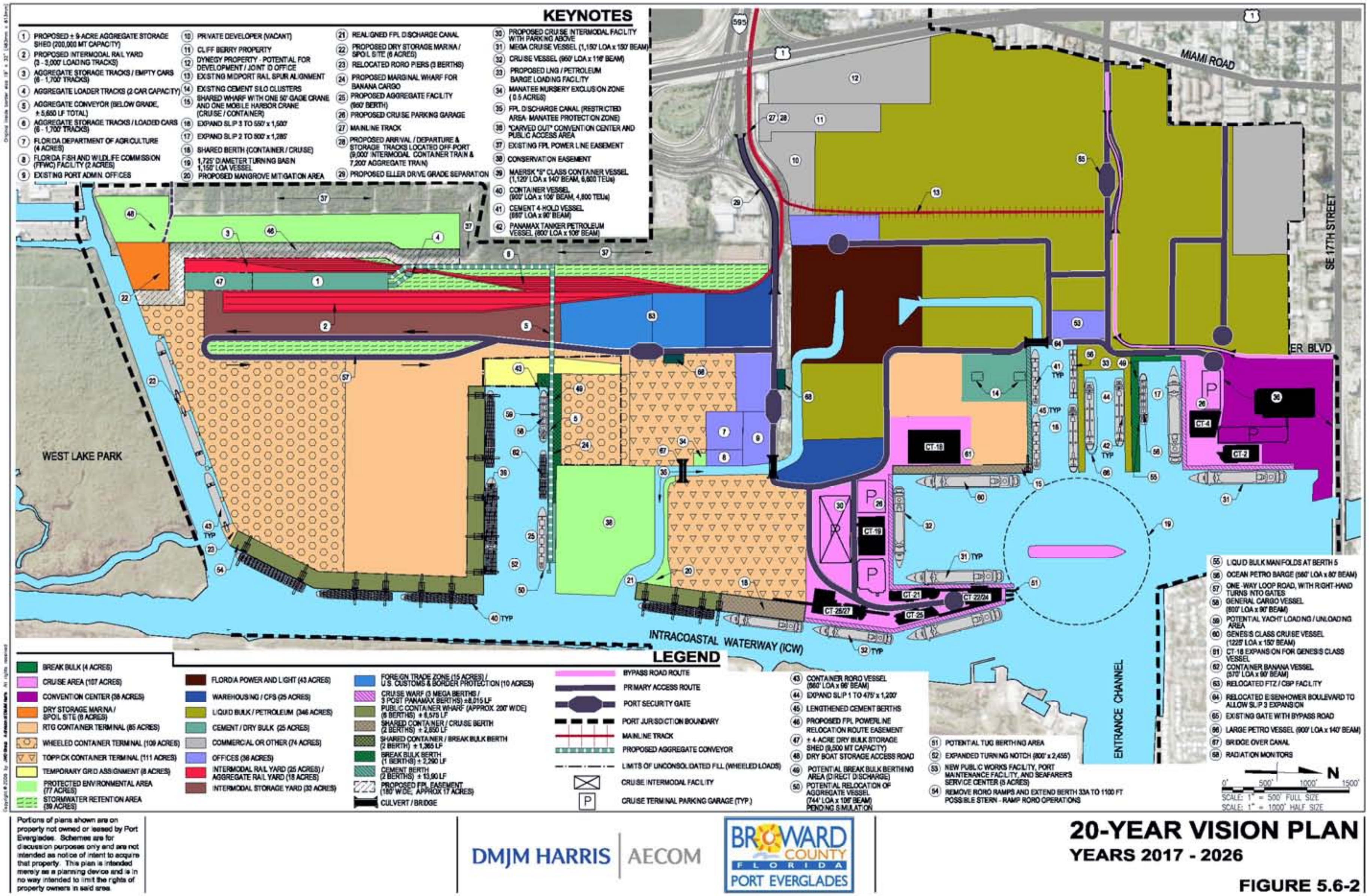




10-Year Vision Plan to be Updated to Fiscal Years 2015 to 2019



20-Year Vision Plan to be Updated to Fiscal Years 2020 to 2029



Next Steps

- **All Business Sectors to meet for Summary of Comments**
  - June 19, 2009; 10:00 am to 12:00 noon;
  Port Everglades Administration Building; Auditorium

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