

The Port of Virginia

2040 Master Plan Update

October 22, 2008

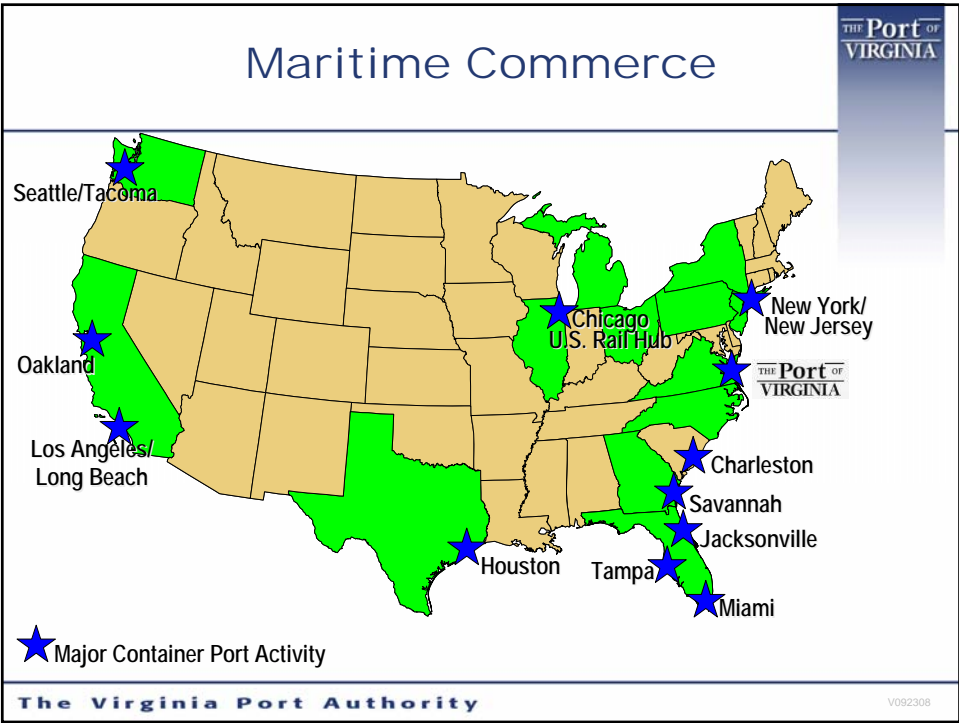
Agenda

- **Purpose**
- **Need**
- **Opportunities**
- **Challenges**
- **Summary**

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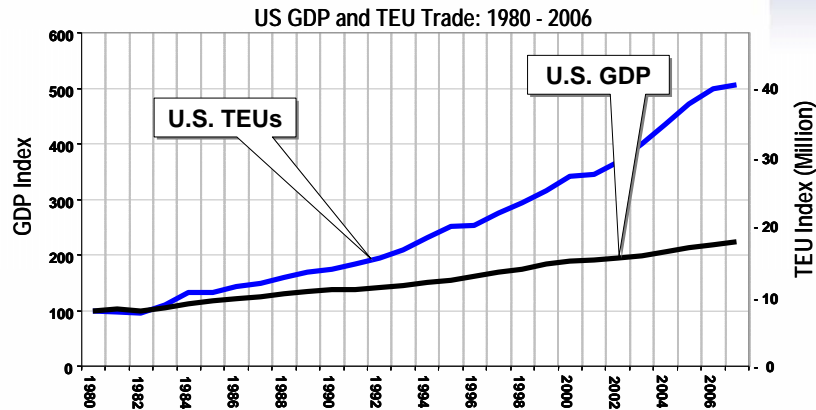
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Purpose – Economic Growth

International Trade is a Long-Term Opportunity



Purpose – Economic Activity



**The Port of Virginia
is within a day's
drive of two-thirds
of the U.S. population
and 301,000
manufacturing firms**

⊕ Generates Jobs

⊕ **343,000 as of 2006**

⊕ **54,000 more from Craney Island**

⊕ Generates State & Local Revenues

⊕ \$1.2 Billion as of 2006

⊕ **Activity will double by 2020**

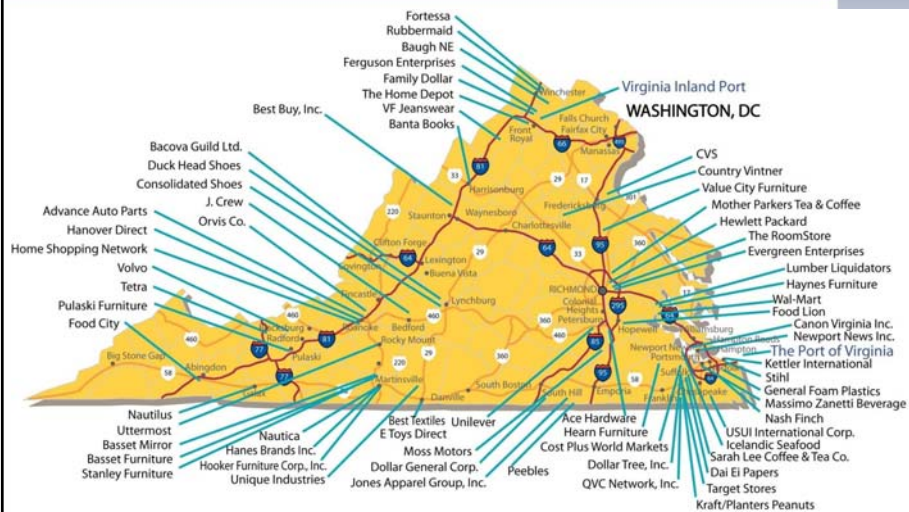
✚ **Every \$1 in Terminal Revenue Expands to \$164 in Total Activity Across the Commonwealth**



Everyone Benefits From International Trade

Purpose – Statewide Benefits

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Purpose – Maintain Growth

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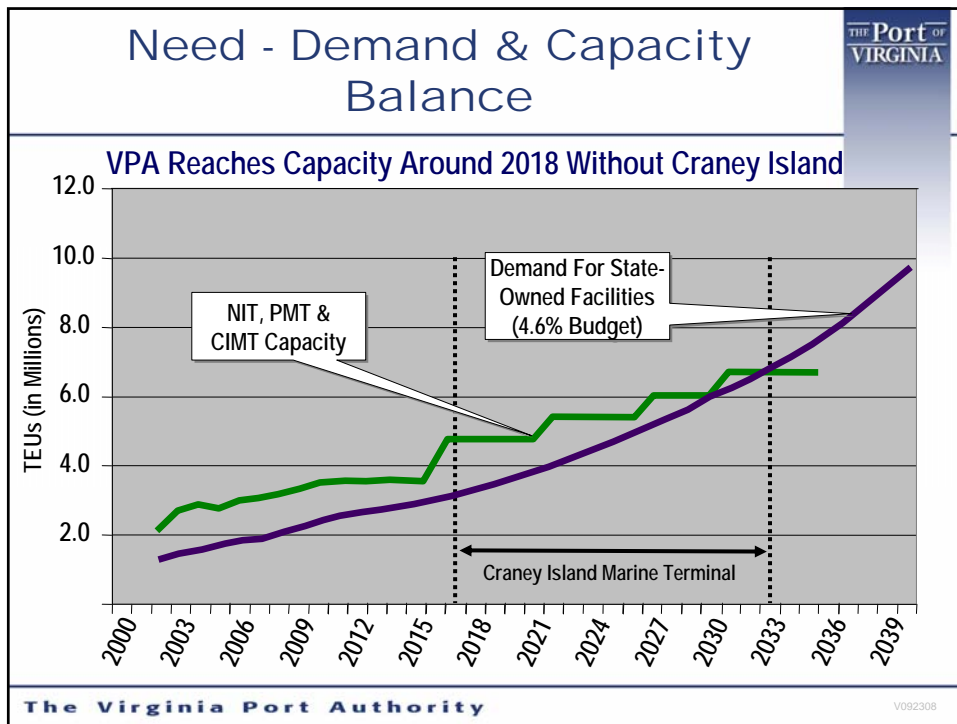
- **Craney Island is Starting**
 - ⊕ **Part of the Port's \$3.4 Billion Investment Program**



- **Long-term Vision is Sustained**
 - ⊕ **Uncertain U.S. Economy Affects Pace not Plan**

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Need - Planning

- **Long-Term Plan & Schedule through 2040**
 - ⊕ Demand Forecast
 - ⊕ CIP & Financial Plan
 - ⊕ Technology
 - ⊕ Inland Distribution & Infrastructure
 - ⊕ Environmental & Security
- **Focus Includes Integration of the Components**

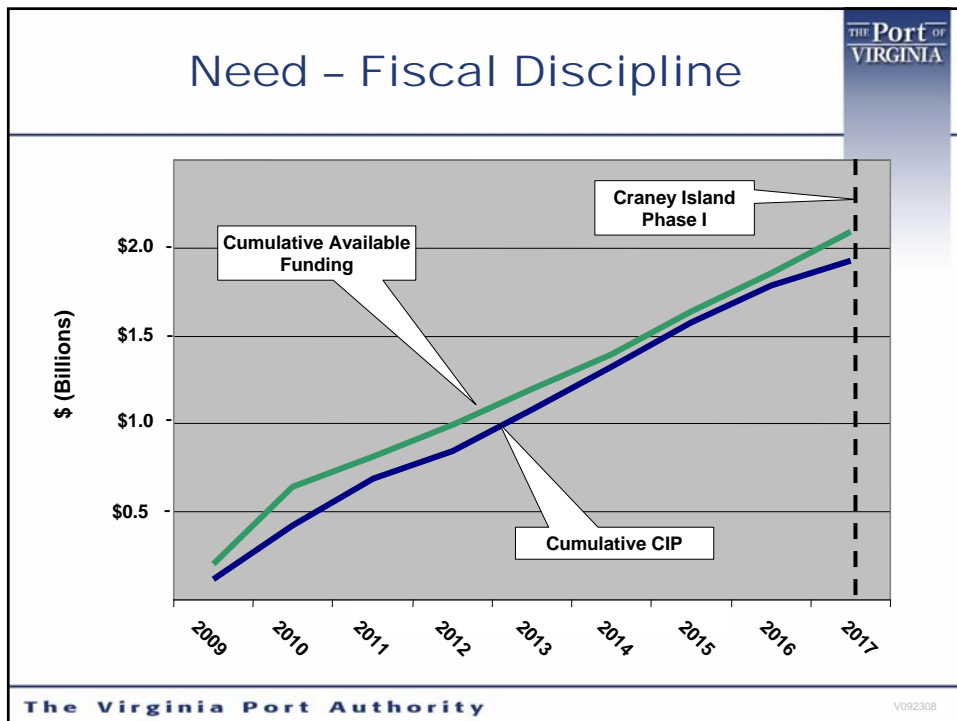
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Need – Investment		
FY 2009 – FY 2040 (\$3.4 Billion)		
➤ Complete NIT	2011	\$ 258
➤ CIMT Road & Rail	2017	\$ 330
➤ Other Projects & (CHE \$609)	2027	\$ 834
➤ CIEE Dikes I	2011	\$ 356
➤ CIEE Dike II (Corps)	2014	\$ 356
➤ Ground Improvements	2015	\$ 159
➤ CIMT Phase I	2017	\$ 369
➤ CIMT Phase II	2022	\$ 194
➤ CIMT Phase III	2027	\$ 271
➤ CIMT Phase IV	2032	<u>\$ 334</u>
➤ Total Capital Plan		\$3,461 M

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Efficient Transportation Helps Generate Benefits

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➤ Projects That Support Economic Growth Not Controlled by VPA

➤ Projects That Benefit All Modes and All Travelers



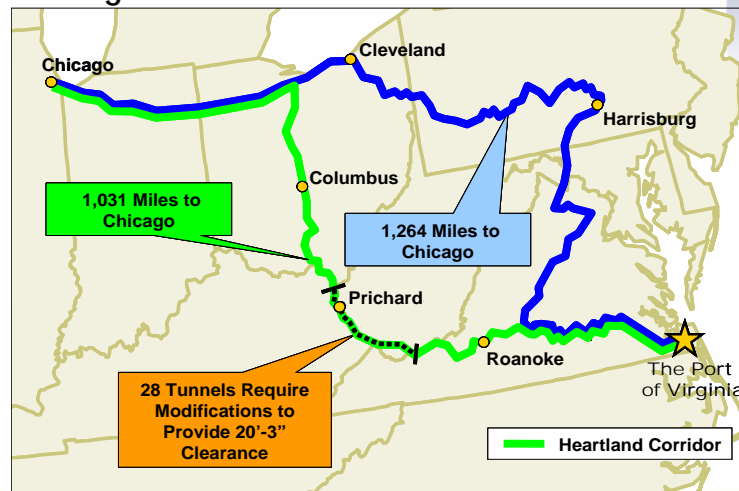
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Opportunity From Rail Improvements

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Connecting to the Hinterland With Efficient Infrastructure

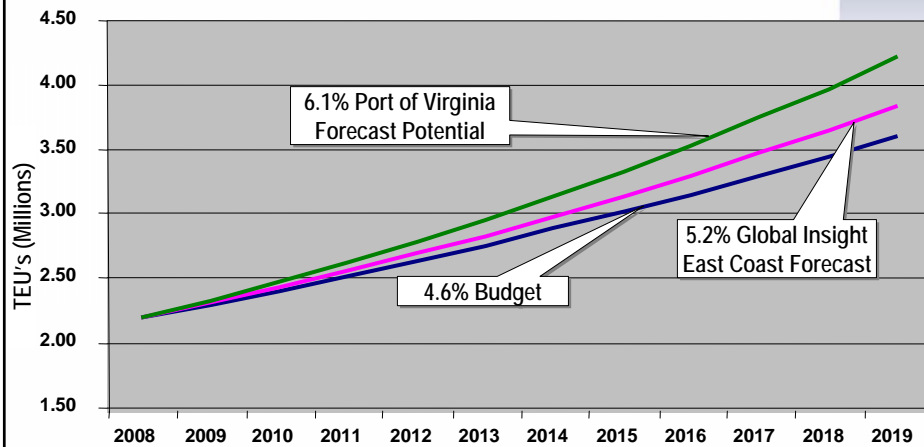


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Opportunity – Grow Demand

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Opportunity – Promote Distribution

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- **Jobs & Cargo Go Where the Buildings Are**
- **Buildings Go Near Port & Transportation Access**
- **Opportunity to Expand Across Virginia**



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Opportunity - Productivity

➤ Maximize Productivity Gains

- ⊕ Chassis Pool Off Terminal
- ⊕ Wheeled Space Reductions
- ⊕ Gate Automation
- ⊕ Future Technology Enhancements
- ⊕ Transfer Zone Processes
- ⊕ Operations at the NIT Central Rail Yard

Opportunity - Technology

➤ FY 2009 – FY 2011 Focus

- ⊕ Operational Efficiency & Automation

➤ FY 2012 – FY 2017 Focus

- ⊕ Positioning for CIMT
 - ▲ New TOS – A Capital Project

Challenges to Manage

- **Competition is Fierce**
- **Short-term U.S. Economy Uncertain**
- **Short-term vs. Long-term Capital & Resource Allocations Need Continual Evaluation**
- **Regional Transportation Projects are Not Under VPA Control**

Summary

- **Port Activity Continues To Generate Benefits For Virginia**
- **A Fiscally Conservative Plan**
 - ⊕ **Supports Growth and Needed Investments**
- **A Financial Plan That Can Fund Craney Island**
 - ⊕ **Capital Improvement Plans Fit To Funding Scenarios**
- **There Are Economic Uncertainties**
 - ⊕ **Pace of Long-term Plans are Always Subject to Future Events**