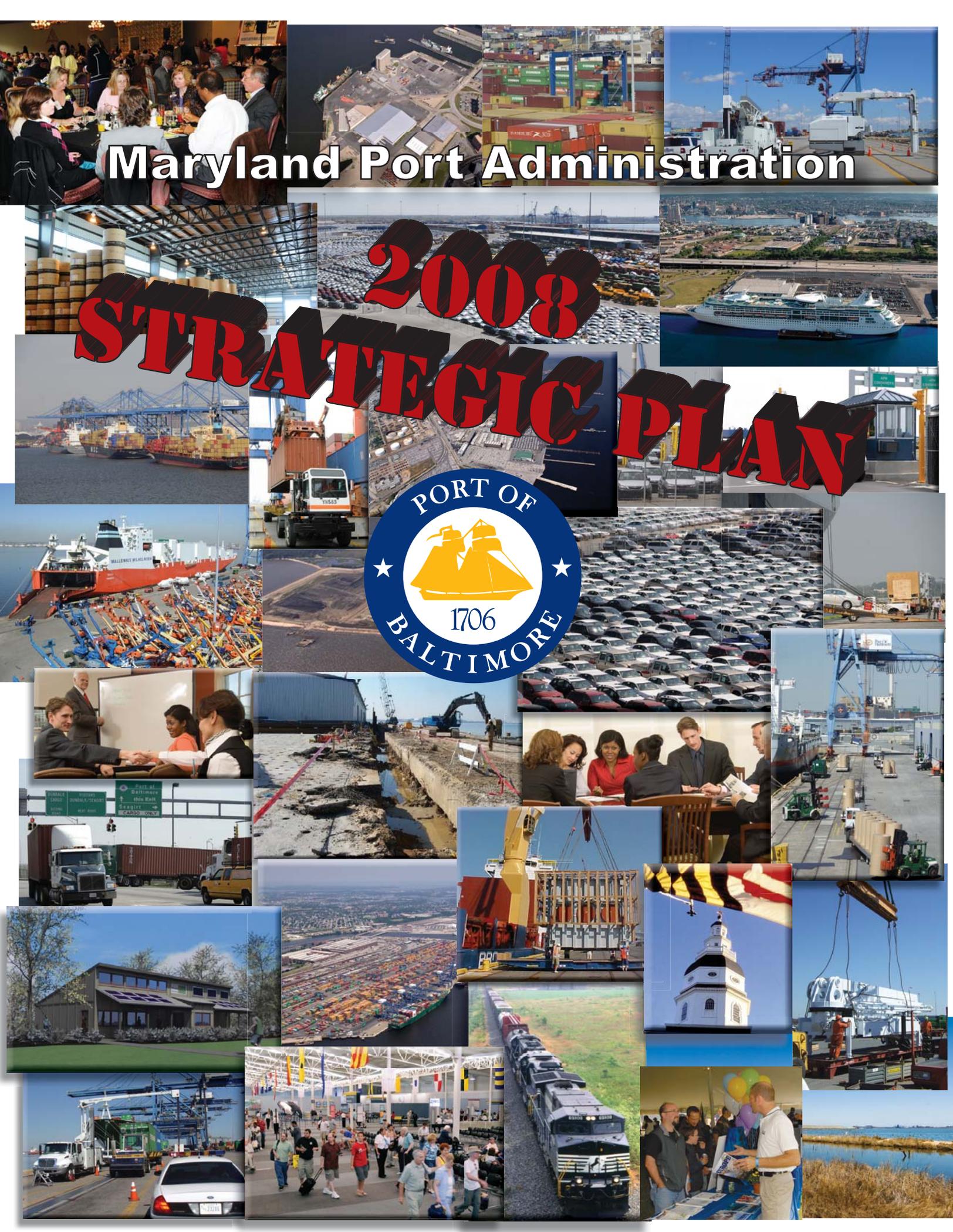


Maryland Port Administration

2008 STRATEGIC PLAN





December, 2008

The mission of the Maryland Port Administration is to stimulate the flow of waterborne commerce through the State of Maryland in a manner that provides the best economic benefit to the citizens of the State. In fulfilling its mission, the MPA advocates and promotes the entire Port of Baltimore. This includes ensuring that the Port's channels are developed and maintained to adequate depths for navigational safety and efficiency, that inland access – both rail and highway – provides for the transportation needs of all Port businesses and customers and that the public marine terminals which the MPA oversees are well maintained and capable of serving the growing needs of Maryland's international shipping and maritime industry. Tantamount to carrying out this mission is the MPA's responsibility for the safety and security of its marine facilities and its commitment to the environment.

Strategic Plan 2008, sets forth the approach the MPA will take toward fulfilling its mission and positioning the Port of Baltimore for the future. The plan contains several elements pursuant to the port's growth.

- Cargo goals for the next three to five years for the major cargoes handled at MPA marine terminals and the action steps necessary to address these goals;
- A summary of the Visions and Milestones set forth in Vision2025, the MPA's long-term planning document; and
- Strategies that will broadly define the focus of the MPA's efforts over the next several years.

A significant departure from previous strategic plans is the inclusion of leadership responsibility for the various tasks that must be accomplished in order to move this plan forward and position the MPA for the future.

I look forward to working with all our stakeholders as we move forward and create the Port of Baltimore's future.

Thank you.

James J. White, Executive Director
Maryland Port Administration



Port of Baltimore Marine Terminals



- MPA Public Terminals
- Private Terminals

- | | |
|---|---|
| A. World Trade Center | K. Chesapeake Terminal |
| B. Clinton St. Marine Terminal | L. NuStar Energy, L.P. |
| C. Rukert Terminals Corporation | M. Atlantic Terminal |
| D. CNX Marine Terminals, Inc. | N. Fairfield Auto Terminal |
| E. Intermodal Container Transfer Facility | O. Masonville Marine Terminal |
| F. Seagirt Marine Terminal | P. South Locust Point Marine Terminal |
| G. Dundalk Marine Terminal | Q. North Locust Point Marine Terminal |
| H. Kinder Morgan/Chesapeake Bulk | R. Baltimore Metal & Commodities Terminal |
| I. Hawkins Point Terminal | S. U.S. Gypsum |
| J. Chesapeake Bay Piers | T. National Gypsum |

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Executive Summary

Maryland Port Administration Strategic Plan 2008

Strategic Plan 2008 establishes cargo goals for the coming three to five years and builds upon *Vision2025* for the future of the Maryland Port Administration. From this vision, strategies, milestones and actions have been set forth in this Strategic Plan to guide the Maryland Port Administration toward its future. Summarized below, these cargo goals represent specific end points the Maryland Port Administration would like to achieve. The visions paint a broad picture of the Maryland Port Administration in the year 2025 and the milestones depict results that must be reached over the next ten years in pursuit of this vision.

Cargo Goals

Containers

Sustain and grow container business at an annual rate greater than 3%.
Handle an additional five percent share of the Port of Baltimore's local market.
Increase service by Asian carriers.

Automobiles

Be the largest automobile port on the East Coast.

Roll-On/Roll-Off

Continue to be the largest and predominant roll-on/roll-off port on the East Coast.

Forest Products

Be the largest import forest products port on the East Coast.

Breakbulk

Pursue and grow cargoes with special handling and storage requirements.

Cruise

Ensure the capability to accommodate two cruise vessel sailings during a single day.



Executive Summary-Visions and Ten-Year Milestones

Maryland Port Administration Strategic Plan 2008

Containers

Vision: Container shipping at MPA terminals grows at a rate faster than the average among East Coast ports.

Milestone: Equal the East Coast growth rate.

Breakbulk

Vision: The MPA dominates the East Coast in the breakbulk markets, such as roll-on/roll-off, auto, and forest products.

Milestone: Maintain or increase breakbulk market share.

Passengers

Vision: Cruises depart Baltimore at least twice weekly during the cruise season.

Milestone: Attract a second cruise line.

Access – Sea

Vision: The MPA has sufficiently deep berths and channels available to service the most modern vessels.

Milestone: Have at least one fifty-foot berth available for container ship usage.

Access – Road

Vision: The well maintained terminal-to-highway road network provides easy, congestion-free access for trucks going to and from Port of Baltimore terminals.

Milestone: Ensure that critical trucking routes proximate to MPA terminals are in good condition or scheduled for capital improvement by the appropriate transportation agency.

Access – Rail

Vision: Rail routes to MPA container terminals have double-stack capabilities.

Milestone: Have an approved plan in place to allow for double-stack access to at least one MPA container terminal.

Cargo Handling

Vision: MPA terminals efficiently and cost-effectively load and unload the largest vessels afloat.

Milestone: Have a system of operationally sound berths, gates, and terminal handling equipment, existing and new, that meet 2018 vessel capacity needs.

Cargo Storage

Vision: The MPA efficiently uses all of its terminal space for the movement of cargo.

Milestone: Increase cargo density and cargo velocity 20% from 2007 – 2018.

Expansion

Vision: The MPA has an adequate supply of land acquired through purchase and conversion from dredged material placement sites to respond to new business opportunities and to support anticipated cargo growth to 2045.

Milestone: Implement a land acquisition policy and strategy that includes an adequate real estate portfolio (land and dredging) to meet anticipated cargo needs to 2025.

Security

Vision: The MPA will promote the continued security and safety of cargo, employees, and customers by ensuring that MPA terminals are among the most secure in the country.

Milestone: Meet or exceed the security requirements established by the U.S. Department of Homeland Security.

Marketing

Vision: Effective marketing significantly contributes to the understanding of market needs, the development of facilities that match market needs, and attracting customers to the Port of Baltimore.

Milestone: Implement a formal marketing plan to improve upon existing market analysis and promotional efforts.

Public-Private Partnerships

Vision: The MPA and private parties successfully leverage each others' investments to maximize their respective returns.

Milestone: Provide at least 10% of all capital improvement funding for landside development at MPA terminals through private funds garnered through public-private partnerships.

Off-Port Business Opportunities

Vision: Distribution and manufacturing facilities in the MPA's market area directly contribute to gains in MPA imports and exports.

Milestone: Partner with local economic development agencies to increase off-site distribution centers through the identification, acquisition, and subsequent development of property in close proximity to the Port.

Intergovernmental Relations

Vision: The MPA has a successful working relationship with numerous governmental agencies and elected officials at the federal, state, and local levels.

Milestone: Increase the MPA's intergovernmental opportunities by enhancing relationships with Maryland's elected officials and government agencies.

Community Involvement

Vision: Respect, knowledge, and a mutual understanding of both the Port and the community facilitate a high level of support for the MPA.

Milestone: Establish a regular, effective dialogue between the MPA and relevant community groups.

Mitigation

Vision: Exploring new mitigation strategies allows the MPA greater flexibility in the selection of valuable mitigation projects.

Milestone: Create, with the involvement of the community and appropriate regulatory agencies, an acceptable innovative mitigation plan.

Dredged Material

Vision: The MPA's Dredged Material Management Plan provides for maintenance and new project dredging for 50 years through the identification of placement sites and alternative uses.

Milestone: Have plan in place to provide for the placement of all Port dredged material through 2038.

Being Green

Vision: Environmentally sensitive operating policies ensure that the MPA's effects on Maryland's natural environment are minimized.

Milestone: Be fully compliant with environmental laws and regulations.

Executive Summary-Strategies

Maryland Port Administration Strategic Plan 2008

In assessing an approach toward achieving *Vision2025* which would ensure a viable future for the Port, strategies began to emerge in several primary areas. These strategy areas will direct the Maryland Port Administration's efforts over the next several years.

Land Acquisition

Strategy: Pursue a variety of means by which to provide for short-term and long-term expansion needs for the MPA's existing marine terminals and for developing new cargo handling and support facilities.

Inland Access

Strategy: Continue the MPA's support for a state-wide highway system that enables marine cargo-laden trucks to move safely and efficiently to and from the Port; for rail connections to the nation's double-stack network; and for the development of regional distribution centers.

Water Access

Strategy: Continue to ensure that an effective program is maintained for the provision of safe and efficient navigation to all Port of Baltimore marine terminals.

Operations

Strategy: Ensure that all MPA marine terminals are utilized to their utmost capability while increasing efficiency and providing for customer growth.

Market Intelligence

Strategy: Employ all the tools necessary for complete understanding of the MPA's market, the creation of new markets, and effective promotion of the Port's facilities and services.

Port Investment

Strategy: Continue to seek traditional public means of funding and to the extent feasible, leverage State and private resources to maximize the cargo handling capabilities of the port.

Security

Strategy: Work with the Coast Guard, U. S. Customs and Border Protection, Maryland Transportation Authority Police, local law enforcement agencies, and private security contractors to secure MPA facilities at all times.

Building Relationships

Strategy: Expand promotion and two-way communication efforts to educate all stakeholders about the role and importance of the MPA and the Port of Baltimore, fostering greater support for the MPA in the process.

Legislative

Strategy: Nurture relationships with elected officials at all levels in order to insure that the needs of the Port of Baltimore are understood and supported by legislative, policy, and regulatory actions.

Environment

Strategy: Continue development of an environmental management system to assess and minimize the environmental impacts of all MPA activities. As a responsible environmental steward, the MPA will pursue beneficial use and other mitigation projects as a means to enhance the natural environment within the Chesapeake Bay watershed.

Organizational Resources

Strategy: Evaluate staffing levels to ensure that new resources are allocated to areas with the greatest need and to support new or expanded functions. It is expected that this will include functions which support new cargo growth as well as expanded functions such as security and environmental management. The MPA will also seek to maximize the proficiency and contributions of current personnel through expanded training and programs to enhance employee motivation and morale.

Many of the Port of Baltimore's recent accomplishments are directly attributable to the actions laid out in Strategic Plan 2002. These past actions involved the resources of every facet of Baltimore's dedicated port community. Strategic Plan 2008 will continue to rely on the dedication of the State of Maryland and its citizens for the continued success of the Port of Baltimore and the gateway to the world that our port provides.

Maryland Port Administration Strategic Plan 2008

Maryland Port Administration Strategic Plan 2008

Introduction

This Strategic Plan is the second step in the Maryland Port Administration's (MPA) planning cycle. This Strategic Plan builds upon the MPA's vision for the future set forth in *Vision2025*. While *Vision2025* depicts the MPA of the future, this Strategic Plan details how the MPA will realize that vision by setting forth milestones and action items to be completed over the following decade.

Shorter term cargo goals, covering the next three to five years are also set forth in this Strategic Plan. These goals, along with action steps toward them, will serve to concentrate the MPA's efforts toward its mission of bringing cargo and its associated economic benefits to the State of Maryland. The cargo goals are geared toward strengthening and maintaining the position of the Port of Baltimore in world trade.

This Strategic Plan will serve as the basis for subsequent plans in the planning process; namely, the MPA Terminal Development Plan, which will itemize and prioritize the capital projects required for the MPA to achieve its mission, and project plans and capital budgeting, which are the implementation tools for the Terminal Development Plan.

Representatives from all departments of the MPA were involved in the strategic planning effort, providing feedback and participating in intensive workshops during which cargo goals, strategies, milestones and action steps were developed to move the Port forward. From this, Strategic Plan 2008 has been formulated.



Mission

Maryland Port Administration Strategic Plan 2008

In fulfilling its responsibilities to the citizens of the State of Maryland, the Maryland Port Administration advocates and promotes the entire Helen Delich Bentley Port of Baltimore. The Maryland General Assembly, in establishing the Maryland Port Administration, stated the MPA's mission as follows:

“The mission of the Maryland Port Administration is to stimulate the flow of waterborne commerce through the State of Maryland in a manner that provides economic benefit to the citizens of the State.”

This mission includes ensuring that the Port's channels are developed and maintained to adequate depths for navigational safety and efficiency and that inland access—both rail and highway—provides for the transportation needs of all Port businesses and customers. Additionally, the MPA oversees several public marine terminals within Baltimore Harbor. It is primarily for the future of these terminals that this Strategic Plan is prepared and for which the bulk of the actions contained herein are contemplated.

The Port of Baltimore consists of both the Maryland Port Administration's public terminals and several private terminals.

Together, the Port's public and private marine terminals handled 30.8 million tons of foreign cargo in 2007. Import bulk cargo declined 11% from the previous year while export bulk cargo rose 36%. Foreign general cargo was down 3.7% with exports rising 31% and imports declining 16%.

The Maryland Port Administration's public marine terminals have experienced steady growth in recent years. Over the last five years (2002 – 2007) cargo tonnage at MPA terminals has grown from 6.7 million tons to 8.7 million tons, making this the MPA's second strongest growth period in its history.

Much of this growth can be attributed to the MPA's focus on strengthening the Port's attractiveness to the automobile, forest product, and roll-on/roll-off cargo markets. In total, these “niche” segments of international trade through MPA terminals have increased from 2.0 to 2.6 million tons for these three cargoes during the period mentioned above. Because of this growth, Baltimore continues to rank highly among ports across the nation in handling these non-containerized cargoes.

Container traffic has also grown during this time, increasing an average of five percent annually from 4.4 million to 5.7 million tons. This annual growth has kept pace with the national average, although in absolute terms Baltimore has not seen the gains of other East Coast ports.



Mission

Maryland Port Administration Strategic Plan 2008

But what is in store for the future? For the United States and for the world, international trade is expected to grow vigorously. Forecasts mirroring the robust growth of the recent past and even higher are not uncommon especially in the container trade. Ports are preparing for this expected growth by developing new marine terminal facilities. On the East Coast alone, New York, Philadelphia, Norfolk, Wilmington (NC), Charleston, Savannah, and Jacksonville are building or planning to build new terminal facilities. The opening of new facilities in several of these ports is imminent. Gulf and West Coast ports are developing new terminals as well.

These optimistic forecasts have been tempered recently however with concerns over the declining value of the US dollar and the rising cost of oil. As a result, some manufacturers have shifted sources of supply to mitigate increased costs thereby adjusting cargo routings. Ironically, due to the dollar's decline, for the first time in nearly a generation the US is seeing strong growth in export containerized cargo. This growth however, has not be fully capitalized upon due to an industry geared toward providing equipment and carrier capacity focused on imports.

The consolidation of ocean carriers has also worked to transform the container shipping business in recent years. This consolidation among shipping lines, as well as the proliferation of alliances and vessel-sharing agreements and a trend toward load centering at hub ports has given ocean carriers greater leverage in demanding improved facilities, including dedicated single-user terminals.

Ocean carriers are also taking action by building new and larger ships to ensure that cargo can continue to be delivered in the cost effective manner necessary to meet these rising demands while minimizing operating costs. In addition, lines are altering vessel routings and port calls to avoid anticipated port congestion.

Globally, containers tend to attract most of the attention when it comes to growth and the concerns associated with that growth. However, many other cargoes are expected to grow as well. These cargoes include automobiles, farm and construction equipment, paper, lumber, and steel, as well as project cargoes destined for developing areas of the world.

To participate in this growth, ports must to improve and expand facilities and ensure that channels and inland access routes remain quick and accessible. The Port of Baltimore may well be at a turning point. Many events are transpiring that could affect the Port for a long time to come and crucial issues must be resolved for the Port to continue to grow as it has for the past 300 years.



Cargo Goals

Maryland Port Administration Strategic Plan 2008

The Port of Baltimore is widely recognized as one of the most powerful economic forces in the State of Maryland. The Maryland Port Administration takes very seriously its responsibility to grow employment and the wider economic benefits resulting from activity at the Port of Baltimore. In carrying out this responsibility, the MPA must maintain a short as well as long-term focus on its activities and initiatives in order to maintain current business, plan for future growth and achieve ever higher standards of efficiency, security and environmental stewardship. As such, cargo goals for the immediate future are set forth below with more far reaching, broader and longer term milestones delineated in the following section.

Below are set forth goals for cargo growth over the next three to five years. These goals represent specific endpoints the MPA wants to achieve during this period.

Containers

- Sustain and grow container business at an annual rate greater than 3%.
- Handle an additional five percent share of the Port of Baltimore's local market.
- Increase service by Asian carriers.

Automobiles

- Be the largest automobile port on the East Coast.

Roll-On/Roll-Off

- Continue to be the largest and predominant roll-on/roll-off port on the East Coast.

Forest Products

- Be the largest import forest products port on the East Coast.

Breakbulk

- Pursue and grow cargoes with special handling and storage requirements.

Cruise

- Ensure the capability to accommodate two cruise vessel sailings during a single day.

To accomplish these goals, Action Steps have been identified. These Action Steps along with Departmental leadership responsibility for each action is put forth below.



Containers

Maryland Port Administration Strategic Plan 2008

Goal:

- Sustain and grow container business at an annual rate greater than 3%.
- Handle an additional five percent share of the Port of Baltimore's local market.
- Increase service by Asian carriers.

Action Steps:

CONTAINERS	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Identify and market to independent Asian carriers	X				Marketing
Define inland terminal concept and assess feasibility and benefit of its development.		X			Operations
Work with carriers to increase capacity for additional containers on vessels calling the POB.		X			Marketing
Identify and market to customers within the POB's truck market area.		X			Planning



Automobiles

Maryland Port Administration Strategic Plan 2008

Goal:

- Be the largest automobile port on the East Coast.



Action Steps:

AUTOMOBILES	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Identify tenant / processor incentives for greater throughput on existing terminal space.		X			Operations
Identify off-terminal land to provide additional storage.		X			Property Management
Facilitate evaluation of the benefits of common use “truck away” areas.		X			Operations
Evaluate feasibility of vertical storage		X			Planning
Continue strong focus and support on the Port’s Quality Cargo Handling Action Team (QCHAT)	X				Quality
Focus on accounts or manufacturers with low dwell times.		X			Marketing
Assess how to grow capacity and encourage third party investment.				X	Planning



Roll-On/Roll-Off

Maryland Port Administration Strategic Plan 2008

Goal:

- Continue to be the largest and predominant roll-on/roll-off port on the East Coast.

Action Steps:

ROLL-ON /ROLL-OFF	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Continue strong focus and support on the Port's Quality Cargo Handling Action Team (QCHAT)	X				Quality
Assess and make recommendations for adequate terminal rail infrastructure.		X			Operations
Identify and assess factors regarding the POB's competitive position and identify ways to strengthen this position in light of pending regional rail improvements.		X			Planning
Identify tenant / processor incentives for greater throughput on existing terminal space.		X			Property Management



Forest Products

Maryland Port Administration Strategic Plan 2008

Goal:

- Be the largest import forest products port on the East Coast.

Action Steps:

FOREST PRODUCTS	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Determine technological methods for improving cargo handling, storage, and throughput and work with terminal operators to implement.		X			Operations
Develop incentives for long-term commitments by pulp customers.		X			Property Management
Work with CSX and NS to ensure that competitive rail service is available.		X			Operations
Develop incentives to increase storage efficiency and throughput		X			Property Management



Break Bulk

Maryland Port Administration Strategic Plan 2008

Goal:

- Pursue and grow cargoes with special handling and storage requirements.

BREAK BULK	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Continue to identify and market to attract niche cargoes.	X				Marketing
Promote recent demonstrated success in handling “green” cargoes such as windmills and transit vehicles.		X			Planning



Cruise

Maryland Port Administration Strategic Plan 2008

Goal:

- Ensure the capability to accommodate two cruise vessel sailings during a single day.

CRUISE	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Identify and assess locations for a parking structure to support increased cruise parking needs.		X			Planning
Assess needs for handling two cruises per day and develop plan to accomplish this.		X			Operations
Continue to promote the POB for cruise.	X				Marketing



Visions & Milestones

Maryland Port Administration Strategic Plan 2008

In order for the Port to grow, it must envision its future and maintain clear direction toward it. Implementation of this Strategic Plan will bring the MPA closer to realizing this vision which is stated below.

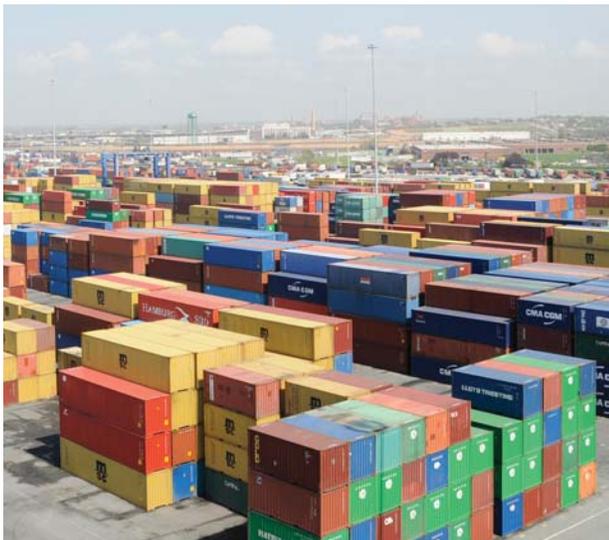
The Maryland Port Administration shall:
Capitalize on Port business opportunities;
Provide, manage, and promote competitive, secure, state-of-the-art terminals capable of efficiently handling diverse cargoes;
Leverage mutually supporting public and private sectors; and
Act as a good steward of Maryland's natural environment.

Toward this end, business and administrative visions have been formulated and milestones to accomplish within the next ten years have been established. These visions and ten-year milestones are listed.

Containers

Vision: Container shipping at MPA terminals grows at a rate faster than the average among East Coast ports.

Milestone: Equal the East Coast growth rate.



Breakbulk

Vision: The MPA dominates the East Coast in the breakbulk markets, such as roll-on/roll-off, auto, and forest products.

Milestone: Maintain or increase breakbulk market share.

Passengers

Vision: Cruises depart Baltimore at least twice weekly during the cruise season.

Milestone: Attract a second cruise line.

Access – Sea

Vision: The MPA has sufficiently deep berths and channels available to service the most modern vessels.

Milestone: Have at least one fifty-foot berth available for container ship usage.

Access – Road

Vision: The well maintained terminal-to-highway road network provides easy, congestion-free access for trucks going to and from Port of Baltimore terminals.

Milestone: Ensure that critical trucking routes proximate to MPA terminals are in good condition or scheduled for capital improvement by the appropriate transportation agency.

Visions & Milestones

Maryland Port Administration Strategic Plan 2008

Access – Rail

Vision: Rail routes to MPA container terminals have double-stack capabilities.

Milestone: Have an approved plan in place to allow for double-stack access to at least one MPA container terminal.

Cargo Handling

Vision: MPA terminals efficiently and cost-effectively load and unload the largest vessels afloat.

Milestone: Have a system of operationally sound berths, gates, and terminal handling equipment, existing and new, that meet 2018 vessel capacity needs.

Cargo Storage

Vision: The MPA efficiently uses all of its terminal space for the movement of cargo.

Milestone: Increase cargo density and cargo velocity 20% from 2007 – 2018.

Expansion

Vision: The MPA has an adequate supply of land acquired through purchase and conversion from dredged material placement sites to respond to new business opportunities and to support anticipated cargo growth to 2045.

Milestone: Implement a land acquisition policy and strategy that includes an adequate real estate portfolio (land and dredging) to meet anticipated cargo needs to 2025.



Security

Vision: The MPA will promote the continued security and safety of cargo, employees, and customers by ensuring that MPA terminals are among the most secure in the country.

Milestone: Meet or exceed the security requirements established by the U.S. Department of Homeland Security.

Marketing

Vision: Effective marketing significantly contributes to the understanding of market needs, the development of facilities that match market needs, and attracting customers to the Port of Baltimore.

Milestone: Implement a formal marketing plan to improve upon existing market analysis and promotional efforts.

Public-Private Partnerships

Vision: The MPA and private parties successfully leverage each others' investments to maximize their respective returns.

Milestone: Provide at least 10% of all capital improvement funding for landside development at MPA terminals through private funds garnered through public-private partnerships.

Visions & Milestones

Maryland Port Administration Strategic Plan 2008

Off-Port Business Opportunities

Vision: Distribution and manufacturing facilities in the MPA's market area directly contribute to gains in MPA imports and exports.

Milestone: Partner with local economic development agencies to increase off-site distribution centers through the identification, acquisition, and subsequent development of property in close proximity to the Port.

Intergovernmental Relations

Vision: The MPA has a successful working relationship with numerous governmental agencies and elected officials at the federal, state, and local levels.

Milestone: Increase the MPA's intergovernmental opportunities by enhancing relationships with Maryland's elected officials and government agencies.

Community Involvement

Vision: Respect, knowledge, and a mutual understanding of both the Port and the community facilitate a high level of support for the MPA.

Milestone: Establish a regular, effective dialogue between the MPA and relevant community groups.



Mitigation

Vision: Exploring new mitigation strategies allows the MPA greater flexibility in the selection of valuable mitigation projects.

Milestone: Create, with the involvement of the community and appropriate regulatory agencies, an acceptable innovative mitigation plan.

Dredged Material

Vision: The MPA's Dredged Material Management Plan provides for maintenance and new project dredging for 50 years through the identification of placement sites and alternative uses.

Milestone: Have plan in place to provide for the placement of all Port dredged material through 2038.

Being Green

Vision: Environmentally sensitive operating policies ensure that the MPA's effects on Maryland's natural environment are minimized.

Milestone: Be fully compliant with environmental laws and regulations.

Strategies & Actions

Maryland Port Administration Strategic Plan 2008

Throughout virtually the entire economic infrastructure of the United States there is the need for significant levels of new construction as well as repair and upgrade of existing facilities. Transportation systems are especially needful of expansion and improvement to accommodate the seemingly unceasing growth of travel and the demand for improved mobility of people and shipment of freight. This need is felt sharply in Maryland and at the Port of Baltimore. The Port must grow to meet the needs of business and continue to provide the jobs and economic benefit that are of such great importance to the State of Maryland. Traditional means of support must continue and newer, innovative means developed to guarantee the required resources are available

for the MPA to fulfill its mission of bringing waterborne commerce through the Port while honoring its commitments to environmental stewardship, security, and economic growth.

In assessing an approach toward achieving *Vision2025*, which would ensure a viable future for the Port, strategies began to emerge in several primary areas. These strategy areas, listed here, are defined further below with Action Steps that broadly define the focus of the Maryland Port Administration's efforts over the next several years toward reaching the milestones. In addition, departmental leadership responsibility has been assigned for each action step.

Strategy Areas

- Land Acquisition
- Inland Access
- Water Access
- Operations
- Market Intelligence
- Port Investment
- Security
- Building Relationships
- Legislative
- Environment
- Organizational Resources



Land Acquisition

Maryland Port Administration Strategic Plan 2008

International trade, by all reports, is expected to increase. Congestion at ports due to cargo growth and port capacity constraints is expected to result in revised transportation patterns and cargo flows. Ports, stevedoring companies, and ocean carriers are responding to this growth, both the existing and the expected, with expansion of existing terminals, operational capacity improvements, and plans for new terminals. The common and most important need in this response is land. For some ports land is difficult and expensive to come by; for others, land is available through redevelopment of obsolete waterfront facilities or from the abandonment of surplus military bases. Dredged material placement sites also provide potential locations for marine terminal facilities. In order for the Port of Baltimore to grow significantly in the future, new marine terminals and off-terminal distribution, service, and support facilities that play an important role in attracting cargoes must be available.

Strategy:

Pursue a variety of means by which to provide for short-term and long-term expansion needs for the MPA's existing marine terminals and for developing new cargo handling and support facilities.

LAND ACQUISITION	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Acquire property to expand existing facilities and develop future marine terminals and cargo-support facilities.			X		Property Management
Acquire property for expansion of cruise terminal parking area.		X			Property Management
Acquire a portion of Sparrows Point for dredge placement and long-term marine terminal development.		X			Property Management/ Harbor Development
Develop MPA-owned dredged material placement sites (e.g. Cox Creek, Masonville) as marine terminals once their use for dredged material placement is complete.				X	Planning
Identify cruise terminal locations compatible with future generation vessels.				X	Planning



Inland Access

Maryland Port Administration Strategic Plan 2008

Inland access includes not only the effective movement of the method of conveyance, such as truck and rail, but also the effective movement of the cargo itself; that is, distribution. The ability to move cargo quickly and efficiently to and from inland locations is paramount to the success of the port. Highway and railroad systems with acceptable levels of service conducive to the economical movement of goods must be provided in order to attract and retain port customers. In addition, facilities from which to move cargo into the marketplace must be available.

Strategy:

Continue the MPA's support for a state-wide highway system that enables marine cargo-laden trucks to move safely and efficiently to and from the Port; for rail connections to the nation's double-stack network; and for the development of regional distribution centers.

INLAND ACCESS	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Investigate other regional approaches to resolve congestion in anticipation of future roadway congestion.		X			Intermodal
Encourage development of local and regional distribution centers and their service by inland corridors.	X				Marketing
Investigate options for high-cube, double-stack rail service to existing terminals.		X			Planning
Assess feasibility of relocating container terminals in order to achieve double-stack rail access.		X			Planning
Investigate inland transportation patterns for railroads and trucks.		X			Planning



Water Access

Maryland Port Administration Strategic Plan 2008

Cargo terminals must be supported by a network of channels that provide safe and efficient access for the vessels that ply the seas in international commerce. Most of the channels to MPA terminals are now federally maintained; however, the MPA must provide placement/containment sites for the material that is dredged by the Corps to maintain or improve the channels. The MPA also accepts material from channels and berths that serve individual private terminals on a case-by-case basis.

Strategy:

Continue to ensure that an effective program is maintained for the provision of safe and efficient navigation to all Port of Baltimore marine terminals.

WATER ACCESS	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Continue community outreach to foster goodwill necessary to proceed with dredged material placement projects.	X				Harbor Development
Evaluate the feasibility of additional placement options and offer options for handling.		X			Harbor Development
Develop dredged material containment site at Sparrows Point.			X		Harbor Development
Investigate underwater structures to redirect Bay currents and reduce siltation within the shipping channels.				X	Harbor Development



Operations

Maryland Port Administration Strategic Plan 2008

The MPA has taken many steps in the past to improve the efficiency and throughput of its marine terminals. These actions have enabled cargo to grow at the Port without significant expansion of facilities. Existing facilities, however, are only capable of providing a finite level of cargo handling capability; after that new terminals must be available. Until then, the efficiency of the MPA's marine terminals must be continually improved to provide for cargo growth.

Strategy:

Ensure that all MPA marine terminals are utilized to their utmost capability while increasing efficiency and providing for customer growth.

OPERATIONS	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Establish the most beneficial operating model for MPA marine terminals.		X			Operations
Implement state-of-the-art methods to control cargo flow.		X			Operations
Institute operational policies and procedures that increase cargo velocity and throughput.		X			Operations
Increase terminal storage capacity by providing higher density storage solutions.			X		Operations
Ensure alignment of improved terminal utilization goals with the cargo storage and handling needs of customers.			X		Operations
Minimize on-terminal cargo support functions to increase area for cargo storage.			X		Operations



Market Intelligence

Maryland Port Administration Strategic Plan 2008

Understanding the Port's market is key to its success. Identifying and capitalizing on the Port's strengths and determining means by which to attract customers will ensure a solid future for the Port and continue its strong role in the State's economy.

Strategy:

Employ all the tools necessary for complete understanding of the MPA's market, the creation of new markets, and effective promotion of the Port's facilities and services.

MARKET INTELLIGENCE	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Promote Baltimore's competitive advantages (e.g. Quality Cargo Handling Action Team, efficiency, cost, inland access).		X			Marketing
Conduct market research to better understand the MPA's competition.		X			Planning
Conduct an analysis to re-evaluate the MPA's market area to ensure that market efforts are appropriately focused.		X			Marketing
Enhance existing market analysis process and analytical skills to identify trends, needs, and potential opportunities and to inform and support MPA initiatives.				X	Marketing/ Planning



Port Investment

Maryland Port Administration Strategic Plan 2008

Over the past 50 years the State of Maryland has invested in maritime infrastructure to enable the Port to grow and sustain the economic benefits it provides to the State and the region. As with all heavily utilized transportation facilities, improvement, upgrade, maintenance and expansion are continuously required. Investment must be forthcoming to enable growth. Recent trends indicate interest from the private sector toward port investment.

Strategy:

The MPA shall continue to seek traditional public means of funding and to the extent feasible, leverage State and private resources to maximize the cargo handling capabilities of the port.

PORT INVESTMENT	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Secure a level of public funding adequate for current and future development and operations.	X				Planning
Identify investment opportunities and educate stakeholders/private sector parties in the MPA's willingness to enter into public-private joint-venture agreements.		X			Planning
Establish contractual public-private joint venture agreements.			X		Finance/Property Management



Security

Maryland Port Administration Strategic Plan 2008

Due to its responsibility for maintaining the integrity of its customers' cargo, the MPA has always been security conscious. However, the terrorist attacks of September 11, 2001 have prompted greater emphasis in maintaining security standards and on coordinating security efforts for terminals, vessels, and the Port as a whole. This emphasis includes law enforcement and intelligence agencies with various layers of jurisdictions over the Port. The MPA's primary security function remains being in charge of authorizing admittance to the terminals. Federal agencies are responsible for cargo and vessel inspection, and they rely upon the MPA as one of their partners in conducting these duties.

Strategy:

Work with the Coast Guard, U. S. Customs and Border Protection, Maryland Transportation Authority Police, local law enforcement agencies, and private security contractors to secure MPA facilities at all times.

SECURITY	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Continue to maintain conformance with U.S. Department of Homeland Security requirements.	X				Security
Efficiently maintain control of access to all MPA terminals.	X				Security
Seek federal port security grants to fund capital projects.	X				Security
Coordinate with private and federal stakeholders to enhance the ability to acquire grants for high-priority Port of Baltimore needs (either public or private); this could take the shape of a Port-wide security task force or master plan.		X			Security/ISD
Implement cost-effective and proven technologies for security solutions.		X			Security



Building Relationships

Maryland Port Administration Strategic Plan 2008

As a public agency of the State of Maryland, it is imperative that the MPA builds support among its stakeholders—citizens, businesses, and other government agencies—to ensure that its purpose and needs are both understood and backed by those who will influence the purse strings and policies. Reaching out by the MPA to these stakeholders to increase awareness of the Port and its regional importance will be critical in building support as the MPA continues with its development efforts.

Strategy:

Expand promotion and two-way communication efforts to educate all stakeholders about the role and importance of the MPA and the Port of Baltimore, fostering greater support for the MPA in the process.

BUILDING RELATIONSHIPS	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Build relationships with government agencies, community groups, and educational institutions to create partnerships for environmental and mitigation projects.	X				Harbor Development/ Engineering
Craft a consistent, universal message.		X			Communications
Create a dialogue between state and local economic development agencies, local jurisdictions, private stakeholders, and the MPA regarding off-terminal business opportunities.		X			Planning
Improve two-way communication with stakeholder groups to keep parties informed and to ensure that priorities are addressed.		X			Communications
Create a promotional campaign publicizing the benefits of the Port to the citizens of the State of Maryland.		X			Communications
Identify opportunities for mutually beneficial stakeholder involvement.		X			Communications
Identify opportunities to build mutually beneficial relationships with local and state governments outside of Maryland.			X		Planning



Legislative

Maryland Port Administration Strategic Plan 2008

The Port is affected by legislative and regulatory policies at the federal, state, and local levels. To help insure ongoing support for the Port's legislative and regulatory priorities, the MPA must develop relationships with appropriate government officials and promote broader understanding of the Port's operations and needs. The type of support needed from elected officials ranges from federal funding for the Army Corps of Engineers' dredging program to local land use decisions which support public and private investment in marine terminals. An active outreach program to educate government officials at all levels about issues affecting the Port and the Port's economic impact on the state will make it more likely that these officials will be supportive of Port needs in the future.

Strategy:

Nurture relationships with elected officials at all levels in order to insure that the needs of the Port of Baltimore are understood and supported by legislative, policy, and regulatory actions.

LEGISLATIVE	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Build and enhance relationships with elected officials at all levels to ensure buy-in for legislative action, project approval, and funding).	X				Intergovernmental Relations
Strengthen relationships with maritime and transportation associations in pursuit of beneficial legislative action at all levels.	X				Intergovernmental Relations
Strengthen organization within the MPA to support governmental outreach and education (tours and testimony).		X			Intergovernmental Relations
Petition local governments to expand industrial zoning preservation efforts such as Baltimore City's existing Maritime Industrial Zoning Overlay District (MIZOD).		X			Intergovernmental Relations
Coordinate with MDOT to increase direct access to federal elected officials.			X		Intergovernmental Relations
Promote a re-evaluation of state legislation limiting dredge material placement from the Baltimore Harbor.			X		Intergovernmental Relations



Environment

Maryland Port Administration Strategic Plan 2008

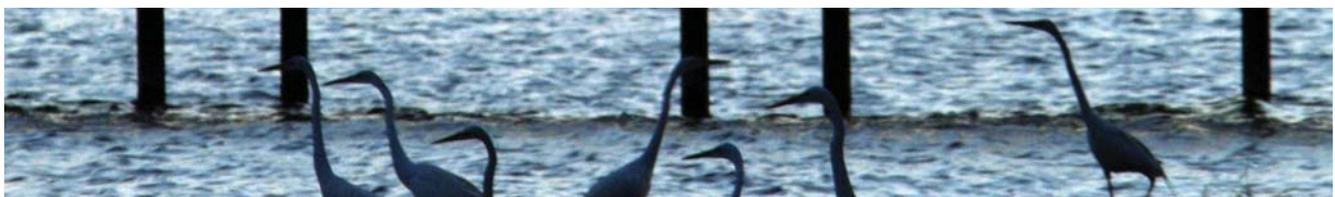
By definition, marine terminals are waterfront facilities, and in Baltimore this means that the Port's facilities are in the critical area along the shores of the Chesapeake Bay and its tributaries. Development of marine terminals and dredged material placement facilities plays a critical role in the health of the world's largest estuary. The MPA must comply with a variety of federal and state regulations which regulate or otherwise impact development within the critical areas of the Chesapeake Bay. Dredged material placement sites and adjacent areas have been developed in ways that provide new wildlife habitats, and the MPA will continue to pursue this type of project.

The MPA must also be concerned with the air quality impacts of activities in and around the Port's marine terminals. Impacts on air quality can be reduced by encouraging greater use of more efficient means of transportation, such as short-sea shipping and railroads. The MPA can seek to purchase vehicles and other terminal equipment with the cleanest technology available.

Strategy:

Continue development of an environmental management system to assess and minimize the environmental impacts of all MPA activities. As a responsible environmental steward, the MPA will pursue beneficial use and other mitigation projects as a means to enhance the natural environment within the Chesapeake Bay watershed.

ENVIRONMENT - ENVIRONMENTAL MANAGEMENT SYSTEM	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Evaluate environmental impact for all MPA activities and identify potential for reducing impacts.		X			Environmental
Purchase vehicles and equipment with equipment with the cleanest technology available and practical.		X			Fleet Management
Prioritize EMS activities, with particular attention to procurement, construction, maintenance, and repair.			X		Environmental
ENVIRONMENT - MITIGATION					
Develop mitigation banking strategy/policy in partnership with MDOT.		X			Engineering
Complete mitigation projects before credits are needed.			X		Engineering
Develop public policy on preserving mitigation sites in perpetuity.				X	Engineering
Identify and complete at least 3 new mitigation techniques.				X	Engineering



Organizational Resources

Maryland Port Administration Strategic Plan 2008

Baltimore faces intense competitive pressure from other ports up and down the U.S. East Coast. In order to succeed in this competition and capture additional cargo growth, the Port needs to improve productivity and services to its shipping customers. In a time of tight budgets and staffing challenges, productivity improvement will come through the Port's people, not just from new programs or machines.

Strategy:

Evaluate staffing levels to ensure that new resources are allocated to areas with the greatest need and to support new or expanded functions. It is expected that this will include functions which support new cargo growth as well as expanded functions such as security and environmental management. The MPA will also seek to maximize the proficiency and contributions of current personnel through expanded training and programs to enhance employee motivation and morale.

ORGANIZATIONAL RESOURCES	Continuous	2008 - 2011 (Short-Term)	2011 - 2014 (Medium-Term)	2014 - 2018 (Long-Term)	Task Leadership
Implement an employee recognition program.	X				Quality
Improve communications within the MPA using the employee newsletter, periodic newsletters from the Executive Director, and regular town meetings which are open to all employees.		X			Communications
Involve employees in job posting.		X			Human Resources
Prepare for long-term stability and continuity through active succession planning.		X			Human Resources
Create an innovative idea awards program.		X			Quality
Develop an employee career development program.			X		Human Resources
Establish a "Director's Internship" or Fellowship to foster the development of new talent.			X		Human Resources
Establish executive, management, and supervisory training programs.			X		Human Resources



Implementation

Maryland Port Administration Strategic Plan 2008

The Maryland Port Administration's Strategic Plan 2008 will guide the agency's efforts toward the completion of the milestones that have been established for:

Cargo growth through the port,
Effective utilization of resources, and for
Accountability to the citizens of Maryland.

This plan forms the foundation for achieving the visions set forth in *Vision2025*. The implementation of this plan will be accomplished through several programs and plans including:

The MPA Marine Terminal Development Plan which will identify the landside facilities required to meet the needs of expected cargo growth;

The Dredged Material Management Program which will ensure that the port's channel improvement needs are met; and

The Consolidated Transportation Program which will provide the funding necessary for these projects.

Many of the Port of Baltimore's recent accomplishments are directly attributable to the actions laid out in Strategic Plan 2002. These past actions involved the resources of every facet of Baltimore's dedicated port community. Strategic Plan 2008 will continue to rely on the dedication of the State of Maryland and its citizens for the continued success of the Port of Baltimore and the gateway to the world that our port provides.





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