

# REVITALIZING MAINE'S PORTS

*Implementing Maine's Three-Port Strategy through  
Investments in Urban and Rural Coastal Areas*

## **STATE OF MAINE**

*Portland, ME (1<sup>ST</sup> CONGRESSIONAL DISTRICT)*

*Searsport, ME (2<sup>ND</sup> CONGRESSIONAL DISTRICT)*

*Eastport, ME (2<sup>ND</sup> CONGRESSIONAL DISTRICT)*

**Total Grant Funds Requested: \$32,000,000**

### Contact Information:

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DUNS Number: 80-904-5966

Central Contractor Registration: MaineDOT is registered



**HNTB**

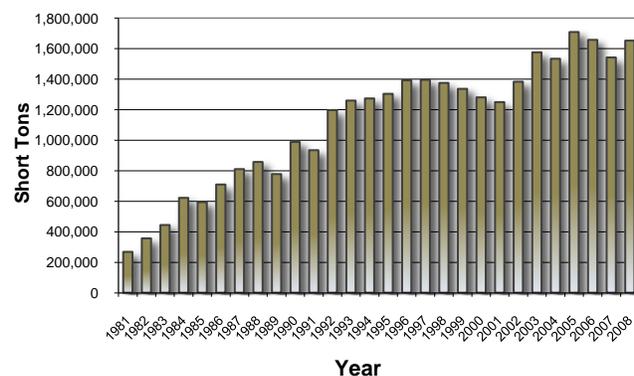


## *Project Overview*

This project furthers the implementation of a long-term plan known as Maine's Three-Port Strategy, which was developed in 1978 to concentrate state investments in its deep water port facilities. The three ports designated under this strategy are the Ports of Portland, Searsport, and Eastport (see [Maine Map](#)), and are the focus of this grant application. Maine's Three-Port Strategy is focused on supporting the development of infrastructure improvements, including the construction of piers and breakwaters; access improvements, including the dredging of harbors and channels and improving highway and rail access; and land improvements, including the purchase of land for port expansion. The \$32 million request in TIGER Grant funds will support specific improvements at each of these three ports.

Overall, Maine's Three-Port Strategy has served the state well. Maine's port infrastructure is generally in fair condition due to the investments made by the State, Cities, and various private entities; and Maine ports have experienced collective annual growth of 5.6% in dry cargo over the last 20 years. This is due in large part to two factors: shippers used Maine ports in preference to out-of-state ports; and Maine has made continuous investment efforts at these ports. Although the overall trend line illustrates one of growth across the board, the individual ports have witnessed their share of peaks and valleys throughout the years due to single-source revenues and limited infrastructure. While the State has been able to weather the storm in the past, we now find ourselves limited in our ability to diversify our customers and improve upon our infrastructure. As a state which takes great pride in its ability to chart its own course and create its own future, we find ourselves in need of a boost to transcend the status quo we are currently in and revitalize our working waterfronts. This application will highlight the underlying strength of our ports and illustrate Maine's commitment to maintaining and improving its own resources, but will also show that our waterfront is faced with hurdles that we believe cannot be overcome given the current state of our economy and resources. This project seeks funding for various elements at each port that will ultimately stabilize and strengthen the local economies by diversifying our customer base while providing our ports with the tools and equipment they need to service these clients.

**Annual Dry Cargo Tonnage Through Maine Ports  
1981-2008**



The Port of Portland has the State's sole container handling facility, and the only container handling facility in New England other than Boston. It handles the most tonnage of all U.S. ports north of New York, and is the second largest port for oil imports on the east coast. Portland is also home of a vibrant waterfront with a cruise ship terminal and a dynamic downtown Old Port district. Despite these attributes, the Port of Portland is in need of funding. The International Marine Terminal is in need of site and infrastructure improvements to complete facility upgrades to a multi-use cargo/container handling facility. In addition to a small cargo facility, the site was last used as an international ferry terminal several years ago, but now contains a deteriorated terminal building, small amounts of stored goods, and a parking lot built on fill materials. Also in Portland, waterfront owners are in need of an economical means of disposing dredge materials. The harbor has silted in since the Fore River was last dredged many years ago, and pier owners cannot afford the high costs of testing and disposal. Lastly in Portland, a recent undertaking to complete a cruise ship terminal has fallen short of its full design and contains only one of two planned berths. Without the completion of the second berth, the City cannot seize the opportunity for growth in the cruise ship industry. Tourism is the State's most valuable industry, yet the port is limited in the number of cruise ships it can accept, and must continue to use a 1922 marine facility once used for grain and freight transport as its primary cruise ship terminal.



The Port of Searsport handles petroleum, bulk, and break bulk commodities through the Sprague Energy Terminal at Mack Point. The port is limited in the cargo it can transport due to a lack of heavy-lift equipment and conveyor systems. The facility aims to attract new customers, diversify its customer base, and adapt to emerging markets. While Mack Point is largely a petroleum facility, its dry cargo pier has the capacity to move larger cargo and freight and utilize the intermodal features of the adjacent railway that services the eastern half of the U.S.

The Port of Eastport primarily handles value-added forest products for the Domtar Corporation, and as such is also limited in the cargo it can transport due to a lack of equipment and storage capacity. Eastport is also looking to attract new customers and adapt to emerging markets which will support our country's energy independence such as wind turbine blades and other various "green technologies." In Eastport, the Estes Head facility has primarily serviced the Domtar Corporation and its wood products for the last 28 years. Unfortunately, the closing of the mill in May 2009 exacerbated the already high unemployment rate. While the mill has since reopened, the Port of Eastport clearly needs to diversify its customer base and can do so with additional equipment and storage capacity.

### Long Term Outcomes

This project proposes improvements to each of the three Maine ports to foster economic growth within our coastal communities while providing substantial long-term benefits in terms of jobs and revenues. By investing in our ports, Maine stands to broaden its intermodal infrastructure to better compete in the global marketplace. Connectivity between our ports, freight rail system, and highway system is the cornerstone of this movement, and it all starts with our waterfront. It is our objective to improve upon this interdependence and create a system that is seamless and operates at maximum efficiency.

The MaineDOT has already invested significantly in each of the three ports to help promote this growth. In Portland, \$16 million in upgrades to the handling equipment at the International Marine Terminal and the construction of Ocean Gateway passenger terminal have improved the infrastructure at the Port of Portland. In Searsport, a \$26 million investment in a public/private partnership with Sprague Energy resulted in a new cargo pier and miscellaneous storage facilities. And in Eastport, a \$15 million industrial pier was completed in 1998. The table below illustrates Maine's commitment to its ports infrastructure over the last decade, and illustrates how the TIGER Grant request compares to the investments that have already been injected into these facilities. Each major investment has been carefully managed and has resulted in growth both in terms of revenue and annual tonnage.

**Summary of Existing and Proposed Port Funding in Maine (1997 to present)**

Port Facility	Date of Funding	Summary of Funding		ARRA TIGER REQUEST
		State Bonds & Private Partners	FHWA	
Port of Portland	1997-2008	\$ 16,202,829	\$ 2,941,786	\$ 23,000,000
	2009	\$ 720,150	\$ 0	
	<b>TOTALS:</b>	<b>\$ 16,922,979</b>	<b>\$ 2,941,786</b>	
Port of Searsport	1997-2008	\$ 26,162,188	\$ 3,717,887	\$ 7,000,000
	2009 <sup>1</sup>	\$ 1,750,000	\$ 0	
	<b>TOTALS:</b>	<b>\$27,912,188</b>	<b>\$ 3,717,887</b>	
Port of Eastport	1997-2008	\$ 14,906,498	\$ 0	\$ 2,000,000
	2009 <sup>1</sup>	\$ 4,500,000	\$ 0	
	<b>TOTALS:</b>	<b>\$ 19,406,498</b>	<b>\$ 0</b>	
<b>TOTALS</b>		<b>\$ 64,241,665</b>	<b>\$ 6,659,673</b>	<b>\$ 32,000,000</b>

<sup>1</sup>. The State of Maine is proposing an infrastructure bond in November 2009 to support these facilities.



## *State of Good Repair*

Of the primary waterfront facilities at Maine's three ports, none are more obsolete than the two major structures utilized in Portland; the International Marine Terminal (IMT) and the Maine State Pier (Pier 1). First, the IMT was originally designed as a combination freight and passenger facility in the 1970's but predominantly focused on international ferry and customs activities. With the loss of the international ferry service in 2005, the facility has been abruptly transformed into a heavy freight and cargo center. The geometry of the wharf precludes the handling of large freight such as wind turbine blades, and the upland storage area lacks sufficient load-capacity and proper grading to handle container cargo. Additional investments are needed to increase the types and amounts of cargo that are planned for this facility in order to meet the demands of prospective customers. It is estimated that the annual tonnage of this facility would increase from 100,000 tons to 220,000 tons within a few years upon completion of the proposed improvements.

The Maine State Pier (Pier 1) was built in 1922 and also served as a multi-use facility, transporting grain and various freight as well as passengers among coastal islands. Pier 1 consists of timber piles and a concrete deck situated in a warehouse setting. This facility is now currently used as a cruise ship passenger terminal and provides visitors with their first impression of Maine's largest city. Fortunately, a newly constructed Ocean Gateway facility, Phase 1, lies adjacent to Pier 1 and is fully equipped with a passenger terminal and a small pier. The small pier, Pier 2 Berth 2A currently occupies a portion of this new facility and will continue to accommodate small cruise ships and an international ferry. Phase 2 of the project, to include Pier 2 Berth 2B, was scheduled to be completed in 2005, but funding was insufficient in the wake of difficult economic times. Funding is now needed to create Pier 2 Berth 2B and complete the overall cruise ship passenger facility. Approximately 71,000 passengers are scheduled to visit Portland this year on 45 cruise ships, an increase of 30% in just one year. It is believed that passenger traffic will increase two-fold in the next five years once the facility is completed, assuming an average annual growth rate of 18% from 1999 to 2009.

The water depths within Portland Harbor are also in need of improvements due to accumulation of sediments within the Fore River. Over 40 waterfront entities are in jeopardy of losing their working waterfront due to the rise of the riverbed during the last few decades. These entities as a whole provide the State with over \$101 million in wages; generate \$5,169 million in revenue; and contribute over \$12 million in taxes. Individual owners and fisherman already claim that portions of their docks are unusable due to the siltation, and the small boats are churning the fine sediments along the river bottom where contaminants are likely to be found from historical activities dating back to the 19<sup>th</sup> century. Funding is needed to create a Contained Aquatic Disposal (CAD) Cell which would provide a cost-effective means for the waterfront owners to dispose of their dredge materials. This project would not include dredging of the waterfront properties, but rather this project would provide a location for future dredge materials to be placed. The timing of this project coincides with the dredging of the Federal Channel in Portland Harbor scheduled in 2011, so as to realize cost savings from the mobilized equipment.

## *Economic Competitiveness*

Each of Maine's three ports stands to become more economically competitive with the acquisition of TIGER Grant funds, since most of the import and export activity here in the state is competing with Halifax, Nova Scotia and St. John, New Brunswick Canadian ports. Searsport and Eastport are both seeking handling equipment which will make these facilities more efficient and enable them to transport a wide variety of goods at a quicker pace than their counterparts. This will provide their customers with a one-stop shop of facilities. Specifically, Searsport is seeking a heavy-lift mobile harbor crane with an excess of 120-ton capacity with rubber tires for movements on and off its cargo pier. This crane, along with a specialized conveyor system, would improve current operations for a more efficient routine; one that is safer and requires less time to move goods.

Similarly in Eastport, this facility would benefit from a conveyor system and additional storage space due to the customer inquiries it has received in the last year alone to transport other wood based products and aggregates through its port. The port currently transports 400,000 tons of wood products from one single customer, but with additional equipment and storage space for materials, the port would increase its tonnage and customer base by



more than 100%. Plans have been developed for the upland storage areas which would include a warehouse and a storage pad. Warehouse storage space would increase from 105,000 sq. ft to 135,000 sq. ft, while the outdoor bulk storage area would increase to over 200,000 sq. ft. Conveyor equipment has been researched and would enable loading and unloading of materials using a set of articulated and rotating conveyor booms at each end of the facility, respectively.

It is also noted that Maine stands to improve the country's economic competitiveness due to its proximity to both Europe and Brazil. This is an important aspect of the country's transportation equation; that Maine ports are closer to European ports than other ports along the eastern seaboard. Maine ports are approximately 400 miles closer to Europe than New York harbor, and 700 miles closer than Baltimore harbor. This differential can shave upwards of three to eight days off transatlantic transportation times which would be a substantial savings to American consumers. Similarly, Maine ports are closer to the southeastern region of Brazil (where the country's steel manufacturing components come from) than New Orleans, LA. Maine ports are approximately 300 miles closer to southeastern Brazil than New Orleans which could be a substantial savings in the transport of steel products. See [Maine Distances](#) for a geographical summary of these distances.

### *Livability & Sustainability*

Maine's ports have received specialized components of wind turbines for planned wind farms throughout northern New England and eastern Canada. Maine ports need to be better prepared at the receiving end for these new "green technologies" with the appropriate equipment. Eastport is currently capable of handling such large freight. The addition of a heavy-lift mobile harbor crane in Searsport and the site improvements at Portland's IMT facility would help solidify this customer base for Maine and ensure that this emerging market does not shift to Canada. By diversifying each port's handling equipment we are essentially diversifying our revenue sources and stabilizing our economy.

### *Benefit Cost Analysis*

Maine ports have a good record of showing immediate returns on investments. Based on interviews with employees from the Maine Port Authority, port operators, and consultant studies, forecasted increases in volume were estimated for each type of investment. Benefits for port investments were primarily estimated from the efficiency gains through increased volume with slight increases in operational and maintenance costs which lowered overall per unit import costs and ship costs. In addition for shippers, higher per unit unloading rates provided overall time savings which decreased capital lock up costs in inventory.

Based on capital costs, volume estimates combined with industry averages for ship volume, value of cargo, and anticipated productivity gains, the benefits, costs, and net present value were calculated for Eastport, Searsport, and Portland IMT facilities using 7% discount rate (*a 3% discount rate is also listed in each project section*). All proposed projects have a benefit cost ratio above 1.0 indicating that discounted benefits are higher than discounted costs and therefore provide net gain in overall benefits for the investment.

#### **Summary of Benefits/Costs Analysis**

<i>7% Discount Rate</i>	<i>Portland Ocean Gateway</i>	<i>Portland CAD Cell</i>	<i>Portland IMT Facility</i>	<i>Searsport Mack Point</i>	<i>Eastport Estes Head</i>
Discounted Benefits	\$24,409,929	\$38,832,140	\$8,102,612	\$29,928,235	\$12,674,582
Discounted Costs	\$9,733,684	\$10,000,000	\$5,180,826	\$24,607,061	\$12,177,688
Net Present Value	\$14,676,245	\$28,832,140	\$2,921,786	\$5,321,174	\$496,894
<b>BCA Ratio</b>	<b>2.51</b>	<b>1.35</b>	<b>1.56</b>	<b>1.22</b>	<b>1.04</b>

Quantifying how these benefits impact the state of Maine provides insight into the changes in economic activity that can be expected in terms of additional revenue, wages, and jobs including the various sectors of the economy that are more readily impacted than others. A Cost-Response-Input/Output model was used to determine the ripple effect of how changes in savings would be magnified through the buyer supplier relationships within the local



economy. For each port, the following results were determined. The investments planned for Eastport, Searsport, and Portland total \$88.5 million in initial construction, operations, and maintenance between 2009 and 2030. This construction spending increases Maine's gross state product (GSP) by \$20.69 million over that period, generating 434 job-years. This construction yields additional permanent economic activity through reduced transportation costs to Maine businesses and increased direct activity at the three ports. Each project generates a different total impact depending on the particular characteristics of travel between the no-build and build scenario, the mix of commodities through the port, and the nature of the diverted freight movement. In total, investment in the three ports generates over 300 permanent jobs in Maine accounting for nearly \$14 million in annual wages and \$20 million in annual value added to the state.

### Summary of Potential Jobs and Incomes Generated from TIGER Grant Investment

	Total Construction Impact			2030 Impact from Operations		
	Job-Years	GSP (\$M)	Income (\$M)	Jobs	GSP (\$M)	Income (\$M)
Portland – Ocean Gateway	48	1.38	1.04	96	4.30	2.70
Portland – CAD Cell	152	7.65	5.75	2417	122.21	84.20
Portland – IMT Facility	96	4.79	3.61	13	0.96	0.60
Searsport	108	5.34	4.02	39	2.89	1.84
Eastport	30	1.53	1.15	30	1.90	1.12
<b>Maine Ports Total</b>	<b>434</b>	<b>20.69</b>	<b>15.57</b>	<b>2,595</b>	<b>132.36</b>	<b>90.46</b>

### *Jobs Creation & Economic Stimulus*

Maine's geographic location and size can be both a benefit and disadvantage to the State's economy depending upon where one lives. Extending over 35,000 sq. miles in area, Maine is the largest of the New England States and comprises nearly half of New England alone. Yet this size does not necessarily equate to economic strengths above its neighbors, rather it illustrates the potential for disparity between the regions in terms of economic development and employment rates as one extends further from the populated and developed southern region toward the eastern end of Maine. It is interesting to note that the distance from Portland, ME to Eastport, ME is nearly the same as the distance between Portland, ME and Hartford, CT. Moreover, Maine has the lowest density population of any other state east of the Mississippi River.

As an example, in June 2009 the unemployment rate for Maine was 8.2%, while the national average was 9.7%. By comparison, the local unemployment rate for the Eastport region in June 2009 was 15.8% with approximately 960 unemployed (see [Eastport MEDOL](#)). Last year at this time, the unemployment rate in the Eastport region was 9.0%, while the national rate was 5.7%. Searsport exhibits similar circumstances. The economic challenges these regions face are constant and are not in sync with the rest of the state or the nation as a whole, and their downturns are exacerbated by their remote locations and limited economies (see [Maine's Economically Distressed Regions](#)). When the state and the nation experience recoveries, Searsport and Eastport lag behind.

There is also a great potential to create jobs and grow Maine's southern and mid-coast economies. Through cruise ship tourism and cargo handling in Portland, and bulk handling in Searsport and Eastport, there is a chance to increase the number of waterfront jobs at these facilities through investment in infrastructure and handling equipment. This project will create jobs both in terms of immediate employment during construction as well as in terms of sustained employment once the infrastructure is built and the equipment is obtained. It is estimated that 320 construction jobs will be created over the course of the next two years completing this project. This number includes design professionals and construction workers throughout the course of the project and would distribute jobs throughout all coastal areas of the state. A breakdown of immediate jobs created by quarter is illustrated in the linked table (see [Maine Quarterly Jobs](#)). An additional 2,595 jobs are projected to be created once the infrastructure and equipment is in place and operational. This estimate is based on historical data and economic trends of the cruise ship and cargo transport industries, and correlate with the number of tons of goods and touring passengers with the number of local jobs which support those economies.



## Project Readiness

### *Endorsements*

Maine's Three-Port Strategy has been refined over the years since its initial development in 1978, and continues to gain support from the key stakeholders who share in the State's vision. This project is endorsed by the Governor of Maine and the waterfront communities in Portland, Searsport, and Eastport, and is ready to move forward once funding is appropriated. Links to these endorsements are provided.

### *Schedule*

This project will be completed in its entirety by February 2012 in accordance with the [Project Schedule](#). One major component of this project, Portland's Pier 2 Berth 2B at Ocean Gateway, is already permitted and the design is essentially complete. Approvals and permits for other components of this project are either in progress or can be readily obtained, since these consist of equipment acquisitions or out-of-water work. Changes to the immediate waterfront are not required at Searsport and Eastport and therefore these projects are essentially shovel-ready.

### *Oversight*

The MaineDOT / Maine Port Authority (see [Maine Grant Applicant](#)) will provide oversight on this project in accordance with the federal regulations indicated in Section 1201(c) of the Recovery Act. Project milestones will be established upon notice of award for monitoring progress and ensuring a full completion of the project by February 2012. Periodic reports will be provided to the federal agency issuing funding. The State will comply with all Federal Wage Rate laws in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code as required by the Recovery Act. The project will promote the creation of job opportunities for low-income workers, and will provide maximum practicable opportunities for small businesses and disadvantaged business enterprises. In addition, the project will make effective use of community-based organizations in connecting disadvantaged workers with economic opportunities, and will implement best practices consistent with civil rights and equal opportunity laws.

### *Additional Studies*

Over the last decade, the State has retained private consultants to provide an independent review and evaluation of its waterfront infrastructure. These studies have helped shape the direction of the State and at times have offered valuable insight. While it is not economically possible to fully implement and act upon each worthwhile suggestion, it is clear that our efforts have always been in the best interest of our constituents to gain as much information about ourselves and our performance in comparison to our neighbors, our region, and the country. Our working waterfronts of Portland, Searsport, and Eastport are a testament that tourism and infrastructure can flourish together and do not have to come at the other's expense. We believe it is possible to simultaneously invest money in our waterfront infrastructure and still maintain our cultural brand, our natural diversity, and essentially our way of life. These [Additional Studies](#) listed on our website illustrate the amount of time, effort, and resources the State of Maine has invested, so that the best course of action could be realized in conjunction with the State's long-term planning guide, The Three-Port Strategy.

## Project Summaries

The following sections provide detailed information about each of the three ports and their respective projects. Each section includes a history of the project; a summary of historical and current trends in terms of cargo movements and passenger travel; and a description of the specific long-term outcomes that are expected from each project. A benefit-cost analysis is provided for each project. The projects listed herein will be listed in Maine's Capital Work Program and amended biennial STIP in October 2009. Partnerships with private and local entities are highlighted along with individual project schedules and the status of approvals and permits.

### Project Endorsements

- [Governor of Maine](#)
- [City of Portland](#)
- [Portland Regional Chamber](#)
- [Portland Pilots](#)
- [Discover Portland & Beyond](#)
- [Chase Leavitt](#)
- [Cruise Maine](#)
- [American Cruise Lines](#)
- [Cianbro Corporation](#)
- [Propeller Club](#)
- [Town of Searsport](#)
- [Montreal, Maine, & Atlantic](#)
- [Sprague Energy](#)
- [City of Eastport](#)
- [Washington County Dev. Auth.](#)
- [Washington County C.O.G.](#)
- [Washington County Commis.](#)
- [Washington \(Sunrise\) County](#)
- [Federal Marine Terminals](#)
- [Quoddy Pilots](#)



## 1. PORT OF PORTLAND

***TIGER Grant Fund Request for Portland: \$23,000,000***

Throughout its long history, Portland has attracted shippers, visitors, and tourists to its port. From containerships to luxury cruise ships, Portland harbor can handle a wide variety of seagoing vessels; the natural deepwater, ice free harbor is among the best-protected on the East Coast. Cruise ship operations currently occur at the Portland Ocean Terminal, Pier 1 (Maine State Pier) and the upgraded Ocean Gateway facility, Pier 2 Berth 2A. Cargo operations will remain at the International Marine Terminal (IMT) and be expanded.

Recently named the number one place in the country to raise children and named in the top ten nationally as one of the “perfect places to live in America,” seascapes and cityscapes blend harmoniously in Portland. Historic buildings, an outstanding physical setting on the coast of Maine, a wealth of big-city amenities, a vibrant arts district, traditional working waterfront and diverse retail and dining opportunities are all balanced with the ease and friendliness of a small town. Portland maintains a great sense of livability which attracts tourists and visitors alike.

The Port of Portland contains three individual projects each of which are vital to the growth and sustainability of the harbor and its working waterfront. The harbor is host to marinas, fishing vessels, cruise ships, barges, cargo vessels and oil tankers, which contribute a combined \$50 million annually to the local and State economies. This project will preserve the irreplaceable deep-water ship berthing in Portland. Portland's objective is to make the best use of its deep water frontage while balancing the growth of our historic maritime industries and our working waterfront.

The Port of Portland has the largest tonnage throughput port in all of New England and north of New York, yet its ability to take advantage of a greater market potential are stifled by its limited infrastructure. Moreover, the siltation along the Fore River has accumulated to the point that the immediate waterfront is in jeopardy of becoming unusable for working waterfront purposes. Within the New England states, the Port of Portland is also the second largest international passenger port and second largest for landings of fisheries products. The Port of Portland is seeking \$23 million in TIGER Grant funds to complete three individual projects. Without improvements to the waterfront facilities and the shoreline water depths, the Port of Portland risks losing its working waterfront and a substantial component of economic and cultural strength.

- |   |                     |
|---|---------------------|
| A. <i>Ocean Gateway – Mega Berth Facility (Pier 2 Berth 2B)</i>   | <b>\$8,000,000</b>  |
| The Port of Portland's cruise ship industry is growing rapidly, yet the planned infrastructure expansion at the Ocean Gateway facility has stalled due to lack of funding. The completion of a second berth, Pier 2 Berth 2B, would enable continued growth of this revenue source.   |                     |
| B. <i>Contained Aquatic Disposal (CAD) Cell</i>   | <b>\$10,000,000</b> |
| The waterfront properties along the Fore River in the Port of Portland have experienced significant siltation over the last few decades. To help waterfront owners, including the City of Portland, maintain their property and keep the Port of Portland a working waterfront community, it is essential that a cost effective approach be devised to dispose of the dredge materials. This project proposes a 350,000 cubic yards (cy) CAD Cell for dredge material disposal. |                     |
| C. <i>International Marine Terminal (IMT)</i>   | <b>\$5,000,000</b>  |
| The IMT facility would increase its annual tonnage of TEU bulk cargo by 108 % by 2015 if its upland storage area were capable of supporting heavy loads and the pier geometry were improved to accept large irregular-shaped cargo.   |                     |





## 1A. OCEAN GATEWAY – MEGA BERTH FACILITY (PIER 2, BERTH 2B)

\$8,000,000

### OVERVIEW

Over the last 30 years, the City of Portland and the State of Maine have collaborated on a waterfront planning process to determine the long term direction of Portland's waterfront and its municipal properties. Major studies were undertaken to evaluate Portland's cruise ship infrastructure and its ability to grow alongside demand from the tourism industry. As a result of these efforts, a developmental property owned by the City known as Ocean Gateway emerged at the eastern end of Portland's waterfront. This site strategically realizes the potential at the east end of Portland's downtown district to combine the existing uses of the Maine State Pier with the expansion of the cruise ship berth capacities at the new international passenger terminal. Located within one block of Portland's Old Port district, this site was developed with the intention of berthing and homeporting cruise ships. Unfortunately, due to the rising cost of construction, the site could only be partially completed and the City's cruise ship complex was reduced to one pier instead of two. By 2005, only one pier was constructed, Pier 2 Berth 2A, which can receive cruise ships no larger than 700 ft in length; a size which prohibits today's larger vessels from utilizing the new facility. Instead, larger vessels berth at the adjacent Maine State Pier (Pier 1), which is 87 years old and in need of rehabilitation. Its timber pile foundation and overall industrial ambiance makes Pier 1 an unsuitable landing for long-term use by modern cruise ships and their vacationing passengers.



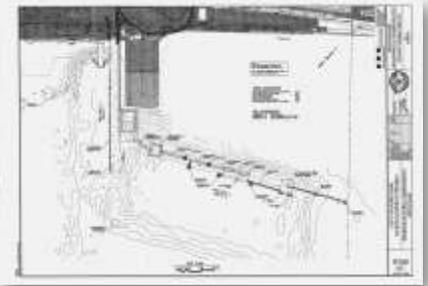
[Click Image to Enlarge and View Details](#)

Pier 2 Berth 2B at the new Ocean Gateway facility is designed, permitted, and ready for final completion. The City has conducted a thorough public screening during and has gained great public interest in the project. The State of Maine, the City of Portland, and its private partners have invested approximately \$17 million over the last ten years to advance the facility to its current status. With an additional \$8 million the project could include the addition of a second berth; essentially doubling the facility's capacity thereby realizing its full potential.

### REALIZING THE POTENTIAL

#### **COMPLETING THE INFRASTRUCTURE**

Cruise ship traffic into the Port of Portland is continuing to expand; however, many of the newer ships are over 900 ft long and require a larger berth with passenger amenities. In 2008, the completed passenger terminal at Ocean Gateway is a 21,000 square foot "state of the art" terminal designed to accommodate this passenger traffic. The new facility is designed for both international ferry and cruise ship passengers, and has full screening capabilities for homeport and port of call operations. This site will condense operations and serve as a focal point for marine passenger and transportation services including international ferry operations, cruise ships, harbor tugs, and other visiting ships. In order to realize the facility's full potential, a large berth capable of accommodating vessels up to 1,200 ft in length would be constructed along the front of the passenger terminal. This berth would consist of a 5,600 sq. ft floating dock with a series of breasting and mooring dolphins and fender systems. The new berth will become the primary landing for cruise ships and will help put Portland's best foot forward as a tourist destination. The berth will double the existing berthing space in Portland, as the old Pier 1 at the Portland Ocean Terminal will continue to be used as a secondary landing when cruise ship schedules overlap. It is anticipated that the existing Pier 1 berth will be upgraded in the near future. This facility is just steps away from Portland's dynamic downtown, and is connected to New England through its passenger rail line. Portland's intermodal capacity is well equipped with rail, bus, highway, and airport infrastructure; all within a five-mile radius of the downtown area.



[Click Image to Enlarge and View Details](#)



## **BENEFIT-COST ANALYSIS**

In a recently released economic impact study by the University of Maine, researchers found that passengers spent between \$80 to \$110 in the Greater Portland area, generating between \$5.8 million and \$8 million for the regional economy and creating 69 to 96 full and part time jobs in 2008 (see [Cruise Ship Economic Impact](#)). It also provided between \$2 million and \$3.2 million in wages and salaries. In 2009 a total of 45 ships carrying 71,729 passengers are scheduled to call to port; an increase of nearly 18,000 (34%) from 2008 ([Cruise Ship Passenger Statistics](#)). The project would allow the cruise terminal to expand by serving larger vessels that would carry up to 3,000 people. In total, the new terminal could accommodate an additional 70,000 passengers; double the 2009 figure. It is assumed that the doubling of passengers will not happen instantaneously; rather the additional growth will occur at the average growth rate of the past ten years; 18% annually. Therefore, significant growth in passenger counts could only occur with the project being built.

The benefits and costs for the life of the project are presented below along with their present values (using a 7% discount rate). The present value of costs sums to \$9.7 million (2008 dollars). The present value of benefits sums to \$24.4 million. The net present value of this project is \$14.7 million with a benefit-cost ratio of 2.51.

### **Benefits and Costs of Ocean Gateway Pier 2 Berth 2B (2009 through 2030)**

Costs	PV Costs	Benefits	PV Benefits
\$11,360,000	\$9,733,684	\$50,818,910	\$24,409,929

## ***LONG-TERM OUTCOMES***

There is a substantial potential to double the Port of Portland's cruise ship berthing capacity and therefore an opportunity to provide an economic stimulus to this area. The completion of the first phase of the Ocean Gateway project realized a significant increase in cruise line expenditures in Maine from \$15 million in 2004 to \$31 million in 2005 (see [Cruise Industry Study](#)). This 106% jump in a single year reflects the aggressive marketing efforts and the trends of the tourism industry toward the cruise ship market. Within Maine's 12 ports, a total of 180 ship calls brought nearly 147,000 passenger days to the state in 2005. In 2010, there are already 68 vessels scheduled for Portland alone (see [Vessel Schedule](#)). Moreover, surveys conducted by the cruise ship industry indicate that cruise ship passengers have a strong inclination to return to Maine for land-based vacations after their initial visit to Portland. This type of repeat-business is the desired long-term effect that a cruise terminal can have on the tourism industry in Maine, the state's largest industry.

As demand from the tourism industry continues to grow, Portland will be well-positioned to benefit from an additional berth and can better serve its existing clients. This \$31 million industry accounted for 412 jobs that paid \$14 million in wages and salaries throughout the state in 2005. The number of jobs was an increase from 293 jobs in the previous year. While these trends are simply spikes in the overall growth of the industry, it nonetheless exemplifies the importance of infrastructure and the ability to take advantage of these growth spurts as they occur. With the completion of Pier 2 Berth 2B, the long-term result for this facility will be the benefits from the increasing number of cruise ship passengers and enables the port to benefit from other cruise ship companies as well.

The benefits of completing Pier 2 Berth 2B can already be seen from the recent completion of its counterpart: Pier 2 Berth 2A. In 2010 American Cruise Lines will begin homeporting a ship in Portland at Ocean Gateway's Berth 2A. A greater amount of revenue is generated when ships are homeported at a facility since the cruise line also spends money in the port; not just the passengers. Therefore, the attractiveness of Portland's waterfront has already drawn one full-time cruise ship customer. It is believed that the completion of Berth 2B will increase Portland's attractiveness and lure additional cruise ship customers.

## ***JOBS CREATION & ECONOMIC STIMULUS***

The construction work associated with this project will create on average 12 full-time jobs for two years from 2010 through February 2012. At the onset of the project, approximately ten full-time jobs will be created, and will



increase to a peak of approximately 17 jobs once construction is underway. In addition to the direct construction jobs, there are jobs that support activity from construction suppliers and re-spending of construction workers' wages locally. When counting all of these jobs, the economic impact of construction is 29 jobs at the peak of the period.

With the completion of Pier 2 Berth 2B the City of Portland would sustain an additional 138 direct jobs as a result of greater cruise ship passenger traffic. With spin-off effects, the total economic impact is 188 jobs. These include the additional supporting jobs that would be required to accommodate more cruise traffic. However, the job impacts are mostly derived from the increase in visitor spending. As the travel industry has recognized, Portland and the State of Maine is increasingly becoming a travel destination. The presence of cruise ship passengers promotes secondary business at restaurants, shore excursions, consumer goods stores, and retail outlets. As the cruise ship industry grows and Maine begins to experience an extended cruise season, these jobs will become less seasonal and more sustainable as they overlap with the tourism generated during the winter months. This year-round activity will help stimulate the greater Portland economy and provide a wider base of revenue that is more economically stable.

#### ***PARTNERSHIP WITH CRUISE LINES AND FERRY OPERATORS***

The American Canadian Caribbean Line (ACCL) homeports its small cruise ship, *Grande Caribe*, in the Port of Portland. This partnership has endured for many years and may help forge an additional relationship with a similar company, American Cruise Lines (ACL). Both entities maintain vessels less than 200 ft in length, which are readily accommodated at Ocean Gateway.

The Royal Caribbean Cruise Line, Norwegian Cruise Line, and Carnival Cruise Line all make Portland a port of call with the majority of the visiting passengers coming from these three cruise lines. Recently, NCL has expressed interest in homeporting a vessel here during the summer months. These partners are the cornerstone of the cruise industry in Portland, and therefore providing a modern berthing facility would enable these corporations to invest greater amount of resources in this area which would help the Maine economy.

#### ***PROJECT SCHEDULE***

Since this project is the final phase of the Ocean Gateway Complex, the design is complete and awaiting Notice to Proceed. It is anticipated that three months will be required for the design team to compile a set of drawings and specifications and incorporate any final adjustments to the project. The design team will assist the State in selecting a contractor and establishing the project milestones to ensure project completion by February 2012 (see [Portland Gateway Schedule](#) for details). MaineDOT and the Maine Port Authority will manage this project and will set the milestones by which the project schedule will be met.

#### ***ENVIRONMENTAL APPROVALS***

While this project has already received Maine DEP and ACOE permits, it is estimated that four months will be required to secure any additional approvals now that this project may be federally funded. Projects receiving federal money or requiring federal actions require evaluation consistent with the National Environmental Policy Act (NEPA). Since the Ocean Gateway complex is already designed and permitted, it is very likely that the proposed project would have minimal impact and likely would qualify for a Categorical Exclusion (CE). Documentation for a CE would include design improvements, analysis of the resources and impacts, and preparation of supporting information, and review by a lead federal agency. Final approvals would require approximately 90 days to obtain. This timeframe is highlighted in the project schedule link above.



## 1B. CONTAINED AQUATIC DISPOSAL (CAD) CELL

\$10,000,000

### OVERVIEW

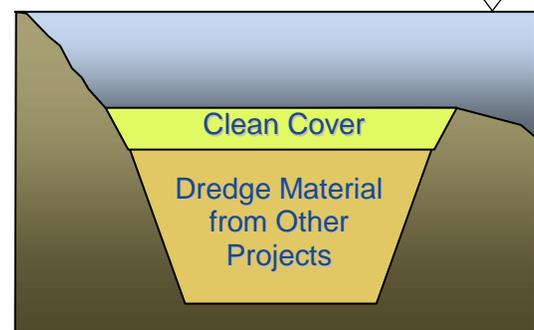
Since the 1990's, environmental regulations require waterfront property owners to perform a number of tests prior to starting any dredge activities. Sediment tests for contaminants and metals along with bioassays and bioaccumulation tests are all considered additional expenditures which most private entities along the waterfront cannot afford. If material is determined to be contaminated, disposal options become limited and expensive. In an effort to make dredging more affordable, and relieve the necessity to perform myriad tests, the Port of Portland has planned to construct a Contained Aquatic Disposal (CAD) cell for use by private and public waterfront owners to dispose of dredge material, whether clean or contaminated, in an environmentally conscientious manner. ([Click here to view details](#)). Such a project will help ensure the future of over 40 water-dependent businesses along the Portland Harbor waterfront, which otherwise would not be able to afford other disposal methods. A comprehensive study has already been performed describing proposed size, location, and the permitting process (see [CAD Cell Study](#)).



Portland Harbor

The silt material in Portland Harbor comes from a variety of sources: natural silting from the outflow of the Fore River and storm water run-off from combined sewer outflows. Any contamination in the riverbed sediments area likely from historic uses dating back over 100 years, at a time when industrial progress trumped environmental impact. Very little, if any, of the existing contaminated material in sediments of Portland Harbor is the result of actions by the current waterfront owners. Few of the areas adjacent to public or privately owned piers and wharves have been dredged in the last 20 years, essentially threatening the vitality of Portland's working waterfront by way of siltation. It has been over 11 years since the U.S. Army Corps of Engineers (USACE) last performed maintenance dredging of the Federal Channel in Portland Harbor. At that time in 1998, over 400,000 cy of dredge material were removed and disposed at the Portland Disposal Site, which maintained Portland Harbor's 35-ft deep Federal Channel. Dredging outside the Federal channel is the responsibility of the public and private waterfront property owners. It is estimated that over 200,000 cy of silt materials lies outside of the Federal Channel and could be dredged from the immediate waterfront.

This project is not about dredging the immediate waterfront, but rather about providing a cost-effective location for future dredge materials. Timing of this project has been planned in conjunction with the upcoming dredging of the Federal Channel scheduled by the USACE for either 2010 or 2011. This event will be an opportunity for the cities of Portland and South Portland to contract with the selected dredging company while the dredge equipment is already mobilized within the harbor, thereby realizing additional savings in mobilization costs. Creating a CAD cell in Portland Harbor is the only viable, cost effective alternative for public and private sector pier owners to help them maintain the working nature of their property. Without an affordable way to dispose of contaminated material dredged from around wharves and piers in Portland Harbor, the working waterfront will slowly diminish. A CAD Cell is the only financially viable solution to the dredging conundrum.



CAD Cell Cross Section



## **REALIZING THE POTENTIAL**

### ***INNOVATION IN TECHNOLOGY***

In order to achieve a cost-effective means of disposing contaminated dredge material, a CAD Cell would be constructed in Portland Harbor just outside the boundary of the Federal Channel. This Cell would be a deep hole dug in the harbor where contaminated dredged material can be placed and later capped with clean material. A CAD Cell approximately 350,000 cy capacity is proposed at the eastern end of Portland Harbor. This innovative practice is similar to one that has been recently used in Boston, MA and Providence, RI, and would easily accept the anticipated 200,000 cy of potentially contaminated dredge material from public and private waterfront owners. A geotechnical evaluation would be conducted complete with borings, bathymetric survey, and sub-bottom profile with a minimum of three holes to bedrock.

### **BENEFIT-COST ANALYSIS**

Recent experience in New Bedford, MA and Norwalk, CT suggests that CAD Cell construction costs between \$20 and \$30 per cy of disposal volume. The proposed Portland Harbor CAD Cell would provide approximately 350,000 cy of disposal volume, at a cost of approximately \$10 million. Blended funding heavily weighted to a federal grant, coupled with state and local contributions can be used to construct the CAD Cell. A tipping fee from users can be collected to recoup some of the costs.

The benefits and costs for the life of the project calculated with their present values (using a 7% discount rate). The present value of costs (start-up construction and operations and maintenance) sums to \$10 million (2008 dollars). The present value of benefits sums to \$38.8 million. The net present value of this project (benefits minus costs) is \$28.8 million with a benefit-cost ratio of 1.35.

### ***LONG-TERM OUTCOMES***

This project will ensure the long-term vitality and working nature of the Portland Harbor region by providing an innovative design which will enable waterfront owners to dispose of current and future dredge materials in a cost-effective and environmentally conscientious manner. The CAD Cell concept will minimize the cost dredging operations for each individual waterfront owner by alleviating the need for expensive chemical and biological testing, and having a nearby disposal site that can accept contaminated materials.

The CAD Cell concept is environmentally friendly, and provides a localized area of underwater containment for dredge material which may contain contaminants from historical waterfront activities. It is in the best interest of the waterfront owners, many of which depend greatly on the fishing industry for their survival, that the Portland Harbor and surrounding waterfront region remain a clean deep harbor. Unfortunately, many waterfront owners are finding it increasingly difficult to contribute to the high cost behind the methodology.

### ***JOBS CREATION & ECONOMIC STIMULUS***

This project is about preserving the jobs associated with a working waterfront. The Greater Portland Council of Governments summarized the economic impact of Portland Harbor (2007 dollars) and noted that over \$101 million in wages was earned and resulted in over 3,600 jobs for its eight primary economic sectors (see [Economic Impact Memo](#)). Property taxes collected from waterfront owners in both Portland and South Portland were over \$3 million. The economic benefits of piers and wharves extend well beyond Portland Harbor. The economic impact of Portland Harbor has been measured by the most recent economic data available as recent as 2008 for the primary seven sectors of Portland. Providing a cost effective manner to dredge Portland Harbor would preserve thousands of jobs, millions of dollars in wages, and millions in state taxes.

***PARTNERSHIPS***

The Portland Waterfront Alliance is a consortium of 40 members who share a common goal to maintain and preserve the working waterfront of Portland Harbor. This entity is in full support of the proposed CAD Cell project. It is a testament to the organization that it has the foresight to utilize the upcoming federal dredge project to their benefit and team-together to save money during this timely opportunity.

***PROJECT SCHEDULE***

This project has been studied for over a year but design work has not been completed and is awaiting the USACOE schedule to dredge the federal channel, and the inability to procure the necessary funds for this project. A design package would be created within six months once funding is secured, and the project would be completed by February 2012.. The State will select the contractor who is awarded the federal contract and will then establish milestones for the project to ensure project completion by February 2012 (see [Portland CAD Cell Schedule](#) for details). MaineDOT and the Maine Port Authority will manage this project and will set the milestones by which the project schedule will be met.

***ENVIRONMENTAL APPROVAL***

At the Federal level, it is anticipated that an Environmental Assessment will be needed under the National Environmental Protection Act (NEPA) to evaluate the proposed CAD site. An Environmental Assessment will require four months to prepare and would have greater public involvement and review duration. The document study and preparation duration will require four months, and the public comment and finding by the lead federal agency will take another two to three months. It is estimated the total process will take six months. If the conclusion finds minimal or no significant impacts, then a Finding of No Significant Impact would be made by the lead federal agency.

The CAD permitting through the State would potentially involve a Natural Resources Protection Act permit (NRPA), issued by the Department of Environmental Protection, a Submerged Lands Lease, issued by the Department of Conservation, Water Quality Certification issued by the Department of Environmental Protection, and potentially Hazardous Waste or Solid Waste permits, depending upon the nature of the materials (contamination classification) and disposal locations and methods. The exact approvals will be determined once further advances in design and material assessments are made. However, the advantage of using a CAD site is that the practice is generally accepted and permits can accommodate the method. Similarly, water quality certification (Section 401 of the Clean Water Act) from the Department of Environmental Protection is required for the dredging and use of the CAD site. The permitting duration for a full NRPA application and water quality certification is typically 120 days after acceptance of the complete application.

The State Department of Conservation is responsible for regulating submerged lands which are in the state's public trust. The Submerged Lands Program issues leases for dredging projects, including disposal areas. The CAD site is intended for maintenance dredging from non-federal channel locations, therefore would be subject to the license requirements of that lease.



## 1C. INTERNATIONAL MARINE TERMINAL (IMT) FACILITY

\$5,000,000

### OVERVIEW

The IMT facility consists of approximately 13.5 acres located along the Portland waterfront. Geographically, it is located 100 miles north of Boston and maintains uncongested access to Interstate 95, the St. Lawrence and Atlantic Rail, and the Pan Am Railway. Its intermodal connections make it an excellent opportunity for both containerized freight and heavy-lift cargo of any size or quantity.

The site has been historically used for various transportation purposes. As early as the 1860's, railroad operations dominated the site as waterfront expansion and fill materials were installed to improve waterfront access. More recently, the site was used as the International Ferry Terminal for loading and unloading of passengers and vehicles for the Scotia Prince ferry to Nova Scotia, Canada. Ferry operations have since been discontinued, and the vacant parking lot has been utilized by the City for temporary parking of towed vehicles and snow storage/removal operations. The northern portion of the property is used and operated as a cargo yard by Ports American and the International Longshoremen's Association (ILA). The ILA operates a large shipping container crane for the loading and unloading of shipping containers from tractor trailers and cargo container ships. The majority of the upland site consists of a paved parking lot, while a 1,200-ft wharf structure, with a water depth of 35 ft, extends the entire length of the eastern property along the Fore River. A former ferry terminal is located between the wharf and the upland storage area but is currently vacant and unused, except for some storage for crane maintenance equipment and miscellaneous rigging and tools. Freight operations at the IMT have overflowed into the area of the facility that was formerly used for ferry operations. Due to the excessive amount of fill installed at this site throughout its history, the current load capacity of the upland storage area is unsuitable for heavy loads including container cargo.



*Click Image to Enlarge and View Details of the Proposed Project and Future Site Layout.*

The current plan is to redevelop the property for marine terminal operations and increase the amount of container cargo and wind turbine components transported through this facility. Redevelopment would include the demolition of existing structures and the construction of an expanded cargo laydown area and related facilities. In August of 2008, the IMT facility handled its first wind turbine project from the third largest manufacturer of wind turbines in the world, Gamesa. To accommodate additional future shipments, structural changes are required to keep costs manageable. The state has already invested \$520,000 within the last seven years to provide cathodic protection and coatings to the pier's steel pile foundation. An additional \$100,000 will be spent over the next 12 months to upgrade utilities throughout the warehouse and the storage areas. Despite the State investments here, in order to fully realize its potential to accommodate loading and off-loading equipment and to improve pier access, additional investment is required to reconstruct and improve the overall utility of the upland storage area.

### REALIZING THE POTENTIAL

#### ***FACILITY IMPROVEMENTS***

In order to realize the potential at this site, the wharf and the upland storage facility will require some upgrades. While the wharf's load capacity is approximately 1000 psf, it is limited in the number and types of cargo it can accept due to the current configuration of the wharf and its access points. The current geometry of the pier provides limited access to freight trucks and specialized moving equipment due to the tight corners at the entrance and egress points, and therefore results in an inefficient system of loading/off-loading goods to and from the docked vessel. Also, once goods are off-loaded there is limited storage space for the goods and it is difficult to maneuver the goods around the cargo yard due to the bridge piers which are positioned within the facility.



Improvements to the site would include ground strengthening of approximately 13 acres using concrete slabs, and improving existing grades to harmoniously connect once-independent areas into one unified storage site. Other site improvements would consist of partial demolition of the existing passenger terminal which is no longer needed, and the creation of a small office space for port operation officials. Wharf improvements would consist of approximately 5,000 sq. ft of pier retrofit to improve the current geometry of the pier and enable a more efficient means of vehicle movements during loading operations.

### BENEFIT-COST ANALYSIS

Usage of Maine ports over previous supply chain models resulted in significant savings to the developers and manufacturers of wind turbine projects. It also resulted in a reduction of trucks on the road and significant emissions reductions in the various affected supply chains. The expected decrease in unloading time due to the infrastructure improvements is the driving force behind the import/export cost savings and capital lock up costs in inventory. Using both a 3% and 7% discount rate, the benefit cost analysis indicates that benefits outweigh the costs for this project.

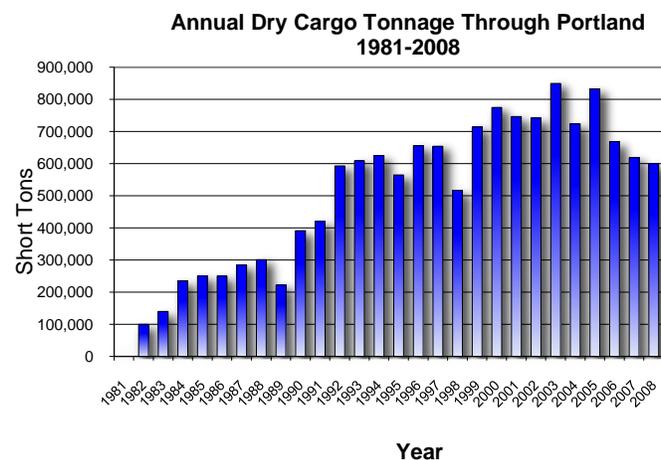
#### **Benefits and Costs for Portland IMT Facility**

Portland - IMT Facility	3% Discount Rate	7% Discount Rate
Discounted Benefits	\$12,583,159	\$8,102,612
Discounted Costs	\$6,247,876	\$5,180,826
Net Present Value	\$6,335,283	\$2,921,786
<b>BCA Ratio</b>	<b>2.01</b>	<b>1.56</b>

### **LONG-TERM OUTCOMES**

There is great potential to upgrade this facility and bring a sustainable flow of container cargo to the Port of Portland. Currently, there are shippers and carriers alike who are seeking port infrastructure to transport container cargo in southern Maine, however, the existing capacity of the wharf and the storage area is insufficient to accommodate these new requests. There is approximately 220,000 metric tons of potential cargo that could be moved through Portland in 2010 (see [IMT Projections 2010](#)). With the Maine Port Authority's new lease of the site, it is better positioned to market this facility and find new customers. The Annual Dry Cargo Tonnage through Portland has steadily decreased over the last three years, but actually has been in a significant decline for nearly the last decade. Isolated incidents have occurred within this timeframe which have resulted in temporary spikes in the Annual Tonnage chart, but there has not been a stable market for the wharf's utility. With site and wharf improvements made, there is a potential to move up to 200% of the existing container cargo traffic.

Maine's current wind power strategy is to install five to seven gigawatts of wind power in the next ten years. This equates to two gigawatts onshore and five gigawatts offshore. The cargo volume associated with this is approximately 4,700 wind turbines over ten years. With 470 turbines per year for ten years and each turbine weighing approximately 344 metric tons, Maine Ports could see nearly 162,000 metric tons a year of wind turbine traffic alone. The size of the towers and associated space requirements is more than any one port can provide. This calculation does not take into consideration the fact that approximately 40% of the Wind Turbines shipped into Maine Ports in 2009 were destined out of state in the North East region.





The wind cultivation industry's usage of Maine ports over previous supply chain models resulted in significant savings to the developers and manufacturers of wind turbine projects. It also resulted in a reduction of trucks on the road and significant emissions reductions in the various affected supply chains. Similarly, container operations have contributed to these benefits, as well.

### ***JOBS CREATION & ECONOMIC STIMULS***

The construction work associated with this project will create on average 12 full-time jobs for two years from 2010 through February 2012. At the onset of the project, approximately eight full-time jobs will be created, which will increase to a peak of approximately 17 full-time jobs once construction is underway.

The IMT also has contracts for civil and structural engineering, landscape/property maintenance, equipment maintenance and repair, fencing repair and maintenance, and security. The IMT annually pays approximately \$211,000 annually for these services. As more container cargo is transported through the port, more jobs will be created. The IMT currently supports 50 part time jobs and five full time jobs. This is assuming that the IMT is operating at the "break even" status that it has been for the last few years. Given the projected increases in business, the IMT will support 58 part time jobs and 18 full time jobs in the next few years.

### ***PARTNERSHIP WITH OPERATORS***

The third largest manufacturer of wind turbines in the world, Gamesa, diverted some of their turbines to the IMT in Portland, ME, from their original destination of Philadelphia, and saved nearly \$1.2 million in trucking costs. This was the start of a new partnership with Gamesa, who has since inquired about bringing four more ships of wind turbines through the IMT in 2010. As companies seek more cost-effective solutions for developing wind in the northeast, the IMT facility stands poised to capture an increased market share in the developing wind industry, and provide a more cost-effective option to encourage such growth. Gamesa and the Maine Port Authority will continue to strengthen this partnership as new opportunities in wind farms develop.

### ***PROJECT SCHEDULE***

This project has been developed over the last year and is now currently in design phase. It is anticipated that the design will be completed within six months of Notice to Proceed. The design team will then assist the State in selecting a contractor and establishing the project milestones to ensure project completion by February 2012 (see [Portland IMT Schedule](#) for details). MaineDOT and the Maine Port Authority will manage this project and will set the milestones by which the project schedule will be met.

### ***ENVIRONMENTAL APPROVAL***

This project will require six months to secure environmental permits and city approvals once Notice to Proceed is awarded. Projects receiving federal money or requiring federal actions require evaluation consistent with the National Environmental Policy Act (NEPA). Given that the project will have minimal impacts, it is anticipated that this project will qualify for Categorical Exclusion (CE). The project will likely require either a Section 404 permit or a Section 10 permit from the Army Corps of Engineers due to the small component of in-water work to the pier. It is likely that the Corps will issue a Programmatic General Permit (Category 2) for the pier improvements.

State and local permits for the IMT will include a Natural Resources Protection Act (NRPA) permit for the pier improvements. In particular, marine coastal resources below the high tide line, such as wetlands or fisheries habitat, are subject to review by the Maine Department of Environmental Protection. It is likely that the improvements to the pier will qualify for a Permit by Rule through the NRPA. Proposed pier improvements would be subject to review by the City of Portland Planning Board or administratively by staff of the planning department, depending upon the size of the new development. Similarly, portions of the site are within the Shoreland Protection Zone which requires review by the Planning Board or planning department. Demolition of existing structures has already been approved by the City, and construction of new structures would require a Building Permit. The time frame associated with the permitting effort is highlighted in the project schedule above.



## 2. PORT OF SEARSPORT

***TIGER Grant Fund Request for Searsport: \$7,000,000***

### OVERVIEW

The Port of Searsport at Mack Point is a deep-water port operated by Sprague Energy. The facility consists of a 35-ft deep (MLW) approach channel and turning basin with two piers: a Dry Cargo Pier and a Liquid Cargo Pier. The port has recently undergone a major reconstruction effort positioning it to effectively serve the needs of shippers moving both types of products into and out of Maine, and through the onsite rail yard of the Montreal, Maine & Atlantic Railway to provide service to the heartlands of both the eastern United States and Canada. ([Click here for details of aerial view](#)).



*Aerial view of Searsport – Mack Point*

The Dry Cargo Pier is an industrial-use structure owned by the Maine Port Authority and operated by Sprague Energy. The pier is complete with over 56,000 sq. ft of working surface and a deck capacity of 1,000 psf. It is outfitted with two berths, both of which are of 800 ft in length, however, only Berth No. 1 along the east side of the pier maintains 40-ft of water depth (MLW) and a suitable fender system. Berth No. 2 along the west side maintains a 32 ft water depth (MLW) but does not have a suitable fender system. The Liquid Cargo Pier is an industrial-use facility owned and operated by Sprague Energy used for petroleum products. It contains two berths; Berth No. 1 is 700 ft in length with water depth of 37 ft (MLW); and Berth No. 2 is 500 ft in length with water depth of 25 ft (MLW). On-site infrastructure includes a truck-to-rail facility complete with 6,500 ft of rail siding interconnected with Canadian Pacific for double stack service to the Midwest, central Canada, and Vancouver. Storage areas currently owned and operated by Sprague Energy include oil tanks; truck and rail access and loading racks; five paved storage areas; 90,000 sq. ft of warehouse; and over 70 acres of undeveloped area. The Maine Port Authority owns two parcels of land which is leased to Irving Oil for oil storage and distribution operations.

Due to the intermodal capacity of this facility and its ability to transport goods easily and efficiently to Canada and the Midwest, there have been several inquiries to utilize the port for emerging markets in steel production. Unfortunately, the facility does not have the equipment to load or unload these commodities and therefore cannot take advantage of these new opportunities.

### REALIZING THE POTENTIAL

#### ***INNOVATION IN EQUIPMENT***

In order to achieve the long-term benefits of this project, several key components will be required. The acquisition of marine handling gear will help support the overall plan to increase the transport of goods through Searsport; a plan which has been in the making for over a year and would include a heavy-lift mobile harbor crane and a conveyor system with various components. A proposal for this equipment has been revised over the last year, and outlines the various equipment to be purchased for immediate installation and use. The equipment is considered innovative technology and is the latest equipment to be used at a marine facility. The crane itself is considered advanced technology in its capabilities. It would improve the port's competitiveness by attracting new shipping companies and reducing the overseas transport distances. It is believed that this facility could become a state-of-the-art transportation center for the eastern U.S. over the long-term if given a small boost in equipment and transport handling capabilities. This equipment would also give the facility a competitive edge over its Canadian counterpart in Halifax and St. John, Canada.



*Mobile Harbor Crane*



Specifically, the proposal includes a Mobile Harbor Heavy lift crane of 120-ton lifting capacity. Also included in the proposal are various conveyor systems and components to maximize use of the storage areas and rail infrastructure at the site. This equipment is not limited to one market. Its versatility would provide for diverse transport of other goods such as fertilizer, pig-iron, ingots, and mill scale. It is advantageous for a port to have “handling gear” since this alleviates the need for vessels to have their own gear and increases the number and types of goods that can be transported through the waterfront facility. A port facility which has its own gear is more attractive to the shipping industry. The crane and equipment will be owned by the State and will benefit the local community. In total, approximately \$7 million is required to purchase this comprehensive system of equipment and provide a complete package of installation and training for personnel.

### **BENEFIT-COST ANALYSIS**

Investment in the Mack Point Harbor waterfront facility in Searsport, ME would improve the facility’s capabilities to transport heavy cargo, bulk material, and specialty goods. Based on the expected increase in volume in pig iron, mill scale, and heavy lifting equipment due to the addition of a heavy lift crane and conveyor system, Searsport is anticipated to double its volume from currently 625,000 metric tons up to 1,250,000 metric tons within five years of the investment.

**Benefits and Costs for Searsport Mack Point Facility**

Searsport Facility	3% Discount Rate	7% Discount Rate
Discounted Benefits	\$47,213,682	\$29,928,235
Discounted Costs	\$33,801,205	\$24,607,061
Net Present Value	\$13,412,478	\$5,321,174
<b>BCA Ratio</b>	<b>1.40</b>	<b>1.22</b>

The State of Maine would contribute rail components and improve the Dry Cargo Pier at a value of approximately \$500,000. This would complete the railway onto the pier for efficient movement of goods which would also save time during the loading and unloading process.

### ***LONG-TERM OUTCOMES***

There is a substantial potential to upgrade this facility to a state-of-the-art transportation hub which would enable it to accept oversized goods such as components for Maine’s increasing construction of wind farms including the turbines and blades which can reach 500,000 lbs and 160 ft, respectively. The efficient transport and implementation of these new technologies is dependent upon the available modes of shipping and the lifting capacities at the ports. Currently, Searsport utilizes a two-crane lifting procedure to perform its heavy-lift operations. Port handling operations would be safer and more efficient with the use of one heavy-lift mobile harbor crane. Searsport has recently handled over 20 transformers for wind turbines during this last year, and with the growth of the wind industry and realization of this market in and along the coast of Maine, it is vital that Maine ports acquire and increase their material-handling equipment to stand poised and ready for this new emerging industry.

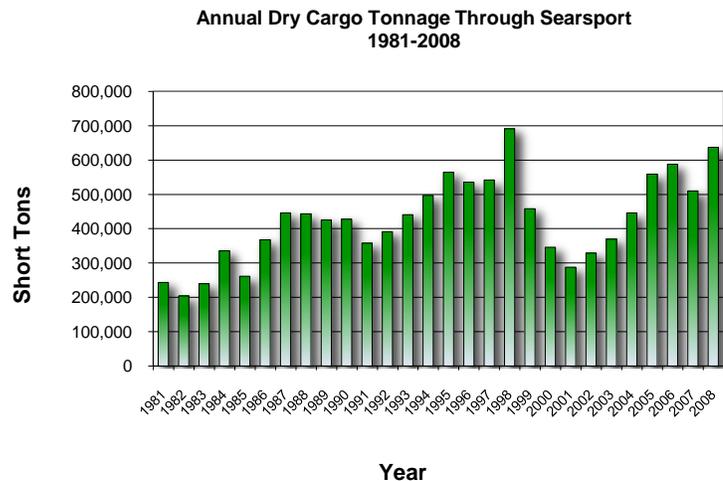
Searsport’s location along Maine’s midcoast makes it a prime candidate to take advantage of overseas shipping routes. Searsport is exploring an opportunity to import pig-iron from Eastern Europe and Brazil. The material is used to manufacture steel in the Midwest. At Searsport, the material can be off-loaded, stored, and then disbursed in the proper amounts to its respective destination. It can be moved at the pace of demand. The pig-iron market is in excess of 1,000,000 metric tons annually and Searsport is well-positioned geographically to gain some of this market share. As noted earlier, the distance to Brazil where this commodity is primarily located, is shorter to Searsport, ME than to New Orleans, LA by approximately 300 miles (see [Maine Distances](#)). In Europe, the secondary pig-iron market comes from Ukraine, Russia, Poland; and Baltic countries. From Eastern Europe, Searsport is one day shorter than New York, three days shorter than Philadelphia, four days shorter than Baltimore, and eight days



shorter than Charleston. All that is needed is a small investment in lifting equipment and conveyor system to realize this cost-savings for consumers. Searsport would become a distribution center for the eastern-half of the country.

Currently, the Mack Point facility handles approximately 625,000 tons of dry cargo. This number could double with the investment in cargo handling equipment and gear. Upland of the facility, there is approximately 70 acres of undeveloped land available for port expansion which could be utilized for open/covered storage, handling equipment, railway expansion, and offices.

In conjunction with the above potential for additional cargo, there is a plan to dredge the federal channel in this area within the next few years, at which time the ACOE will also deepen the channel from its current 35-ft depth to 40-ft depth. The State has already spent \$250,000 in feasibility studies, and is planning to spend another \$600,000 in design in 2010. The future dredge project will cost approximately \$17 million, of which the State has already appropriated \$1.25 million in bonds.



The proposed project considers a proposal that balances development and conservation on adjacent Sears Island, a 931-acre undeveloped island in the heart of upper Penobscot Bay. The proposed development consists of permitting a deepwater cargo port on 330 acres for a two-berth container port. The remaining 601 acres have been placed in a conservation easement. The Maine Port Authority has been proactive about working with consultants and engaging the public to evaluate the potential economic benefits of developing this Island. Recent progress by the Governor's appointed Sears Island Joint Use Planning Committee has exemplified the State's commitment to find new ways to invest in its natural resources and work with all key stakeholders to determine a compatible outcome. Making an investment now at Mack Point would ensure the status of this facility as one of great importance that can be used as a springboard for future economical development of this region.

### ***JOBS CREATION & ECONOMIC STIMULS***

While specific numbers were not readily available, it is noted that the greater region of Searsport, ME, Waldo County, is categorized as an Economically Distressed Region (see [Maine's Economically Distressed Regions](#)). It is estimated that an increase of material handling could equate to an additional 10 jobs at Sprague Energy alone within the year and another 25 jobs at the entire Mack Point facility. Overall, by 2030 it is estimated that an additional 256 jobs could result from an increase of material handling. This would generate over \$15.22 million in Gross State Product with income of \$10.82 million.

### ***PARTNERSHIP WITH OPERATORS***

While the Maine Port Authority owns the Dry Cargo Pier, Sprague Energy leases and operates the Dry Cargo Pier, and currently owns and operates the Liquid Cargo Pier. Sprague is on a path to buy the Dry Cargo Pier within the next 20 years. There is a revenue sharing initiative between Sprague and the State for the Dry Cargo Pier at this time. The Mack Point facility, with its 70-plus acres of undeveloped land available for port expansion and additional berth capacity along Berth No. 2 at the Dry Cargo Pier, could be utilized for open/covered storage, handling equipment, railway expansion, and offices. Sprague Energy has considered future investment at this site and would consider additional funding for pier and facility upgrades to help realize the port's potential if TIGER Grants were to be allocated. Specifically, Sprague Energy would contribute to the cost of fendering and mooring components along the west side of the Dry Cargo Pier to increase the pier's utility once a need for this expansion is justified.



The Montreal, Maine, & Atlantic Railway Company (MMA) also has a vested interest in this facility. Over the last few years, the MMA has been working with a national consultant to determine the most beneficial ensemble of equipment to make Searsport a state-of-the-art facility. Together with the Maine Port Authority, these entities have taken a vested interest in promoting and developing the Mack Point facility and look forward to realizing its full potential.

### ***PROJECT SCHEDULE***

This project has been evaluated over the last few years and is essentially ready to be implemented. Three months of design coordination and completion will be required to find the appropriate heavy lift crane and conveyor systems for the facility. This leg-work has already been accomplished. Once the equipment is procured and shipped to the site, installation will occur immediately. Site personnel will be trained for proper use of the equipment. This project will be completed by the first quarter of 2011 (see [Searsport Schedule](#)). The Maine Port Authority will manage this project and will set the milestones by which the project schedule will be met.

### ***ENVIRONMENTAL APPROVAL***

Projects receiving federal monies or projects requiring federal actions require evaluation consistent with the National Environmental Policy Act (NEPA). Based upon the existing site conditions, previous accommodation for the heavy lift crane and conveyor during earlier upgrades, and the minimal changes required for pier improvements to implement the goods movement, the action is likely to qualify for a Categorical Exclusion (CE). Documentation for a CE would include conceptual or preliminary design for the improvements, analysis of the resources and impacts, and preparation of supporting information and review by the lead federal agency. The crane and conveyor are not likely to require any permits from the State of Maine, and local approval for the construction of the crane and conveyor may be required from the Town of Searsport. The permitting effort is highlighted in the project schedule.



### 3. PORT OF EASTPORT

*TIGER Grant Fund Request for Eastport: \$2,000,000*

#### OVERVIEW

The Port of Eastport commenced small scale operations in 1977 as an import/export facility. The primary commodity handled at Eastport has been northern bleached hardwood kraft pulp from the Domtar mill in Baileyville, Maine, approximately 30 miles to the north. Pulp is drayed by truck to Eastport where several warehouses store the pulp between ship calls. The Domtar mill can produce about 1,200 tons of pulp per day and Eastport has been exporting most of that production, over 400,000 short tons per year in recent times.



*Estes Head Pier*

The Port of Eastport is naturally endowed and uniquely positioned to be a leader in overseas transportation. It is the country's easternmost port and provides the deepest natural seaport in the Continental United States and all of Canada. With one of the highest tidal ranges in the country, and a 64-ft natural channel (MLW), the strong flow of water keeps the navigational channel clear of siltation and is essentially maintenance free for deep-draft vessels and overseas transportation. Its pier provides a 900 foot outboard berth and a second 550 foot inboard berth along the pier. In its upland storage region, the facility contains 43 acres with several open-storage areas, three 20,000 sq. ft drive-thru warehouses, and one 43,000 sq. ft warehouse. Its location is ideal for importing and exporting commodities.

This remote region of the state is greatly affected by the economic tides of its limited markets. Eastport, and its homestead Washington County, is a small community and its vitality depends greatly on its waterfront success. The transportation of goods through its waterfront facility has seen its ups and downs over the last few years, but nothing more distressing than the closing of Domtar mill in May 2009. The mill provided the port with its primary export material, kraft pulp, for over 28 years. The closing of the mill hit this economically distressed region hard, its rejuvenation has been a difficult one to develop and implement. At this time, the mill has reopened but its future remains uncertain.

While the economic difficulties still remain, the perseverance of the people in this region remains strong, and the community has looked for additional revenue streams to bring economic relief. A comprehensive plan has been established to create long-term growth for this region. The Eastport waterfront, and specifically the Estes Head facility, is now marketed as a primary resource for the shipping industry. Their efforts have pinpointed two potential markets that can help lift their economy and diversify the goods they move so as to buffer themselves from the economic tides of any one particular industry. These two markets include new bulk cargo materials such as wood pellets, wood chips, and aggregates; and the importation of specialized green energy components such as wind turbines and wind blades.

This year, the effort paid off. Eastport officials and the Maine Port Authority established relationships with the wind industry, and secured the recent arrival of turbine blades for regional wind farms. Wind turbine blades are built by General Electric and shipped from Santos, Brazil over 4,000 miles away. The Port of Eastport was deemed the most cost-effective site versus other ports due to its direct travel distance and ease with which vessels could off-load the cargo. In 2009, over 128 blades were delivered through Estes Head. The blades were then shipped all over the northeast region to Nova Scotia, Canada, Pennsylvania, and northern and midcoast Maine. While this new import is a welcomed addition to the Eastport marketplace, the real opportunity to diversify its client base will only come from the acquisition of



*Off-Loading Wind Turbine Blades*



innovative equipment and additional storage space. Now that the port has aggressively pursued other customers to augment Domtar's business, there is a strong need to support the port's potential and provide the missing components which are currently prohibiting this region from its resurrection and growth.

## REALIZING THE POTENTIAL

### *EQUIPMENT & STORAGE*

Several components are required in order to increase the amount and various types of goods transported through Eastport. These include: storage space both covered and open; and conveyor equipment. Open storage space would consist of a concrete pad of approximately 150,000 sq. ft in order to store aggregate and wood chips. Covered storage would consist of a 30,000 sq. ft warehouse fully equipped with concrete floors; structural steel framework; receiving doors and loading aprons; electrical utilities; and a loading ramp system. This project has been estimated and is essentially shovel-ready.



[Click Image to Enlarge and View Details](#)

Conveyor equipment would consist of an innovative closed-belt conveying system capable of moving a wide variety of materials within the port, from stockpiles and storage facilities to the ship loader. The conveyor system is a modular design with a flexible conveying path for quick and efficient placement anywhere within the port, and would be used to move wood chips, pellets, and aggregates within the port facilities. The system can be mounted on wheels and tracks to utilize its mobility, or it can be secured to structures in permanent applications. The system requires less power consumption and maintains a long belt life for long-term maintenance-free usage.

There is also a substantial need to increase the onsite warehouse storage capacity since the existing storage facilities are currently full and therefore there is no room to expand and accept materials from additional customers. The Domtar mill utilizes 100% of the current warehouse space at Estes Head, and often times the lack of on-site storage has resulted in the need for offsite storage, which comes at a premium cost; increases the trucking time to move goods; and is less efficient. The lack of on-site storage is currently a bottle-neck in the system and is preventing future growth and diversification. With the utilization rate of the pier at only 10%, there is more than sufficient capacity to bring in more vessels.

## BENEFIT-COST ANALYSIS

Investment in the Port of Eastport would improve the facility's capabilities to transport and store heavy cargo, bulk material, and specialty goods, and would bring economic relief and stability to this distressed area. With expected increases in fertilizer going to the Midwest and exports of wood pellets and wood chips, this investment will provide time savings and efficiency to the unloading process and will provide cost and inventory savings. The diversion of fertilizer from the Halifax port would be considered to be a revenue capture into the U.S., increasing the projects overall benefits.

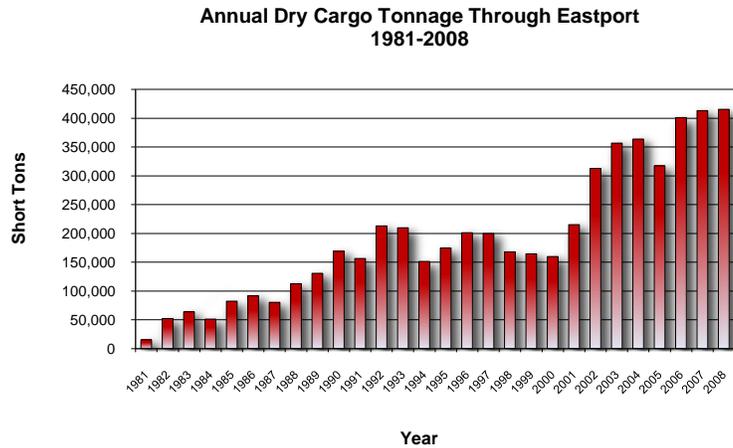
### **Benefits and Costs for Eastport Estes Head Facility**

Eastport Facility	3% Discount Rate	7% Discount Rate
Discounted Benefits	\$19,410,287	\$12,674,582
Discounted Costs	\$17,355,495	\$12,177,688
Net Present Value	\$2,054,792	\$496,894
<b>BCA Ratio</b>	<b>1.12</b>	<b>1.04</b>



### ***LONG-TERM OUTCOMES***

The Port has made strategic investments over the years at times when opportunities for growth were possible. For example, in 1994, the Port invested \$500,000 and expanded its warehouse capacity. By the following year the Port throughput tonnage increased 32%. In 1998 with construction of a deep water pier at Estes Head on the west side of Eastport, the Port realized a 127% growth in tonnage through four consecutive years through 2004. Finally, in 2006, the completion of another warehouse facility that nearly doubled the total amount of onsite storage at the Port, realized an increase of 24% from the previous year. This track record of strategic investments illustrates the ability of the Port to evaluate the markets and its own resources and then make sound business decisions that lead to growth and expansion. More than \$14.9 million in State and private investments have been made at this facility since the 1990's.



Now, the port is at 100% storage capacity, but the pier capacity is only at 10%. This is a serious bottle-neck which is hindering the growth of the Port of Eastport. To increase business through the port, investment is needed in infrastructure and equipment necessary to help the port adapt to ongoing opportunities and evolving markets. With the acquisition of new bulk handling conveyor capacity and expanded storage capacities, the Port of Eastport could increase its throughput tonnage by an additional 620,000 metric tons; up from the current 400,000 metric tons of kraft pulp break-cargo. Additional dry bulk cargo such as wood pellets, wood chips, and aggregate materials could be handled at the facility with the acquisition of new equipment and storage capacity, according to Port officials, based on last year's inquiries from the shipping industry. There is currently no conveyor equipment and only limited storage space for these proposed commodities, and therefore the Port of Eastport is limited in its ability to expand and attract new customers.

### ***JOBS CREATION & ECONOMIC STIMULUS***

In June, the local unemployment rate for the Eastport region was 15.8% with approximately 960 unemployed, most of which came from transportation, warehousing, and manufacturing. By comparison, the June unemployment rate for Maine was 8.2%, while the national average was 9.7%. Last year at this time, the unemployment rate in the Eastport region was only 9.0%, while the national rate was 5.7%. In summary, the Eastport region is greatly impacted by the economic woes of the state and the nation as a whole, and its downturns are exacerbated by its remote location and limited economy (see [Eastport MEDOL](#) and [Maine's Economically Distressed Regions](#)). Recently, the Domtar mill reopened placing 300 people back to work. While this news is positive for the region, it is uncertain whether global pulp demand is fully rebounding. Also, it is noted that the 300 original layoffs in May comprised approximately 31% of the total number of unemployed workers in the region. The effect of one plant closing was greatly felt throughout the region, and justifies the need to diversify the economy and expand the customer base.

In November 2009, the State of Maine will seek funding from voters via a \$4.5 million State transportation infrastructure bond, to provide funding for a portion of the necessary conveyor equipment described herein. While the bond is expected to be passed, it is clear that an additional \$0.5 million is needed for the conveyor equipment, and \$1.5 million is needed to complete the storage warehouse and storage pad. This small amount of funding will have a great impact on this region and provide a missing component in their facility improvements. The construction work alone will provide Eastport with a total of 12 jobs for approximately one year. Thereafter, it is



estimated that an additional 58 permanent jobs will be sustained throughout the region with the operation of the new conveyor equipment.

#### SUMMARY OF EASTPORT FUNDING IN 2009

Component	Total Cost	State Contribution (Future Bonds)	TIGER Grant Funds Request
Bulk Cargo Equipment	\$5 million	\$4.5 million	\$0.5 million
Bulk Cargo Covered Storage	\$1.2 million	\$0	\$1.2 million
Bulk Cargo Open Storage	\$0.3 million	\$0	\$0.3 million
<b>TOTALS</b>	<b>\$6.5 million</b>	<b>\$4.5 million</b>	<b>\$2.0 million</b>

#### **PARTNERSHIP**

The Port of Eastport has a long standing relationship with its port partners, contractors, and suppliers, and continues this business approach with the new markets it is pursuing. Federal Marine Terminal, Co. (FMT) is in the business of cargo management. They provide fast, efficient, and damage free handling of every type of cargo, including all types of steel products, project cargoes, containers, forest products, agricultural products, frozen foods, automobiles, and various dry and liquid bulk commodities. The facility's operations team of stevedoring, piloting, and vessel assistance has consistently shown to be some of the most competitive services in the region. Reducing wait times and load times to keep costs low are everyday goals at the Port of Eastport, and are an attribute to the facility's efficiency and reliability for transporting goods. Ship off-loading time is minimized through the use of mobile dock cranes. The port also works alongside two piloting services and a tug boat company to help assist and guide large vessels safely to and from the port. These internal partnerships within the port are interdependent and provide a perfect synergy for transporting any type of cargo.

In its efforts to diversify its customer base, Eastport has begun to partner with industry leaders for the transport of wind energy turbines and components. Newly developed partnerships with GE and First Wind illustrate the ability of Eastport to diversify their cargo and find new ways to help their economically distressed region. In order to obtain additional partners and acquire new markets, Eastport needs the equipment and storage space to expand their facility. By having additional equipment and storage space they will attract new commodities and forge new partnerships with growing industries.

#### **PROJECT SCHEDULE**

This project has been evaluated over the last few years and is essentially ready to be implemented. Four months of design coordination will be required to find the appropriate heavy lift crane and conveyor systems for the facility. Fortunately, most of this leg-work has already been accomplished. Once the equipment is procured and shipped to the site, implementation will occur immediately and installed. Site personnel will be trained for proper use of the equipment. This project will be completed by the first quarter of 2011 (see [Eastport Schedule](#)). The Maine Port Authority will manage this project and will set the milestones by which the project schedule will be met.

#### **ENVIRONMENTAL APPROVAL**

Projects receiving federal monies or projects requiring federal actions require evaluation consistent with the National Environmental Policy Act (NEPA). Based upon the existing site conditions, this project is likely to qualify for a Categorical Exclusion (CE). Documentation for a CE would include conceptual or preliminary design for the improvements, analysis of the resources and impacts, and preparation of supporting information and review by the lead federal agency. Site improvements will require a storm water management permit from the Maine DEP; meetings for this permit have transpired and updates to the plan are underway. The local zoning and planning boards, as well as the city code enforcement, have indicated that there are no significant constraints to permitting the proposed improvements. The permitting effort is highlighted in the project schedule above.