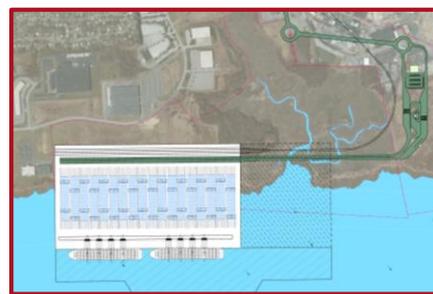




PFRA

Paul F. Richardson Associates Inc.



A BRIEFING TO THE PORT OF WILMINGTON EXPANSION TASK FORCE

State Representative Charles Potter, Jr./Co-Chair

State Senator Margaret Rose Henry/Co-Chair

The RiverEdge Container Terminal Project

May 23rd, 2016

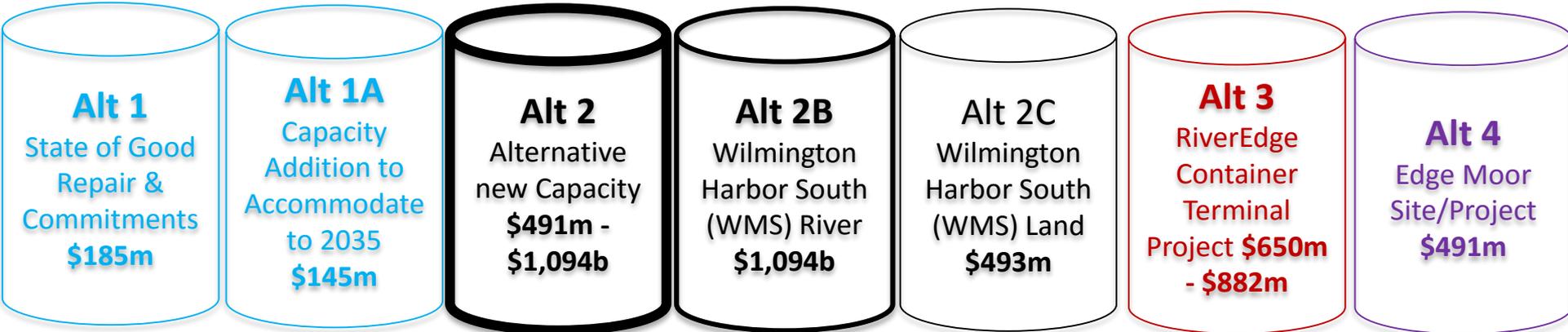
- **Recently, the Diamond State Port Corporation (DSPC) released findings for its Strategic Master Plan.**
 - Paul F. Richardson Associates, Inc. (PFRA) assisted in developing the plan.
 - The document confirmed that the current port configuration has capacity constraint.
 - Among other things, the report clearly demonstrated the need for the DSPC to consider alternative new sites “along the Delaware River”.



- **Importantly, the analysis also identified that there is “optionality” for the Stakeholders.**
 - **Options which are not mutually exclusive.**



- The DSPC Strategic Master Plan created the following scenarios or “options” to help guide the Stakeholders in their decision process.





- **The DSPC Strategic Master Plan also acknowledged two (2) very critical items:**
 - The need to “move ahead” on finding an alternative site(s) for Dredge Management Material Plan (DMMP) that now takes place at WHS.
 - All of the options require this action to varying degrees.
 - The State of Delaware and the Stakeholders are likely to have to partner with private investment to expand with any one (or more) of the alternatives or “options”.

How are these options beginning to “fall out” after the DSPC Strategic Master Plan effort?

Existing DSPC Facility and WHS

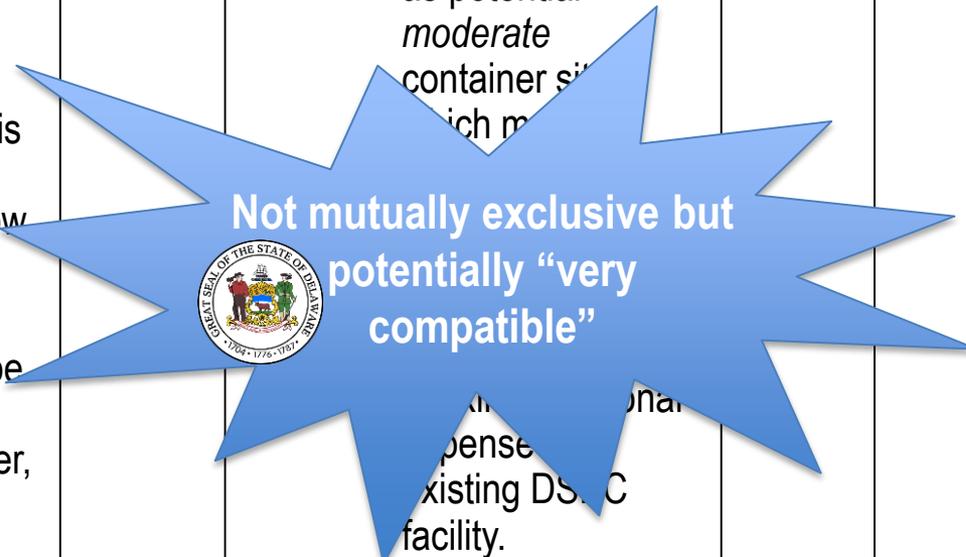
- Built in the 20’s with an incremental approach which is expensive to maintain and grow
- Has existing customer base which needs to be serviced that includes container, breakbulk and bulk.
- Has contiguous lands and should be pursued.

Edge Moor

- Gives optionality as potential moderate container site which m...
- A better value proposition?

RiverEdge

- A “clean canvas”.
- A state-of-the-art, best-in-class facility highly desired by the private investor because it creates its own set of options as to design, build and subsequent operation.
- Creates long-term investor opportunity.





- **Another finding from the DSCP Strategic Master Plan is that the GM Boxwood site can play a very tactical role in both railroad and warehousing capability to all future options.**

■ **The road ahead to RiverEdge.**

RIVEREDGE PROPONENTS

STATE OF DELAWARE

Start RiverEdge Assessment

Start DSPC Strategic Master Plan

Engage Investors/Stakeholders

Provide Professional Findings

DSPC Strategic Master Plan Findings

Maintain Investors/Stakeholders
Discussions

Engage in Discussions with
Investors/Stakeholders for all
project options

Provide further due diligence and assessments
For RiverEdge Container Terminal Project
to Investors/Stakeholders

Review strategic options relative to
DSPC Strategic Master Plan and
Investors/Stakeholders

Provide further due diligence and assessments
For RiverEdge Container Terminal Project
to Investors/Stakeholders

Start formal Stakeholder Alignment and
begin relevant permitting process on WHS

Create platform within State of Delaware which embraces
Public/Private Partnership

Engage in "Negotiations" regarding Transaction



- An assessment as to “Full Stakeholder” alignment becomes the primary issue for the private investor, with the required regulatory and permitting process “front and center”. A “Speed-to-Market” determination is essential.



- **And now, the “clock has started ticking”again!**
 - **Start WHS and DMMP initiatives.**
 - This planning and permitting process could easily run between \$2m-\$10m.
 - This is a critical path item.
 - **The State of Delaware engages in discussions with Investors/Stakeholders regarding next steps to the RiverEdge Container Terminal Project.**
 - **Begin Alignment of Stakeholders,**
 - Determine Competitive Landscape,
 - Determine role of existing DSPC facility, Edge Moor and,
 - Other public obligations associated with such a P3,
 - Engage other private stakeholder relationships which are integral to enterprise success.
 - **The investor market has to have a clear vision as to:**
 - Further “next steps” given past efforts,
 - The “speed-to-market” component and how it relates to competitive projects that are underway on the Delaware Bay.

Port	TEU	Total Jobs	Direct	Indirect	Induced	Total Sales	State GDP	State Income	State Taxes	Local Taxes	Federal Taxes
Savannah	2,944,678	352,146				\$66.9b	\$32.4b	\$18.5b	\$1.4b	\$1.1b	\$4.5b
Charleston	1,381,349	260,800				\$45.0b					
NC Ports	260,363	65,000					\$500m				
Baltimore	631,082	108,000	14,630	10,940	14,480			\$3.0b	\$304m		
Wilmington, DE	329,200	16,877	2,203	444	1,673				\$31.0m		
Norfolk	2,230,008	100,244					\$12.b	\$4.1b			
NY/NJ	5,445,108	279,200	170,770			\$37.1b		\$11.6b	\$1.6b		\$3.6b
Jacksonville	900,443	132,599	9,667	4,573	10,100			\$1.3b	\$168m		

