



Seaport Business Plan

Fiscal Years: 2023 and 2024*
(10/1/2022 through 9/30/2024)

Approved by:

A handwritten signature in blue ink that reads "Hydi Webb".

Hydi Webb, Department Director

Jimmy Morales, Office of the Mayor,
Chief Operations Officer

A handwritten date in blue ink that reads "7/12/23".

Date

Date

Plan Date: *Revised June 12th, 2023*

TABLE OF CONTENTS

DEPARTMENT OVERVIEW	Page <u>2</u>
Departmental Mission	
Table of Organization	
Our Customer	
Strategic Alignment, 4E, and Thrive305 Summary	
KEY ISSUES	Page <u>13</u>
PRIORITY INITIATIVES	Page <u>14</u>
FUTURE OUTLOOK	Page <u>15</u>
ATTACHMENT 1	Page <u>15</u>
BUSINESS PLAN REPORT	Page <u>15</u>



DEPARTMENT OVERVIEW

PortMiami is an island port located at the heart of downtown Miami, Florida. At 520 acres, its facilities are situated on Dodge Island, in Biscayne Bay and are linked to the mainland via twin tunnel portals that provide direct access to the interstate and national highway systems. A high-span vehicular bridges connects PortMiami to downtown Miami and a rail bascule bridge connects on-dock rail facilities to the National Rail Network. PortMiami's harbor entrance is located approximately 2.8 nautical miles from the sea buoy and the main shipping channel for the eastern United States. PortMiami participates in two principal lines of maritime business: international, containerized waterborne trade and cruise ship operations. PortMiami is recognized as the Cruise Capital of the World and Global Cargo Gateway.

In Fiscal Year 2023, the Seaport Department budgeted 518 full-time employee positions and 86 part-time positions. PortMiami's assets include nine (9) existing cruise passenger terminals, with Cruise Terminals A through G located on the north side (Main Ship Channel), Cruise Terminal J on the south side (Fisherman's Channel), and Cruise Terminal V along the westernmost boundary of Dodge Island.

The expansion and development of PortMiami is indelibly linked to the growth of Miami-Dade County as both a global tourist destination and an economic powerhouse. Over the course of its history, PortMiami has significantly invested in its infrastructure, continually worked to improve its operations, and has established a high standard of service.

As part of the Port's economic development strategy, PortMiami is responsible for meeting the infrastructure needs of the cruise and cargo industries in a fiscally responsible manner, managing the Port efficiently and effectively and maintaining, renovating, and expanding the Port's facilities. The Seaport promotes cruise and cargo growth through market-aligned infrastructure enhancements that provide capacity improvements.

The Port's business platform, processes and policies promote equity for Miami-Dade County residents by providing high paying jobs, a diverse talent pool, workforce training opportunities, internships, and fair hiring practices. It encourages community engagement across the travel/leisure and logistics industries, including cruise line global headquarters, which chose to locate in Miami, and all aspects of the cargo, logistics and supply chain industries.

The Department participates in community efforts and events implementing and promoting environmental sustainability and management through water preservation of Biscayne Bay and a new Pathway to a Net Zero Resilient Supply Chain Program, including a commitment to shore power. Economic benefits for the Seaport Department are estimated to generate more than 334,000 jobs and \$43 billion in annual economic activity.



Department Mission

PortMiami's Mission is to operate and develop the leading public seaport in the State of Florida for the benefit of the citizens of Miami-Dade County and the State of Florida, which is competitive and financially self-sufficient; promotes international tourism, trade and commerce; and supports sustainability by operating in an environmentally responsible manner.

Department Vision

PortMiami will serve as the Cruise Capital of the World and a Global Cargo Gateway by providing state-of-the-art infrastructure, exceptional customer service and a safe and sustainable work environment for our maritime partners and cruise passengers.

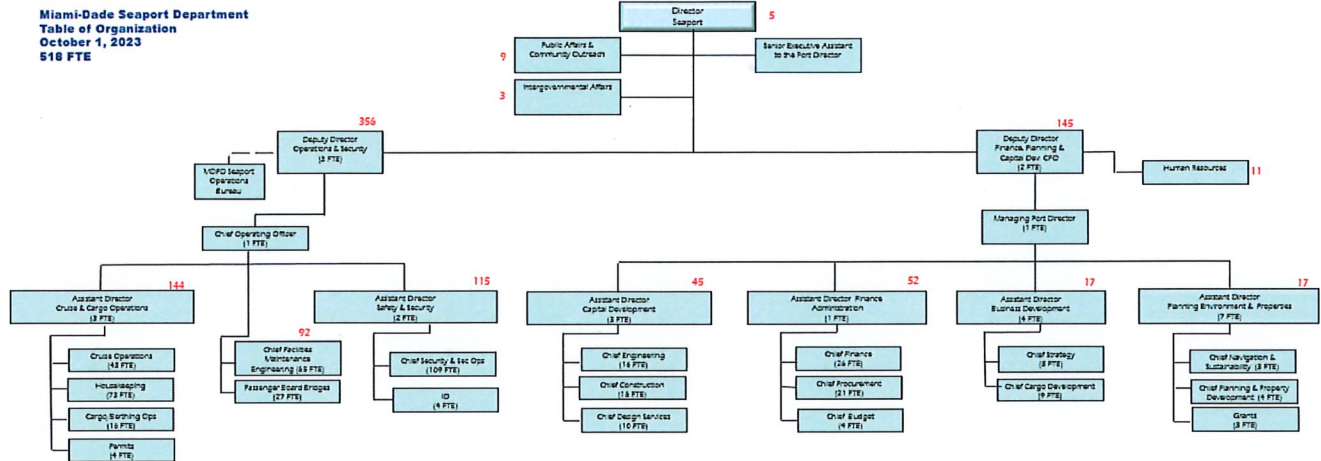
PortMiami's major duties, services, and programs include:

- Operating and maintaining the world's leading cruise port and the largest international container port in the State of Florida
- Maintaining an innovative and resilient global port
- Promoting world-class cruise and cargo facilities intrinsically tied to the Miami-Dade brand
- Providing guests and port users a first-class customer friendly experience
- Increasing market position and continuing to serve as a vital gateway for passenger and cargo traffic
- Growing volumes and activity to generate and increase economic benefits to the residents of Miami-Dade County and the greater region through smart growth
- Promoting international trade, commerce, and tourism
- Committing to sustainable growth
- Providing employment opportunities for the residents of Miami-Dade County and the greater region
- Maximizing the Port's assets and investments in a fiscally responsible manner
- Taking actions to ensure resiliency while positioning the Port for future growth
- Supporting sustainability and operating in an environmentally responsible manner
- Supporting good paying jobs



Departmental Business Plan and Outlook
 Department Name: Seaport
 FY2022-23 & FY2023-24

Table of Organization



Our Customer

PortMiami participates in two principal lines of maritime business: international, containerized waterborne trade and cruise operations. PortMiami is recognized as the Cruise Capital of the World and a Global Cargo Gateway to Latin America and the Caribbean. Our goal is not only to meet customers' needs, but to surpass their expectations. For both our cruise and cargo partners, customer service means ensuring maximum efficiency in moving people and goods on and off the Port. Our customers' experience is enhanced by continually implementing ground transportation improvements, and modernizing cargo gates and infrastructure that increases cargo capacity. With technologically advanced security systems, the Port is recognized for providing a safe and secure operation for the millions of passengers and tons of cargo that utilize the Port each year. PortMiami competes with multiple ports in Florida on the eastern seaboard, and on the Gulf Coast, yet it has long been recognized as the largest international container cargo port in Florida and the busiest cruise port in the world.

Our primary stakeholders are the residents of Miami-Dade County who benefit from the Port's creation of high-paying jobs, economic activity and support of the cruise and cargo industries. The Port's internal County customers include: The Board of County Commissioners, the Mayor's Office, Office of Management and Budget, Finance, Audit & Management Services, Information Technology, Internal Services, Regulatory and Economic Resources, Miami-Dade Police Department, Miami-Dade Fire and Rescue Department, Transportation and Public Works (DTPW), County Attorney's Office (CAO), Parks, Recreation and Open Spaces and Communications and Customer Experiences.

As one of the two largest economic engines in Miami-Dade County, PortMiami works with the maritime, cruise, and cargo industries, truckers, freight forwarders, various federal and state agencies, and all the ancillary services that support these customers. The PortMiami team receives specialized, comprehensive training to keep customer satisfaction a top priority. Continuing to champion the work of its public and private partners and investing in its infrastructure ensures that the Port will have the resources and facilities necessary to effectively serve the needs of its customers for years to come. We work closely with the Aviation Department, to seamlessly support passengers and cargo movement from the airport to the seaport.

Strategic Plan Alignment, Mayor's 4Es, and Thrive305 Summary

The Port's business plan aligns with and supports key County documents and initiatives that impact public policy in Miami-Dade: the County's Strategic Plan, the Mayor's 4Es priorities (environment, equity, economy, and engagement), and the THRIVE 305 initiative, which reflects the community's vision for the County.



Strategic Plan Alignment

- Public Safety – PS1: Safe community for all PS1-2: Solve crimes quickly, accurately, and in an unbiased manner. PS2: Prevention of avoidable death, injury and property loss PS2-1 : Minimize response time* Fire Rescue; Medical Examiner; Police; Transportation and Public Works PS2-2: Improve effectiveness of public safety response, outreach and prevention services PS3: Effective emergency and disaster management PS3-1: Increase countywide preparedness and community awareness PS3-2: Ensure recovery after community and countywide disasters and other emergencies PS3-3: Protect key infrastructure and enhance security in large gathering places.
 - PortMiami employs Miami-Dade Police department to service the Port and ensure on-port access to safety and security. The Port also employs safety rules throughout the Port, with the help of Homeland Security and the operators of cargo yards and cruise lines to ensure safety measures of employees and port users. The Port's fire rescue station, centrally located on the island, provides for fast response of those in need. PortMiami's Safety and Security Division is tasked with emergency management and works closely with users of the Port to mitigate disaster management and recovery port disaster. All of these agencies work towards the protection of infrastructure and lives.
- Recreation and Culture – RC1: Inviting and accessible recreational and cultural venues that provide world class enrichment and engagement opportunities
 - The Port provides recreational services to our Seafarer crew members, visitors, and port workers via the Seaman Center which a park with a soccer field, basketball court, volleyball court, tennis courts, swimming pool, as well as dining, religious entities, transportation, and several other services for seamen.
- Transportation and Mobility – TM1: Transportation system that facilitates mobility TM1-1: Promote efficient traffic flow on Miami-Dade County roadways TM1-3: Provide reliable, accessible and affordable transit service* TM1-4: Expand and modernize public transportation systems and options while minimizing carbon emissions* TM1-5: Facilitate connectivity at major points of interest and throughout the transportation system TM3: Well-maintained, modern transportation infrastructure and assets TM 3-1: Harden and maintain roadway infrastructure* TM 3-3: Promote clean, attractive roads and rights-of-way TM 3-2: Provide resilient, well maintained, modern, and comfortable transportation vehicles, facilities and structures*
 - Transportation and mobility of people and cargo are the backbone of PortMiami. Through our roadways, tunnel, infrastructure and services we provide for the safe and efficient movement of people and cargo.
- Neighborhood and Infrastructure NI1-2: Ensure buildings are sustainable, safe, and resilient* NI1-3: Promote the efficient and best use of land* NI3: Protected and restored environmental resources NI3-1: Maintain air quality NI3-3: Protect, maintain, and restore beaches, the coastline, Biscayne Bay, and other bodies of water*.
 - PortMiami has undertaken significant infrastructure projects to ensure the resilience of our facilities and port. Our 2050 master plan lays out the efficient and best use of our island. The port has been the largest provider of mitigation in Biscayne Bay.



Departmental Business Plan and Outlook

Department Name: Seaport

FY2022-23 & FY2023-24

- Health and Society – HS1-5: Provide services to survivors of domestic violence, intimate partner violence, and human trafficking, as well as to other victims of crime and their families.
 - Transportation hubs, such as a port, are exposed to human trafficking. PortMiami trains staff to be aware of human trafficking and how to report it. The Port's Safety and Security Division works with Miami-Dade Police Department to police the port for human trafficking.
- Economic Development – ED1: An environment that promotes a growing, resilient and diversified economy ED1-1: Promote and support a diverse mix of current and emerging industries vital to a growing economy* ED1-2: Create and maintain an environment attractive and welcoming to large and small businesses and their workforce ED1-3: Expand business and job training opportunities aligned with the needs of the local economy* ED1-4: Continue to leverage Miami-Dade County's strengths in international commerce, natural resources, and recreational and cultural attractions ED1-5: Provide world-class airport and seaport facilities ED2: Entrepreneurial development opportunities within Miami-Dade County ED2-2: Bolster opportunities for small and local businesses to participate in County contracting*
 - PortMiami is an important economic force in the community, contributing \$43 billion of total economic activity and supporting 334,500 jobs in the state of Florida. The \$43 billion dollar value of economic activity of the Port represents 4.5 percent of the \$1.1 trillion state of Florida GDP in 2019 (4th Quarter). The importance of the \$1 billion of investment in channel deepening to 50 ft., the completion of the tunnel that provides direct access between the marine terminals and I-395 and I-95, modernization of on dock rail, and cranes that can handle the larger Post-Panamax ships is reflected in the significant increases in the Port's cruise and cargo business over the past four years. In turn, this growth in cargo and cruise business at the Port has increased the economic importance of PortMiami to the south Florida region and to the State. To continue to grow the economic significance of the Port, continued investment in cargo and cruise terminal infrastructure will be required, ensuring that PortMiami continues as a world class cargo and cruise port, capable of handling the next generation of container and cruise vessels.
- General Government – GG1: Accessible, equitable, transparent, and responsible government GG1-1: Support a customer-focused organization by providing convenient access to information and services, and by ensuring processes are easy to navigate* GG1-2: Facilitate community outreach and engagement to promote better decision-making in County government* GG1-3 : Ensure involvement of local organizations to help address priority needs of our residents* GG1-4: Promote equity in the planning and delivery of County services* GG2: Excellent, engaged and resilient workforce GG2-1: Attract and hire new talent to support operations GG2-2: Promote employee development and leadership GG2-3: Ensure an inclusive and diverse workforce GG3: Optimal internal Miami-Dade County operations and service delivery GG3-1: Deploy effective and reliable technology solutions that support Miami-Dade County services GG3-2: Ensure security of systems and data GG3-3: Ensure procurement of goods and services is timely, meets operational needs, and is conducted in a fair and transparent manner GG3-4: Effectively utilize and maintain facilities and assets GG4: Effective leadership and management practices GG1-4 : Promote equity in the planning and delivery of County services* GG4-2 : Effectively prioritize, allocate and use resources to meet the current and future operating and capital needs for all our residents* GG4-3: Reduce



County government's greenhouse gas emissions and resource consumption* GG4-4: Lead community sustainability efforts and climate change mitigation and adaptation strategies*

- PortMiami delivers excellent service to the private and public sectors via the goals of general government; providing for all the above listed objectives.

Mayor's 4Es (Environment, Economy, Equity, and Engagement)

1. ENVIRONMENT (A well-managed built and natural environment that is resilient to climate stressors)

On April 22, 2021, Mayor Daniela Levine Cava announced Miami-Dade County's Climate Action Strategy (CAS) as part of its commitment to the International Race to Zero. The pledge mobilizes the County to swiftly enact measures to reduce greenhouse gas emissions 50% by 2030 compared to 2019 levels. The CAS also sets a goal of net zero carbon emissions by 2050 compared to 2019 levels. The CAS requires that the Port reduce its greenhouse gas emissions by 25% by 2030.

The PortMiami Climate Action Strategy (PM-CAS) aligns with the CAS and lays out goals that PortMiami will attempt to attain through the projects identified in the 2050 Master Plan. Along with the CAS goal, the PM-CAS also identifies additional targets in combatting sea level rise and storm surge, electrical capacity, construction of sustainable facilities, and protecting Biscayne Bay. The PM-CAS is a first step to identifying the port's goals. Further studies need to be conducted to set baselines and lay out a plan for achieving these goals; the Port will then produce a Climate Action Plan to work towards implementing the goals.

There are seven main areas of focus that align with the CAS, each with its corresponding goals outlined below. The PM-CAS lays out for each of the areas the projects that will be used to meet the goals. These projects may be completed, currently underway, or identified in this 2050 Master Plan and the Capital Improvement Program and potential new investments.

Focus Areas

Energy and Buildings (Sustainable Facilities and Infrastructure)

1. Benchmark, Retune and Retrofit Existing Buildings
 - a. Research and where feasible implement potential innovations for upgrading existing facilities and infrastructure to make them more sustainable.
 - b. Research and where feasible implement elevating facilities and/or infrastructure as it is built or redeveloped to withstand the effects of sea level rise and storm surge.
 - c. If elevating facilities is not possible, then research alternative infrastructure improvements to protect and or assist these facilities in withstanding the effects of sea level rise and storm surge.
2. Expand Renewable Energy Generation (Electrical capacity needs)
 - a. Research, and where feasible, implement photovoltaic systems to optimize sustainable energy sourcing.
 - b. Research and where feasible implement projects to increase electrical capacity to allow for conversion to electrical technology to reach carbon emissions reduction goals.



- c. Research and where feasible implement alternative power supply projects to increase electrical capacity on-port.
- 3. Build Ultra-Low Energy Buildings (ULEBs)
 - a. Continue implementing the Miami-Dade County Sustainable Building Ordinance, which requires minimum sustainability standards for facilities and infrastructure.
 - b. Research and where feasible implement potential innovations for upgrading existing facilities and infrastructure to make them more sustainable.

Land Use & Transportation (Emissions reduction and Climate resilience)

- 4. Reduce Transportation-Related Fuel Consumption
 - a. Research and where feasible implement programs and projects to aim to achieve the County CAS goal of reducing GHG emissions at the Port by 25% by 2030.
 - i. Increase cargo movements via rail. Convert diesel equipment to electrical.
 - ii. Work with logistics industry to reduce truck miles.
 - b. Establish partnerships and opportunities for collaboration to advance the resilience and greenhouse gas reduction goals.
- 5. Expand And Protect Green and Blue Spaces (Environmental resource protection and mitigation)
 - a. Research and where feasible invest in protection and mitigation projects to protect Biscayne Bay while maintaining cruise and cargo operations, which are vital to the economy of Miami-Dade County.

Water & Waste

- 6. Convert Waste to Energy
 - a. Research how the port can contribute to converting its waste to energy.
- 7. Reduce Waste and Water Use
 - a. Research how the port can reduce waste and water use.

In addition, in November 2021, PortMiami announced the Net Zero Supply Chain Program (NZP) as part of its cargo functions. The NZP proposes a path to converting the Port's entire cargo logistics chain to net zero carbon emissions and will require several phases implemented over the next five to ten years. Elements of the NZP include electrifying cargo handling equipment and transport vehicles and vessels, increasing freight transport by rail and reducing dependence on truck transport, leveraging data and efficient smart technologies, and the development of up to two inland ports connected to the Port by rail. PortMiami has implemented projects and advanced programs aligning with the Net Zero Program for many years, including projects funded with federal grant assistance, and is planning and implementing many more.

Shore Power

In 2021, Miami-Dade County committed to providing the infrastructure necessary to allow cruise ships to plug into the electrical grid at the Port to help cut carbon dioxide emissions. In 2022, the PortMiami announced that it was expanding its plans for offering shore power at five terminals allowing three ships to plug in simultaneously. By the end of 2023, PortMiami will be the first port on the East Coast that will be able to plug in three cruise vessels simultaneously.



2. ECONOMY (A growing and inclusive economy that creates jobs and invests in local talent, while spurring innovation and investment for the jobs and assets of the future)

In 2019, cargo and cruise activity at PortMiami supported 334,500 jobs in the state of Florida. Of these jobs, 26,608 jobs are directly created, of which about three-quarters reside in Miami-Dade County. As a result of local and regional purchases by those 26,608 individuals holding the direct jobs, 18,645 induced jobs were supported in the regional economy. The 11,165 indirect jobs were generated in the local economy because of the \$754.3 million of local purchases made by companies directly dependent on the Port. The cargo moving via PortMiami supported 329,565 jobs throughout the state of Florida with importers and exporters located in the state. These jobs are classified as related, and are created because of the demand for the product, not the use of the Port. Should PortMiami not be available for use by these importers and exporters, other ports would be used, and the related jobs would not be impacted in the short term. In contrast the direct, induced, and indirect jobs would be dislocated should the cargo not move via PortMiami.

The total economic activity in the state of Florida resulting from the cargo and cruise cargo activity at PortMiami, is estimated at \$43 billion. This consists of the direct business revenue of \$7.6 billion, the re-spending and local consumption impact of \$2.4 billion, and the related user output of \$40.1 billion. Most of these user impacts are associated with containerized cargo. This dollar value represents the sphere of influence of PortMiami in 2019 and accounts for 4.5 percent of the \$1.1 trillion Gross Domestic Product (GDP) for the state of Florida. (Fourth Quarter 2019).

The 26,608 direct jobs received \$1.3 billion of direct wage and salary income, for average earnings of \$49,788 per direct employee. As the result of local purchases with this \$1.3 billion of direct wages and salaries, an additional \$2.4 billion of income and local consumption expenditures were created in the Miami-Dade County area. It is this re-spending impact that supported the 18,645 induced jobs. The indirect jobs holders received \$412.1 million. In total, \$16.2 billion of personal income was created as the result of PortMiami operations, including the \$12.0 billion of wages and salaries received by those employed with the users of the Port.

As a result of the cargo and cruise activity at PortMiami, a total of \$1.9 billion of state and local tax revenue was supported in the State, of which \$1.5 billion is attributed to the related users of the Port.

3. EQUITY (Our residents and workforce are fully included in all aspects of life in the County regardless of who they are)

PortMiami advances equity, drives job creation, and allows the Port to continue to implement and leverage the hiring practices that have led to a diverse (predominantly African American and Hispanic workforce), which reflects the demographic makeup of Miami-Dade County. The Port is dedicated to sustaining equitable hiring and employment practices and aims to incorporate private sector entities, particularly Disadvantaged Business Enterprises (DBEs), in transportation infrastructure planning, designing, and building.



Through its infrastructure programs, the Port will continue to grow the number of opportunities it provides for small or disadvantaged businesses in the community. Reduced truck traffic through low-income communities near the highways reduces the impact of noise and air pollution on these communities, improving quality of life.

Throughout the years, PortMiami has been committed to enforcing racial equality in all its policies, processes, decisions, and resource allocations. Additionally, the demographic of the Port is highly reflective of the community it serves. PortMiami mirrors — throughout its breadth of operations and services and within its leadership structure — the diversity of our community. It instills principles of equity in its culture and ensures a fair and intentional distribution of opportunities with the goal of expanding economic development.

The Port's tenants, through cargo and cruise initiatives, employ longshoremen who play a significant and vital role in the stability of the Port. Over the decades, with the initiatives of the International Longshoreman's Association (ILA) and the redevelopment of the port facilities, this group has grown to nearly 800 African American members and has played an instrumental role in building the Black Middle Class in Miami-Dade County. Furthermore, PortMiami's Workforce Development Program will work closely with ILA and other unions to recruit and retain workers from historically disadvantaged communities.

The Port's cargo initiatives also create positive equity impacts for the truck drivers who will see improved safety from no longer needing to leave their truck cabs in an active cargo handling area when loading and unloading cargo and will reduce wasted time idling while at Port retrieving containers. These impacts too have and will continue to be reduced at PortMiami.

PortMiami's Net Zero Workforce Development Task Force will bring together key stakeholders to make recommendations on the application of best practices in this new and emerging field. The Task Force will play a vital role in the development of public engagement campaigns as PortMiami implements the various components of this Project.

4. ENGAGEMENT (A community that trusts government and has timely access to data and information in order to obtain services and influence decision making in the County)

PortMiami's focus on Engagement is through transparency and open-source data, following in the steps of Miami-Dade County. Additionally, focusing on PortMiami's Workforce Development Program to ensure the Port and its maritime partners have the talented workforce necessary to allow the Port to remain a transportation and supply chain leader in our rapidly changing global economy. To do this, the Port brings together key stakeholders, including the local unions, CareerSource South Florida, local schools, and terminal operators to identify current and future employment needs and help frame the components of the plan. This allows for recommendations on the implementation of best practices in new and emerging fields. Furthermore, engaging the community as PortMiami advances the Workforce Development initiatives will be instrumental. To meet this goal, we must not only prepare our current employees for the opportunities in these new industries, but also offer a pathway to the surrounding Port communities, often considered historically disadvantaged areas, to become part of our workforce.



Departmental Business Plan and Outlook
Department Name: Seaport
FY2022-23 & FY2023-24

PortMiami has always been a big supporter of creating a work environment that encourages workers to succeed. We want our employees to thrive and have a strong sense of ownership of the important work we are doing at the Port. Investment in labor and workforce training will help to expand opportunities for county employees and area residents to upskill or reskill their training so they can further develop their career path.

Currently, we are collaborating with Miami-Dade College to put together a menu of non-degree, degree, and certificate programs that candidates for employment can utilize in traditional and non-traditional environments.

In keeping with PortMiami's commitment to employ a diverse community, steps are being taken to increase visibility of employment opportunities. As with Miami-Dade transportation and technical jobs, PortMiami will take part in the community job fairs in various locations around the county. PortMiami will be working with CareerSource South Florida to coordinate future recruitment events.

PortMiami is currently developing an apprenticeship program in partnership with CareerSource Florida and in specific areas in construction, such as welders, marine system and refrigeration/HVAC technicians, which are some of the highest paying jobs in the maritime industry. In 2021, PortMiami partnered with Miami Dade Corrections and Rehabilitation Department (MDCR) for the development and implementation of the Boot Camp Training and Employment Program (BCTEP). The focus of the BCTEP is to assist cadet graduates during their transition phase in obtaining employment. The program's objectives and goals are to coordinate the continued efforts of reducing recidivism, promoting self-reliance, and eliminating future interaction with the criminal justice system. PortMiami is currently in the process of reviewing the outcomes from the initial year, revamping our participation to include supportive services that were not initially provided, and is seeking a financial partner or funding to implement a successful program. PortMiami annually participates in Miami-Dade County's Summer Youth Internship Program (SYIP) since its inception in 2016. The county collaborates with the School Board of Miami-Dade County (MDCPS), Children's Trust, and Foundation for New Education Initiatives, Inc., a direct support organization to MDCPS.

In 2019, SYIP received additional funding and support from CareerSource South Florida, Royal Caribbean International, Ltd., JP Morgan and Chase. However, due to the coronavirus (COVID-19's) impact on the local and national economy, some entities have had to redirect their financial contributions, forcing the county to seek partnerships with other organizations.



THRIVE 305 SUMMARY

Selected Measure Name	4Es: (Environment, Equity, Economy, or Engagement)	Thrive 305 Priority or Action
TEUs (Twenty Foot Equivalent Units) - Quarterly	Economy	Action 10.1
Number of Cruise Passengers - Quarterly	Economy	Action 10.1
Seaport Tenant Occupancy Rates - Quarterly	Economy	Action 10.1
Purchase Requisition Processing	Economy	N/A
Seaport Gantry Crane availability (%) Quarterly	Economy	Action 12.2
Personnel to Meet Security Goals	Engagement	Action 12.2
Implement Shore Power	Environment	N/A

KEY ISSUES

- ❖ The COVID-19 pandemic, and various governmental measures taken to protect public health in light of the pandemic, had an adverse impact on global economic conditions that the Port continues to address. Following the CDC's no sail order in March of 2020, cruise ships resumed sailing in July 2021. FY 2022, PortMiami welcomed over 4.02 million passengers, representing approximately 59% of the pre-pandemic peak level in FY 2019. For FY 2023 it appears the port should expect a full rebound to pre-pandemic levels.
- ❖ The COVID-19 pandemic had the opposite effect on cargo volumes when compared to cruise. Consumer spending habits changed as many people were purchasing goods in lieu of travel. This resulted in cargo volumes ending FY 2021 at 1.25 million twenty-foot equivalent units ("TEUs"), the highest performance for cargo volumes by TEU at PortMiami. In FY 2022, cargo volumes at PortMiami recorded 1.19 million TEUs, accounting for the second-best year ever.
- ❖ The Port was ranked among the most efficient container ports in the world by the World Bank Group and S&P Global Marketing Intelligence for 2021 ranking first in Florida and second in North America. However, with recessionary pressures cargo appears to be in a cycle of neutral growth. For FY 2023 it appears cargo volumes will be flat or slightly down with growth resuming sometime in FY 2024.
- ❖ PortMiami faces keen competition from other ports in the Southeast. PortMiami must continue to adapt to market changes to maintain its leadership position.
- ❖ PortMiami has limited financial resources which necessitate constant prioritization of projects to ensure smart investments, retain financial viability and compliance with bond indentures. This is especially important in our capital planning, which is continually being evaluated and prioritized. Funding for capital projects is estimated at \$2.4 billion over FYs 2023 through 2028. Several of the Capital Improvement Plan ("CIP") projects are large and complex undertakings. The County's ability to complete the CIP projects may be adversely affected by some factors that may need to be monitored or mitigated. These include, without limitation, (1) changes to the scope of the projects, (2) delays in contract awards, (3) material and/or



labor shortages, (4) unforeseen site conditions or environmental problems, (5) adverse weather conditions, including hurricanes and tropical storms, (6) unanticipated levels of inflation, (7) environmental issues, (8) the ability of the Seaport to receive additional federal and state appropriations and grants, and to collect such funds and (9) the ability of the County to sell the additional bonds needed to finance costs of the CIP projects at reasonable interest rates.

- ❖ Maintaining reasonable security costs while enhancing safety and security and being in compliance with state and federal mandates requires good oversight. Securing the Seaport and providing efficient commerce may present challenges in the future as some requirements are subject to changing federal regulations. It has successfully done this by modifying its security plan and investing in its security infrastructure. The corresponding funding needs for security may increase. Cutting edge technology and progressive procedures are in place that provide heightened levels of protection and simultaneously support compliance with port business policies. Partners in this comprehensive initiative include: (i) U.S. Customs and Border Protection, (ii) U.S. Coast Guard, (iii) U.S. Department of Agriculture, (iv) Florida Department of Law Enforcement, (v) Florida Fish and Wildlife Commission, (vi) Miami-Dade County Police and Fire Rescue Departments and (vii) others working to achieve a shared, united mission. These efforts are helping to move legitimate commerce in a faster, more seamless and cost-effective manner than ever before.

PRIORITY INITIATIVES

- ❖ The Seaport Department maintains a multi-year CIP designed to modernize PortMiami and meet market conditions, the budget for which is submitted to the Board for approval each year. Projects in the five-year CIP include new Cruise Terminals AA/AAA (Berths 8 and 9), Cruise Boulevard Flyover, Cargo Yard Cold Storage, North Bulkhead Rehabilitation and Replacement, new Berth 10, Shore Power Phase 1, new Cruise Terminal G with a provisioning building and parking garage, and the RCG Campus. Various other upgrades to existing terminals and facilities in the five-year CIP include Cruise Terminal J Seawall Repairs, roadway improvements, new gantry cranes, Southside Dredge and Phase II of the SFCT cargo yard densification. To fund the proposed CIP projects, PortMiami will need approximately \$2.40 billion in future funding.
- ❖ PortMiami's strives to provide sustainable port services by carefully balancing environmental, capital and economic factors into its business planning to ensure a resilient workplace today and in the future. PortMiami is committed to proactive policies that enhance its sustainable balance with customers, operations and development while protecting its surrounding natural resources. Shore Power Phase I is a major initiative that will commence operations in Fiscal Year 2024 allowing cruise vessels to plug into the local electric grid. New buildings are certified to at least the "Silver Level" under the Leadership in Energy and Environmental Design Green Building Rating System developed by the U.S. Green Building Council ("LEED"). All building interior and exterior rehabilitation work includes "LEED" elements per PortMiami's established Design Guidelines. All capital improvement projects evaluate how to preserve resources and minimize impacts, as well as energy savings measures. PortMiami has proactively completed a series of emission reduction initiatives such as being one of the first U.S. Ports to electrify all its Cargo Gantry Cranes, upgrading cargo security gates to reduce truck idling times, partnering with the Florida Department of Transportation on the direct highway access tunnel



which reduces emissions, reactivating the intermodal rail yard and infrastructure redevelopment for the use of electric rubber tire gantries in the cargo yards.

FUTURE OUTLOOK

- ❖ Revenue generation is substantially secured by contractual obligations under long-term agreements. Additional growth is directly dependent on the volume of cruise passengers and cargo at the Seaport that are impacted by market conditions and the global economy. Such volumes reflect a wide range of factors including the economic condition and outlook of (1) the County, the region, the country and the world, (2) the Seaport's primary trading partners, (3) the cruise lines and regulation of the cruise industry, (4) cargo terminal operators and shipping lines, (5) security, (6) fuel costs and (7) world-wide infectious diseases, for example COVID-19 pandemic.
- ❖ Preferential Berthing Agreements between the Seaport Department and its cruise partners guarantee PortMiami annual passenger volumes and revenues while affording the cruise lines with preferential berthing rights at certain terminals and incentives for meeting such guarantees. By operation of Cruise Terminal Preferential Berthing Agreements and Ground Leases, PortMiami is guaranteed approximately 6.8 million passenger movements in FY 2024, further rising to 7.5 million passengers in FY 2025. This number will continue to increase under existing contractual obligations and as these Preferential Berthing Agreements are periodically reviewed and amended to renegotiate mutually beneficial terms and keep pace with industry changes, growth, and development.
- ❖ PortMiami will need additional funds to complete certain portions of the CIP Projects. The Port's current expectations are that it will self-fund these needs through seaport revenue bond borrowings totaling approximately \$2.4 billion during FYs 2023 through 2028 to pay the costs of completing the CIP Projects and to pay the costs of other capital improvements for PortMiami less receipt of grants and customer contributions. Such borrowing needs may be reduced by grants from the State of Florida and other sources. PortMiami views completion of the CIP Projects as a necessary undertaking and has options for providing the necessary additional funding. The funding options include issuances of senior or subordinate bonds, subject to the additional bonds test under the Master Ordinance. The ability to incur future debt at reasonable interest rates is subject to risks, including interest rate changes and other market risks, changes in federal tax law affecting tax-exempt bonds and factors affecting the financial performance of the Seaport Department.

ATTACHMENT 1

BUSINESS PLAN REPORT



As Of <= 06/12/2023

Business Plan Report
Port of Miami - Seaport

Perspective Name	Objective Name	Grand Parent Objective Name	Parent Objective Name	Measure Name	Details	Last Period Updated	VR Flag	Actual	Target	FY2022-23 Annualized Target	FY2023-24 Annualized Target
Customer	Attract New Customers (Seaport)	ED1: An environment that promotes a growing, resilient and diversified economy	ED1-4: Continue to leverage Miami-Dade County's strengths in international commerce, natural resources, and recreational and cultural attractions	TEUs (Twenty Foot Equivalent Units)	▢	'23 FQ2	▢	281,855	319,217	1,330,402	1,250,000
				Number of Cruise Passengers - Quarterly (1,000s)	▢	'23 FQ2	▢	2,197	697	3,100	6,850
				Seaport Cargo Tonnage - Quarterly	▢	'23 FQ2	▢	2,409.57	2,750.00	11,000.00	10,641.42
	Improve Customer Satisfaction (Seaport)	ED1: An environment that promotes a growing, resilient and diversified economy	ED1-5: Provide world-class airport and seaport facilities	Port of Miami Customer Satisfaction Survey	▢	'22 FQ1		No Data	n/a	n/a	n/a
	Improve Port Partner Satisfaction	GG4: Effective leadership and management practices	GG4-2: Effectively prioritize, allocate and use resources to meet the current and future operating and capital needs for all our residents	Permit Mail Out Success	▢	'22 FQ4	▢	100.0%	95.0%	n/a	n/a
Financial	Increase Cargo Revenue	GG4: Effective leadership and management practices	GG4-2: Effectively prioritize, allocate and use resources to meet the current and future operating and capital needs for all our residents	Total Cargo Revenue - Quarterly	▢	'23 FQ2	▢	\$11,574K	\$12,200K	\$47,477K	\$128,232K
	Increase Passenger Revenue	GG4: Effective leadership and management practices	GG4-2: Effectively prioritize, allocate and use resources to meet the current and future operating and capital needs for all our residents	Total Seaport Passenger Revenue - Quarterly	▢	'23 FQ2	▢	\$38,163K	\$19,343K	\$60,767K	\$128,232K
	Meet Budget Targets (Seaport)			Expen: Total (Seaport)	▢	'23 FQ2	▢	\$31,010K	\$90,081K	\$360,324K	\$536,543K
				Revenue: Total (Seaport)	▢	'23 FQ2	▢	\$74,726K	\$90,081K	\$360,324K	n/a
				Positions: Full-Time Filled (PORT)	▢	'23 FQ2	▢	409	518	n/a	n/a

	Reduce Security Costs (Seaport)	PS3: Effective emergency and disaster management	PS3-3: Protect key infrastructure and enhance security in large gathering places	Seaport Tenant Occupancy Rates - Quarterly		'23 FQ2		100%	95%	95%	95%
				Seaport Security Officers Overtime Hours		'23 FQ2		6,043Hrs	2,492Hrs	5,727Hrs	20,735Hrs
				Reduce MDPD Overtime Billing to Seaport Security		'23 FQ2		\$1,109K	n/a	n/a	n/a
				Police Service Billings to Seaport Security		'23 FQ2		\$3,586K	n/a	n/a	n/a
		GG3: Optimal internal Miami-Dade County operations and service delivery	GG3-4: Effectively utilize and maintain facilities and assets	Seaport Security Officers Overtime Hours		'23 FQ2		6,043Hrs	2,492Hrs	5,727Hrs	20,735Hrs
				Reduce MDPD Overtime Billing to Seaport Security		'23 FQ2		\$1,109K	n/a	n/a	n/a
				Police Service Billings to Seaport Security		'23 FQ2		\$3,586K	n/a	n/a	n/a
Internal	Improve the Quality and Efficiency of Port Operations	ED1: An environment that promotes a growing, resilient and diversified economy	ED1-5: Provide world-class airport and seaport facilities	Purchase Requisition Processing		'22 FQ4		100%	95%	95%	95%
				Reduce Crane Management Overtime Hours		'23 FQ2		9,830Hrs	10,249Hrs	42,745Hrs	46,000Hrs
				Accounts Payable Processing - 30 Calendar Days		'23 FQ2		63%	70%	70%	70%
				Accounts Payable Processing - 45 Calendar Days		'23 FQ2		75%	90%	90%	90%
				Seaport Gantry Crane availability (%) Quarterly		'23 FQ2		98.6	98.9	98.9	98.9
		ED1-4: Continue to leverage Miami-Dade County's strengths in international commerce, natural resources, and recreational and cultural attractions		Purchase Requisition Processing		'22 FQ4		100%	95%	95%	95%
				Reduce Crane Management Overtime Hours		'23 FQ2		9,830Hrs	10,249Hrs	42,745Hrs	46,000Hrs
				Accounts Payable Processing - 30 Calendar Days		'23 FQ2		63%	70%	70%	70%
				Accounts Payable		'23 FQ2		75%	90%	90%	90%

				Processing - 45 Calendar Days								
				Seaport Gantry Crane availability (%) Quarterly	▬	'23 FQ2	▴	98.6	98.9	98.9	98.9	
		GG3: Optimal internal Miami-Dade County operations and service delivery	GG3-4: Effectively utilize and maintain facilities and assets	Purchase Requisition Processing	▬	'22 FQ4	▴	100%	95%	95%	95%	
				Reduce Crane Management Overtime Hours	▬	'23 FQ2	▴	9,830Hrs	10,249Hrs	42,745Hrs	46,000Hrs	
				Accounts Payable Processing - 30 Calendar Days	▬	'23 FQ2	▴	63%	70%	70%	70%	
				Accounts Payable Processing - 45 Calendar Days	▬	'23 FQ2	▴	75%	90%	90%	90%	
				Seaport Gantry Crane availability (%) Quarterly	▬	'23 FQ2	▴	98.6	98.9	98.9	98.9	
Learning and Growth	Attract and Retain a Competent Port Staff	GG2: Excellent, engaged and resilient workforce	GG2-2: Promote employee development and leadership	Personnel to Meet Security Goals	▬	'23 FQ2	▴	75	77	77	77	

Key:  - Initiative  - Featured Objective

Initiatives

There are no Objectives associated to the initiatives