

FRASER RIVER PORT

Building an Engine of Commerce



Peter Podovnikoff, Chair
Capt. Allen Domaas, President & CEO
Fraser River Port Authority
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Agenda

- The Fraser River Port and its position in the Pacific Gateway
- Board of Director's role in the function Port
- Management's role in the function of the Port
- Relationships
- Lessons learned
- Questions

FRASER RIVER PORT

An overview



Fraser River Port: Heart of the Lower Mainland



Fraser River Port Authority's Mandate

- facilitate trade and waterborne commerce on the lower Fraser River

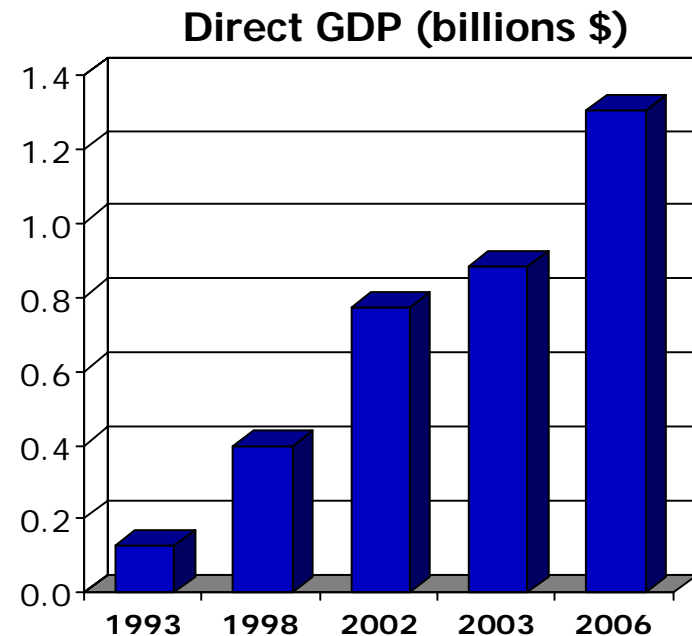


Canada's 2nd largest port (overall tonnage):

- 9 municipalities
- 38.8 million tonnes in 2005
- Largest auto port



Economic Impact (2006)



- 16,100 direct, local jobs → **38,500 total jobs**
- **Average wage \$48,800**
- \$1.3 direct local impact on GDP → **\$2.8 billion total GDP**
- \$7.2 billion in total economic output

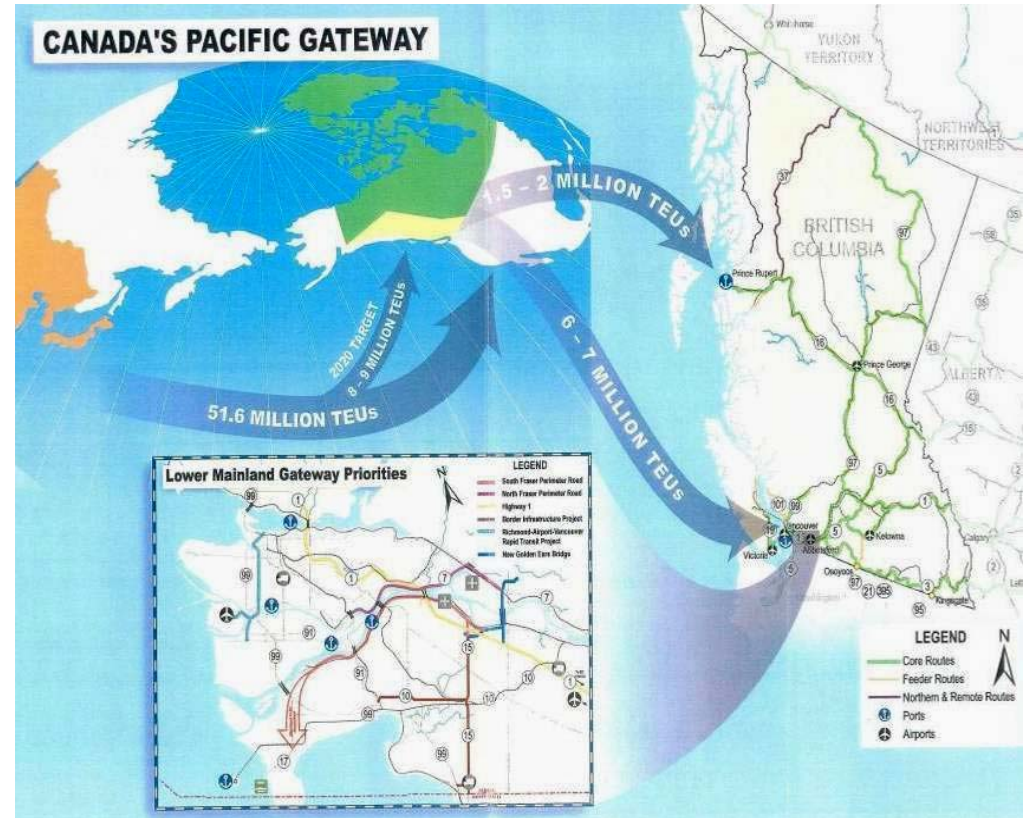
Capital Investments in Gateway

Premier's Challenge

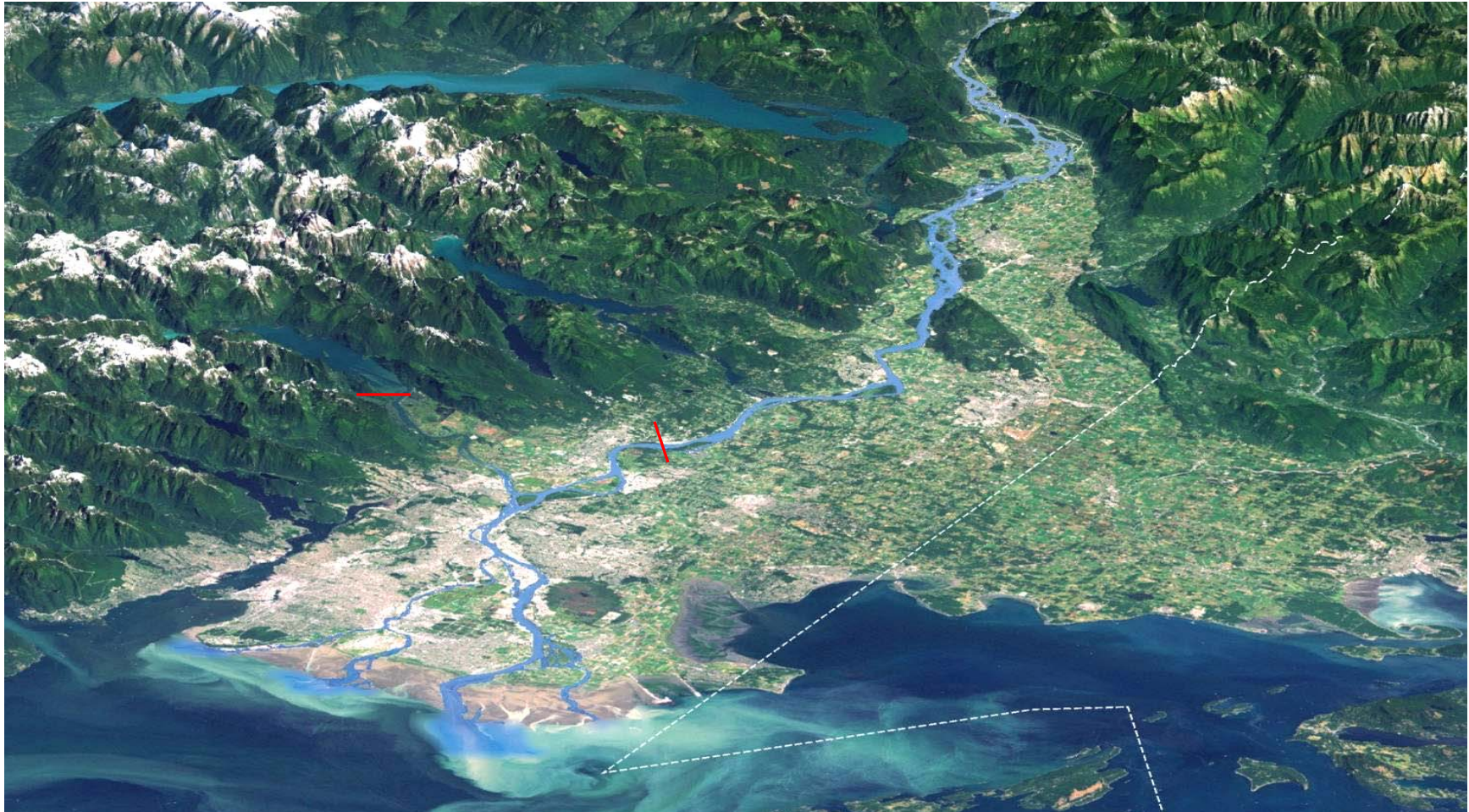
- 8-9 million twenty-foot equivalent units (TEUs) by 2020

Investments

- BC Port Competitiveness Plan – billions required
- Provincial Gateway Program – \$3 billion
- Federal Pacific Gateway Initiative – \$590 million (proposed)



Our View of the Gateway



Container Cargo

Fraser River Port current *capacity*

- 415,000 TEUs now
- 600,000 TEUs in 2006

Potential future *capacity*

- Surrey potential 1.20 million TEUs
- Richmond potential 1.25 million TEUs

2.45 million TEUs



Summary

- Vital part of Pacific Gateway (part of a larger whole)
- Fraser River Port has enormous growth potential
- increased cargo capacity required throughout Gateway by 2015
- limited window to act



FRASER RIVER PORT

Governance



Board of Directors' Role

- **Role of Chair**

- Build Trust
- Work hand-in hand with President
- Ensure Board functions as a team and is effective in carrying out duties
- Ensure focus on *policy* versus management
- Coach and advise the President/CEO

Board of Directors' Role (continued)

- **Role of Board Members**

- Developing a vision and *raison d'être*
- A focus on policy
- Work as a team with management
- Be prepared to deal with issues that come before the Board
- Do your homework

Management's role

- implementation of policy and creation of practice
- Orientation of Directors
- Effective communication process with the Board and Stakeholders
- Team building
- Succession Planning

Relationships

A Director's Perspective

- Responsible for effective oversight
- Respect and support for Management
- Need a common understanding of goals and targets – we use a Balanced Scorecard

Relationships

A CEO's Perspective

- Staff must be receptive to additional/new/other ideas from the Board
- Respect the needs of the Board
- Need consistent information practices – we structure all agendas and plans around the Balanced Scorecard

Lessons Learned

- Be open to dialogue
- Do not avoid troublesome issues
- Obtain best Directors possible
- Engage best staff possible
- Maintain effective two way communications

Thank you



Questions?