



April 18, 2019

The North Carolina General Assembly Joint Legislative Commission on
Governmental Operations
Legislative Office Building
1600 West Jones Street
Suite 308
Raleigh, NC 27626

Re: North Carolina General Statute §136-273

Dear Members:

N.C. General Statute §136-273 grants the North Carolina Ports Authority (the Authority) an exemption from certain requirements found in Chapter 133 and 143 of the General Statutes when it finds good cause to expedite the purchase of supplies, materials and equipment, and building contracts for a particular port facility. This statute further requires the Authority to report quarterly to the Joint Legislative Commission on Governmental Operations any building projects exceeding two hundred fifty thousand (\$250,000) dollars to which an exemption, as described above, was applied.

For the period January 1, 2019 to March 31, 2019 the Authority did exercise its exemption from one of the bidding protocols in order to expedite the turning basin project. Please see attached letter to Secretary Sanders declaring the exemption. NC Ports received four bids and in the end, the exemption was not necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul J. Cozza", written over a horizontal line.

Paul J. Cozza
Executive Director

PJC:th

NORTH CAROLINA PORTS



Secretary Machel Sanders
1301 Mail Service Center
Raleigh, NC 27699-1301

March 12, 2019

Dear Sec. Sanders-

In accordance with N.C.G.S. §136-273, we provide this notice that the North Carolina State Ports Authority (NCSPA) declares an exemption from one of the bidding protocols in order to expedite the project: Turning Basin Expansion, 2019, Port of Wilmington.

This project is vital to keep the Port of Wilmington competitive and to retain and grow future business. Since new Panama Canal Locks opened in June 2016, the shipping lines that carry containers deployed larger vessels immediately and continue to increase vessel size as the U.S. east coast ports and harbors can accommodate such vessels. The existing turning basin will not accommodate these larger vessels, and the most expedient solution is to dredge on the east side of the existing turning basin, while utilizing a bulkhead wall to stabilize the basin and the upland facilities near the basin. Dredging on the southwest side of the existing basin may also be required, but without the need for a bulkhead wall.

The exemption applies to N.C.G.S. §143-132, which requires a minimum of 3 bids before opening sealed bids. Given the critical nature of the repair work, the restricted time frame in which to accomplish it, and the fact that this type of work is specialized and does not attract many contractors, the NCSPA intends to open the bids received, even if it is less than 3 bids. Reposting would only add time to the tight timeline on this project, and would likely not attract more bidders.

Please contact me with any questions.

Best Regards,



Paul Cozza
Chief Executive Officer
North Carolina State Ports Authority