

# NC State Ports Authority

21<sup>st</sup> Century Transportation  
Intermodal Committee

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NC State Ports Authority

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# NC State Ports Authority

## Facts at a Glance

Enterprise agency unique within the State

- No State or Federal appropriations for operations
- Mission to enhance economy of North Carolina
- Deepwater ports in Morehead City and Wilmington
- Inland terminals in Charlotte and Greensboro

Gateway to world markets for State's business and industry

Statewide economic benefit

- Nearly 85,000 jobs
- \$299 million state and local tax revenues

NC Ports are Growing!

- Five consecutive years of growth
- Compounded Annual Growth Rate – General Terminal 6% and Container 18%

# Why Does North Carolina Need Expanded Port Capabilities?

*Global Economy Drives Expansion*

# Market & Industry Drivers

## Growth in International Trade is Key Market and Industry Driver

- US container traffic is forecasted to reach 88M TEU by 2020 and 143M TEU by 2030 based on a 5% compounded annual growth rate (TEU defined as one twenty foot container)
- Demand at the Ports of Long Beach and Los Angeles is forecast to increase from 15M TEU to 31M TEU by 2020, and to 50M TEU by 2030 at a conservative 5% compounded annual growth rate
- US East Coast container traffic is projected to increase from 20M (2006) to 35M by 2020 and 56M TEU by 2030 based on a 5% compounded annual growth rate
- Diversion to all-water East Coast service of as much as 50% of the forecasted increase for the Ports of Long Beach and Los Angeles would result in an additional 2% compounded annual growth rate; coincides with completion of Panama Canal expansion allowing 12000 TEU vessels access to East Coast ports
- US lacks the port capacity to meet projected growth

# Port of Wilmington Container Yard Expansion

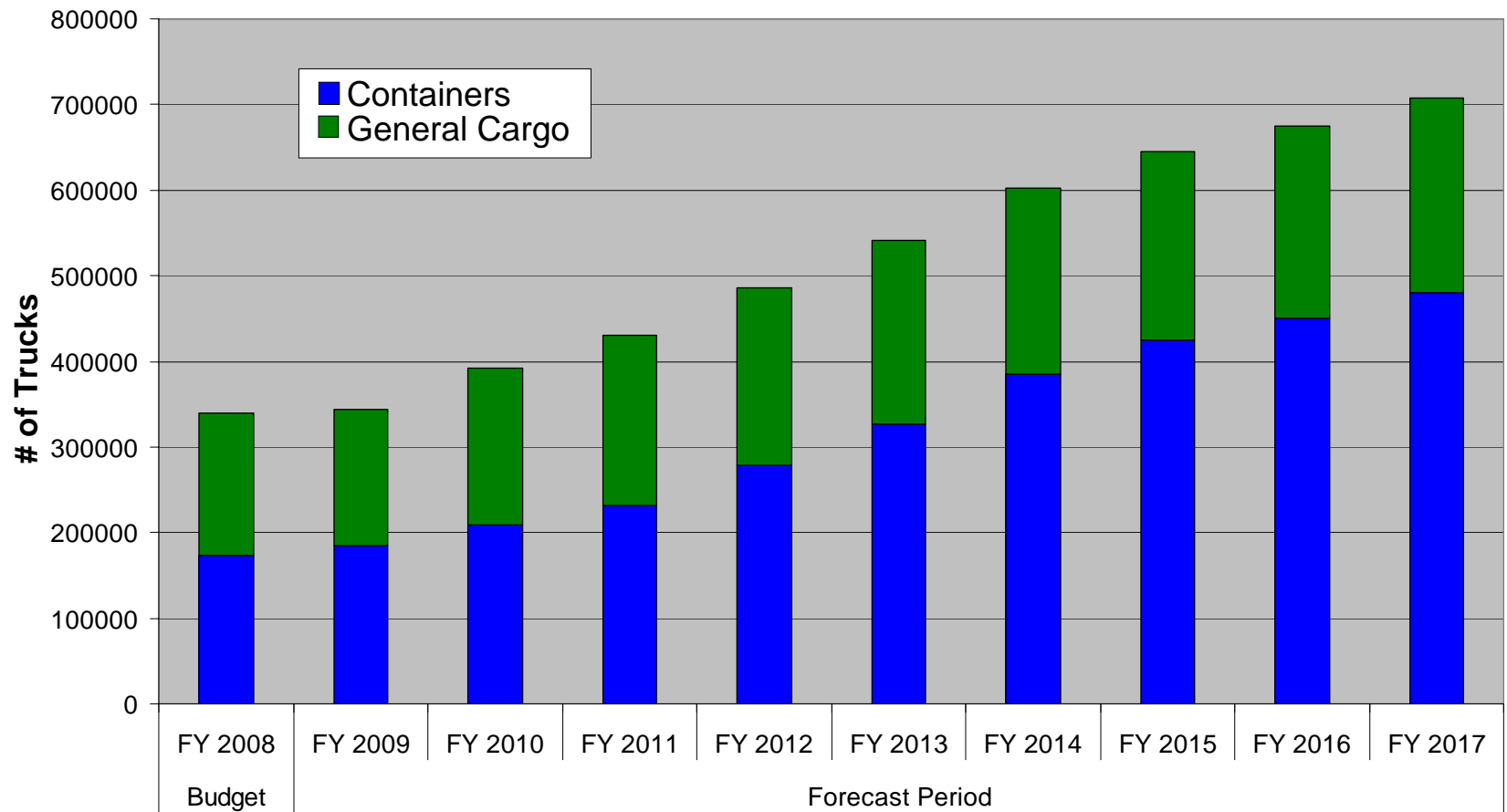
## Multi-year program

- \$190 million plus investment
- Increase thruput from 225,000 to 500,000 TEU
- Major Components
  - 42 feet navigation channel completed 2004
  - Four new cranes – in service April 2007
  - Yard container handling equipment - 2006
  - Berth 9 upgrade - completed
  - Berth 8 – rebuild / new construction – FY08 – FY10
  - Backland/Utility/Gate/Paving – new construction
  - New River Road property development
  - New Terminal Operating System



# Port of Wilmington Traffic Projections

## Projected Number of Trucks Entering and Exiting Port of Wilmington



# Port of Wilmington Transportation Initiatives

- Interstate grade highway access to Port and cost effective rail service with inland access are critical infrastructure components for US Ports
- Interstate 74 upgrade from Gastonia to Wilmington including the Monroe bypass
- Wilmington by-pass I-140 Southern extension
- Cape Fear Skyway Bridge
- Pembroke Northern Bypass and associated rail improvements – Ft. Bragg
- Castle Hayne to Wallace rail restoration
- Advantage West inland port study
- Acquire two, class one railroads serving each of NC Ports

# Port of Morehead City, NC

Size – 128 acres

Volume – 2.1 million tons

## Key commodities –

scrap steel, fertilizer,  
asphalt, forest  
products, rubber,  
military

Near-term development –  
new 177,000 Sq. Ft.  
warehouse, equipment,  
security enhancements,  
Radio Island Terminal, rail  
upgrades, rebuild T-head

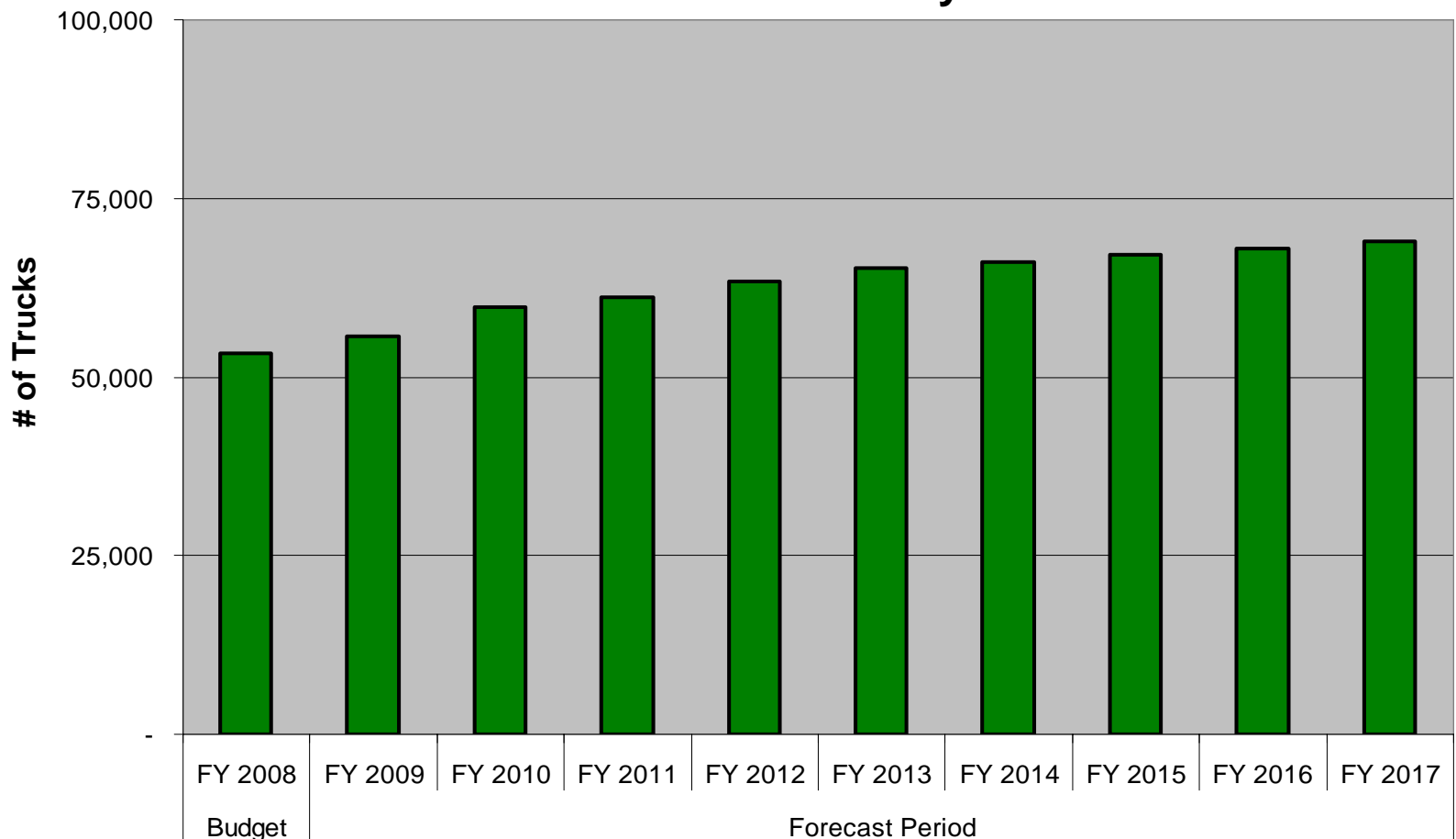


Future development – widen entrance channel, US 70 Strategic Corridor,  
Gallants Channel Bridge, rail access improvements



# Port of Morehead City Traffic Projections

**Projected Number of General Cargo Trucks Entering and Exiting  
Port of Morehead City**



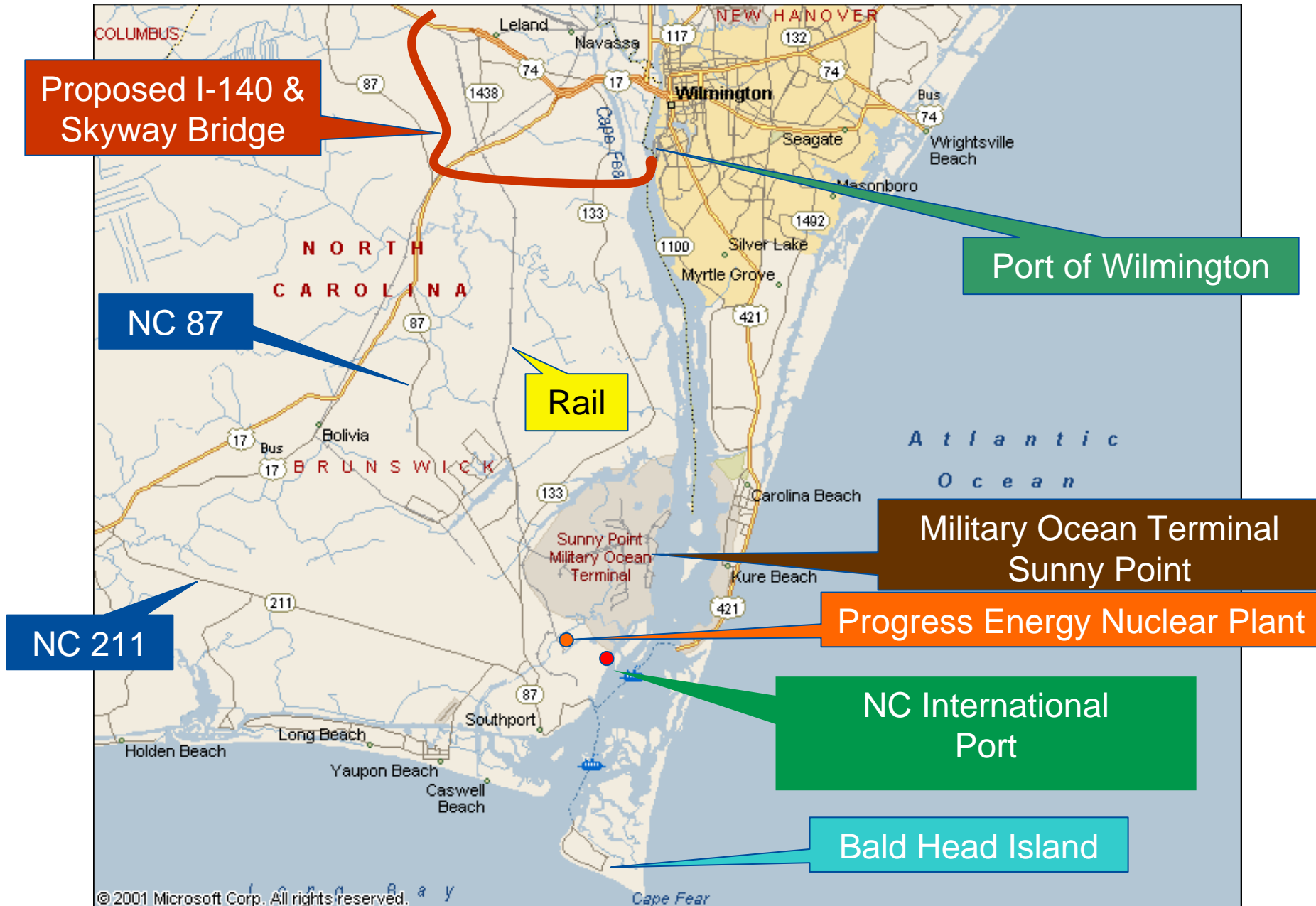
# Port of Morehead City Transportation Initiatives

- Interstate grade highway access to Port and cost effective rail service with inland access are critical infrastructure components for US Ports
- Highway 70 Corridor to interstate quality and completion of six by-passes including Carteret and Havelock By-passes
- Gallants Channel Bridge
- NCDOT replacement of Newport River bascule rail bridge serving Radio Island
- Support NC Railroad study proposing relocation of main rail line away from the center of downtown Morehead City
- Acquire two, class one railroads serving each of NC ports

# North Carolina International Port (NCIP)



# North Carolina International Port Location





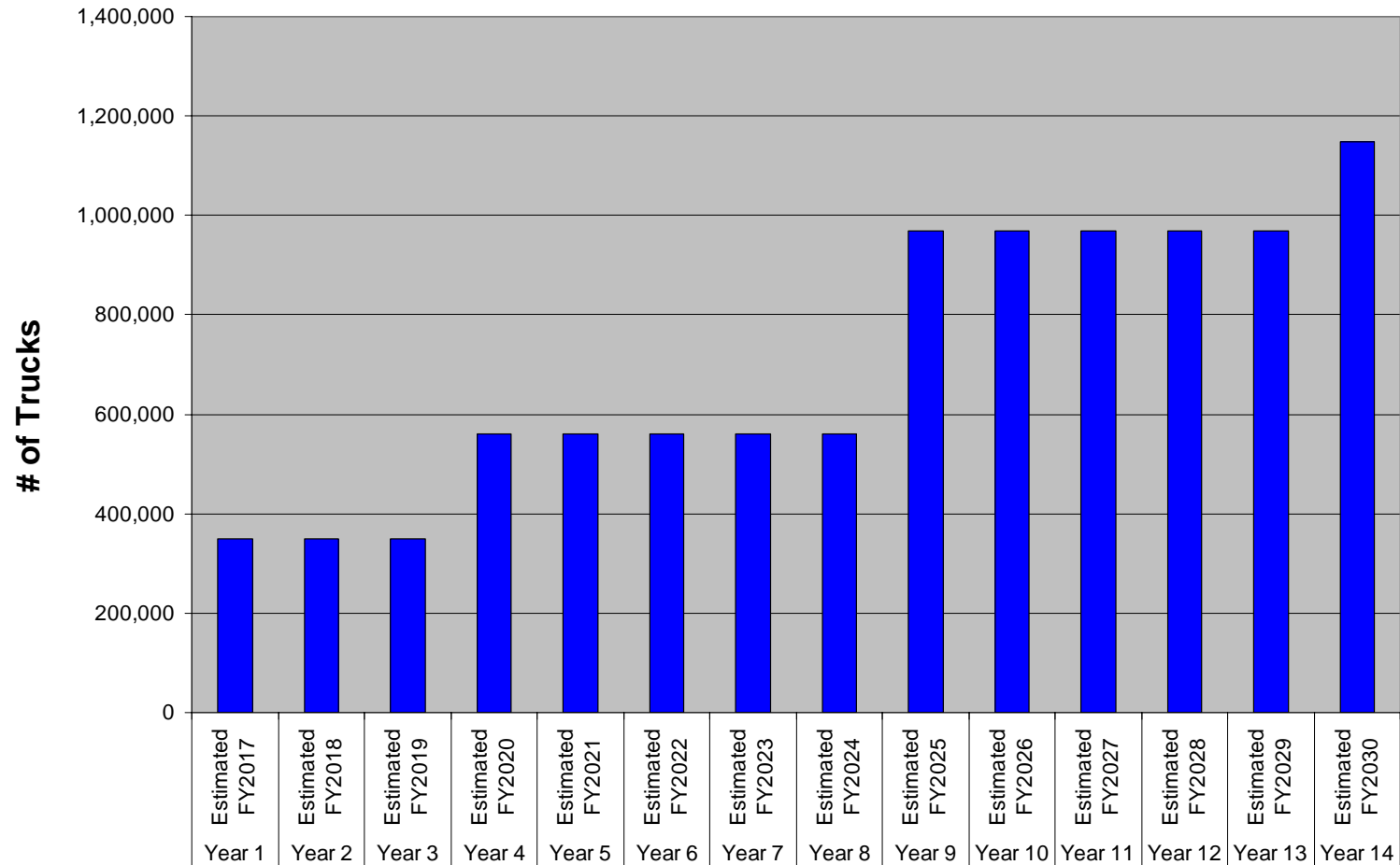
# NC International Port Economic Impact

- Port providing global market access helps NC compete for:
  - Investment in manufacturing and assembly plants
  - Competing states have effectively marketed their ports to attract new business
    - BMW, Daimler Chrysler in SC
    - Airbus, Mercedes Benz in AL,
    - VW in GA, SC - or NC?
    - Retail distribution centers like Target, Home Depot, Pier 1 in GA.
- Ports have a direct impact on their State's economy
  - Catalyst for employment, income, and tax revenue
  - Competing ports individually report 250,000 jobs and \$1.5 billion taxes to their States
  - NC International Port can deliver similar impacts



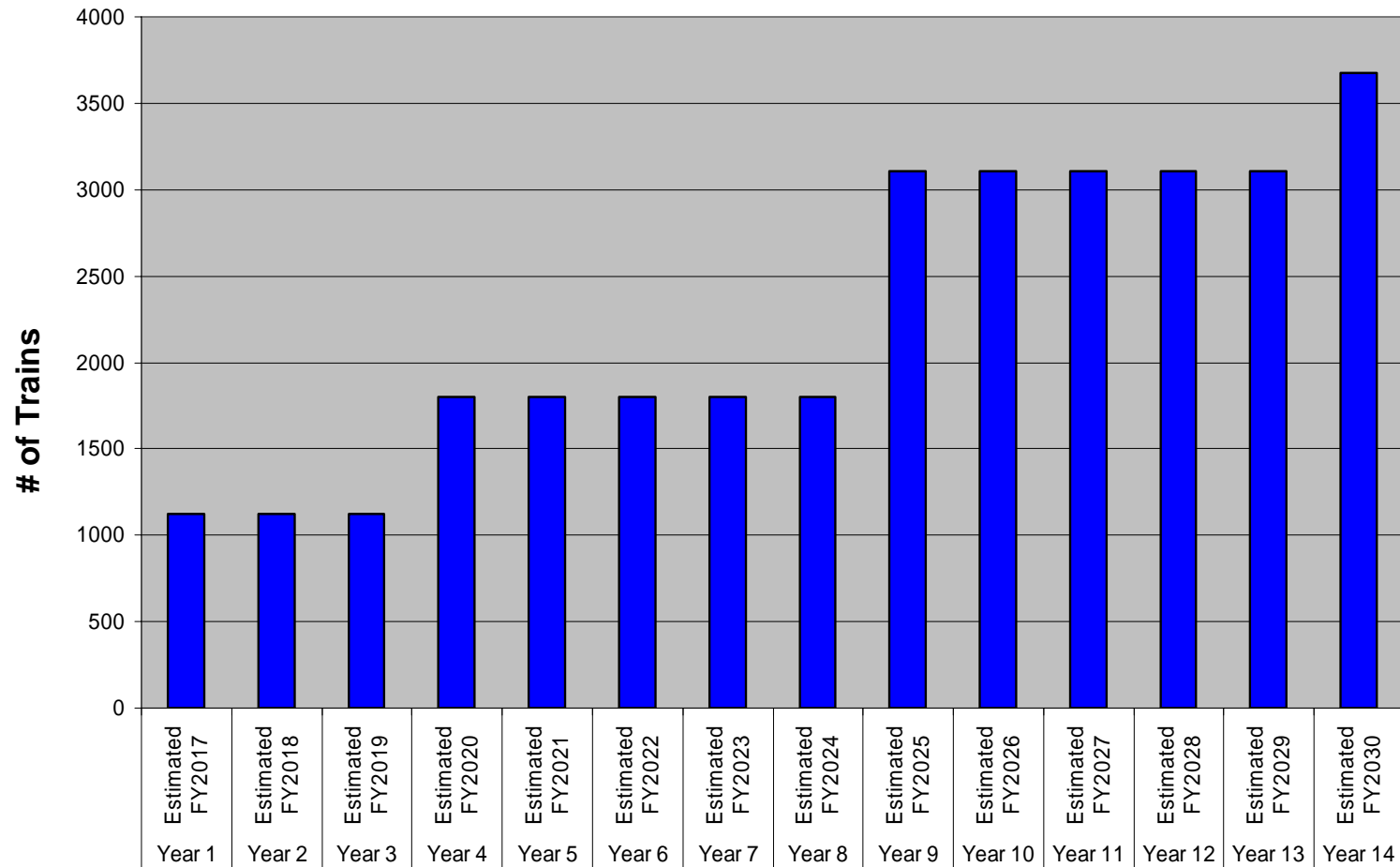
# NC International Port Traffic Projections

**Projected Number of Trucks Entering and Exiting NC International Port**



# NC International Port Rail Projections

**Projected Number of Trains Entering and Exiting NC International Port**



# NC State Ports Authority Transportation Initiatives

- Committee recommendation for General Assembly to consider extending Port Tax Credit during the upcoming short session
- Refurbishment of Ports railway system including new track to serve port customers and commercial businesses outside the port area – Projected cost \$5.2M FY09 – FY11
- Funding for NCDOT to determine the best alternative for highway and rail access to the North Carolina International Port FY09 – FY10
- Refurbishment of the DOD / NCIP Railroad system to accommodate high volume movement of intermodal unit trains originating and destined to the North Carolina International Port – Projected cost \$127M FY12 – FY16
- NCDOT rail projects