

# North Carolina Ports

"Keep North Carolina Working"



Legislative Research Commission  
Advisory Subcommittee on  
Offshore Energy Exploration

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North Carolina Ports

# NC State Ports Authority

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

# Enhancing the Economy Statewide

Mission: To enhance the NC economy

- Impacts are best demonstrated in jobs and tax revenues and economic development
- Nearly 85,000 statewide jobs
- \$299 million state and local tax revenues
- Provide a gateway to international markets for NC Businesses

# North Carolina State Ports Authority's Board of Directors

## ▪ **Composed of 11 members**

- Six (6) are to be appointed by the Governor for staggered six (6) year terms,
- Four (4) are to be appointed by the NC General Assembly for staggered two (2) year terms,
- Plus, the NC Secretary of Commerce serves as an ex-officio voting member
- Appointments should represent each section of the state and all of the business, agriculture and industrial interest of the state

## ▪ **Is required to meet once in each 60 days**

## ▪ **Transactional approval is required for:**

- Capital equipment, original contracts and change orders of previously approved contracts over \$100,000,
- Change orders over \$20,000 not previously approved by the Board,
- Leases over \$100,000 and/or more than three (3) years, and all acquisitions, dispositions or encumbrances of real property
- Financing transactions
- Annual operating and capital budgets

# Workforce – The Authority

- Approximately 300 state employees at port facilities
  - In Wilmington, the average employee at the Port of Wilmington (\$53,300) earns 36% higher salary than average NC worker, 51% higher salary than average SE NC worker
  - Approx. 50% of Port of Wilmington employees live in NHC, 20% live in Brunswick County, 20% in Pender County
- Other terminal employment includes: pilots, tug operators, stevedores, marine construction companies, ILA, computer operators, gate inspectors, warehousemen, customs and homeland security, other governmental and regulatory agencies, rail operators, dredging companies, 3PLs, freight forwarders, steamship line agents, and more

# Are We There Yet?



# Modern Cargo Handling Technology?



# North Carolina State Ports Authority Facilities



Port of Wilmington



Radio Island



Port of Morehead City



Charlotte Inland Terminal



North Carolina International Terminal



Greensboro Inland Terminal



# Port of Wilmington, NC

## Key products

- Containers
- Non-Containerized: lumber, wood pulp, steel, fertilizers, animal feed, agricultural products

## Major Improvements

- 42' Channel
- Dock structure improvement
- 4 new Container Cranes
- Security Enhancements



Size – 284 acres

Volume – 3.4 million tons

Including 210,000+ Container TEUs annually

# Capital Projects – Port of Wilmington



Container Terminal Expansion  
\$190 million  
Increase container throughput  
capacity to 600,000 TEU



# New Cranes at Work



# New Container Services at Port of Wilmington



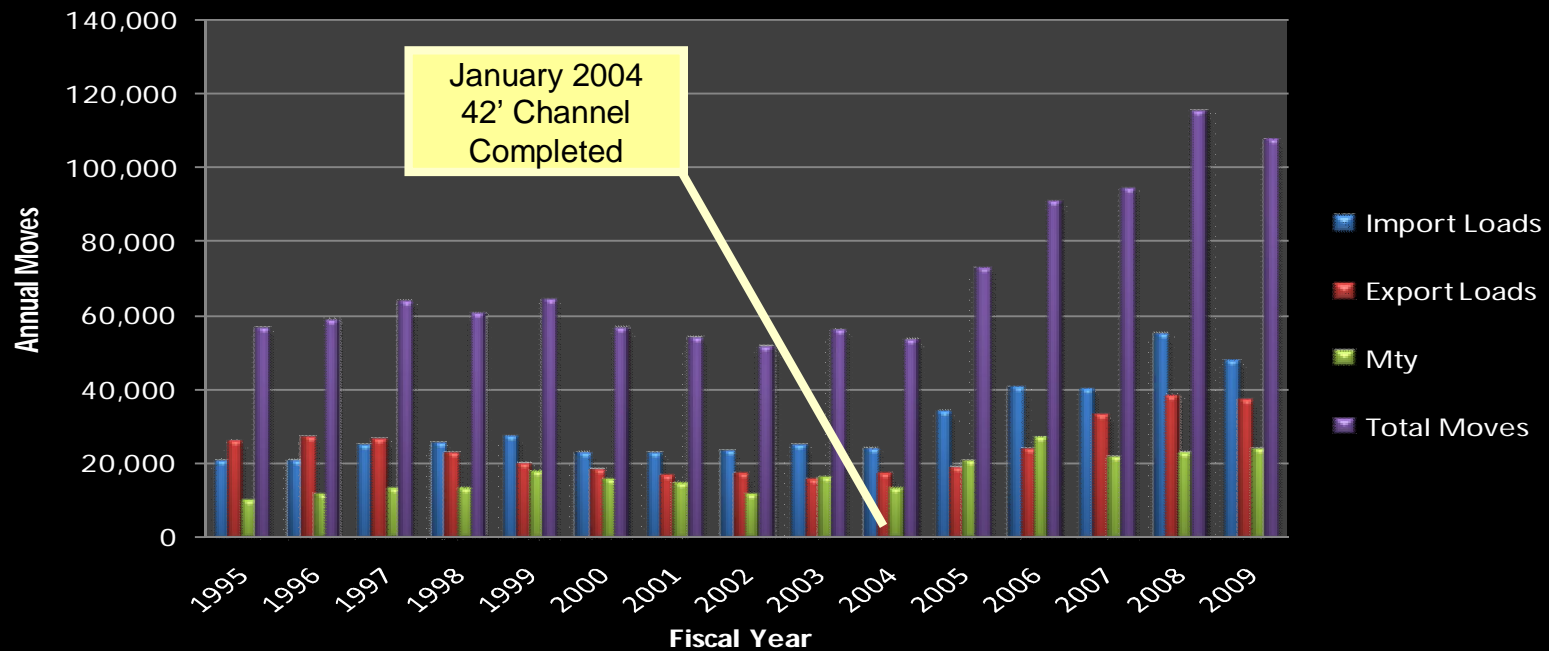
ICL – North Europe



Maersk - Central America

# Wilmington's Container Volume has Grown Significantly Following the Completion of the 42' Channel Project and Terminal Upgrades

## NC Ports 15 Year Container Move History



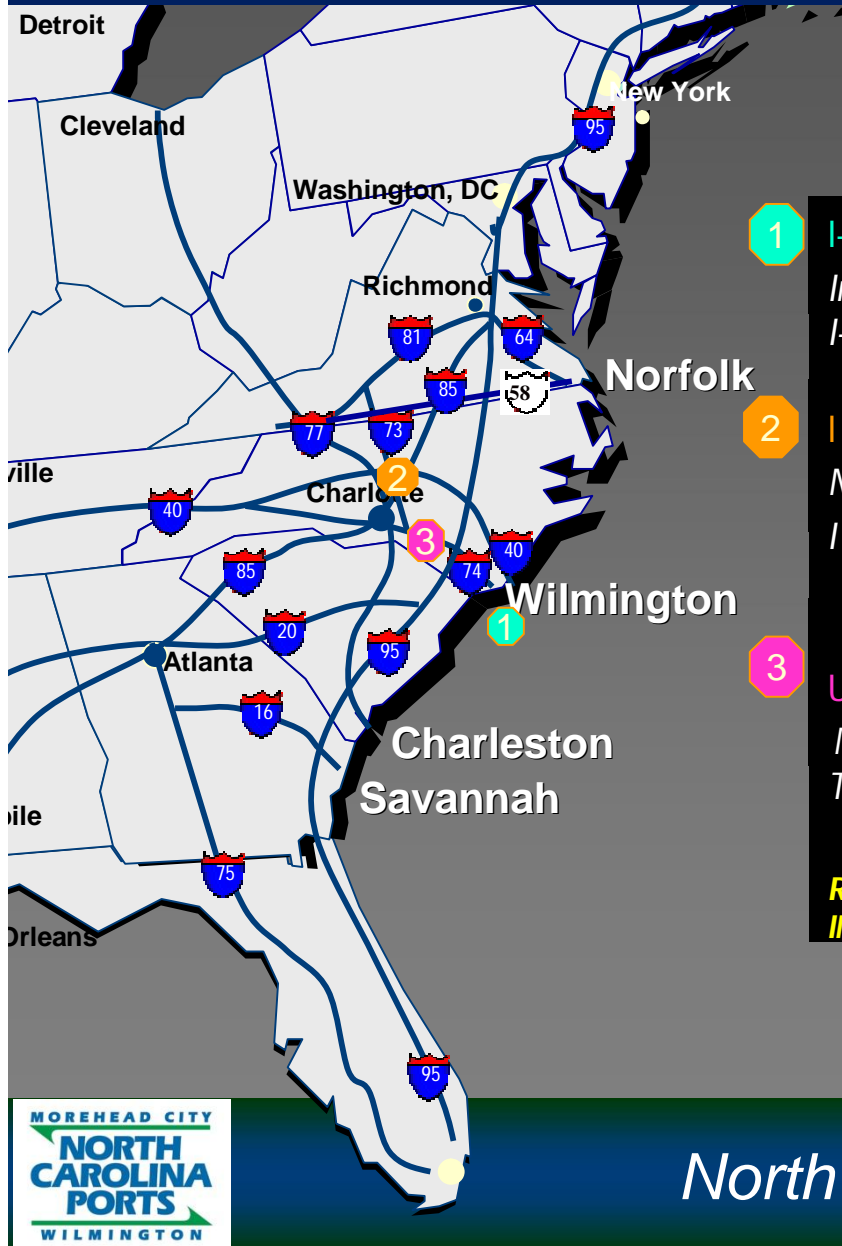
In Fiscal Year 09 (July 2008-June 2009) the Port of Wilmington's two Transpacific Services fell only 9% from FY 08. Carriers took advantage of an NC Port's recommended "Port Gateway Optimization" program

With the addition of two new services, Wilmington's total container movement for Fiscal Year 2009 ended only 4% short of FY 08 – much better than the 20% overall decline in US Port Industry

# Federal, State and NC Ports Funded Projects

*NC Ports is an Enterprise Agency of the State of North Carolina.  
No State funds (taxpayer dollars) are used for operations.*

# Major Projects Improve Highway Transportation Access



- 1 **I-140 Wilmington Bypass (Sections 1 & 2)**  
*Improves connection from Container Terminal to I-40*  
Opened ! July 2007  
\$59,670,000
  
  - 2 **I-73 Corridor from I-74 to I-85 at Greensboro**  
*New 16.8 mile Interstate Route connects I-74 to I-85*  
Opened ! January 2008  
\$74,500,000
  
  - 3 **Upgrade US 74 to Interstate Quality West of I-95**  
*Major upgrade from Wilmington Container Terminal to I-85*  
Opened! September 2008  
\$100,000,000
- RECENT HIGHWAY INFRASTRUCTURE INVESTMENTS** \$234,170,000



North Carolina Ports

## Infrastructure Investments Modernize and Add Capacity Wilmington Container Terminal

<b>42' Channel and Berth Deepening Project</b> <i>Cost Shared Project – State/Federal/Port</i>	\$280,000,000	Completed January 2004
<b>New Yard Handling Equipment</b> <i>9 new Reach Stackers complete total fleet of 11</i>	\$3,793,500	In service January 2006
<b>Berth Improvements for 42' depth and 100' gauge cranes</b> <i>Berth 9 structural, crane rail, bollards, fendering</i>	\$9,384,000	Completed February 2007
<b>Four New ZPMC 100 gauge container cranes</b> <i>New "green" electric powered cranes complement 4 existing diesel electric 50' and 32' gauge models</i>	\$37,440,000	Commissioned April 2007
<b>Terminal Operating System</b> <i>Includes OCR gates, yard and vessel planning, and web-based customer/vendor interface</i>	\$1,500,000	In service August 2007
<b>TOTAL RECENT INFRASTRUCTURE INVESTMENTS</b>	\$332,117,500	

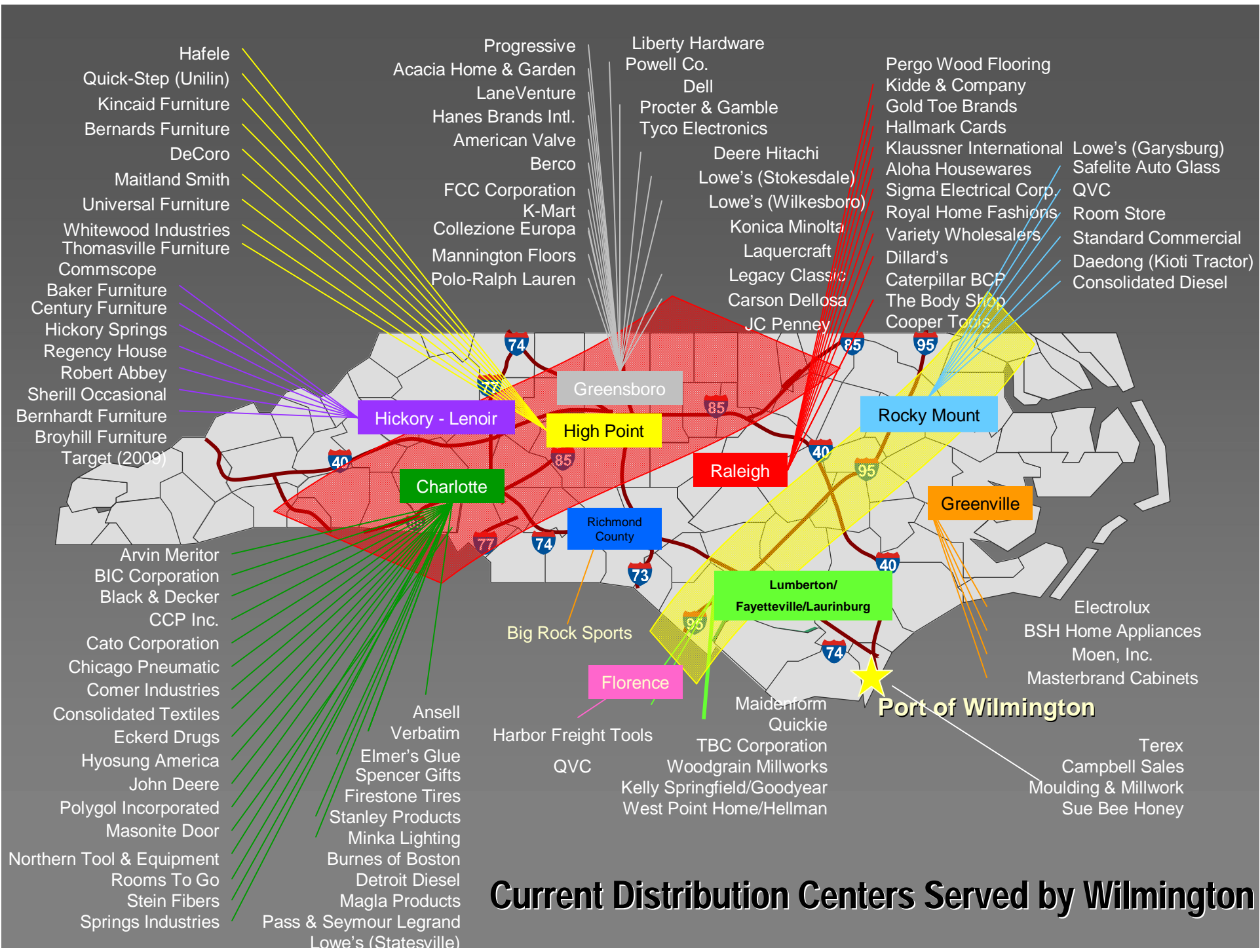


# Infrastructure and Terminal Improvements At Wilmington

\$556,287,500

*More than half a Billion Dollars Invested*

*(It's not your Grandfather's sleepy little port anymore)*



# Current Distribution Centers Served by Wilmington

# Port of Morehead, NC

## Lines of Business

- Non-containerized: scrap steel, forest products, rubber, military
- Bulk: fertilizer, asphalt, ore

## Near-term development

- New 177,000 Sq. Ft. warehouse, equipment, security enhancements, rail upgrades

## Future development

- US 70 Strategic Corridor, Gallants Channel Bridge, Radio Island Development, further rail access improvements



Size – 128 acres

Volume – 2.1 million tons

# Capital Projects – Port of Morehead City



## Morehead City

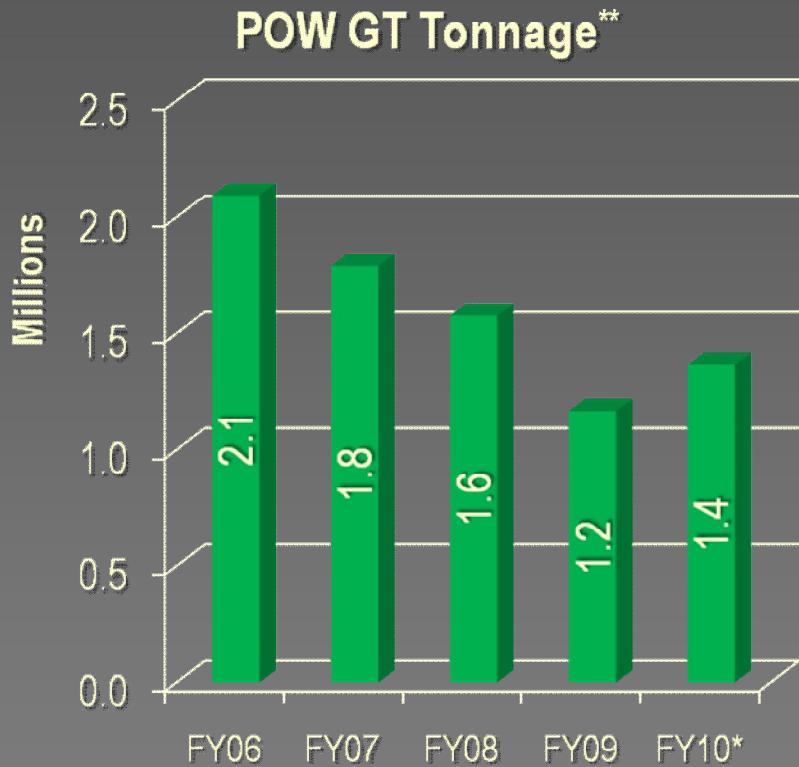
New 177,000 Sq. Ft. Warehouse  
Central Hardstand  
\$21 million



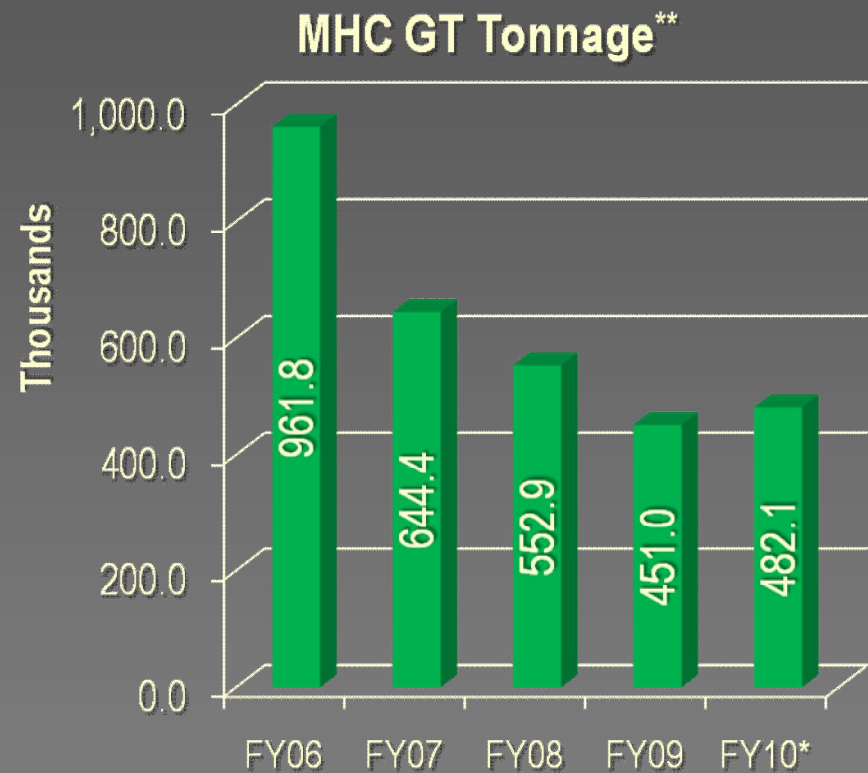
# Port of Morehead, NC



# POW / MHC – General Terminal History and FY10 Projection



*\*Projected*  
*\*\*Does not include Vopak or other private activity*



*\*Projected*  
*\*\*Does not include PCS or Radio Island activity*

# North Carolina International Terminal (NCIT)

- Vacant Site
- Purchased by NC Ports in April 2006
- 600 Acres; 4600 LF of Berth
- 4 Miles from Atlantic Ocean; 9.5 Miles from Sea Buoy
- Site is Rail Served
- Planned Operating Depth 50' MLLW
- Estimated 3 Million TEU thruput at full build out
- Anticipate 1<sup>st</sup> phase operational 2017



# Where are we in the Process of Developing NCIT

- USACE received partial funding to initiate Reconnaissance Study of the Cape Fear Navigation Channel in FY09
- FY10 appropriation included in Energy and Water Bill to complete Reconnaissance Study by May of 2010
- Working to secure appropriation to complete Feasibility Study in President's FY11 Budget
- Requesting stakeholder support to reach out to Congressional delegation voicing support for NCIT
- NCDOT initiated highway study for NCIT connector July 2009



WOW! That's North Carolina Ports?

