

DISCUSSION RECORD

INDUSTRY GROUP: Local Officials Meeting

DATE: September 27, 2011

LOCATION: Morehead City, NC

The September 27, 2011 Local Officials meeting was held prior to the Morehead City Public Meeting. In an effort to communicate the North Carolina Maritime Strategy goals and objectives, local public officials in the port communities were invited to attend and participate in the discussion.

After a presentation regarding the Maritime Strategy, the following comments and questions were raised:

What is berth capacity?

The ability to load and unload, the NC Ports are currently underutilized.

Does estimate of current capacity at Morehead City include the 40-acre property to the west of town [Edgewater Tract]?

Evaluation of existing capacity includes the active terminal only. The Maritime Strategy will investigate the role that this site and the other port-owned properties could play in supporting storage or distribution needs of the state's shippers.

Morehead City port is unique in its industrial uses, providing more than just shipping and receiving; however, there are different risks presented by industrial operations at the port.

There may be opportunities for value-added services at the port, including inventory management. Issues of potential incompatibility with surrounding economic base of the community will be considered for industrial processing in accordance with EO 99.

Is the Study Team looking at shipping rates including truck, rail and port?

The Maritime Strategy is putting together a model for delivered costs to various destinations and various ports including both cost and time. It might be different for different types of goods. Landside is the dominant cost.

Looking at improving and expanding the ports, is the Study also investigating needed inland infrastructure?

The Maritime Strategy is analyzing how goods move to their destination – from initial input and analysis, landside cost appears to be the most important factor in shipper decisions of what port to use.

Ocean liners will not come if there isn't business, North Carolina needs to attract lines and engage them prior to any building. How do we increase calls?

The Maritime Strategy is laying out alternatives, not brokering deals. The study is looking at where opportunities exist and how North Carolina can capture a reasonable share of the market. If we can demonstrate/illustrate volume, bulk shippers will come on demand. Enhanced rail, increased water depth, and population growth in North Carolina are all important factors in increasing scheduled calls by container ships.

Is the study looking at inland ports?

Maritime Strategy is looking at inland ports to benefit North Carolina. The Study is not recommending infrastructure outside of North Carolina.

Will economic gains be broken down by region?

The ultimate goal is to look at economic drivers for trade and the advantages to North Carolina as a whole. However, as part of our response to Executive Order 99, we will be looking on a more regional basis as to what the economic drivers and predominant economic activities are in the regions surrounding the ports.