Giving money and power to government is like giving whiskey and car keys to teenage boys.
~ P. J. O’Rourke

The $22 Million Blivet

The State Ports Authority has just received the third of four instalments of the $35 million annual subsidy the General Assembly has put in the budget. Yesterday, the Board of Directors approved the spending of $21.6 million of that to enlarge the turning basin at Wilmington to accommodate ships that cannot get up the river.

The channel in the Cape Fear River was dredged about 12 years ago to 42 feet to accommodate the vessels of the maximum size that can transit the locks in the Panama Canal, with a capacity of 4500 twenty-foot equivalent units (TEU) of intermodal containers. That project has so far cost $562 million, of which $182 million is the State share.

That $562 million project gets the Port two vessels a week, container ships from Asia, bringing us the consumer goods we used to make ourselves. But the Ports Authority believes those vessels will stay away after the new, larger locks in the Panama Canal open later this year and the Asian shipping lines deploy larger, deeper draft vessels. Indeed, the shipping lines told them so.

The Ports Authority, to retain that business, has represented to shipping lines that the Port of Wilmington will be able to accommodate the new, larger ships, up to 8500 TEU. By May of this year.

How? The turning basin would be enlarged enough to turn an 1100-foot long ship. But those ships draw 48 feet, and need four more feet of underkeel clearance. 52 feet. Ten more than we have.

The port at Savannah provides some lessons. The Savannah River channel is 42 feet deep, same as the Cape Fear River. A few of the larger vessels have called at Savannah to, um, test the waters. Those ships were light-loaded to reduce the draft, and used high tides to transit the river.

High tide at Savannah is seven feet higher than mean low water. In the Cape Fear River, the range is four feet. Savannah serves Atlanta, a huge market, and shipping lines may be willing to call with light-loaded vessels until the currently approved and funded project takes the depth to 47 feet.

Our State Ports Authority’s own analysis has determined that a channel depth of 45 to 47 feet would meet demand for container ships likely to call. That’s why they are funding a feasibility study of deepening the Cape Fear River channel. A study the Corps of Engineers declined to do.

At the same Board meeting, the Directors were told of increased bulk cargoes moving through the ports, and specialized, oversized shipments moving through the State’s ports that other ports could not handle. Good news. The niche is apparent. And the futility of running with the big dogs is, too.