



Cape Fear Firebird

The Light of Save the Cape

June 11, 2015

Those who cannot remember the past are condemned to repeat it.

~ George Santayana

I've got news for Mr. Santayana: we're doomed to repeat the past no matter what.

~ Kurt Vonnegut

When Will They Ever Learn?

There's something in the air in the State Ports Authority's building that causes management to disregard geography and seek to "be a player" in the big port game and bring in larger ships with stuff from Asia. We've seen it before. Now new management is pushing to dredge the Cape Fear River channel deeper for larger Asian ships, and has even gotten that in the Governor's 25-year plan.

The Corps of Engineers, whose business is dredging harbors, does not share the Ports Authority's dream. The Ports Authority is pursuing a "section 203" study to persuade the Corps the project is feasible. The cost is not known, but Corps practice suggests \$3 million for a proper study.

But here's what the Corps knows. And we know. And the Ports Authority disregards. The history of the last dredging project, to take the channel from 38 feet to 42 feet:

Project start: August 1999

Estimated completion: October 2020

Original estimated cost: \$250,000,000

Current estimated cost: \$561,699,000

State share: \$182,057,000

Annual cost (4%, 50-year life, without including maintenance) \$26,000,000

Additional maintenance expense for additional depth (and length) \$2,000,000

Total annual cost \$28,000,000

Number of ships requiring the additional depth calling each year: 100 (container ships from Asia)

Ports annual revenue from the 100 container ships: \$9,600,000 Resulting annual income \$1,200,000

Total annual subsidy for deep-draft Asian container ships: \$26,800,000 State share: \$7,900,000

So it is easy to see why the Corps of Engineers is not enthusiastic about another deepening project. Based on the Savannah River project, deepening the channel in the Cape Fear River five more feet for the container ships the Ports Authority has in mind would cost \$700 million.

Why didn't the Ports Authority do this investigation and make these calculations before selling the project to the Secretary of Transportation and the Governor? What will the General Assembly do?

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