



**SOUTH
CAROLINA
PORTS**

JIM NEWSOME, PRESIDENT & CEO
BARBARA MELVIN, COO

2021



SOUTH CAROLINA PORTS

VISION & VALUES

**TO BE THE
PREFERRED PORT
OF THE TOP 10
U.S. CONTAINER PORTS**



OVERVIEW OF 2020

- ✓ On record volume pace until pandemic
- ✓ Worked seamlessly through the pandemic
- ✓ Record capital expenditure in one fiscal year
- ✓ Walmart IDC 7
- ✓ CMA CGM Brazil
- ✓ Final harbor deepening contracts let by the U.S. Army Corps of Engineers

2020

QUICK LOOK AT THE NUMBERS

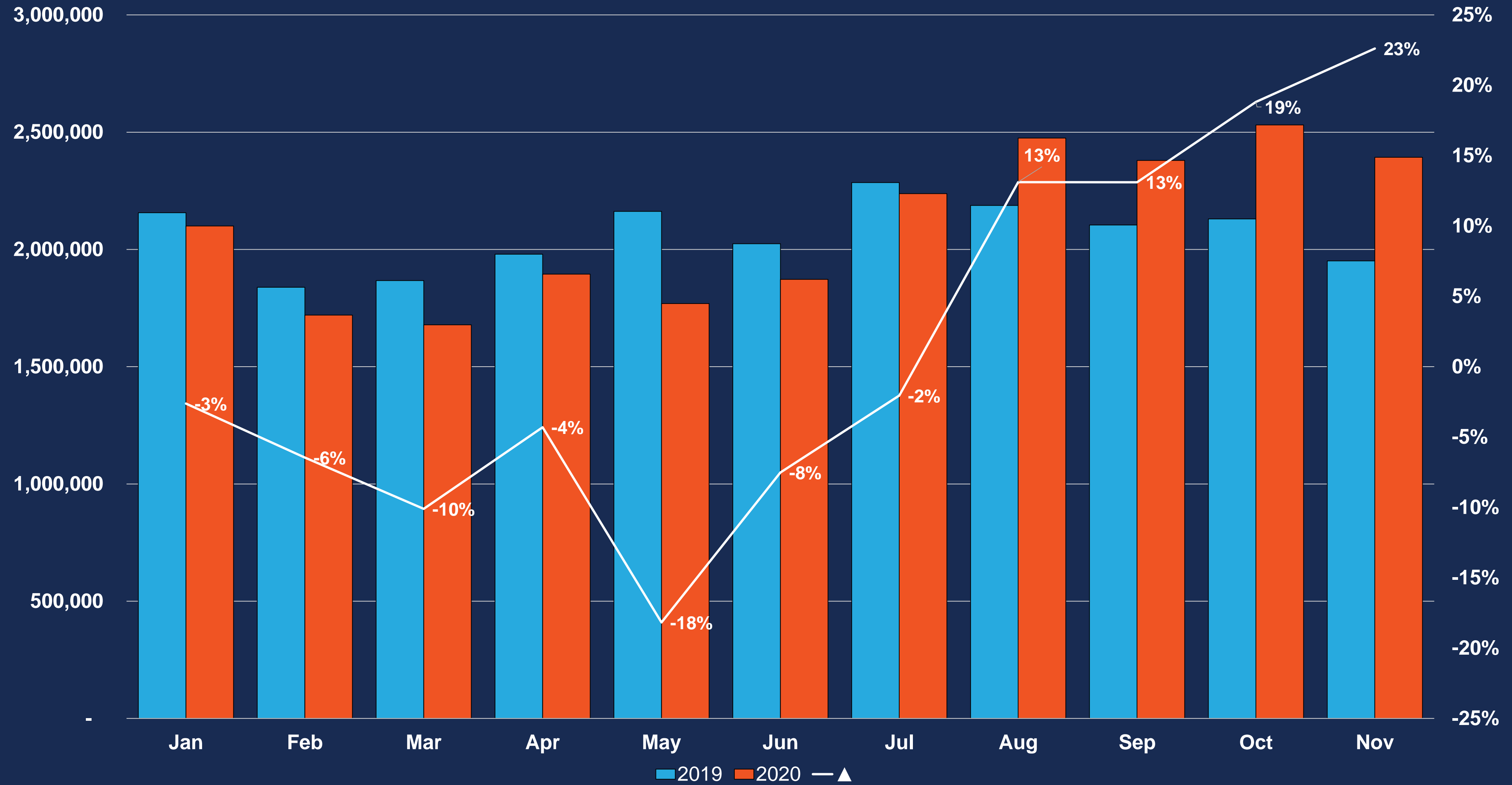
HISTORICAL FINANCIAL COMPARISON

	FY2019	FY2020	FY2021 <i>(Projected)</i> ⁽¹⁾	FY2022 <i>(Projected)</i> ⁽²⁾
Pier Container Volume (in 000s)	1,364	1,317	1,385	1,350
Operating Revenues	\$288.3	\$292.3	\$293.7	\$311.8
Operating Cash Flow	\$91.6	\$94.8	\$97.2	\$89.5
Long-Term Debt & Capital Leases	\$948.8	\$1,374.1	\$1,356.1	\$1,473.0

⁽¹⁾ FY2021 projections were revised in January 2021.

⁽²⁾ Includes SMART Chassis Pool projections.

U.S. IMPORT TEU



THE PRIORITIES OF THE SC PORTS AUTHORITY

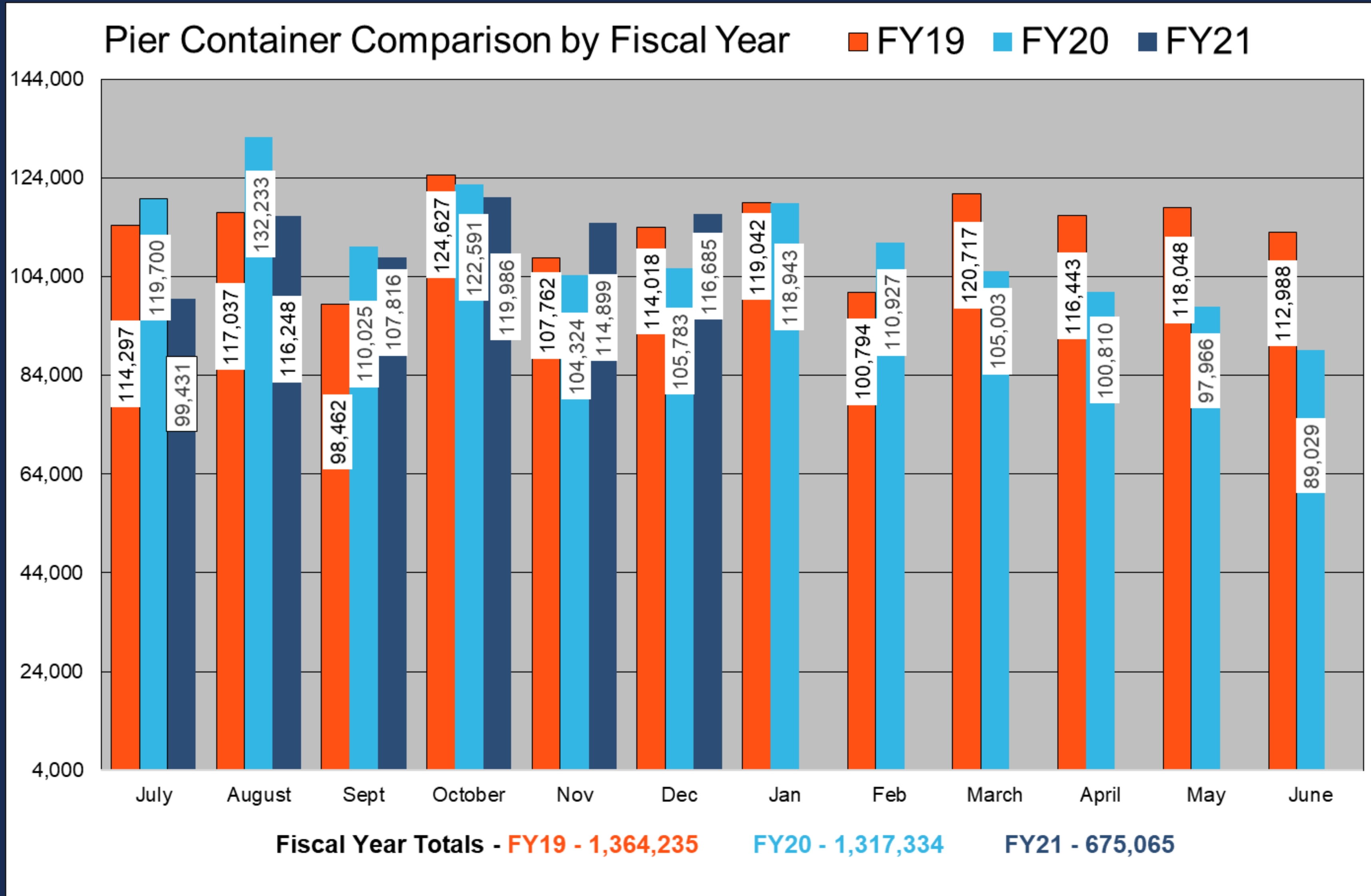
- 1** Excellence in Operations
- 2** Timely and World-Class Infrastructure and Capacity
- 3** Growing Our Cargo Base and Altering Our Focus
- 4** Intermodal Rail Development

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PRIORITY

EXCELLENCE IN OPERATIONS

CONTAINER TERMINALS OVERVIEW AS OF DECEMBER 31, 2021



<u>CONTAINER YARD</u>		<u>Dec</u>	<u>Nov</u>
Total Import Loads on Terminals		7,553	11,702
Total Export Loads on Terminals		12,809	12,179
Total Empties on Terminals		18,116	15,971
Total Containers on Terminals		38,478	39,852

<u>THE BIG FOUR EMPTY INVENTORY</u>		<u>Dec</u>	<u>Nov</u>
MSC		3,519	2,267
COSCO		3,313	2,529
Maersk		2,853	2,373
CMA		2,539	2,443

SHIP TO SHORE CRANE RELIABILITY
Dec 2020 – 99.71% Nov 2020 – 99.55%

AVERAGE TURN TIME
Dec 2020 – 20.87 mins Nov 2020 – 21.22 mins

GATE TRANSACTIONS
Dec 2020 - 163,863 Nov 2020 – 149,407

<u>TOTAL MOTOR CARRIER VISIT TIME</u>		
	<u>Dec 2020</u>	<u>Nov 2020</u>
Queue & Chassis	16.92 mins	11.15 mins
Yard Time	29.00 mins	30.37 mins
Total Visit Time	45.92 mins	41.52 mins

<u>EMPLOYEE COUNTS & % of Hours Worked in OT</u>				
	<u>Count</u>		<u>% OT</u>	
	<u>Dec</u>	<u>Nov</u>	<u>Dec</u>	<u>Nov</u>
Crane Department	57	59	24.18%	28.41%
Container Department	243	242	22.55%	28.53%
Maintenance Department	141	142	14.05%	15.65%
Total Employees	441	440		

PRIORITY 2

**TIMELY AND WORLD-CLASS
INFRASTRUCTURE AND CAPACITY**

CONTAINER TERMINAL TEU CAPACITY

2021-2033

2021

2033

**WANDO WELCH
TERMINAL**

2.4 million

2.4 million

**HUGH K. LEATHERMAN
TERMINAL**

0.7 million

2.4 million

**NORTH CHARLESTON
TERMINAL***

0.5 million

0.5 million

TOTAL

3.5 million

5.3 million

*NCT dependent on bridge height and ship size.

WANDO TERMINAL INFRASTRUCTURE IMPROVEMENTS



- Revitalized wharf, toe wall, and buildings
- 15 cranes at 155 feet / 47.2 meters of lift height
- Able to reach a 10th tier working over 9 high stacks on the CMA CGM Brazil
- 65 RTGs and 28 empty container handlers = reducing toplifters
- 40 truck gates
- Densifying stacks to reach 2.4 million TEU capacity
- Able to handle 3 x 14,000 TEU simultaneously

HUGH LEATHERMAN TERMINAL



December 22, 2020

- First greenfield terminal in US since 2009
- Total investment in three phases of \$2 billion
- 5 cranes at 169 feet / 51.5 meters of lift height
- 25 hybrid RTGs from ZPMC
- Dedicated access road to/from I-26
- The gateway to a near dock Navy Base Intermodal Facility (NBIF)
- 2.4 million TEU of capacity at full build out

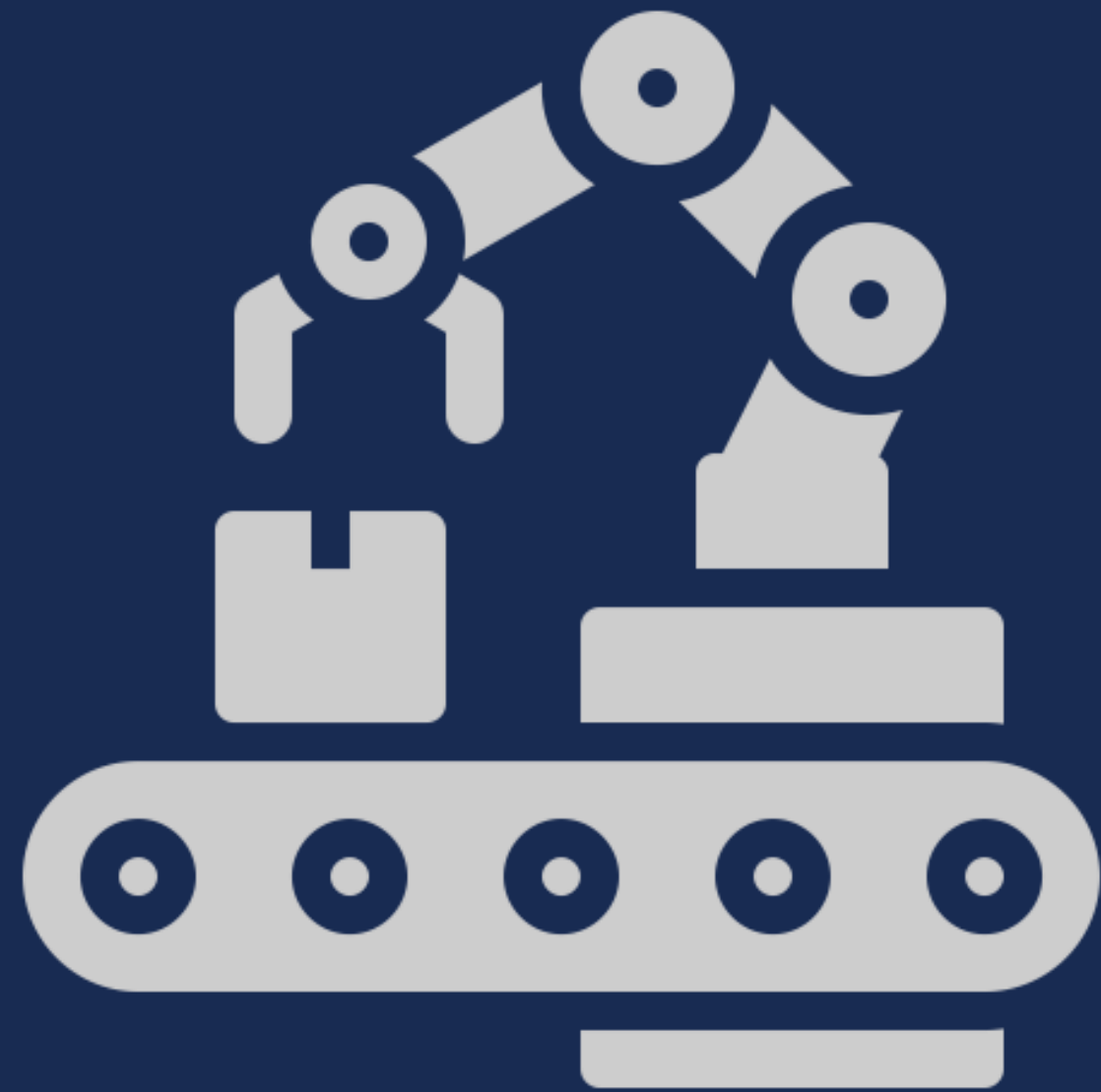
CHARLESTON HARBOR DEEPENING



- First deep draft navigation project under “smart planning”
- A major harbor deepened start-to-finish in 12 years
- Completed mid-2022
- When completed:
 - ✓ Deepest harbor on the U.S. East Coast at 52 feet / 15.8 meters
 - ✓ 1650 foot / 503 meter turning basin
 - ✓ 24-hour unrestricted access for ships drafting 48 feet / 14.6 meters
 - ✓ Tide restricted draft up to 54 feet / 16.5 meters
- A \$600 million project which is fully funded by federal/state partnership
- A transformational investment by the SC legislature of \$300 million in 2012

PRIORITY 3
**GROWING OUR CARGO BASE
AND ALTERING OUR FOCUS**

FROM ADVANCED MANUFACTURING TO ADVANCED DISTRIBUTION



- SCPA doubled its volume based on advanced manufacturing in SC from 2009-2019
- This trend will not repeat itself over the next ten years
- A new cargo base focus is required to sustain above market growth
- Important trends define a new direction
 - Manufacturing is 11% of us GDP
 - Consumption of goods is 35% of us GDP
 - Omnichannel and e-commerce are the dominant themes
- A significant pivot is required into retail distribution
- Takes both port-dependent land and the right buildings
 - Efficient import transloads with ample trailer parking
 - Big box DCs for the major retailers
- Must be paired with export transloading to mitigate imbalance
- Significant potential exists in both Charleston and Greer

\$220 million investment

1,000 jobs

3 million square feet

52 football fields

70,000 containers

Walmart
Save money. Live better.



IDC 7
Ridgeville, SC

CARGO BASE

Ships go where there is cargo

SCPA has appropriately transitioned its focus

Generally there are fewer but bigger opportunities

An overall shortage of space/capability in US creates opportunity

Land and reliable private sector partners are a requirement

There are no unhappy customers using SCPA facilities

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PRIORITY
INTERMODAL RAIL
DEVELOPMENT

LEADER IN DEVELOPMENT OF SHORT-HAUL RAIL INLAND PORTS

INLAND PORT GREER



**140,155 RAIL MOVES
FY2020**

INLAND PORT DILLON



**32,453 RAIL MOVES
FY2020**



NEAR TERMINAL RAIL INTERMODAL CONTAINER TRANSFER FACILITY



- SC Ports will operate a dual served Navy Base Intermodal Facility (NBIF) near the Hugh K. Leatherman Terminal
- Barge operation will be offered from Wando Terminal
- Capable of building 15,000-foot trains
- Expanding rail reach beyond traditional Southeast
- Potential short haul container rail shuttle to Ridgeville

Source: Palmetto Railways

INNER HARBOR BARGE OPERATION

- The critical widening of I-526 to Long Point Road is not scheduled to be realized for another 10 years.
- Based on current volumes, we estimate we can move between 175,000 and 200,000 containers by barge to the proposed NBIF from Wando, removing this amount of truck trips from the interstate.
- The barge, while more expensive than truck, will extend the life of our highway infrastructure.



MAJOR ACTIVITIES

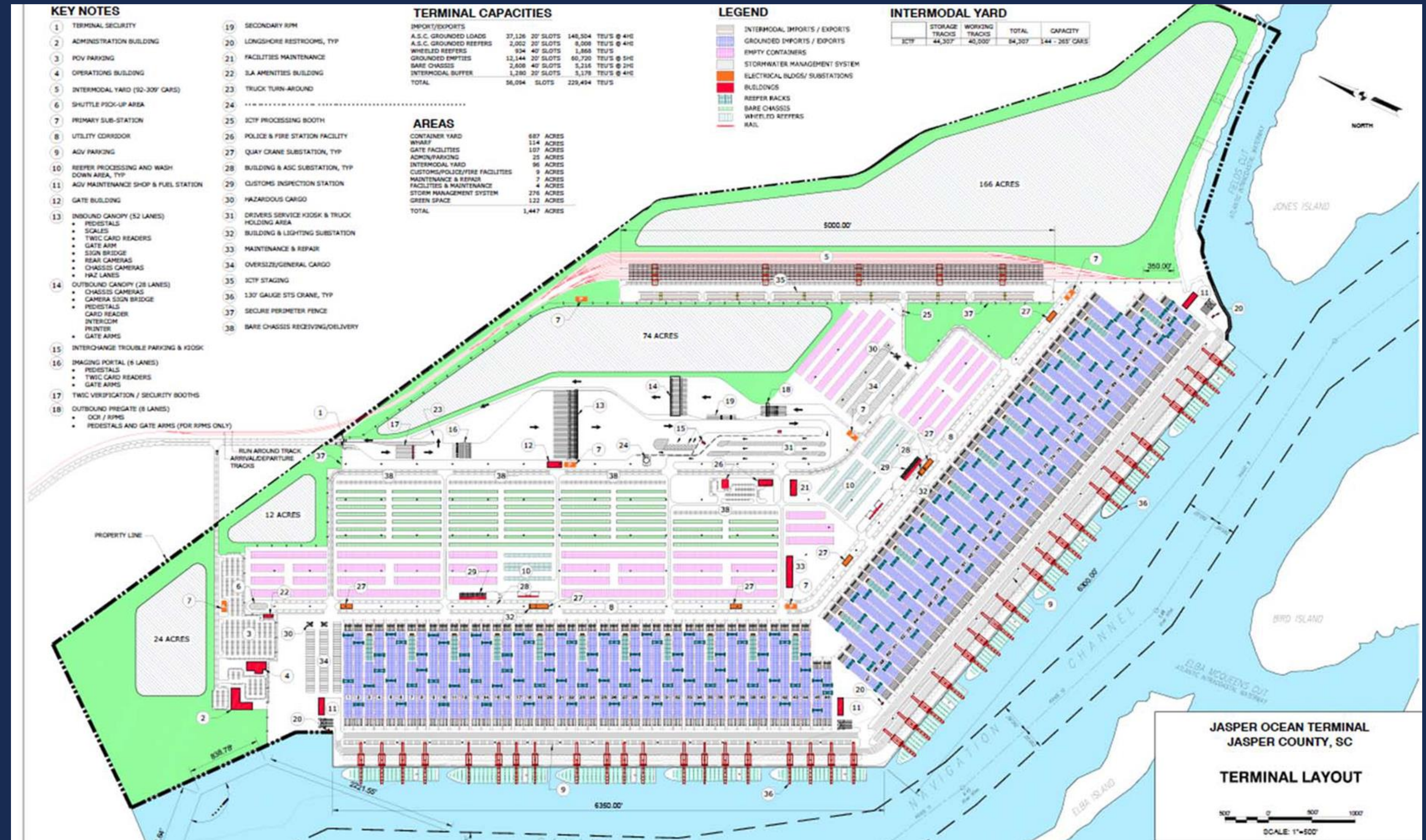
FY2021



- Deliver Phase One HLT = March, 2021
- Substantially complete revitalization of Wando Terminal
- Complete widening of Wando turning basin to 1,650 feet
- Introduce Tideworks Operating System
- Develop Ridgeville Industrial Campus
- Increase retail transload presence = Charleston and Greer
- Further develop export transload business
- Finalize expansion of SC Inland Port Greer
- Secure funding for NBIF and barge concept
- Import perishable distribution
- New financial system
- Plan for and implement a new chassis pool model
- Begin entitlement process for Union Pier
- Secure long-term cruise presence

Jasper Ocean Terminal

- \$5 million non-recurring budget request for the Jasper Ocean Terminal Port Facility Infrastructure Fund





**SOUTH
CAROLINA
PORTS**

THE WORLD CONNECTS HERE

THANK YOU

