

# SC PORTS UPDATE

House Ways and Means Committee  
Natural Resources and Economic Development Subcommittee  
Thursday, January 17, 2019



**SOUTH  
CAROLINA  
PORTS**

THE WORLD CONNECTS HERE

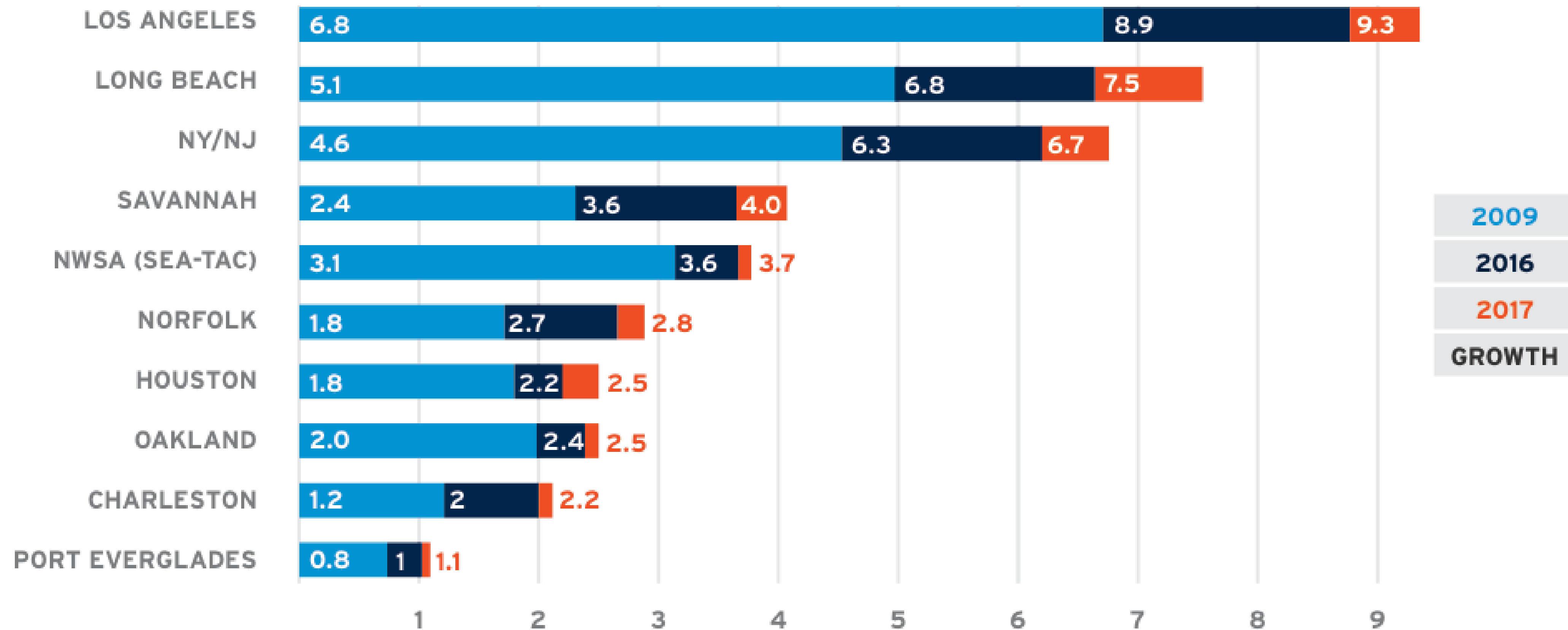


# **VOLUME**



# TOP 10 U.S. PORTS

Container Volume

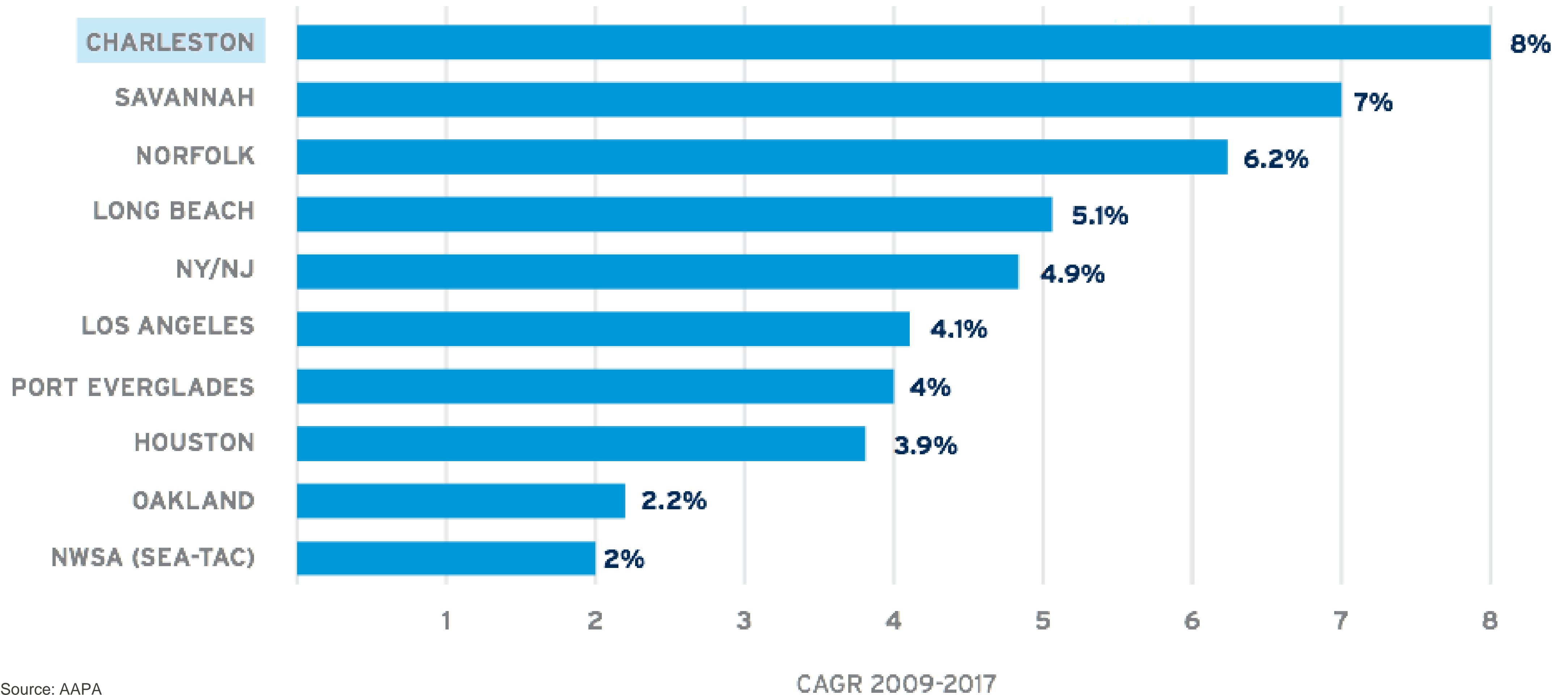


Source: AAPA

TEUs in Millions

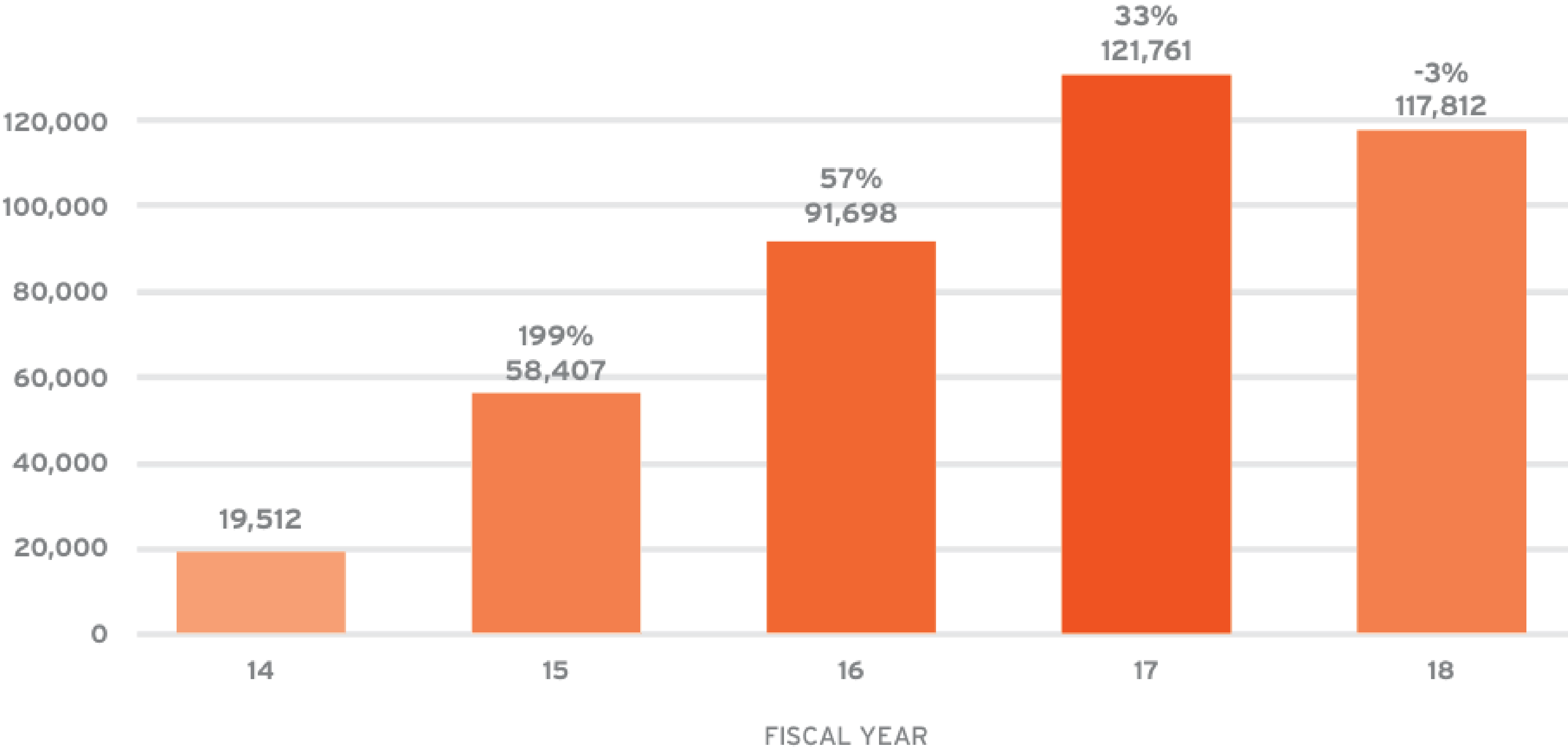
# TOP 10 U.S. PORTS

Container Volume 2009-2017 Growth



Source: AAPA

# INLAND PORT GREER RAIL MOVES



**FY2018**





# FY 2018 RESULTS

## HIGHEST VOLUME MONTH IN PORT HISTORY

June 2018: 116,000 Pier Containers > 202,000 TEU

## RECORD ANNUAL VOLUME

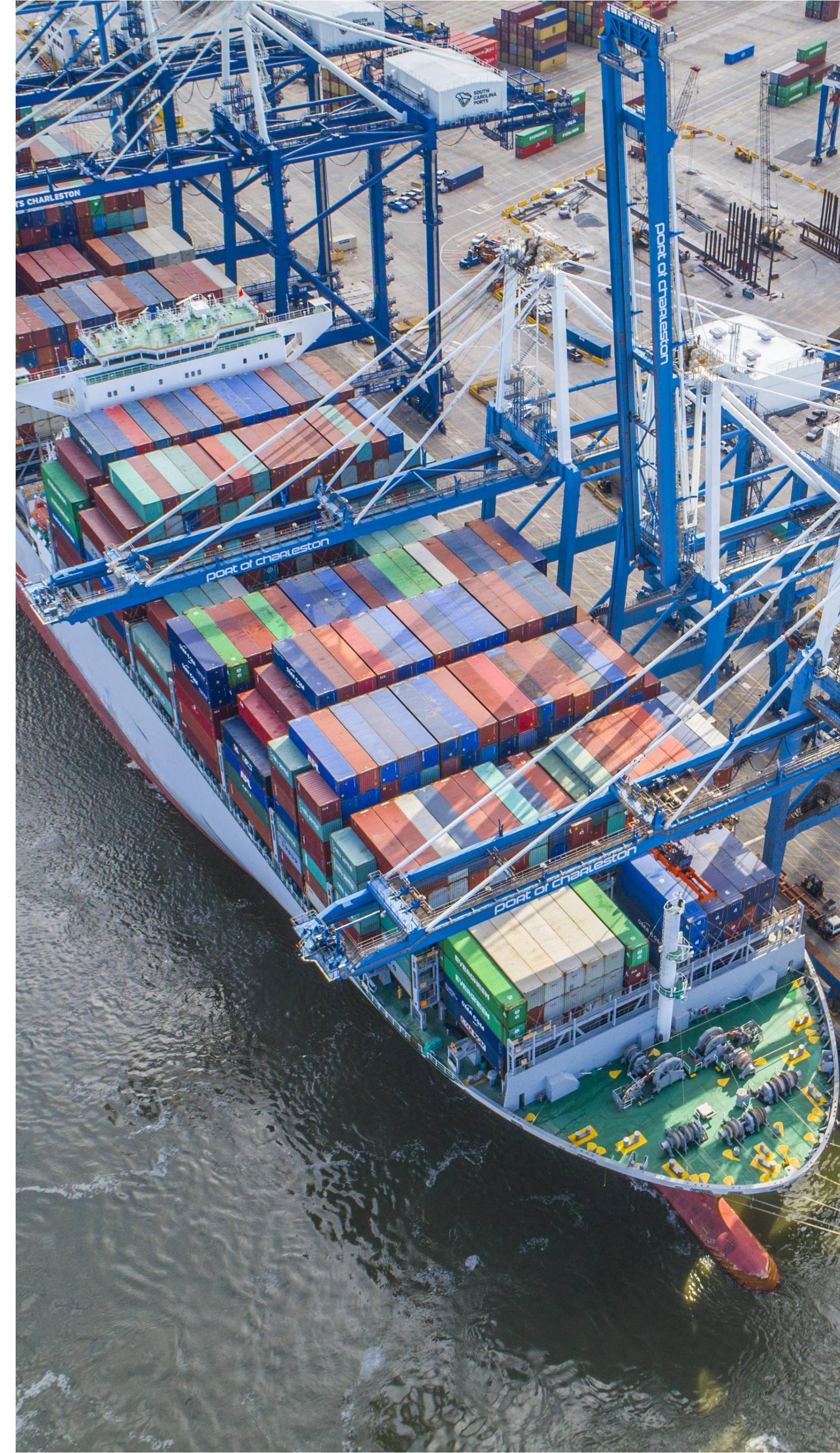
1.25 Million Pier Containers > 2.2 Million TEU

## 3 HIGHEST VOLUME MONTHS

in SC Ports history

## RECORD OPERATING CASH FLOW

Estimated \$85 million





## COMPARISON: FY2010-FY2018

**500,000**

INCREASE IN PIER CONTAINERS  
(TO 900,000 TEU; 7% CAGR)

**\$50MM**

INCREASE IN  
OPERATING CASH FLOW



# FY2018 ACCOMPLISHMENTS

- **WANDO WHARF REFURBISHMENT**  
Completed, 840 days
- **HARBOR DEEPENING**  
First major contract, \$300 million
- **ARMY CORPS WORK PLAN**  
provides another \$49 million  
for next contract  
*With an additional \$41.4 million announced for FY19*
- **LEATHERMAN TERMINAL**  
Completion of Fill Phase
- **INLAND PORTS**  
Opened Second location in Dillon, SC
- **CHASSIS POOL IMPROVEMENT INITIATIVE**  
Commencing
- **NEO PANAMAX ERA**  
18 of 26 Weekly services have ships that are Neo Panamax
- **NEW DEBT ISSUANCE FOR CAPITAL CAMPAIGN**  
Successfully issued nearly \$300 million in net new proceeds while maintaining A1/A+ credit ratings from Moody's and S&P

**CAPEX**





# WANDO TERMINAL

## Refurbishment Project

**\$500M**

project to complete at  
end of 2019

**700,000**

TEU of additional  
capacity on  
existing footprint





## IN PROGRESS

- 15 STS Cranes;  
All have lift height  
over 155'
- 70 RTGs with 23  
empty handlers
- 3,800' Wharf,  
room for 3 Neo  
Panamax Ships
- 40 Gates,  
27in/13out
- New 35 acre  
Chassis Yard
- Enhanced Traffic  
Flow Pattern







# LEATHERMAN TERMINAL

In Three Phases

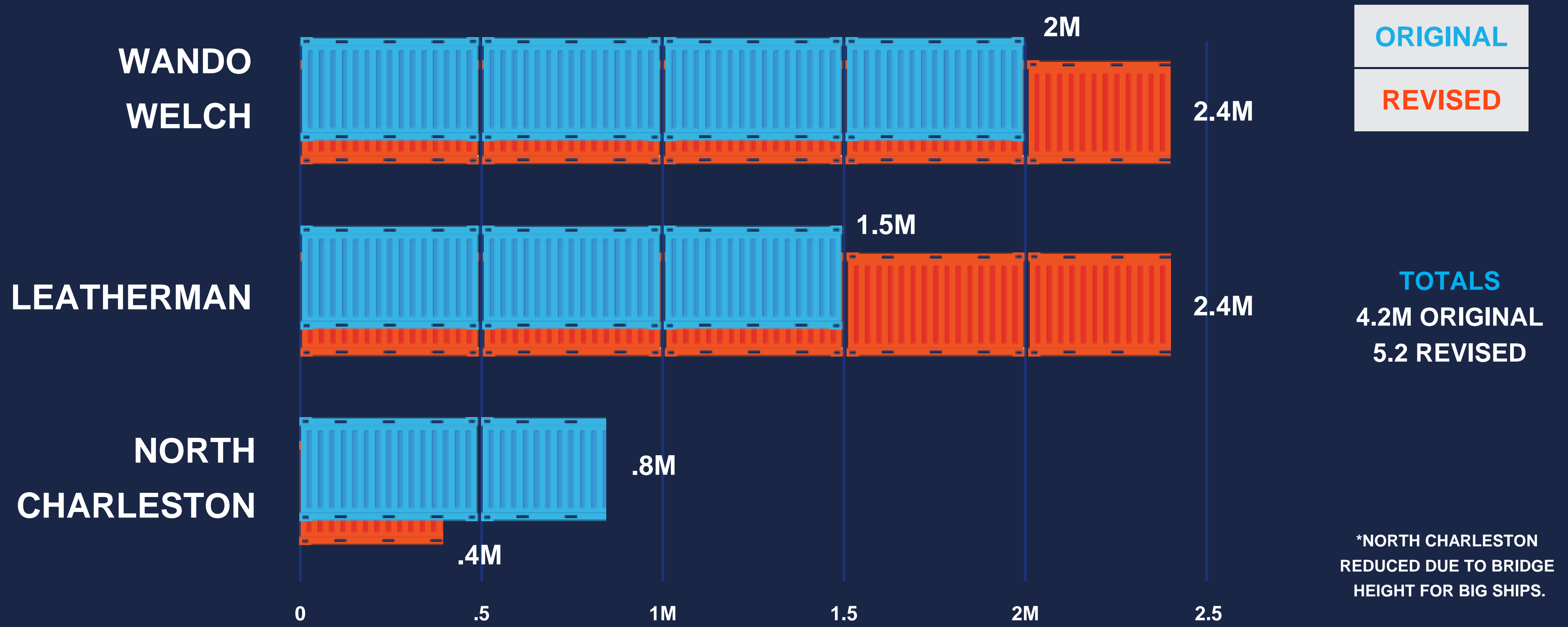
\$1.5 Billion Investment

3700' Wharf

- **PHASE 1**  
2021
- **PHASE 2**  
2026
- **PHASE 3**  
2032



# CHARLESTON TEU CAPACITY ASSUMPTIONS





# INLAND PORTS

GREER



DILLON





# SC PORTS INVESTMENTS

## \$2.4 Billion CAPEX Plan Supporting SC Ports

### FUNDED INVESTMENTS

Hugh Leatherman Terminal Phase 1	\$ 749.8
HLT Port Access Road (SCSPA Portion)	\$ 112.0
Wando Welch Terminal Improvements	\$ 288.1
Inland Port Greer (Initial & Future)	\$ 81.5
Inland Port Dillion	\$ 41.0
All Other Terminal Investments	\$ 208.1
<b>SC PORTS CAPEX Total</b>	<b>\$ 1,480.5</b>

### CAPITAL INVESTMENTS NOT FUNDED BY SCPA

Harbor Deepening (State)	\$ 319.0
Harbor Deepening (Federal)	\$ 107.9
HLT Port Access Road (State)	\$ 220.0
Wando Wharf Strengthening (TIGER Grant)	\$ 10.8
Inland Port Greer (Norfolk Southern)	\$ 7.5
Inland Port Dillon (CSX)	\$ 9.5
New Intermodal Rail Facility (Palmetto Rail)	\$ 250.0
<b>Other CAPEX Total</b>	<b>\$ 924.7</b>
<b>Grand Total SC PORT-related Investment</b>	<b>\$ 2,405.2</b>

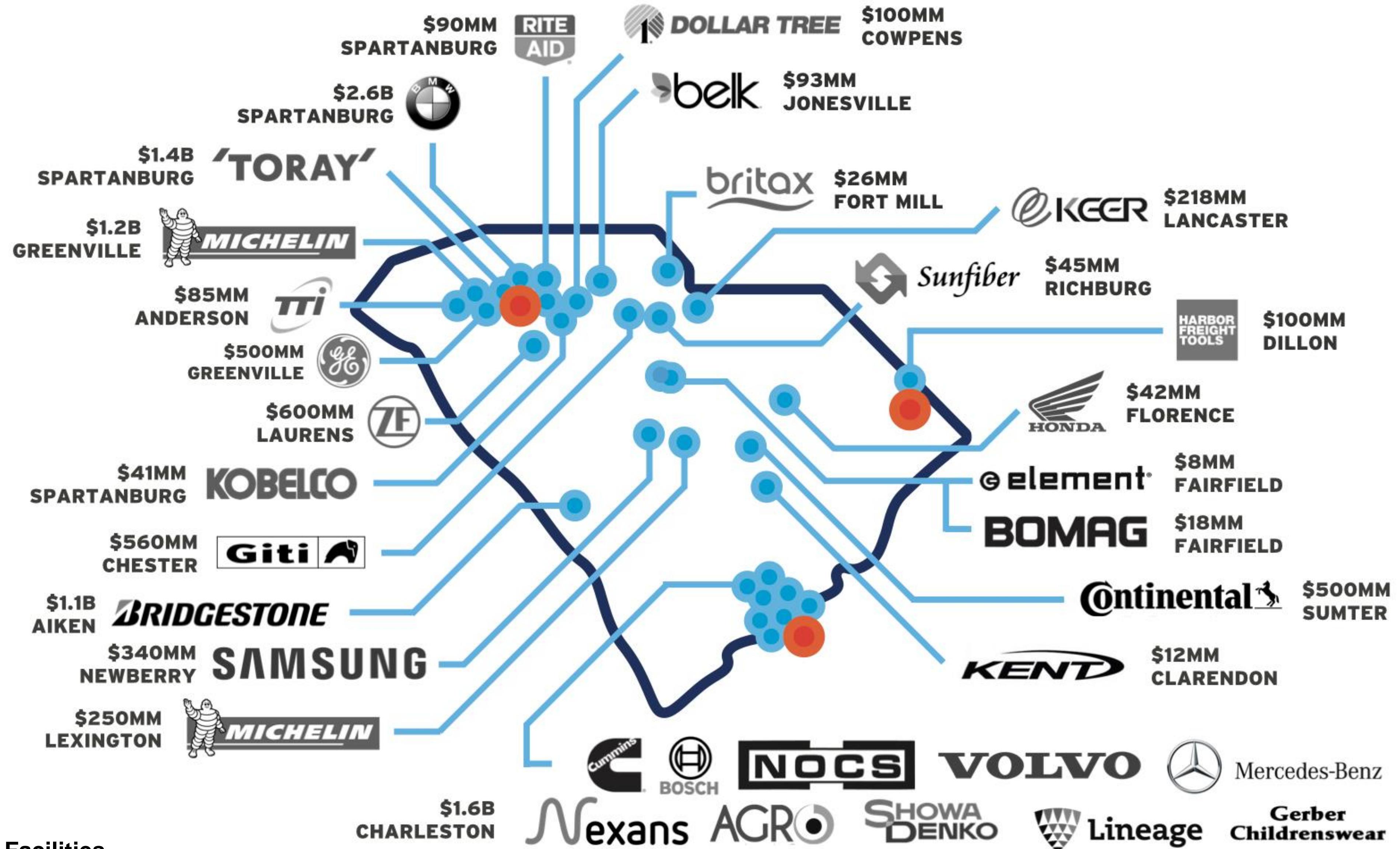
\*In order to provide a clearer scope of the scale of SCPA CAPEX commitment, the expenses shown indicate initial and future expenses for these projects.

# IMPACT





# THE PORT PLAYS A KEY ROLE IN BUSINESS RECRUITMENT AND EXPANSION

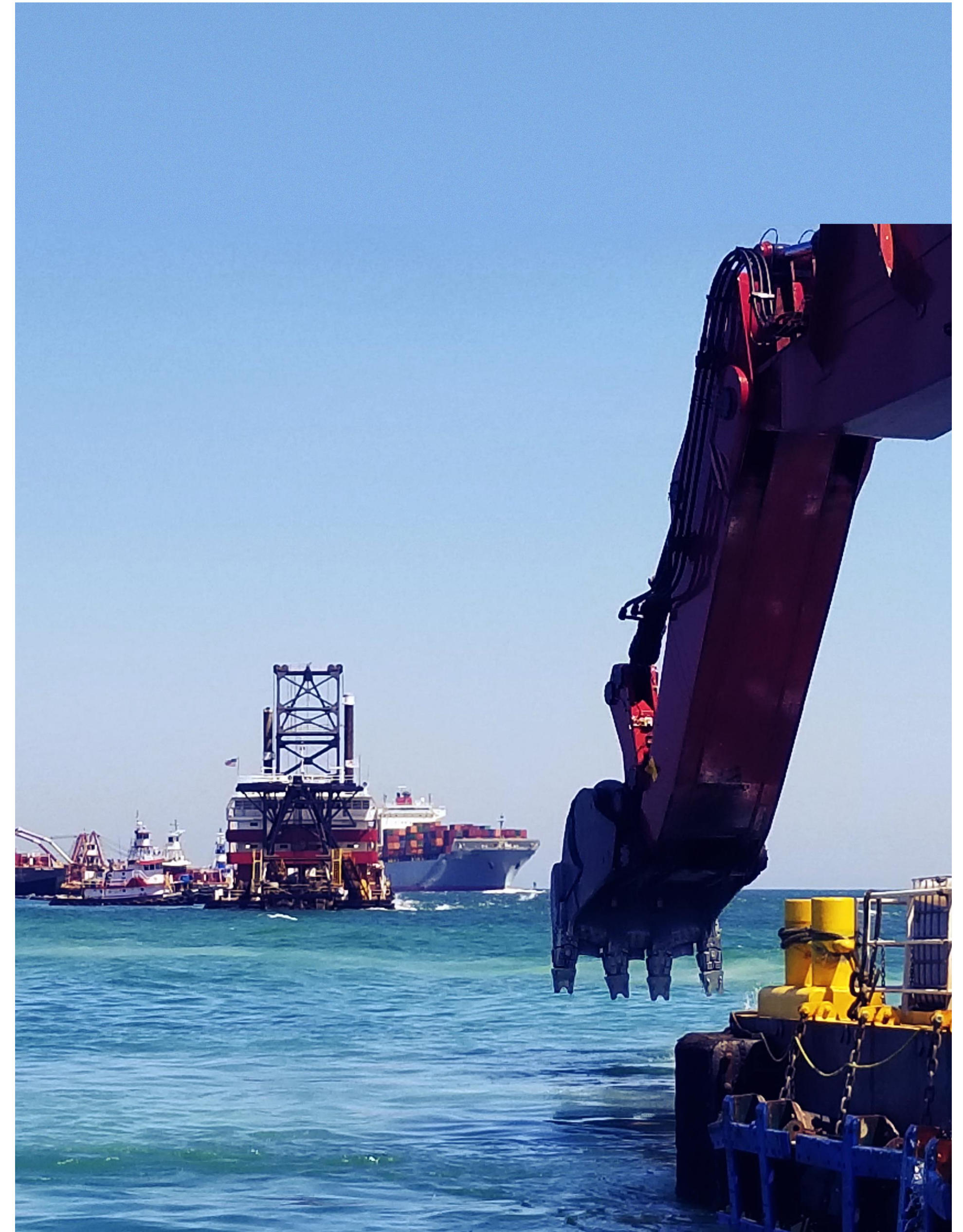


● SC Ports Facilities



# HARBOR DEEPENING

- Record completion time for feasibility study, design, and pre-construction engineering. 6YRS & 4MO
- New Construction Start Achieved June 2017
- Total Project Cost \$558 Million —  
\$287 Federal /\$271 State
- SC legislature -  
\$300 million in 2012 & \$50 million in 2018
- First two contracts awarded for entrance channel in 2017 (\$300 Million). Next contract will be awarded in 2018 for inner channel to Wando Terminal.
- Wando Turning Basin Widened to 1650 Feet
- Army Corps Work Plan Funding  
FY17 = \$17.5M / FY18 = \$49M / FY19 = \$41.4M
- October 2018 - BCR Recalculation = 6.4 (old 3.9)
- Outcome: March 2021 Wando Segment Completion
- A Deep Draft Navigation Project Start-to-Finish in 10 years







# **SUSTAINABILITY**

- Deploying latest equipment
- Ocean harbor = minimal environmental impact
- Ultra-low sulfur fuel by 2020 in global shipping
- Fast on terminal truck turn times
- Short Haul Rail Inland Ports
- Terminal Air Quality Measurement
- Modernized Chassis Fleet
- Proactive Relationship with Environmental / Conservation Community



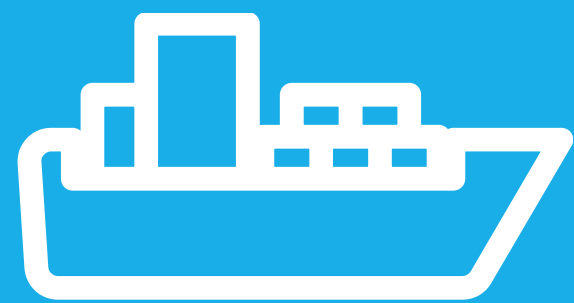
**FUTURE**



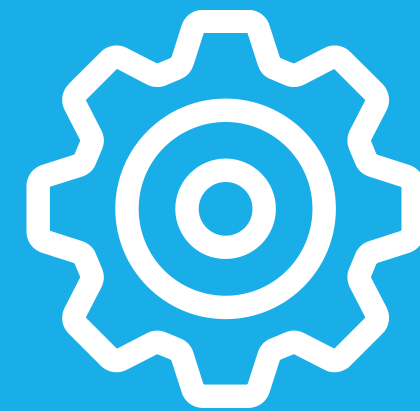


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## 5 YEAR STRATEGIC PLAN



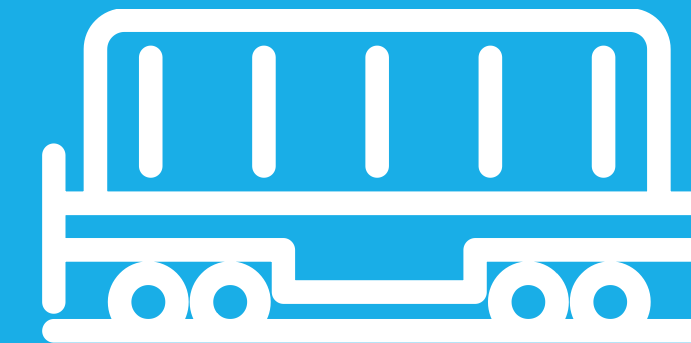
Ensure that  
our port  
works well



Invest heavily  
in new and existing  
infrastructure



Continued  
growth of  
cargo base



Drive  
intermodal  
efficiency

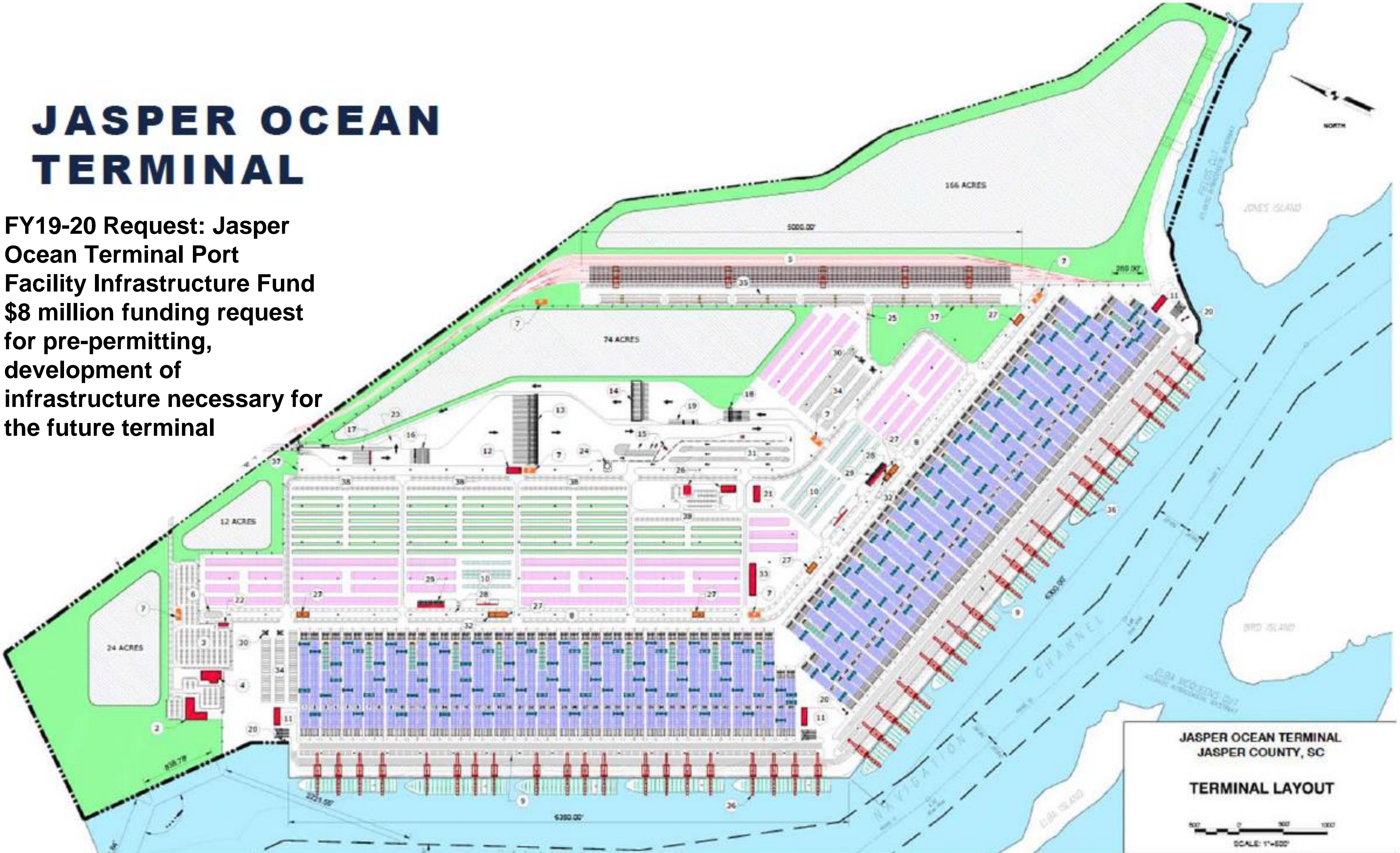


Enhance our  
workforce  
effectiveness



# JASPER OCEAN TERMINAL

- FY19-20 Request: Jasper Ocean Terminal Port Facility Infrastructure Fund
- \$8 million funding request for pre-permitting, development of infrastructure necessary for the future terminal



JASPER OCEAN TERMINAL  
JASPER COUNTY, SC

TERMINAL LAYOUT

SCALE: 1"=500'





**SOUTH  
CAROLINA  
PORTS**

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THE WORLD CONNECTS HERE

**THANK YOU**

We're happy to answer any additional questions at this time.