

By Ken Little

MAKING Waves

A Port in Southport? It's Not Just a Brunswick County Issue



An aerial view of the Wilmington Port, which will remain open for business even if the new port is built.



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Pete D'Onofrio was once the Port of Wilmington director of operations. He is passionate about the Cape Fear River and doesn't want to see the area's natural beauty altered. That's why he is squarely against the construction of a new mega-port container terminal in Southport, on the Brunswick County side of the river.

Those in favor of the N.C. International Terminal proposal cite the boost to the local economy and jobs it would provide. They also say the port can be built and operated in a way that is environmentally responsible.

D'Onofrio disagrees. He's a member of the opposition group NoPort Southport, and has taken a vocal stand early on.

"Having spent most of my business career working in very large container terminals, I can tell you that a project of this size will alter the character of the Cape Fear region forever, and not in a fashion most area residents will

appreciate," he says.

D'Onofrio is unique to the debate in that he lives in New Hanover County. His home is along River Road and he spends most of his free time enjoying the recreational opportunities that abound on Pleasure Island. He wants local residents to understand that this is not just a Brunswick County issue.

About the Port

The port, which would rise from 600 acres of undeveloped state-owned land about four miles from the mouth of the Cape Fear River, would include a dock 4,600 feet long that can accommodate four container ships at the same time.

The N.C. State Ports Authority (NCSPA) projects the port to create more than 450,000 jobs and bring billions in tax revenue to the state.

NCSPA officials say the facility would be

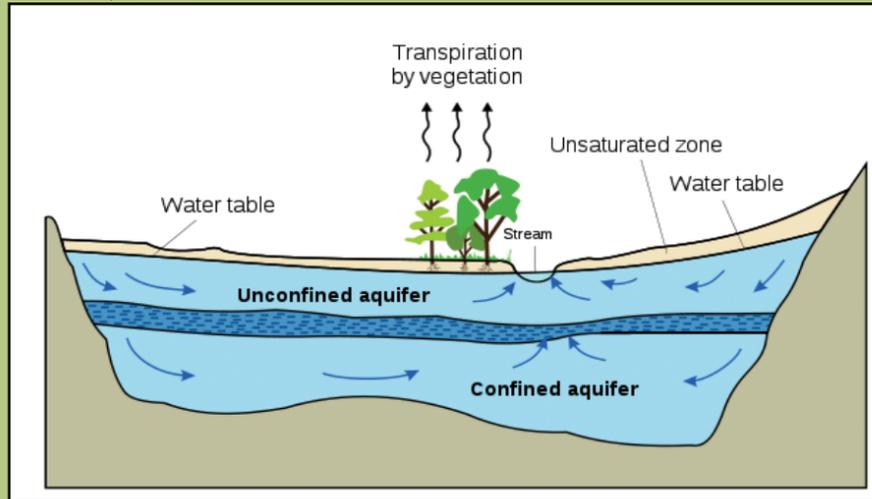
The doomsday scenario is that it could damage the environment, ruin the water supply, interrupt ferry service, take jobs away from Wilmington's port and divert money away from beach renourishment. On the flip side, it could take North Carolina into the global market.

built on one of the few locations along the East Coast suitable for development of a new deepwater terminal. They say its construction would create or support 477,000 new jobs across the state "and catapult North Carolina into the ranks of major U.S. ports."

The international port must undergo a rigorous regulatory process with state agencies, and officials say the earliest it would begin accepting ocean-going vessels is 2019. A sizeable investment of state and federal funds is required, and the state has to secure a private partner committed to helping pay for the construction of the port. The total price tag is estimated at \$2.3 billion, excluding expenses for dredging needed to accommodate big container ships. In addition, a road has to be built in Brunswick County to connect the port to interstate highways, as well as bridges over the railroad serving the terminal.

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AQUIFERS



Just what exactly is an aquifer anyway? Even in the driest of places there is usually water underground, but don't be misled into imagining a giant lake that we're all floating on. The water is within a layer of gravel, sand or rock that is completely soaked.

Take a look at the image above – that's what it looks like around here. If you dig deep enough you'll hit water. This groundwater is an unconfined aquifer, so named because the water is free to spill into streams, rivers or lakes and because it is freely refilled by rainwater. It's usually referred to as the water table.

Below that there is a layer of impermeable material like clay or rock that keeps water from moving between the two aquifers. (The dark blue layer.) The lower aquifer is called a confined aquifer because water doesn't move as freely in or out of it. In the case of the Castle Hayne Aquifer most of the water enters at the western edge and slowly drifts eastward toward the sea.

The water in the lower aquifer is cleaner and that's where most local residents get their water. Our aquifer is mainly made up of water within a honeycomb of limestone. (Which incidentally is what the Titan plant wants to mine for, but that's a topic for another article.)

Often due to geological forces the water in an aquifer is under pressure. In a spot where there are cracks in the rocks it might be pushed to the surface – imagine squeezing your kid's juice box. This is a spring and it's how the Black River, Northeast Cape Fear River and White Lake are formed.

Barely on the local radar

Carolina Beach Mayor Joel Macon says that the port hasn't been discussed by members of the town council. "I don't have enough information on it or how far along it is to really form an opinion," Macon says.

Kure Beach Mayor Mac Montgomery says the Town Council has not taken a position on the issue, although he has discussed it with individual members. He recently attended a meeting in Raleigh of the N.C. Water Resources Congress, which is tasked with overseeing "wise development" of coastal water and land-related resources. The international port project was discussed at the meeting, and the mayor has formed some personal opinions.

One is transportation logistics, particularly in southern Brunswick County. "We connect with

the ferry and a lot of people are concerned about it," he says.

Montgomery awaits results of the study looking at how additional dredging will impact the Cape Fear River, along with other impact studies. "I have some very serious environmental concerns," he says.

There is also unease over the potential for tax dollars being shifted from beach nourishment, along with dredging and maintenance of the Intracoastal Waterway, both services vital to the well-being of Pleasure Island.

"There are a lot of concerns about diverting resources. It's becoming increasingly difficult each year (to fund beach renourishment)," Montgomery says.

But Montgomery says he will wait until more

Pete D'Onofrio



information about the international port is made public.

"It's difficult to take a stand as a town until we have some facts to go on," he says.

The environment

NoPort Southport members have sought assistance from local and state environmental groups, along with experts in the fields of wetlands, geology, hydrology, marine science and economics.

They worry about the port's effect on nearby barrier islands and marshes along the Cape Fear River that provide habitat for bird, animal and marine life, along with the ecology of the entire Lower Cape Fear River Region. About 400 acres of the site are designated as marshlands by Brunswick County assessor's office.

Environmental studies will take three to four years to complete and cost a lot of taxpayer dollars, says Rhodes Messick, a Southport resident and a member of the NoPort Southport steering committee. The research and permitting process will take up to five years, he adds.

"They have to jump through all of those hoops and they have done nothing in terms of the environmental impact situation," he says.

Additional factors must also be considered, D'Onofrio says.

"Large ships and large numbers of ships pollute the waters of the ports at which they call. There are accidental fuel oil leaks and accidental discharges of fouled ballast water. Large container ports require thousands of truck traffic moves and railcar moves that have caused tremendous air pollution problems in ports from Los Angeles to Charleston."

It's "laughable," the former port of Wilmington chief says, "to think the same thing wouldn't happen here."

The aquifer

A major concern for New Hanover County is the drinking water supply to the communities of Pleasure Island. While the city of Wilmington

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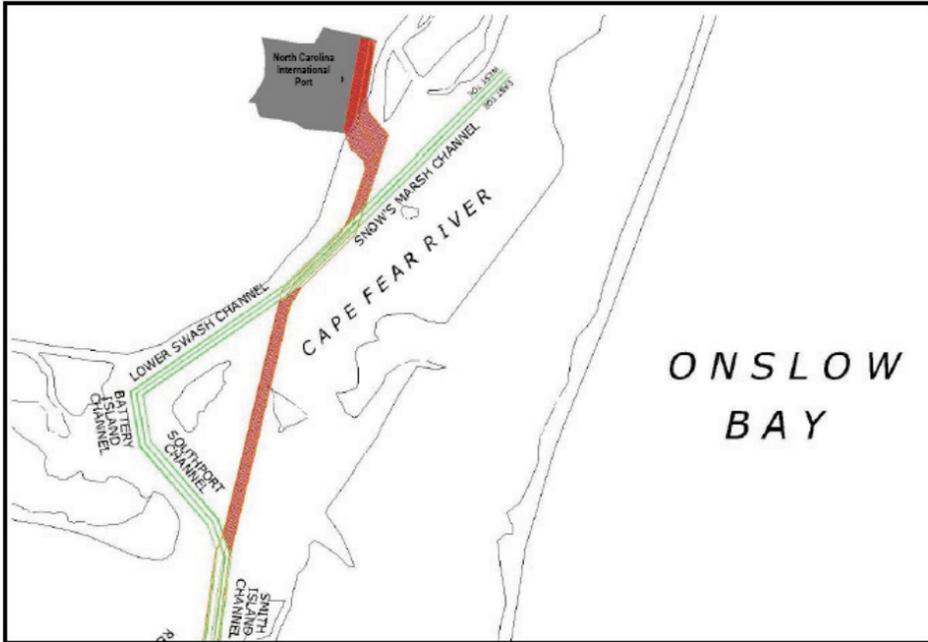
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The present channel is dredged to 42' deep to a distance of about 4 1/2 miles out to sea from the mouth of the Cape Fear River, where the natural depth is sufficient for vessels of 40-foot draft. To accommodate vessels of 50-foot draft, this channel must be dredged to 55 feet deep, 600 feet wide, and be extended 17 miles from shore, where the natural depth is 55 feet. The reason it has to be straightened out is because the new huge supertankers can't make the turn. One rarely discussed benefit is that the new channel would be routed away from Southport making the harbor area safer and more aesthetically pleasing for small crafts.



gets drinking water directly from the Cape Fear River, Carolina Beach, Kure Beach and most of the homes south of Monkey Junction draw their water from wells that tap into the Castle Hayne Aquifer. (See sidebar.)

He said the roof of the Castle Hayne Aquifer has already been penetrated by past dredging projects that took the river shipping channel down to 42 feet. The new port would require that the channel in the southern reaches of the river be dredged to a depth of 55 feet, with "catastrophic" results.

According to NoPort Southport the top of the aquifer is anywhere from 43' below sea level to 75' below sea level, depending on the location. (It's an inexact science.) A worst case scenario is that the dredging "would take a 600-foot wide strip, over a mile long, off the top of the aquifer," causing the water in the aquifer to mix with the water in the river and the ocean. According to them "the Atlantic Ocean would flow from kitchen faucets all over the Cape Fear Region."

"Our entire region is completely dependent on the aquifers for our fresh water, and the continued destruction of their containment units carries a very real risk of losing enormous quantities of fresh water to the river, or else

contaminating the aquifers themselves with salt water," D'Onofrio says.

Charlie Stehman is the Aquifer Protection Supervisor at the Wilmington office of the NC Division of Water Quality. He confirmed that saltwater intrusion of the aquifer is a potential problem when dredging the river. Years ago the shipping channel was deepened and the water quality in the Village of Bald Head was negatively impacted.

Simply put, if you dredge down to limestone, which makes up the Castle Hayne Aquifer, some amount of river and ocean water will mix with the aquifer water. Mr. Stehman did clarify that these problems are usually local, meaning that if the aquifer is penetrated near Southport it probably wouldn't affect water quality five miles up the river. (In Carolina Beach for instance.)

"An economic development engine" or not?

Just how much of an economic boost the port will bring depends on who you're talking to. For every point there's a counterpoint. NCSA CEO Thomas J. Eagar, in a speech last year to the Southport-Oak island Chamber of Commerce, called the international terminal and other NCSA facilities "an economic development

engine for the entire state."

Port officials project a doubling of international trade by 2020, with growth in the container shipping business moving ahead faster than that.

"Uncertain times should not deter economic development projects the likes of [the international terminal]. Now is the time to encourage smart development that will result in good-paying, stable jobs for our region and state," Eagar told the chamber.

The N.C. International Terminal allows the state to take advantage of "dramatic growth" in international shipping that will generate increased demand for east coast port capacity, state officials say.

D'Onofrio believes a new terminal is unwarranted when the nearby Port of Wilmington already has sufficient capacity to serve the area. In the past, he says, overly optimistic state port cargo projections "were used to justify hundreds of millions of dollars in dredging expenses that were spent mainly to accommodate a single foreign steamship line consortium."

"The same tactic was used to justify the procurement of four additional container cranes for Wilmington several years ago," which are now "terribly underutilized," D'Onofrio says.

If the port were to be built, D'Onofrio says it would take existing container business from Wilmington out of necessity, so for every new longshoreman or trucking job that was created in Southport; one would be lost in Wilmington.

Ports spokeswoman Karen Fox insists that the new port bring in new business, not just fight for the same ships.

"It will be a port that will have more capability than Wilmington. It will be able to handle larger ships," Fox says. "The international port will be built to handle containers and container business that Wilmington can not handle, and that's new business."

"We have this tremendous market to serve. The people who say there is not going to be enough business, maybe they're not looking at the whole picture and the global connection," Fox continues. "With this expansion, it will bring new jobs. The Ports Authority has always looked at the international terminal as an expansion of the Port of Wilmington."

While many of the functions at the international port terminal would be automated, Fox said a total of 6,000 new jobs will be created locally, including new businesses and services needed to keep the port running.

NoPort Southport relied on a member of its steering committee, Michael D. Rice, to assess studies of the economic impact the international terminal would generate. The studies were done for the NCSA by Martin Associates, a Pennsylvania-based consulting firm.

The economic benefits of constructing the port facility would be considerable during the building phase. The facility would encompass 600 acres and include a 4,600' dock. Also necessary is a four lane highway connecting the port to Interstate 95, railroad improvements and a massive amount of dredging. "We looked at the employment impact and that was quite substantial, but only during build out," UNCW economics professor William Hall, Jr. says. "Up to 20,000 construction jobs could be created."

Rice is an attorney specializing in business law who also has engineering expertise. He splits his time between homes in Southport and Connecticut, where his consulting firm, Risingwater Associates, is based.

Risingwater Associates concluded that the Martin Associates study overestimated revenues and business growth at the new facility, including a projection that the international port would be handling 3 million container movements per year by 2030.

The Risingwater assessment concludes that growth in container traffic for the market served by the Port of Wilmington "can comfortably be handled by the existing container terminal for the foreseeable future. Thus, the economic impacts, if any, of increased container traffic would be realized without incurring the financial and environmental cost of a new container terminal at Southport."

UNCW Cameron School of Business associate professor of management Curt Stiles agrees with NoPort Southport on this point.

"Those numbers (from Martin Associates) are wildly inflated. There's no way they can be as large as that (yet) those are the numbers that

have been used to justify a huge commitment on a huge investment," Stiles says. "I'm not saying anybody has done anything wrong. What I'm saying is that I wish the Port Authority would commission a much more thorough and complete economic analysis."

Brunswick County Economic Development Director Jim Bradshaw sees many benefits in the proposed port.

As an example he points to the recent negotiations for a tenant in a planned industrial park along U.S. 74/76, near the border of Brunswick and Columbus counties. "These facilities typically hire between 100 and 200 people and the pay is pretty good," Bradshaw says.

"Anytime you have a port facility, supplies will be constantly needed at the port, so there will be port-related businesses built in the Southport area and that will employ people as well," Bradshaw says. "That's an important part of it. You will have the businesses being generated with the port being there."

And so we wait

For Southport Mayor Sandra Spencer, who

grew up in Southport and whose father worked as a stevedore at Sunny Point, mixed feelings remain.

"When he was able to work out there he made good money and I can understand why some people would want those sorts of jobs available," she says. "But the whole thing hinges on a lot of money. Unless the Port Authority could find a worldwide partner with pockets full of money, that's not going to happen."

Like their counterparts across the river, Spencer and the Southport Board of Aldermen are taking a wait-and-see attitude while the facts are determined about the proposed international terminal.

"Every community has got to grow and there is good growth and there is bad growth and I'm not sure that is what we need," Spencer says. "There is not enough information out there right now for people to make a decision on it. But if it becomes a statewide issue it may be something we don't have a lot of control over." SCM

The channel would be dredged to 55' deep to accommodate huge new container ships like the Emma Maersk – the world's longest ship.



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