

**FEDERAL MARITIME COMMISSION**  
**INTERNATIONAL SUPPLY CHAIN EFFICIENCY:**  
**CHALLENGES FACING SOUTH ATLANTIC PORTS**  
**Summary of Port Authority Executives Panel Discussion**  
**THURSDAY, OCTOBER 30, 2014**

Please note that this portion of the Public Forum (9:00 – 9:50 am) was summarized by FMC staff members in attendance and is not a verbatim transcript of the Port Authority Executive Panel discussion. For a complete account of the discussions during this Public Forum, please also see the companion [Transcript for the South Atlantic Ports Forum](#), which covers the other panel discussions by Motor Carrier and Trucking Representatives; Ocean Carriers; Railroads, Chassis Providers; Labor; and Shippers and Logistics Providers; as well as the open public comment and discussion period and closing remarks (from 9:50 am to the end of the Forum).

The meeting of the Federal Maritime Commission convened in North Charleston, South Carolina, pursuant to notice at 9:00 a.m., Michael A. Khouri, Commissioner, presiding. The topics addressed at the forum included port congestion, infrastructure needs and challenges, efficient chassis use, global trade, and international supply chain efficiency.

**Port Authority Executives Panel**

After Commissioner Khouri welcomed the attendees and thanked South Carolina Ports for hosting the forum, several port executives gave prepared statements. The port executives noted that South Atlantic ports are relatively congestion free, but several commented that the federal government was not fulfilling its obligations regarding dredging and that the Army Corps of Engineers' regulatory processes delayed port infrastructure projects unnecessarily. Jim Newsome, the president and CEO of South Carolina Ports, stated that although ports in the Southeast are working well, he is particularly concerned about trucking because if drayage truckers are lost, then the entire shipping industry will be negatively affected. Mr. Newsome also suggested that ports extend gate hours and inject more predictability into port operations. He

nevertheless resisted a truck appointment system because he does not think truckers should be punished for missing an appointment. Mr. Newsome concluded that South Atlantic ports should not let their comparatively congestion-free situation lull them to sleep.

John Walsh, the CEO of the Canaveral Port Authority, commented that the federal government is not doing enough regarding dredging, whereas the state of Florida is doing its part. Steven Cernak, the Chief Executive and Port Director of Port Everglades, asserted that the current regulatory environment impedes ports from timely completing infrastructure projects. He focused specifically on the Army Corps of Engineers and noted that it took eighteen years to conduct one environmental impact study at his port. He commented that many channel deepening projects could have been dealt with earlier.

Jamie McCurry, the Senior Director of Administration & Governmental Affairs at the Georgia Ports Authority, reiterated that South Atlantic ports are doing well, states and municipalities in the region were doing their part, and the federal government needed to fulfill its obligations with respect to rivers and deepening projects. His primary message to the Commission was that no two ports are exactly alike, and thus there is no one-size-fits-all solution. Brian Taylor, the CEO of the Jacksonville Port Authority, echoed these sentiments and noted that the Florida Department of Transportation has done a good job investing in shoreside/connectivity infrastructure. He also noted, however, that because the South Atlantic region is growing, and because freight follows people, South Atlantic ports need to continually and proactively invest in infrastructure and collaborate with trucking.

Juan Kuryla from the Port of Miami identified three common issues raised by the port executive attendees: dredging, funding, and the environment. He pointed out that one dredging project at the Port of Miami took nine years to receive authorization and another six years to

begin construction. Mr. Kuryla also noted that Miami did not receive any federal funds for the dredging. Paul J. Cozza from North Carolina Ports commented that because trucking is a fragmented industry, it does not have a large voice. He also opined that port authorities are handcuffed because they have a lot of responsibility without commensurate authority.

After the port executives gave their prepared statements, Commissioner Khouri asked them to identify two things that could improve port efficiency. Mr. McMurray focused on the federal government, stating that the Army Corps of Engineers needs to improve its regulatory processes and that the federal government needs to live up to its responsibilities. Mr. Walsh opined that port authorities need to treat ports as real estate assets and ensure that waterside property is used more efficiently. He also said that ports need to invest in more technology and automation. According to Mr. Walsh, organized labor needs to recognize that technological solutions will result in fewer jobs, or it will risk repeating the mistakes of the auto industry. Mr. Cernak commented that: (1) everyone needs to be at the table to address port efficiency, including truckers and organized labor; (2) an investment financing system needs to be implemented; and (3) the federal government should improve the regulatory environment – eighteen years is too long for a study. Finally, Mr. Newsome stated that predictability would help port efficiency. He focused on improving predictability in funding for harbor deepening projects and basic information sharing.