

Port of Pascagoula will have challenging year, Director Mark McAndrews says

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Crews work Wednesday afternoon on a parking lot expansion project at the Port of Pascagoula offices near the intersection of Pascagoula Street and Convent Avenue. The \$90,000 project will add 22 new spaces to the lot, improve drainage and create a walkway to the gazebo, Port Director Mark McAndrews said. (APRIL M. HAVENS/Press-Register)

PASCAGOULA, Mississippi -- **Port of Pascagoula** leaders will focus on finding alternate cargoes to replace those not expected to rebound this year and sparking activity at the redeveloped South Terminal, **Port Director Mark McAndrews** said during a state of the port address Wednesday.

McAndrews delivered his outlook as part of an annual presentation for the Pascagoula Rotary Club at the Grand Magnolia ballroom.

Last year, the port began to promote itself as a gateway from Latin American to the upper Midwest and Canada, and "our plans are to continue building," he said.

Frozen poultry exports to Russia and inbound building materials from Europe are not expected to rebound soon, he said, so port leaders are focused on identifying alternate cargoes to fill that void.

For example, last year the port sent only six ships of poultry to Russia, which has restricted the amount of its chicken imports. Prior to that, "we used to do four a week," McAndrews said.

At the South Terminal, the former grain elevator site on the west side of the Pascagoula harbor, the port is working to establish a service to Turkey.

"We've been approached by a firm that is interested in shipping, over the course of the next year, about 300,000 tons of debarked pine logs," McAndrews said.

Those shipments should begin this quarter, he said, and the port has several other opportunities for that terminal, "including cross Gulf roll-on/roll-off services to Mexico."

McAndrews touted the completion of Gulf LNG Energy's \$1.1 billion liquefied natural gas terminal last October and said -- unlike terminals elsewhere that were built and remained empty -- it will have shipments this year.

"Cargo volumes are uncertain at this time, however," he said. "Future shipments will generate port fees and increases economic benefits on the water."

Shifts in the global market will affect how much LNG the local terminal receives, he said, as the product currently sells for up to 14 times the U.S. price in other countries.

Another new opportunity is available on a 15-acre property east of Bayou Casotte harbor's two terminals, he said. The land was being used a lay down area during Gulf LNG's construction, but it has been vacated.

The space would be suited for "project cargo, rolling stock, bulk cargo or anything that doesn't need covered indoor storage," McAndrews said.

In 2011, the port saw several Hurricane Katrina-related Community Block Development Grant projects through to fruition, including a maritime training academy at Ingalls Shipbuilding, an assembly building at VT Halter Marine and a deep dry dock for Signal International.

This year, the port is helping with three other projects worth about \$50 million.

Ingalls Shipbuilding is seeking a \$20 million to construct a land-based testing facility on the west bank within the shipyard that would be used for pre-installation assembly, integration and testing of ship components and equipment, as well as other activities.

Signet Maritime is seeking about \$10 million to build an assembly building and make other shipyard improvements.

VT Halter Marine is seeking a \$20 million grant. If the grant is approved, the company will put up an additional \$12 million of its own funds to develop its south yard, which is on the west side of Bayou Casotte, into a repair facility for semi-submersible drilling rigs and new Panamax-sized ships.

Other ongoing port projects include:

- A three-year, \$4 million study on the feasibility of widening the lower sound and Bayou Casotte channels, which is about half complete.
- A \$90,000 parking project that will add 22 spaces to the port lot at the intersection of Pascagoula Street and Convent Avenue. The project includes some drainage work and a walkway to the gazebo, McAndrews said, and should be completed next month.
- A Singing River Island dredged material disposal site project, which is set to begin this quarter. The project will create marsh, prevent erosion and provide a place to store dredged matter for the next 25 years.
- A project to widen the entrance channel from 450 feet to 550 feet, which is expected to begin in the third or fourth quarter.