

## Wheels in motion for CNY inland port



*David Lassman / The Post-Standard* Cargo containers double-stacked on rail cars at the train yard off Fremont Road in the town of Manlius. A larger Panama Canal could bring more business to CNY.

A group looking to build an “inland port” in Manlius thinks the expansion of the Panama Canal — set to finish in 2015 — could help make Central New York products more competitive around the world.

The facility they want to build next to the CSX railyard would bring to the region the connections and hardware that exporters need, they say.

New, bigger locks currently under construction will open the Panama Canal to ships with nearly three times the capacity of those that can currently make the passage, said Rich Roche, director of international transportation for Mohawk Global Logistics in Syracuse. Those larger ships will overwhelm the handling capacity of East Coast ports, creating opportunities for inland ports to help process imports and create much more affordable shipping for exports from right here in Central New York.

Roche said Mohawk, along with Synapse Partners of Syracuse and Brang Cos. of Fayetteville, have created 3Gi Terminals LLC, which owns 100 acres in Manlius just north of the CSX railyard. Jonathan Daniels, executive director of the Port of Oswego, is an adviser to the group.

3Gi wants to use the land to create the first phase of an inland port that could handle cargo containers arriving by rail directly from ships docked at East Coast ports.

For years, the largest and most cost-efficient cargo ships have not been able to use the Panama Canal. Instead, goods have been loaded aboard these ships in Asia and off-

loaded at West Coast ports, such as Los Angeles and Long Beach. From there, Roche said, much of that cargo was shipped by rail across the country.

Right now, he said, about 45 percent of the material that lands at West Coast ports is shipped by rail to points east of the Mississippi River.

For longer trips, shipping by water is less expensive than shipping by rail, Roche said. With the Panama Canal open to the larger ships, he expects East Coast ports will see an increase, perhaps even a doubling, of direct shipments from Asia.

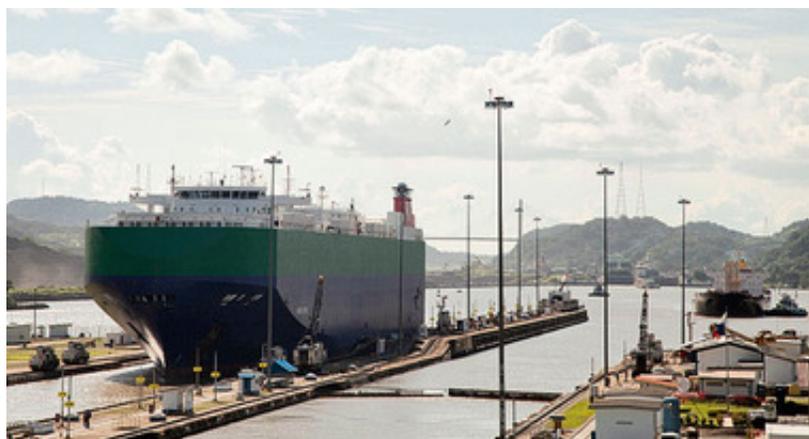
Technical difficulties have delayed some work on the canal, but according to the Panama Canal Authority, necessary work should finish by late 2014.

In preparation for the change, East Coast ports have been readying their facilities to handle larger ships. The Port of New York and New Jersey has railroad tracks running onto the docks so that cargo containers will only need to be handled once, when they are lifted by crane from the ship and set onto a rail car.

Once on a rail car, it's a simple matter to ship the cargo to Central New York for handling, Roche said, bypassing the congested facilities near New York City.

The local CSX yard is the first major stop on the main rail line from New York City, he said. It is also less than a mile from an on-ramp to Interstate 481 and from there onto I-81 and I-90. It's also just a few miles from Syracuse Hancock International Airport and its air freight facilities.

Once here, cargo containers would be removed from train cars and transferred onto trailers to be taken away by truck.



*AP Photo*A cargo ship sails through the Miraflores locks of the Panama Canal. New locks being built on the canal will allow larger ships to carry goods from Asia to the ports on the East Coast, including New York City.

There's an advantage for Central New York businesses in having an inland port in Manlius, said David Mankiewicz, of CenterState CEO, the region's economic development agency. Sitting with Roche at Mohawk's office at the airport, Mankiewicz said containers and the truck chassis used to carry them would be here and available to handle local goods.

Right now, containers shipped by truck to Central New York from the Port of New York and New Jersey are returned to the port empty. When a business in the region needs a container, that container has to be brought up, empty, from the port. That means businesses end up paying for a round-trip on every shipment.

And, Roche added, it means empty containers keep passing each other on the highway. The inland port idea drew support from the Central New York Regional Economic Development Council. The council recommended that the state provide a \$420,000 grant to begin work on permits and environmental studies.

3Gi has not applied for any permits, but did send a letter to Manlius Town Supervisor Edmond Theobald updating him on where the project stands.

In the letter, Brian Macrae, 3Gi's project manager for the inland port, cited a Florida port in discussing the potential economic benefit. "For an equivalent sized project comparison, a 90-acre container facility at the Dames Point Marine Terminal in north Jacksonville is expected to create more than 5,600 new private sector jobs in Jacksonville and support operations in trucking, distribution and related services," he wrote.

The idea has been raised before. Three years ago, Jeff Standart, owner of XRT Express Reefer Transport, a trucking company in California, offered up the idea. But discussions ended when the economy flopped in 2008. He said the facility could create 300 jobs. Roche said the number of jobs created at the port would depend on how far it developed. While simply moving containers from trains to trucks would create some jobs, it would be subsequent development, including warehouses, light assembly and other businesses, that could spawn more jobs.

Contact Charles McChesney at [cmcchesney@syracuse.com](mailto:cmcchesney@syracuse.com).