The Calcasieu Ship Channel is one of the most defining physical features of Southwest Louisiana, and it fuels our entire way of life. A study was recently released which dramatically underscores the far-reaching economic impact of the channel on the Lake Charles region, the state of Louisiana and the nation.

The study concludes that the health of almost half of the Lake Charles metro economy depends on the health of the channel, and it gives us a preview of how our economy will benefit from the $80+ billion in capital investments announced for the area—80 percent of which is because of the Calcasieu Ship Channel.

Key findings in the study show that the Calcasieu Ship Channel is responsible for:

- 36,000 area jobs, or 31% of the total employment in the Lake Charles metro area;
- 50% of local tax revenue;
- 46% of the GDP in Lake Charles;
- $916 million in federal taxes in 2014;
- 80% of the manufacturing employment in Lake Charles.

These impacts will grow tremendously in the next several years as the regional economic boom continues to materialize. In order for our region to continue benefiting from the economic boom, the channel’s sustainability and maintenance are paramount to us all.
From the Director’s Desk

As seen in the Lake Charles American Press

Unlike other parts of the state and nation, our regional economy is seeing a dynamic growth in jobs, businesses and optimism, and much of this good news is traceable to one factor—Calcasieu Ship Channel.

Community leaders 75 years ago had the foresight to develop the waterway, and even if they couldn’t predict the channel’s future role as “America’s Energy Corridor,” they understood that deepwater access to the Gulf was important to commerce and the economy of Southwest Louisiana.

Today it’s more important than ever to keep this economic artery alive, to recognize its value and do what’s necessary to ensure the sustainability of this valuable resource.

The ship channel has been a magnet attracting industry and today’s big development projects to its shores for 75 years. Industry needs convenient and reliable transportation routes for their products, and the channel serves that need well.

All that industrial activity around the channel has a huge impact on our local economy, as documented in a recent economic impact study. The Calcasieu Ship Channel is responsible for more than 42,000 direct, indirect and induced jobs in the area—over a third of the total employment in the Lake Charles metro area. Channel–related activity generates over $2.5 billion in personal income and over $2 billion in business earnings annually in the Lake Charles area.

To remain viable, the channel must be dredged yearly to ensure that it meets the 400-foot-wide and 40-foot-deep federally mandated requirements and remains open to deep-draft ship traffic. Without regular dredging, the waterway becomes too narrow for more than one ship to navigate, or too shallow for a ship to carry its full cargo load. If the Channel is not maintained to the federally mandated depth, this situation will ultimately strangle ship traffic and commerce—and our local economy. Industry cannot exist without its main transportation route.

The Port of Lake Charles, as steward of the channel, has fought each year for adequate dredging funds, and now a bigger issue is rearing its head—finding a place to put dredged sediment. Dredging is a two-part process: picking up the sediment (or spoil) and placing it somewhere else.

About 4.85 million cubic yards of sediment is collected annually by dredging the channel. The U.S. Army Corps of Engineers must construct new dikes and spoil sites to store the sediment, but that is costly, and the Port of Lake Charles, as co-sponsor for the State of Louisiana, must come up with 25 percent of the cost, as well as the real estate for the sites. This could amount to $80 million over the next 20 years. We must find a solution to generate the money needed for this crucial—and very real—expense.

Advocating the importance of increasing funds for channel maintenance to the U.S. Army Corps of Engineers and to elected officials is paramount. Port officials and channel users are working tirelessly to ensure the Calcasieu Ship Channel receives the funding it needs to stay open for business. With much of our region’s economic boom relying on the health of the channel, this issue cannot be ignored.

The Calcasieu Ship Channel is one of the most valuable assets in Southwest Louisiana. It would be disastrous for this community if it ever went away.

Bill Rase
Executive Director of the Port of Lake Charles

AROUND CITY DOCKS

One-ton sacks of Louisiana rice were recently shipped to Taichung, Taiwan.

Steel beams cover an 18-acre plot of lay-down area at the Port of Lake Charles City Docks.

A Mammoet crane arrived to city docks in 220 pieces, and it’s the largest crane in Mammoet’s inventory.

Gas exchangers were loaded onto a ship at City Docks.
Historic Warehouse No. 1 Rebuilt

In 1926, the Port's first transit shed—or Warehouse No. 1—and wharf marked the beginning of a 90-year legacy that has helped define the Port of Lake Charles today as the 11th busiest port district in the nation, according to 2013 figures presented by the U.S. Army Corps of Engineers.

Cargo has changed dramatically since the 1920s—it's grown bigger and heavier, and it requires efficient shipping solutions, which depend on modern facilities. The Port demolished the original Warehouse No. 1 in 2015, and the construction of the new facility was completed this year. The rebuilt berth and storage facility will meet the standards for today's cargo and look ahead to what the future holds while serving as a reminder of the maritime industry's rich history in Southwest Louisiana.

Dongsung Finetec America, LLC, Secures Lease with Port of Lake Charles

Dongsung Finetec America LLC, has announced that after more than three years of evaluating the US natural gas markets, it has moved forward with its plans to expand its operations from South Korea. Dongsung Finetec is well established as a world leading force in the development and manufacturing of many types of insulation, specializing in cryogenic insulation.

Dongsung Finetec America, LLC, has secured a lease with the Port of Lake Charles with the intention of developing a manufacturing facility. The facility will cater to the cryogenic industry and aspirations of the USA based LNG companies along with the full range of traditional insulation materials and service, such as hot, cold, personal protection and acoustics.

The facility is expected to be fully operational in 2016 with further expansions to follow aligned with the requirements of the LNG industry within the USA. The overall initial phased investment will be in the region of $5,000,000 USD.

About the Port of Lake Charles

The Lake Charles Harbor and Terminal District is governed by a seven-member board of commissioners and comprises two marine terminals and over 5,000 acres of property zoned for industrial use, including an industrial park.