Appendix 3

BUSINESS in Surrey FROM the SURREY BOARD of TRADE

ts@ Dredging Critical To Maintain Fraser River



The river is dynamic. When the winter snowpack melts, there's a terrific volume of water released (the Freshet) which carries huge amounts of silt, sand and gravel as well as logs, trees, and so on, down the river. When the current

slows it settles to the river bottom and must be removed through dredging. We've had to maintain the river depth at 11.5 metres, all the time so we have that navigational depth during the freshet. It's critical to our operations.

n the last two editions we have been exploring Fraser Surrey

Docks through the words

and improving the Fraser River through a program of dredging.

of CEO Jeff Scott. In this final segment, the topic is maintaining

Now we need a deeper channel. Most Panamax vessels (ships that are designed to fit through the Panama Canal) when fully loaded, require a 12 to 12.5 metre depth, and we're about a half to a meter short. Customers don't want to load to 70 or 80 percent to maintain a safe draft. We must go deeper. Getting there will require a capital dredging program, which is a one-time project to deepen the channel. Then, it must

be maintained every year. It all

costs money and right now we're

the only significant contributor.

That's not sustainable, so we're

looking at growing our business

to generate more revenue for all

the stakeholders, who can cover

the costs and create a sustainable

Currently the other major carriers

maintenance dredging model.

(car carriers) have a draft of

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about 10.5 metres, so they don't need the deep draft. But that will change over time.

We've proposed a five-year project, which would take us to 13.5 metres in steps over that period. Our feeling is that if we deepen the channel in conjunction with our regular maintenance dredging, we'll get a much more secure and stable channel by the end of the five year period. Integrating them will have capital and maintenance being done together over the five-year period. The port benefits because it can get a savings on maintenance dredging, which then can be used toward the net benefit of capital dredging and thus make the project much more economical.

What role do you see Fraser Surrey Docks playing in maintaining the Industrial or Working aspect of the river?

We have to ensure that we grow in partnership with the community. The Fraser is a working river it's our role to grow and provide expand opportunities for business both in import and export. We are a deep-sea terminal and we want to increase our volume and our activity. That's what provides more work in Surrey. We have to do our part to continue and promote the importance of the industrial area, to sustain it. We need these lands to create these work opportunities, these jobs and to create a fluid supply chain for the movement of goods. So at minimum want to sustain it, and although we're not necessarily wanting to expand our footprint, we want to be able to grow in the most efficient way within our existing structure. This, in turn, will attract other industries. Just in our area we have Catalyst, and the Pacific Link business park opening up. Fedex has just opened up their terminal and Frito Lay is operating there.

The port is continuing to

grow and facilitate trade, but to maximize our structure, our road and rail connections, the river requires more dredging. The critical thing that our stakeholders can do is continue to help identify the importance of that and the importance of maintaining that capacity right here in their own back yard. We are the only deepsea terminal in Surrey, we're very proud of that.

The Surrey Board of Trade supports the expanded development of the existing operation of the Fraser Surrey Docks Coal Transfer Facility to increase economic development and job creation, and strongly encourages other stakeholders to support this industry development.

The article is <u>available online</u> from the Surrey Board of Trade.

The corporate description is from the website of <u>Fraser Surrey Docks LP and Pacific Rim Stevedoring</u>.



Fraser Surrey Docks LP, is the largest modern, multi-purpose marine terminal on the West Coast of North America. We have been serving the needs of our Container, Breakbulk, Project Cargo, Forest Products

and Bulk customers in the Port Metro Vancouver and around the world since 1962. Our facility is located in the greater Vancouver area of Surrey, British Columbia along the banks of the mighty Fraser River.