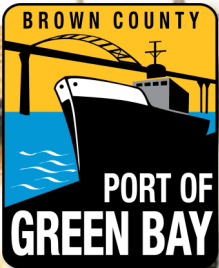




PORT OF GREEN BAY

2019 Annual Report



Message from the Director

The Harbor Commission's 2015 Strategic Plan identified strengths, weaknesses, opportunities and threats and assembled them into strategic themes. From there, the strategic plan identified a few primary goals and a number of objectives to reach the agreed upon goals over a five year period. This annual report identifies work items and deliverables reflected in the strategic plan.

The Port of Green Bay consists of 14 Port businesses spanning over three miles of river. After breaking a 5-year tonnage record in 2018, shipping through the Port of Green Bay continued to grow in 2019. In fact, the 2019 shipping totals were the highest in more than five years during a period where we are seeing some of the highest tonnages in the past 20 years; the Port saw 2.55 million tons shipped in 2006. The common denominator during both periods of time is a robust economy. **The recently-concluded shipping season saw 2,277,652 tons of cargo move through the Port, a 9% percent increase over the previous season.**

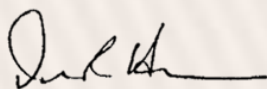
It is interesting how the port has changed since the 2006 and 2007 shipping seasons that saw 2.55 million tons and 2.33 million tons moved, respectively. At that time the economy was also cooking along. The difference is that in 2007, the Port saw more than one million tons of coal moved. In 2019, with the low cost of natural gas, manufacturers and others have moved away from coal and coal shipments have shrunk to 407,000 tons a decrease of 62%. In 2007, the Port was also moving fuel oil, tallow, liquid asphalt and pig iron.

The changes in 2019 that contributed to the high tonnage include the import and export of petroleum products (gasoline, diesel and ethanol) that was not occurring in 2007. This is largely due to the closure of the West Shore pipeline and U.S. Venture's original interest in exporting petroleum products to the east coast of North America. With the pipeline closure, the region is fortunate U.S. Venture built their Port facility. U.S. Venture continues exporting Wisconsin-made ethanol to the east coast, but they have switched from exporting to importing diesel and gasoline by ship to meet the regional demand. The low cost of moving goods by ship is keeping regional fuel costs lower than it would be otherwise if petroleum products were only moved by truck and train.

The economy was as good in 2018-2019 as it was in 2006-2007. During both time periods, wood products (lumber, wood pulp, wetlap and others) were moved by water into the region. In between these periods no wood products were shipped through the Port. There is a clear indication that shipments of wood products through the Port of Green Bay occur when the economy is doing well.

When comparing 2019 against 2018, shipment of petroleum products and limestone continued to be strong in 2019. Domestic petroleum product imports increased 55% over 2018 to 132,630 tons, while foreign imports of petroleum products were up 135% to 94,167 tons. Exports of petroleum products also increased significantly last year. As for limestone, total domestic imports topped 608,000 tons (up 60%), while foreign imports of limestone reached nearly 75,000 tons (up 135%). Foreign salt imports were also strong during the 2019 shipping season, reaching 391,753 tons (up 42%). Due to the high Great Lakes water levels, a total of 177 vessels moved through the Port of Green Bay this shipping season compared to 162 vessels in 2018 for a 9% increase.

With the robust tonnage numbers from the just-concluded shipping season, we are looking forward to the 2020 shipping season with optimism that the economy will remain strong. We expect to see cruise ships visiting in the summer of 2020.



Dean Haen

Port Director



Overview

The Port of Green Bay is the western-most port of Lake Michigan offering the shortest, most direct route for shipments between the Midwest and the rest of the world. The Port provides modern, state-of-the-art facilities, which have the ability to facilitate economical cargo handling and safe navigation. Nationally-known trucking lines provide overnight delivery within a 400-mile radius. Major railroads and highway infrastructure also connect the Port with America's heartland. Waterborne transportation provides an efficient and environmentally-friendly mode of transportation.

The Port of Green Bay is a fundamental part of our local economy, our history and our lives. It plays an important role in the transportation of goods and commodities that are critical to the economic health of the region. The Port of Green Bay receives and/or sends commodities as far south as Sheboygan, Wisconsin, west to Wausau, Wisconsin, and north into the Upper Peninsula of Michigan.

Commodities include coal, limestone, cement, salt, pig iron, fuel oil, forest products, petroleum products, liquid asphalt and many other essential commodities annually valued at over \$300 million. Eight (8) terminal operators located on the Fox River are capable of handling dry bulk commodities such as coal, cement, limestone, salt, gypsum, ash and others. Three (3) terminal operators are capable of handling bulk liquids including tallow, petroleum products, chemicals and liquid asphalt. Three (3) general cargo docks are capable of handling machinery, aluminum products, bagged agricultural commodities, wood pulp and other forest products. Based on the recently released 2017 economic impact study, **the Port of Green Bay supports over 1,289 jobs resulting in \$82 million in personal income, and a \$147 million annual economic impact on Brown County. The 14 Port businesses pay over \$32 million in local and state taxes.**

The Port of Green Bay plays a vital role in providing Northeast Wisconsin with a natural competitive advantage for businesses to locate and prosper while paying good wages for families to live and thrive in our communities. The results illustrate the profound role the Port plays in our region and its value to both current and future businesses. It includes the direct jobs of dockworkers and ship crew members to the indirect jobs that are generated, such as equipment supplier jobs and jobs at office supply firms. Those who are directly employed use their wages, in part, to purchase goods and services in our community. In addition, businesses' revenue is also used to hire people, purchase goods and services, and pay taxes, all adding up to make a significant contribution to our local economy.



The Port of Green Bay's vision is to be an integral part of a healthy Northeast Wisconsin economy and provide a critical link to national and global markets for Wisconsin enterprises.



Mission

The 2015 Port of Green Bay Strategic Plan serves as a long-range guiding document that identifies strategic issues to address, and establishes goals and objectives to strive toward. This annual report is adopted to ensure the strategic plan goals and objectives are being accomplished. The mission statement for the Port of Green Bay:

“The Port of Green Bay exists to enhance the prosperity of the people of Northeast Wisconsin by providing facilities and infrastructure able to effectively and efficiently move commodities and goods across the nation.”

Harbor Commission

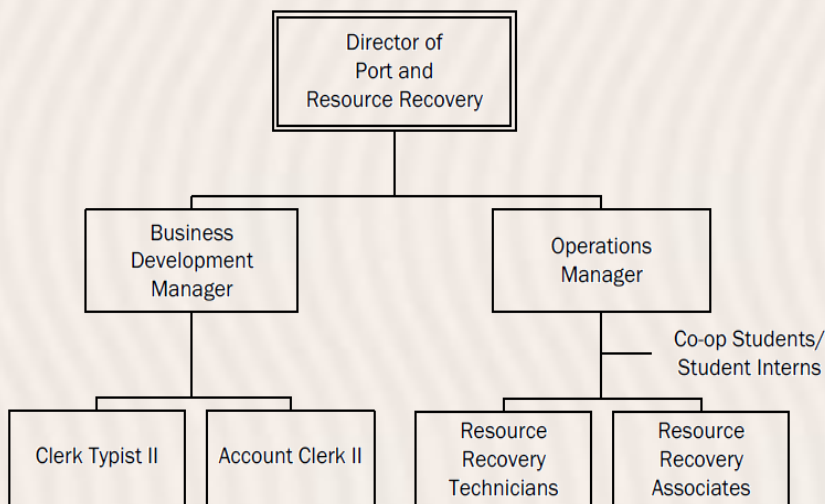
The Port of Green Bay is operated by the Brown County Port & Resource Recovery Department. The Port’s aim is to promote harbor improvements and waterborne transportation resulting in economic development and employment using the safe, efficient and cost-effective waterways as transportation corridors while taking into consideration the recreational opportunities the waterfront provides.

The nine members of the Harbor Commission are appointed by the Brown County Executive and serve as an oversight committee of the Brown County Board. The Harbor Commission’s role is to develop public policy for the Port. The Harbor Commission sets policy for staff to implement that directs the commercial aspects of the harbor’s day-to-day operations.

Harbor Commission Members

- | | |
|-------------------------|----------------|
| Tom Klimek, President | Tim Feldhausen |
| Bryan Hyska, Vice-Pres. | Wes Kornowske |
| Ron Antonneau | Mike Vizer |
| Pete Diemer | Hank Wallace |
| Bernie Erickson | |

Port & Resource Recovery Department Table of Organization



Port's Economic Impact

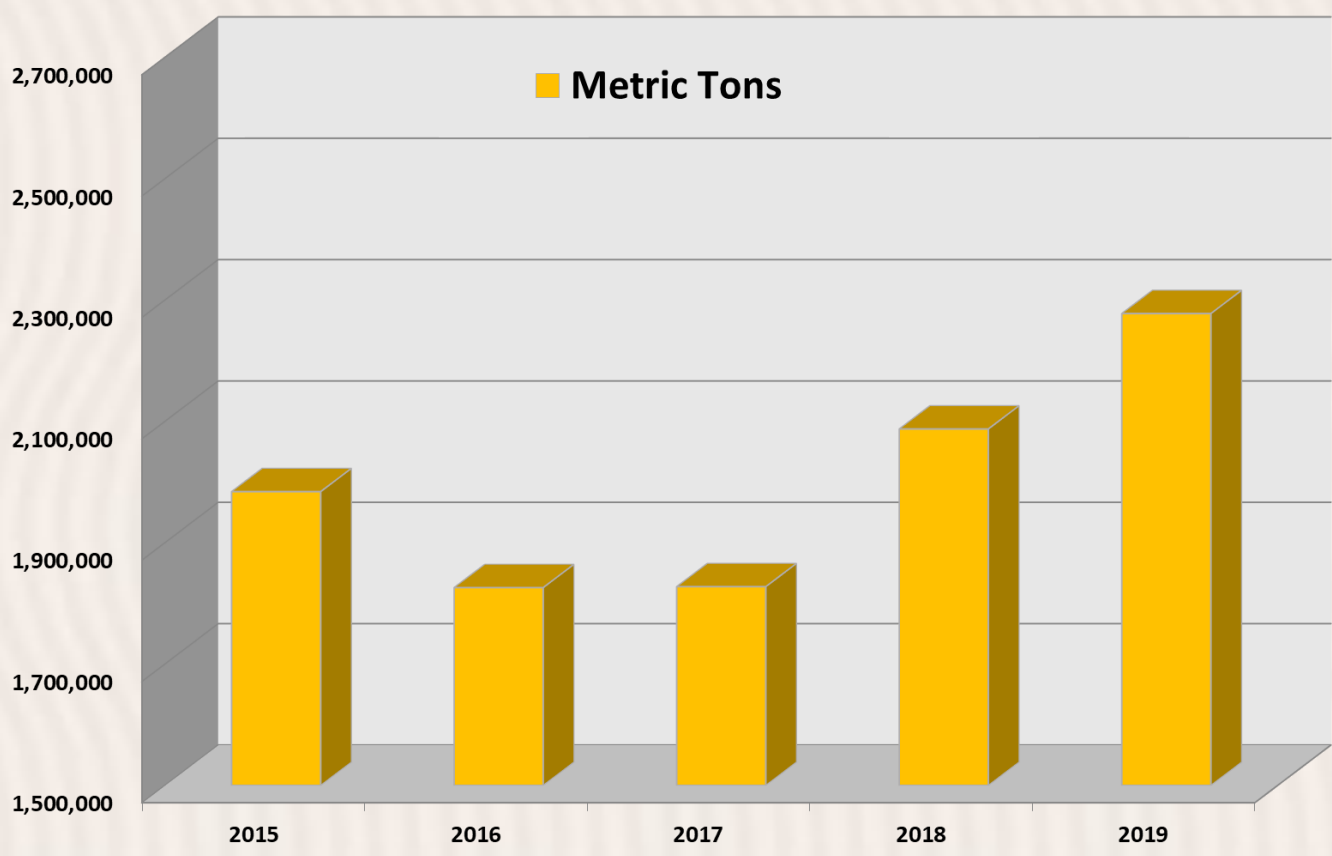
The Port of Green Bay is a critical link in Wisconsin's transportation system and serves as a multi-modal distribution center connecting waterborne vessels with an extensive network of highways and railroads. The Port of Green Bay provides Northeast Wisconsin manufacturers a cost-effective way to receive raw materials from suppliers and to ship high-value finished goods to customers.

According to a 2017 economic impact study, the Port was responsible for:

-  **\$147 million economic impact**
-  **1,289 local jobs**
-  **\$83 million in income**
-  **\$9 million in state taxes**
-  **\$23 million in Federal taxes**
-  **\$105 million in business revenue**

The marine shipping industry continues to be the most cost-effective method of transportation for commodities, generating employment opportunities for the region and bringing money into our communities. The Port of Green Bay is a vital component of our area economy and serves as a leading indicator of economic activity. Our strategic plan outlines new ideas and ways we can expand our reach beyond our existing markets to increase business in Northeast Wisconsin.

Port Tonnage



Port and the Environment

Waterborne transportation is the most cost-effective mode of transportation when compared to truck or rail. On a per ton-mile basis, ships quietly move cargo farther and more efficiently than trucks or trains. Most importantly, ships move cargo more safely than trucks and trains.

Consider that a single ship destined for the Port of Green Bay carrying 24,000 tons of coal from Sandusky, Ohio on Lake Erie will burn over 9,300 gallons of fuel. However, if that same amount of coal was delivered to Green Bay by rail, it would take almost 240 rail cars burning 48,000 gallons of fuel. If that same amount of coal was delivered to Green Bay by truck, an additional 1,090 trucks burning over 146,000 gallons of fuel would be using our already congested highways. Not only does waterborne shipping save fuel, but it also results in less pollution from fuel emissions. Using the coal example, moving the same amount of cargo by rail would result in 15 tons of emissions or 21 tons of emissions by truck. Transporting this cargo by ship would result in only one (1) ton of emissions. With more than 150 ships entering the Port of Green Bay annually, it is quite easy to see that moving cargo by ship continues to be the “green” choice.

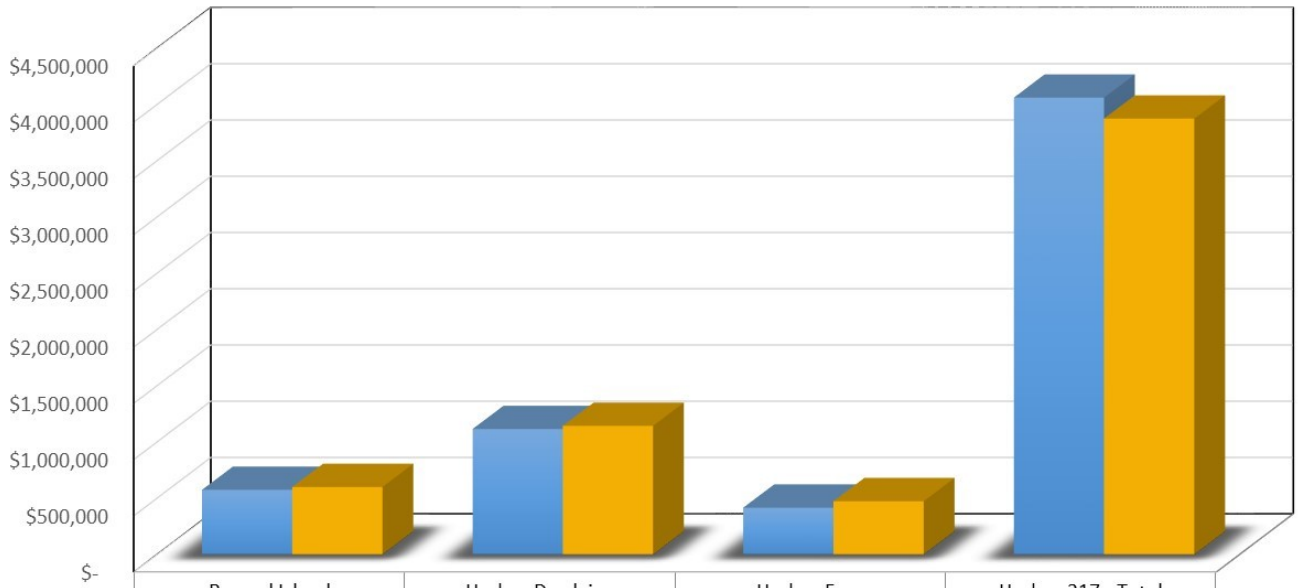
Waterborne transportation generates the least amount of air, ground and water pollution. Waterborne transportation offers lower fuel consumption, fewer accidents, less noise and reduces congestion on our highways. For these reasons, the Port of Green Bay has a bright future not only economically, but also environmentally, benefiting everyone.

Transportation Type	Amount of Coal	Fuel Used	Fuel Emissions
Ship (1)	24,000 tons	9,333 gallons	1 ton
Rail (240)	24,000 tons	48,000 gallons	15 tons
Truck (1,091)	24,000 tons	146,666 gallons	21 tons



Financials

2019 Port Fund Balances



■ Beginning Balance	\$575,000	\$1,115,725	\$416,151	\$4,061,720
■ Ending Balance	\$600,000	\$1,143,756	\$473,708	\$3,875,410

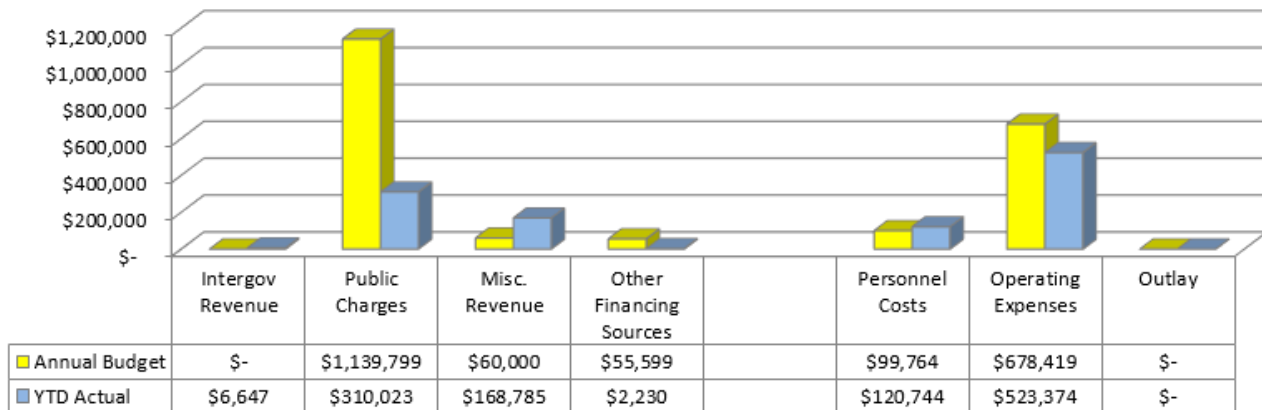
**Financials are unaudited and will be finalized by Administration in March.*



Brown County Port & Resource Recovery Department
Port Area Budget Status Report
December 31, 2019

		Annual Budget	YTD Actual	YTD %	YTD Total	Comments
R e v e n u e	Intergov Revenue	\$ -	\$ 6,647	-		Public Charges is expected revenue generated by dredge material placed at Bay Port throughout the year. Variation due to an unbudgeted private dredging project that happened and the placement of dredged material from the federal dredging project at Cat Island instead of Bay Port. Misc. Revenue is interest earned and includes the market valuation on a specific day. Variation is the change in market value not actual cash value. Other Financing Sources is the transfer in from Harbor 217 (Corps Public Charges) to Port General that will occur as an actual amount upon closure of the fiscal year by Finance. Personnel costs were higher due to a \$16,500 pension adjustment incurred in December. Operating Expenses were under budget for the year.
	Public Charges	\$ 1,139,799	\$ 310,023	27%		
	Misc. Revenue	\$ 60,000	\$ 168,785	281%		
	Other Financing Sources	\$ 55,599	\$ 2,230	4%		
Total					\$ 487,685.74	
E x p e n s e s	Personnel Costs	\$ 99,764	\$ 120,744	121%		
	Operating Expenses	\$ 678,419	\$ 523,374	77%		
	Outlay	\$ -	\$ -	-		
Total					\$ 644,118.03	

Port - December 31, 2019



**Financials are unaudited and will be finalized by Administration in March.*



2019 Goals

Completed

- ◆ Advance **Renard Island End-Use Plans** including promotion, leasing of acreage, grants and other activities related to implementation. The *Renard Island Strategic Master Plan* was adopted in December 2019.
- ◆ Participate and assist with the **2019 Tall Ships Festival**. The Festival was held July 26-28, 2019. The Port sponsored the boardwalk and had a fully staffed booth for the duration of the event to promote the Port to the general public.
- ◆ Work toward making the Port of Green Bay a regular destination for **Cruise Ships**. Partnered with the Greater Green Bay Convention & Visitors Bureau and City of Green Bay to promote and coordinate cruise ship visits for 2020.
- ◆ Issued an RFP for Engineering and Regulatory/Legislative Assistance to advance the **Beneficial Reuse of Bay Port Dredged Material** as topsoil by establishing a DNR/stakeholder working group. GEI Consultants was hired to advance the beneficial reuse of dredged material by working on regulatory and/or legislative changes. A market study of beneficial reuse of Green Bay dredged material was conducted.

In Progress

- ◆ Pursue acquisition or involvement in the future **WE Energies Pulliam Plant property** to ensure the property is used for its highest and best use as an industrial port-related property. Efforts to evaluate the acquisition of the property continued. Brown County Planning Department is working on a port development plan for this property. Efforts were coordinated with the City of Green Bay. Geo-technical analysis is needed and being pursued legislatively. Demonstrating Port growth/expansion is essential for maximizing grants. The property's back acreage may be an ideal location for truck-train intermodal facility. Brown County passed a resolution encouraging any Northeast Wisconsin establishment of a truck-train intermodal facility should be located at or near the Port of Green Bay for the potential expansion into marine service. Efforts to get similar resolutions passed by all Northeast Wisconsin counties is being pursued by the NEW North.

Incomplete

- ◆ Advance potential service for **barge containers** to and from Cleveland's Northern European Liner and Muskegon's Proposed Container Service. Without any progress on the project between Milwaukee and Muskegon, there was no progress made to include Green Bay.



2020 Goals

The following list represents some of the Port's major goals for 2020:

- ◆ Adopt a *2020 Strategic Plan* for the Port of Green Bay
- ◆ Make sure Green Bay is prepared for Cruise Ships and that passengers have a good experience while in port
- ◆ Advance the Beneficial Reuse of Dredged Material
 - Establish a Working Group of State and Federal Agencies
 - Conduct Market Analysis
 - Determine Legislative and Administrative Changes
- ◆ Update Bay Port Plan of Operation
- ◆ Renegotiate 217 Agreement between the U.S. Army Corps of Engineers and Brown County
- ◆ Advance *Renard Island Strategic Master Plan*
- ◆ Facilitate the redevelopment of the WPS Pulliam Plant to port-related industrial property
 - Complete Brown County Planning Department's Port Development Study
 - Seek State support for \$1.2 million in funds to conduct due diligence
 - Determine the ownership structure and acquire the property
 - Pursue grants to fund the project

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