ABOUT US

- Governmental subdivision chartered by the State
- Appointed by Harris County, City of Houston and other neighboring cities
- Governed by a 7 member Commission
- Leases 7 General Cargo facilities
- Operates 2 Container Terminals
- The Houston FTZ is sponsored and maintained by Port Houston
PORT HOUSTON HISTORY

1911
Harris County
Houston Ship
Channel Navigation District

1914
The port officially opens to traffic

1926
USCOE dredges channel to 30 ft.

1956
World’s first containership, *Ideal X*, calls the Port of Houston

PRESENT
Today, we handle 68% of containerized cargo in the U.S. Gulf of Mexico.

Source of Market Share: Journal of Commerce (PIERS)
### Major Gateway

<table>
<thead>
<tr>
<th>Rank</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>U.S. Port by Foreign Waterborne Tonnage – 169.9M Tons</td>
</tr>
<tr>
<td>#1</td>
<td>in Petroleum, Steel and Project Cargo</td>
</tr>
<tr>
<td>#6</td>
<td>Ranked US Container Port by Total loaded TEUs</td>
</tr>
<tr>
<td>#15</td>
<td>Port in the World by Tonnage</td>
</tr>
</tbody>
</table>

Source: AAPA Surveys, Piers JOC, U.S. Dept. of Commerce (Bureau of Census). Data based in Short Tons
PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

DEVELOPMENTS
PORT HOUSTON: THE INTERNATIONAL PORT OF TEXAS

Barbours Cut Terminal

Bayport Terminal
# BAYPORT CONTAINER TERMINAL

**Next 10-year Completion:**

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>At Build-Out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres (ha)</td>
<td>305 acres (123 ha)</td>
<td>450 acres (182 ha)</td>
</tr>
<tr>
<td>Berth</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Waterfront ft (m)</td>
<td>4,000 ft (1,219 m)</td>
<td>7,000 ft (2,134 m)</td>
</tr>
<tr>
<td>Terminal Capacity</td>
<td>1.5 M teu</td>
<td>2.5 M teu</td>
</tr>
<tr>
<td>Equipment (cranes)</td>
<td>9 Neopanamax</td>
<td>21 Neopanamax</td>
</tr>
</tbody>
</table>

**$600 MILLION**

50% COMPLETE TODAY
## BARBOURS CUT CONTAINER TERMINAL

### 10-yr Capital Investment

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>At Build-Out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres (ha)</td>
<td>390 acres (158 ha)</td>
<td>390 acres (158 ha)</td>
</tr>
<tr>
<td>Berths</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Waterfront ft (m)</td>
<td>6,000 ft (1,829 m)</td>
<td>6,000 ft (1,829 m)</td>
</tr>
<tr>
<td>Terminal Capacity</td>
<td>1.7 M teu</td>
<td>2.5 M teu</td>
</tr>
<tr>
<td>Equipment (cranes)</td>
<td>5 PP, 3 P, 7 Neopanamax</td>
<td>18 Neopanamax</td>
</tr>
</tbody>
</table>

### 10-yr Capital Investment

$577 MILLION
BAYPORT DEVELOPMENT PLAN

CHANNEL IMPROVEMENTS

WHARF 2
- 4000’ COMPLETED
- 3 NEW NEOPANAMAX CRANES
  – Delivered Aug. 7th, 2018

PHASE 3 GATE COMPLETED
- 28 dedicated inbound lanes
- N4 Implementation
- OCR

CY7 NORTH
- 25 Acres CY
  192 Total COMPLETED

CY6 NORTH
BARBOURS CUT REDEVELOPMENT PLAN

CHANNEL IMPROVEMENTS – COMPLETED

WHARF 1
- 1300’ COMPLETED
- 4 NEOPANAMAX CRANES

WHARF 2
- 1000’ COMPLETED
- 3 NEOPANAMAX CRANES

WHARF 3
- 1000’ UNDERWAY
- 3 NEOPANAMAX CRANES

CENTERPOINT ELECTRICAL INFRASTRUCTURE IMPROVEMENTS

CY – EAST END REBUILD PROJECT
FACTS & FIGURES
GREATER HOUSTON PORT COMPLEX
Cargo Sectors – 2017

- Liquid Bulk: 63%
- Containerized: 16%
- Project Cargo: 10%
- Dry Bulk: 5%
- General Cargo: 6%

Source: Journal of Commerce PIERS Statistics
PORT HOUSTON CARGO SECTORS: 2017

- Containerized: 63%
- Bulk Cargo: 25%
- Gen. Cargo (Steel): 10%
- Gen. Cargo: (Other): 2%

Note: Totals include empty containers
Source: PHA Accounting, PHA Market Development
GROWTH OF CONTAINERS

# Containers

Note: Totals include empty containers
Source: PHA Accounting, PHA Market Development
**CONTAINER TRADE SHARE – 2017**

### Imports by Trade Region

- **Asia**: 41%
- **N Europe**: 21%
- **Americas**: 15%
- **Mediterranean**: 10%
- **Indian Subcont.**: 6%
- **Africa / M East**: 4%
- **All Other**: 2%

### Exports by Trade Region

- **Americas**: 27%
- **N Europe**: 21%
- **Africa / M East**: 15%
- **Asia**: 16%
- **Mediterranean**: 7%
- **Indian Subcont.**: 6%
- **All Other**: 4%

*Note: Totals DO NOT include empty containers*

*Source: Journal of Commerce (PIERS), PHA Market Development*
THE HOUSTON ADVANTAGE
UNPARALLELED MARKET REACH

9% of U.S. Population or 29 Million U.S. Consumers w/ in 300 mile radius

13.4% of U.S. Population or 43.5 Million U.S. Consumers w/ in 500 mile radius

47.3% of U.S. Population or 153.5 Million U.S. Consumers w/ in 1,000 mile radius
PANAMA CANAL OPPORTUNITY

N. East Asian imports currently represent 33% of PHA’s total inbound container trade volume

- Fastest growing population growth in the U.S.
- Increased consumer demand
- Centrally located gateway

Expanded Panama Canal brings new efficiencies

- Larger ships = lower cost per container
- Higher efficiency port (highest productivity in the U.S.)
- Attractive alternative gateway to Texas, Midwest and Latin America
HOUSTON: A GATEWAY TO THE WORLD

Strategic Location
- Huge Local Market – 39.8 million consumers in 500 miles
- Gateway to all U.S. and North America market
- Easy access to Mexico, Caribbean and Latin America

Pro-Business Environment
- Low taxes and low government regulation
- Low cost environment
- Excellent labor environment

Strong Infrastructure
- World class airport system
- Extensive railway access and efficient road and highway system
- Well developed sea port
UPCOMING DESIGN PROJECTS
2019
DESIGN PHASE PROJECTS
As part of the broad asset management program currently developed by the Port Authority, a specific electrical distribution and communications program has been conceptualized to document and evaluate the condition of all electrical and communications assets. The program will include the development of a facility inspection and condition assessment program (FICAP) manuals for electrical and communication assets.

<table>
<thead>
<tr>
<th>Design Time Frame</th>
<th>NIGP Codes</th>
<th>Small Business Opportunities</th>
<th>PHA Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td><strong>Consultants</strong>&lt;br&gt;92531&lt;br&gt;92578</td>
<td>• Engineering Consultants</td>
<td>Bill Aguirre&lt;br&gt;713-670-2484&lt;br&gt;<a href="mailto:baguirre@poha.com">baguirre@poha.com</a></td>
</tr>
</tbody>
</table>
As part of the broad asset management program, a specific Corrosion Management (CM) program has been started to supplement the asset management information provided by the Structural (wharves) FICAP; the corrosion management program will provide a more complete indication of the corrosion-related condition, degradation rate and remaining service life.

<table>
<thead>
<tr>
<th>Design Time Frame</th>
<th>NIGP Codes</th>
<th>Small Business Opportunities</th>
<th>PHA Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Qtr. 2020</td>
<td><strong>Consultants</strong> 92521 92568</td>
<td>• Engineering Consultants</td>
<td>Bill Aguirre 713-670-2484 <a href="mailto:baguirre@poha.com">baguirre@poha.com</a></td>
</tr>
</tbody>
</table>
TYPICAL PROJECTS
Rehabilitation of Wharf 3 and Electrical and Communications Infrastructure Through C4, C5 and C6 at Barbours Cut Terminal

The wharf will be upgraded in order to support 100 feet gauge dock cranes and to accommodate larger ships. This project consists of the upgrade of 1000 feet of wharf, a new stevedore support building, structural elements, high mast pole lighting, and electrical infrastructure required to power three new dock cranes. It also includes the construction of 3,600 feet of concrete duct bank for power and communications.

<table>
<thead>
<tr>
<th>Construction Time Frame</th>
<th>NIGP Codes</th>
<th>Small Business Opportunities</th>
<th>PHA Contact</th>
</tr>
</thead>
</table>
| 1st Qtr. 2019 – 3rd Qtr. 2020 | 90976, 91430, 91438, 91479, 90976, 91223, 91485, 90924 | • Material Testing  
• Surveying  
• Storm Water Controls  
• Photography  
• Chain Link Fence  
• Security  
• Electrical  
• Signs and Paint Striping | Bill Aguirre  
713-670-2484  
baguirre@poha.com |
The scope of work includes the construction of approximately 20 acres of concrete pavement for storage of containers as well as traffic lanes to maintain circulation into and around storage areas.

<table>
<thead>
<tr>
<th>Construction Time Frame</th>
<th>NIGP Codes</th>
<th>Small Business Opportunities</th>
<th>PHA Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Qtr. 2019 – 2nd Qtr. 2020</td>
<td>91360</td>
<td>• Demolition</td>
<td>Don Smith</td>
</tr>
<tr>
<td></td>
<td>91327</td>
<td>• Concrete</td>
<td>713-670-2530</td>
</tr>
<tr>
<td></td>
<td>90976</td>
<td>• Grading</td>
<td><a href="mailto:dsmith@poha.com">dsmith@poha.com</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Excavation</td>
<td></td>
</tr>
</tbody>
</table>
Bayport - Construct Container Yard 7

Construction of approximately 47 acres of reinforced and roller compacted 18-inch concrete pavement, including the construction of a storm water collection system, water and sanitary sewer mains, high mast lighting and telecommunication conduit.

<table>
<thead>
<tr>
<th>Construction Time Frame</th>
<th>NIGP Codes</th>
<th>Small Business Opportunities</th>
<th>PHA Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>4th Qtr. 2018</td>
<td>91316</td>
<td>• Concrete</td>
<td>Barbara H. Smith</td>
</tr>
<tr>
<td></td>
<td>99000</td>
<td>• Grading</td>
<td>713-670-2483</td>
</tr>
<tr>
<td></td>
<td>28500</td>
<td>• Storm Drainage Structures</td>
<td><a href="mailto:bhsmith@poha.com">bhsmith@poha.com</a></td>
</tr>
<tr>
<td></td>
<td>91438</td>
<td>• Electrical Work</td>
<td></td>
</tr>
</tbody>
</table>
QUESTIONS?

Ross M. Talbot
Project & Construction Management
Port Houston
713.670.2599
rtalbot@poha.com

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Houston, TX 77029