



PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS™

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Opinion: Houston Needs More than a Week for Infrastructure

By Ric Campo, Roger Guenther, and Rich Byrnes



Photo caption: The Houston Ship Channel is a 52-mile federal waterway. Last year, the U.S. Army Corps of Engineers ranked it the No. 1 busiest channel in the nation in terms of waterborne tonnage.

HOUSTON - Each May, we celebrate National Infrastructure Week to advocate for better roads, bridges, rail, waterways, water supply, flood control, aviation, and of course, our Port. Infrastructure needs more than a week of focus, however. It is a never-ending task requiring continuous support from communities, industry, and elected officials.

That combination of stakeholders came together over a century ago to create the original “Houston Plan,” combining public and private money to develop our port and launch Houston’s success.

Continuing our success requires Infrastructure more than ever.

In February, the American Society of Civil Engineers gave our nation’s infrastructure a grade of “C-.” The good news? That is up from “D+” grades of 2017 and 2013. The bad news: ASCE projects a ten-year investment gap of \$2.6 Trillion. That’s with a “T”!

In Texas, we are slightly better off earning a “C,” but that averages Energy (B+) with Levees (D) and Roads (D+). Bridges (B-) boast the country’s smallest percentage of deficient structures at 1.3%. However, near the ship channel, we still have major crossings at Beltway 8 (currently being replaced), east I-10, and the east loop 610 bridge quickly approaching their need for

replacements. Across the area, over 30 critical freight projects need to progress. However, capital needs continue to outstrip available funding; the Transportation Advocacy Group (TAG) estimates \$21 billion is required for area road and freight projects and another \$11 billion in other mobility works, with two-thirds of that remaining unfunded.

More than simply fixing “crumbling” roads and bridges, we should also focus on our strengths – high-performing assets which need improvements to keep ahead of our growing economy. Nowhere is this more important than our Port and the Houston Ship Channel.

We are fortunate to have a vibrant port where public and private docks are in solid shape and generating economic activity worth \$802 billion annually to the U.S. Houston is now the largest port in the nation in terms of total tonnage, and the 3.2 million U.S. jobs that Houston’s port area supports represent 10% of the 31 million jobs driven by ports nationwide. Cargos, ship sizes, and investment needs all continue to grow. Port Houston has invested a billion dollars in facilities and equipment in recent years, and we need \$1.4 billion by 2025 and another \$3.1 billion through 2040 to support the region. Those billions are in addition to the tens of billions more in private investments along the Ship Channel and nearby industry.

Port Houston has changed the business model as well. Partnering with the Army Corps of Engineers, a new path is being struck for widening and deepening the Houston Ship Channel. In just one year, our Feasibility Report was approved, Congress authorized the project, and appropriations were approved to start the Army Corps’ first piece of their share of the work. Port Houston has invested more than \$60 million to accelerate design; and in April, awarded the first contract for our share of the work, officially marking our move from planning to execution, nearly a decade ahead of the traditional federal path.

This aggressive schedule and tireless work is aimed at creating value for the nation and our region. Transportation efficiencies lower consumer costs, increase energy security and improve safety. Efficiencies support environmental benefits as smoother ship traffic can lower vessel air emissions 7% per year, and water quality will be enhanced through hundreds of acres of new oyster reefs and wildlife habitat. Beyond the Channel project, Port Houston’s focus on sustainability has reduced our carbon footprint by 55% over four years, eliminating a quarter-million tons of CO₂ over the next decade. Yet more can and must be done, and it will take a collaborative village to do it.

Like the limits for highway and freight project funding, there will be limits on port resources as well. And while we make investments in the local share of the ship channel, we are fortunate to receive INFRA and Port Infrastructure grants to augment the cash needs. Our local and state roads will need more of the same to fund what is unfunded but badly needed.

Across the water and landside, more innovation and new partnerships will also be needed to reduce bottlenecks along networks, promote innovation, and transition to more sustainable transportation technologies.

New sources of public and private financing will be required. Balancing these needs requires continued commitment from the community, industry, and officials.

One of these commitments will be keeping the federal government accountable to use the Harbor Maintenance Trust Fund for its intended purpose of keeping our waterways clear and maintained to their authorized depths. Recent CARES and WRDA legislation promise to steer more of the \$9 billion fund back to ports and waterways, its intended purpose. While we invest local dollars in accelerating the channel project, the federal government needs to maintain it.

Another critical commitment is from our industry partners.

The Houston Ship Channel project will cost about \$1 billion and will take everyone’s support to keep up the accelerated pace which will grow the huge economic impact of the port area. We also must work together to identify opportunities for investing in innovative technologies and sustainability across the greater port area with public and private stakeholders.

And finally, for all the above, reducing freight bottlenecks, spurring innovations in transport systems, port infrastructure, and sustainability, we need public support from officials and voters that has reliably appeared when needed, as in the Texas Spirit of the “Houston Plan” so long ago.



Photo Caption: Port Houston Commission Chairman Ric Campo



Photo Caption: Port Houston Executive Director Roger Guenther



Photo Caption: Port Houston Chief Port Infrastructure Officer Rich Byrnes

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About Port Houston

For more than 100 years, Port Houston has owned and operated the public wharves and terminals along the Houston Ship Channel, including the area's largest breakbulk facility and two of the most efficient and fastest-growing container terminals in the country. Port Houston is the advocate and a strategic leader for the Channel. The Houston Ship Channel complex and its more than 200 public and private terminals, collectively known as the Port of Houston, is the nation's largest port for waterborne tonnage and an essential economic engine for the Houston region, the state of Texas, and the U.S. The Port of Houston supports the creation of nearly 1.35 million jobs in Texas and 3.2 million jobs nationwide, and economic activity totaling \$339 billion in Texas – 20.6 percent of Texas' total gross domestic product (GDP) – and \$801.9 billion in economic impact across the nation. For more information, visit the website at www.PortHouston.com.

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