“Port Houston is a vital part of the community and essential to the national economy.”

DAVE DEBERRY
Network Engineer
As I reflect on my first year as Port Houston’s Chairman, I do so with immense pride and gratitude for the opportunity to serve with my fellow commissioners and the men and women who keep this great economic engine running every day, and who are each part of an enduring legacy that has made Houston and the state of Texas what we are today.

Port Houston is the non-federal sponsor of the Houston Ship Channel, the nation’s busiest waterway, a port complex that is controlled by the federal government. As it’s advocate, we partner and support the U.S. Coast Guard, local fire and law enforcement and other agencies to ensure the safety of the communities that surround the channel. We work closely with the U.S. Army Corps of Engineers so that this channel continues to support the commerce that drives our regional and national economies today and for decades to come.

Port Houston is one of among roughly two hundred users that operate and depend on the Houston Ship Channel and are the heart of this great waterway. These industries, largely energy related, together comprise the largest petrochemical complex in

OUR FUTURE. OUR PRIDE.
Proposed Houston Ship Channel Expansion

Widen the channel to 170 ft.
Deepen upstream segments to 45 ft.
the Western Hemisphere, supporting good paying jobs and driving prosperity for Americans across our state and nation to the tune of 5.2 million full-time jobs and more than $802 billion in economic activity. The Houston Ship Channel is a vital economic engine and is a critical link in the energy supply chain, with more than 550 million barrels of liquid storage capacity located along this port complex. Port Houston oversees and manages eight public terminals including two container and several multi-purpose facilities that handle just about everything from consumer goods destined to local store shelves, Texas grown cotton, chemicals and resins manufactured locally to steel pipe and other oil and gas equipment used in drilling operations in West Texas and beyond. For eighteen years Texas has been first in U.S. exports. It’s no wonder we are the international port of Texas.

As we look ahead to 2020 and the decades to come, we have much work to do. America’s energy independence, our nation’s economy and millions of jobs depend on the future of the Houston Ship Channel. And our impact goes beyond our shores and around the world. Exports of oil and gas are lifting developing countries, helping transition households across the oceans to safer sources of fuel. As vessels get larger and the frequency of liquid bulk tankers, container ships, and other vessels increase, we must expand the Houston Ship Channel to ensure safe two-way navigation on this strategically important waterway.

This year we accelerated work on Project 11, the eleventh time in our 100-plus year history we must expand the Houston Ship Channel. We are working closely with industry partners to develop a cost-sharing mechanism to finance this billion-dollar project and together we are advocating for legislation and approval in Washington, D.C. to move this project forward expeditiously. At Port Houston we are also developing our twenty-year plan, a blueprint we call “The 2040 Plan” to ensure the public facilities under our care and our efforts on behalf of the channel continue to deliver on our mission of moving the world and driving regional prosperity. In 2020 we will complete our new five-year strategic plan, reviewing our goals and objectives to make certain that our team members, the surrounding communities, our industry partners and the customers we serve continue to be our focus and priority.

We’ve made significant strides this past year but have much work to do. We are deeply committed to our role as local sponsor of the Houston Ship Channel in support of the industries and neighboring communities of the port that benefit from this nationally strategic waterway. We look forward to working with you and engaging with you in the months and years to come.

“Developing and sustaining our infrastructure is part of our essential work in supporting supply chains.”

GENE NORMAN
Chief Construction Inspector
THE PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Longtime Houston businessman Ric Campo was appointed chairman of the Port Commission of the Port of Houston Authority by the City of Houston and Harris County Commissioners Court in early 2019.

Campo, chairman and CEO of Camden Property Trust, replaced Janicee Longoria, whose third and final term as chairman ended February 1, in accordance with current term limits in the State of Texas.

Campo said he was honored and humbled to be considered for the position. "The best is yet to come for our region, and our port will help drive us into a bright future," said Campo.

Houston Mayor Sylvester Turner and Harris County Judge Lina Hidalgo presided over the meeting, which was held at Port Houston’s executive offices. By state statute, the Port Commission Chair is appointed by the governing bodies of the City of Houston and Harris County Commissioners Court in a joint session.

WENDY MONTOYA CLOONAN APPOINTED TO PORT COMMISSION

Wendy Montoya Cloonan was appointed to the Port Commission of the Port of Houston Authority June 4 by Harris County Commissioners Court. Mrs. Cloonan was sworn in as Port Commissioner by Harris County Judge Lina Hidalgo.

An experienced attorney, Mrs. Cloonan is a native Houstonian and a product of public schools from elementary to high school. Mrs. Cloonan earned a Bachelor of Arts degree from Yale University, a Master in Public Policy with a Concentration in Political Advocacy and Leadership from Harvard University’s John F. Kennedy School of Government and a Doctor of Jurisprudence with Honors from The University of Texas School of Law.

She is married to Shawn W. Cloonan and they have three children, Caroline, Jake and Juliet.
THELDON R. BRANCH
Commissioner

Theldon R. Branch III, CEDFP, was appointed to the Port Commission in September 2013. He represents the City of Houston. On the Port Commission, Mr. Branch serves on the Audit Committee and the Procurement and Small Business Task Force.

Mr. Branch is the Chairman and Chief Executive Officer of The Branch Companies, a privately held Houston-based holding company that oversees investments in real estate, financial assets, the automotive industry and construction. Mr. Branch has an extensive professional background in both the public and private sector. His public service investments in real estate, financial assets, the automotive industry and construction.

DEAN E. CORGEY
Commissioner

Dean E. Corgey is a member of its Executive Council. He represents the City of Houston. On the Port Commission, he serves on the Procurement and Small Business Task Force.

CLYDE FITZGERALD
Commissioner

Clyde Fitzgerald was appointed to the Port Commission by Harris County Commissioners Court in June 2013. Mr. Fitzgerald chairs the Pension and Benefits Committee and serves on both the Audit Committee and Community Relations Committee.

Mr. Fitzgerald has 40 years of maritime experience, including working as a merchant marine officer, regulatory advisor, union official, regulatory advisory board member and maritime industry advocate. He has been vice president of the Seafarers International Union (SIU), responsible for the Gulf Coast region since 2015.

STEPHEN H. DONCARLOS
Commissioner

Stephen H. DonCarlos was appointed by the Harris County Commissioners Court in June 2013. Mr. DonCarlos chairs the Pension and Benefits Committee and serves on both the Audit Committee and Community Relations Committee.

Mr. DonCarlos chairs the Port Authority’s Governance Committee. He was elected mayor of the City of Baytown in May 2006 and served through 2010, opting not to seek another term. He is an attorney with Reid, Strickland & Gillette, LLP, Vice Chairman of the Board of Directors of the Texas Economic Development Council (TEDC). The award recognizes excellence and the exceptional contributions of TEDC member cities toward the economic vitality of their communities and the state of Texas.

ROY D. MEASE
Commissioner

Roy D. Mease was appointed to the Port Commission by the Harris County Commissioners Court in June 2013. Mr. Mease represents the City of Pasadena. On the Port Commission, he serves on the Procurement and Small Business Task Force.

Mr. Mease served as chairman of the Pasadena Second Century Corporation, which is the city’s economic development entity and helped Pasadena earn the annual Community Economic Development Award for 2013, awarded by the Texas Economic Development Council (TEDC). The award recognizes excellence and the exceptional contributions of TEDC member cities toward the economic vitality of their communities and the state of Texas.

Roy D. Mease served as chairman of the Pasadena Second Century Corporation, which is the city’s economic development entity and helped Pasadena earn the annual Community Economic Development Award for 2013, awarded by the Texas Economic Development Council (TEDC). The award recognizes excellence and the exceptional contributions of TEDC member cities toward the economic vitality of their communities and the state of Texas.

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As one of the fastest-growing container ports in the United States in one of the fastest-growing metropoles, much of our time is spent planning for the future. We consistently ensure we have the right people building the necessary infrastructure to keep us competitive in the years to come. It is a welcome change of pace to take a moment of reflection. As I look back at 2019, I am immensely proud of our Port Houston team and our accomplishments.

Port Houston TEUs increased 11% making this our fourth consecutive year of double-digit growth.
In terms of our business, Port Houston reached record-breaking container numbers again in 2019, for the 18th consecutive year. With 11% growth, we were the fastest-growing major container port in the U.S. in 2019, and just short of 3 million twenty-foot equivalent units (TEUs) crossed our docks. Moving that many containers is no small feat, and it would not be possible without the partnership of the labor, stevedores, truck drivers, federal agencies, and others who work in tandem with the Port Houston team to ensure an efficient and competitive solution for our customers.

Port Houston reached record operating revenue of $392 million, surpassing our 2018 record by 6%. Both containers and lease revenues hit record revenue numbers in 2019. Total cash flow at Port Houston in 2019 was $170.1 million, narrowly missing the record set in 2018. You can see all the numbers on page 20. Also in 2019, for the 45th year in a row, Port Houston earned the Certificate of Achievement for Excellence in Financial Reporting Program from the Government Finance Officers Association.

While these numbers certainly demonstrate hard work and dedication to the world’s supply chain, we know it is also vital to make a difference in the lives of individuals right here in our community. From our maritime education programs aimed at the young man and women who will soon be entering the workforce, to our long-standing commitment to support local small businesses, we continue to seek ways to provide opportunities to those around us.

In 2019, Port Houston staff and volunteers contributed a record total 2,473 hours to community-based projects. Port Houston team members participated in blood drives, tree planting projects, oyster reef restoration projects, food drives, and relief efforts for hurricane victims.

In one notable project, Port Houston was the recipient of the Proud Partner award from Keep Houston Beautiful during the 34th Annual Mayor’s Proud Partners Program for the “Mission Milby Community Gardens Project,” in which Port Houston’s team created an outdoor learning classroom by building a vibrant and functional green space at the Mission Milby Community Center.

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In 2019, Port Houston made multiple improvements to our benefits plan resulting in a turnover rate of only 6.1%—the lowest since 2003.
In 2019, Port Houston reported a record total tonnage of 37.8 million tons through our public facilities. That tonnage number was a 5% increase compared to the previous year.

GROWTH MODE
Port Houston in 2019 marked its fourth year in a row of double-digit growth for twenty-foot equivalent units (TEUs), recording an increase of nearly 11% in container volumes. That put us close to the 3 million TEU mark. Port Houston also recorded the handling of more than 4 million tons of steel in 2019, which was down slightly from 2018. But volumes still remained well above an average year, which helped ensure a solid year for the publicly owned multi-purpose facilities we manage.
OPERATING REVENUE HITS RECORD
All of this growth in commerce across our public docks drove another record year in operating revenue for Port Houston. Operating revenues were $391,437,000 in 2019, reflecting growth of 6% compared to the previous year. That was largely due to an increase in vessel and cargo services revenue.

NEW SERVICES
Also noteworthy in 2019, Port Houston added three new container services and two general cargo liner services. Strong demand attracted new services and made upgrades of existing services the norm at Port Houston. The 2M Alliance, comprised of Maersk and MSC, the world’s first and second-largest ocean carriers, started a new Trans-Pacific all water service calling Port Houston. The new Far East all-water service calling Bayport began Sept. 15. The “TP-88” by Maersk, “Pelican” by MSC and “ZGX” by ZIM all use Houston as the first U.S. port of call.

But containers are not the only source of growth. Universal Africa Lines, a conventional ocean transportation carrier specializing in project cargo, breakbulk and containers, in 2019 began calling Port Houston as part of its U.S Gulf of Mexico to West Africa liner service. The company specializes in servicing the oil and gas industry. UAL chose Port Houston due to the available dedicated laydown area for project cargoes and available berths.

Additionally, Port Houston is the only U.S. port of call for a new direct service global ocean carrier CMA CGM launched in July with Marfret. The MedCaribe connects the U.S. Gulf with Mexico, Central America (Costa Rica), the Caribbean and the Mediterranean markets. Port Houston also welcomed the MV Bulk Freedom at the city docks Oct. 2.

EXISTING SERVICES
We had several notable lease agreements and extensions during 2019, such as the renewal with longtime tenant Volkswagen, securing long term business and job growth at the city docks. Total lease revenues increased by 6%. Port Houston and VW have been working together since 1954.

EXCELLENCE IN FINANCIAL REPORTING
Also in 2019, the Port Houston accounting team received the Government Finance Officers Association’s Certificate of Achievement for Excellence for Financial Reporting for the 45th straight year. This is the highest award a government entity can receive for accounting and finance.

FOREIGN TRADE ZONE #84
Foreign Trade Zone 84 is managed by Port Houston and is one of the largest FTZ’s in the country and in 2019 set a record for the volume of cargo handled.

Foreign Trade Zone 84 includes multiple sites throughout the Harris County area. Those include facilities for liquid bulk storage and blending, pipe and steel storage and processing, automobile storage, and general-purpose warehousing and business parks with building space and land for sale or lease.

In 2019, more than $3 billion worth of shipments moved through FTZ 84 at the port. Resulting activities that took place included inspecting, sampling, testing, marking, labeling and repackaging various commodities, cleaning pipe, bottling alcoholic beverages and drying and bleaching of tallow.

Steel is one commodity that is regularly handled through the FTZ. Despite the increase in tariffs that was imposed on steel and aluminum, Port Houston handled more than 4 million tons of steel through general cargo facilities in 2019.

Admissions of petroleum products, shipments of chemical products and imports of machinery and parts into FTZ 84 continue to increase.

Port Houston continues to be among the fastest-growing container ports in the country, fueled by an increasing number of import distribution centers in the Houston region and a robust manufacturing base in the state of Texas.
## Condensed Statements of Financial Position As of December 31, 2019, 2018 and 2017

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current and other assets</td>
<td>$638,725</td>
<td>$514,239</td>
<td>$464,314</td>
</tr>
<tr>
<td>Capital assets</td>
<td>1,741,467</td>
<td>1,693,968</td>
<td>1,681,943</td>
</tr>
<tr>
<td>Total assets and deferred outflows of resources</td>
<td>$2,380,192</td>
<td>$2,245,855</td>
<td>$2,157,257</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>79,121</td>
<td>54,870</td>
<td>64,970</td>
</tr>
<tr>
<td>Long-term debt (excluding current portion)</td>
<td>623,227</td>
<td>610,483</td>
<td>613,898</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>39,931</td>
<td>20,165</td>
<td>29,880</td>
</tr>
<tr>
<td>Total liabilities and deferred inflows of resources</td>
<td>$741,358</td>
<td>$734,478</td>
<td>$704,828</td>
</tr>
<tr>
<td><strong>Net position</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>1,110,856</td>
<td>1,050,804</td>
<td>1,033,578</td>
</tr>
<tr>
<td>Restricted assets</td>
<td>45,346</td>
<td>44,946</td>
<td>48,012</td>
</tr>
<tr>
<td>Unrestricted assets</td>
<td>473,735</td>
<td>418,108</td>
<td>318,429</td>
</tr>
<tr>
<td>Total net position</td>
<td>1,630,933</td>
<td>1,511,358</td>
<td>1,389,020</td>
</tr>
<tr>
<td><strong>Total Liabilities, Deferred Inflows of Resources and Net Position</strong></td>
<td>$2,380,192</td>
<td>$2,245,855</td>
<td>$2,157,257</td>
</tr>
</tbody>
</table>

## Condensed Statements of Net Position and Cash Flows For the years ended December 31, 2019, 2018 and 2017

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenues</strong></td>
<td>$310,437</td>
<td>$279,159</td>
<td>$252,774</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>301,561</td>
<td>270,159</td>
<td>254,309</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>8,876</td>
<td>9,001</td>
<td>8,465</td>
</tr>
<tr>
<td><strong>Net nonoperating revenues</strong></td>
<td>9,986</td>
<td>6,428</td>
<td>(207)</td>
</tr>
<tr>
<td><strong>Netnonoperating revenues related to property taxes</strong></td>
<td>26,086</td>
<td>21,225</td>
<td>22,596</td>
</tr>
<tr>
<td><strong>Income before capital contributions</strong></td>
<td>129,803</td>
<td>117,510</td>
<td>102,488</td>
</tr>
<tr>
<td><strong>Capital contributions from federal agencies</strong></td>
<td>1,772</td>
<td>5,219</td>
<td>8,896</td>
</tr>
<tr>
<td><strong>Change in net position</strong></td>
<td>$127,575</td>
<td>$111,284</td>
<td>$102,993</td>
</tr>
<tr>
<td><strong>Cash provided by operating activities</strong></td>
<td>$194,386</td>
<td>$133,273</td>
<td>$98,781</td>
</tr>
<tr>
<td><strong>Cash provided by noncapital financing activities</strong></td>
<td>42,675</td>
<td>47,486</td>
<td>55,368</td>
</tr>
<tr>
<td><strong>Cash used in capital and related financing activities</strong></td>
<td>(103,737)</td>
<td>(124,929)</td>
<td>(191,836)</td>
</tr>
<tr>
<td><strong>Cash used in investing activities</strong></td>
<td>36,354</td>
<td>(57,728)</td>
<td>(89,280)</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in cash and cash equivalents</strong></td>
<td>100,268</td>
<td>(1,916)</td>
<td>50,503</td>
</tr>
<tr>
<td><strong>Balances at beginning of year</strong></td>
<td>$193,450</td>
<td>$93,182</td>
<td>$95,098</td>
</tr>
</tbody>
</table>

(port in thousands)
Work on the Houston Ship Channel Expansion—Project 11 picked up speed in 2019, with the Port Commission in September approving a $5.5 million contract award to TC&B Operational GBA, a joint venture of Turner Collie and Braden, Inc. and Gahagan & Bryant Associates, Inc. The ship channel expansion work includes critical-path professional services for engineering, design and coordination of the project. The widening and deepening of the ship channel will allow for economic growth for the region, state and nation to continue.

Given significant demand from industry to take advantage of current economic conditions and facilitate future growth, the Port Houston proposed an expedited schedule whereby dredging could begin by 2021 and the project be completed in 2024.

The focus on the eleventh major improvement project since the channel opened in 1914 was fitting for 2019, a solid year operationally where the importance of strategic growth was easily highlighted.

The Houston Ship Channel is the busiest deep-draft international trade waterway in the nation, and improvements to the channel are important for the nearly 200 businesses located along the historic waterway.
BIG NEW CRANES FOR BAYPORT

An order for three new Neopanamax electric cranes for the Bayport Container Terminal was approved in September by the Port Commission. The $35 million dockside cranes are for Bayport’s Wharf No. 5. The three new ship-to-shore cranes are expected to be operational in the summer of 2021 and will be the tallest to-date for Port Houston, standing at 158 feet under the spreader and capable of handling 18,000 TEU-sized container ships.

The approval for the cranes came about the same time we hit the 2-million-TEU mark for the year. Port Houston surpassed 2 million TEUs for the first time in 2015, but it was in December that year. The three cranes will bring Port Houston’s fleet of ship-to-shore cranes to 29.

RECORD GATE MOVES

Port Houston’s Bayport and Barbours Cut container terminals combined handled more than 11,000 gate moves in one day for the first time ever Aug. 28. Service levels included sub-60-minute dual transaction turn times.

This efficiency milestone follows the recent approval for a truck gate expansion at the Barbours Cut Terminal. The project consists of about 23 acres of new pavement at the existing Barbours Cut Terminal. Major components of work include the demolition of existing pavement and structures, new pavement, additional truck gate lanes and the construction of two new buildings and underground utilities. Port Houston has made investments in its assets by strategically planning for capital project improvements at all of its facilities.

SURGE IN RESINS HELPS BOOST CONTAINER ACTIVITY

Loaded container exports at Port Houston jumped 17 percent in 2019, buoyed by a historic expansion in the export of raw polyethylene resin. We are projecting continued growth, as the amount of resins being produced by petrochemical plants along the Houston Ship Channel continues to increase. Many of those resins move across our docks as exports.

“The big driver of this growth is the much-anticipated surge in resin exports,” Guenther said. “It is here, and it is solid.”

Meanwhile, loaded imports grew 5 percent in 2019, driven by a broad spectrum of companies from sectors including retail, alternative energy, food and beverage, and industrial materials.

“The year 2019 was another record year for volume at Port Houston’s container facilities, and the third consecutive year for double-digit TEU growth. Our strategy of relentless focus on customer service and continued investment in terminal capacity allows us to seamlessly handle rapidly growing volumes of international trade and support the local, state and national economies.”

ROGER GUENTHNER
Executive Director

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ROGER GUENTHNER
Executive Director
The Port Security and Emergency Operations division keeps a close eye on all Port Houston’s operations and facilities.

Port Houston maintains a commitment to safety and security in compliance with the Maritime Transportation Security Act (MTSA) of 2002. The U.S. Coast Guard and the Department of Homeland Security administration work together to enforce the regulations governing port security procedures.

In March 2008, the Port Security & Emergency Operations Department Security Management System (SMS) was certified to ISO 28000:2007, making the Port of Houston Authority the first port authority in the world to receive this international security designation, and it has since been recertified. All Port Houston-operated terminals are certified to the standard. The international standard sets out stringent requirements for a security management system that incorporates all aspects of business management.

Port Houston maintains its own emergency first responders—Port Police and Fire departments.

AN AVERAGE WEEK IN PORT SECURITY & EMERGENCY OPERATIONS

**The Dispatch Center handles**

- 764 calls for service

**Credentialing assists**

- 75 people face-to-face with access requirements

**Port Houston's Security Department**

- Processes 17 gate requests
- Randomly verifies 147 TWIC cards
- Randomly screens 3,456 vehicles

**Port Houston’s Police Department**

- Responds to 4 HAZMAT calls
- Responds to 3 EMS calls
- Resolves 7 radio issues

**Port Houston’s Fire Department**

- Inspects 287 fire extinguishers
- Responds to 252 calls and/or events
- Inspects 287 fire extinguishers
- Responds to 3 EMS calls
- Facilitates 11 hours of first responder training

**Port Houston’s Emergency Management Department**

- Resolves 7 radio issues
- Facilitates 11 hours of first responder training

www.porthouston.com
BIG FIRE TRIGGERED SWIFT RESPONSE FROM PORT HOUSTON’S FIRE DEPARTMENT

A chemical fire at the Intercontinental Terminals facility in Deer Park in March spread to eight tanks there and led to miles of smoke across the city. Port Houston’s fire department provided fireboats and equipment support.

While that facility itself is not Port Houston property, the terminal is on the Houston Ship Channel and Port Houston firefighters fight fires all along the channel, as well as respond to other emergencies on the channel and its tributaries.

Three Port Houston fireboats remained on scene and mobilized while pumping more than 65 million gallons of water on the fires, which were extinguished once, but then reignited.

The port’s fire department and emergency management teams were represented in the Incident Command Post, including 16 firefighters, five crewing each boat, and one battalion chief.

“We responded as a CIMA Channel Industry Mutual Aid member under the ITC Terminal Command. This was a collaborative effort of many agencies working together.”

WILLIAM BUCK

Fire Chief

“We know that I am part of a team that protects the goods and services that so many around the world depend on is truly an honor.”

KYLE WIGGS

Port of Houston Firefighter
SEN. CRUZ HEARTILY ENDORSES PROJECT 11

Sen. Ted Cruz voiced strong support for the Houston Ship Channel Expansion Project after being briefed in early October by Port Houston leadership and top executives representing industry along the channel. Cruz said the widening and deepening project is important to Texas and the nation and he lauded the leadership of Port Houston and the business community for their willingness to work together to get the project completed in an expedited manner.

Upon completion of the study, Congress will consider authorizing the project in the Water Resources Development Act legislation in 2020. At the same time, Port Houston and industry stakeholders are working together to garner support for the project’s authorization by Congress as well as collaborating on possible funding and other strategies to accelerate the project.

Calling the Port of Houston “the crown jewel of the Texas economy,” the senator said expansion of the channel will trigger the creation of even more jobs. The project has been the focus of a four-year study conducted by the Corps and Port Houston that expects to be finished in the spring of 2020.
CAMPO TOURS WITH CORPS LEADER

To highlight the importance of Project 11, which is the most recent effort to expand the Houston Ship Channel, Port Commission Chairman Ric Campo joined Chief of Engineers and Commanding General of the U.S. Army Corps of Engineers Lt. Gen. Todd T. Semonite on a helicopter tour of the channel in June. They witnessed firsthand the busiest ship channel in the nation. Campo emphasized that the opportunity for the Corps official to see the activity in the channel helped demonstrate the challenges that current constraints could place on the waterway in the future. The Corps of Engineers supports Port Houston’s focused effort to achieve federal authorization to widen the Houston Ship Channel to better accommodate the larger vessels that will be calling the port.

U.S. REP. FLETCHER TOURS BAYPORT CONTAINER TERMINAL VIA FIREBOAT

U.S. Rep. Lizzie Fletcher, who presides over Texas’ 7th Congressional District, toured Port Houston April 23 with her staff, where they received a briefing on the Houston Ship Channel and the national economic importance of making waterway improvements. The tour was especially timely for Fletcher, given her role as a member of the House Transportation and Infrastructure Committee and co-chair of a task force on trade.

As part of Fletcher’s visit, Chairman Campo and Chief Port Infrastructure Officer Rich Byrnes took her aboard a fireboat where she received a firsthand view of the busy Bayport Container Terminal. She was also able to see the activity along the channel involving the numerous petrochemical companies that operate along the waterway.

The backdrop of the tour highlighted Port’s Houston’s impact on innovation, economic value and job creation. Additionally, she was able to gain insight about the waterway’s challenges and potential opportunities.
PORT HOUSTON HOSTS JOC GULF SHIPPING CONFERENCE
Hundreds of maritime professionals attended the fourth annual JOC Gulf Shipping Conference held at the Marriott Marquis Hotel downtown May 20-22. The event was hosted by Port Houston and organized by The Journal of Commerce and parent company IHS Markit. Panelists discussed shipping trends and the efficiency and importance of commerce moving through U.S. Gulf ports. The event provided an in-depth look at the latest topics, challenges and solutions emerging for cargo owners importing and exporting through the Gulf.

“We were pleased to sponsor this event that featured dynamic discussions of interest, including petrochemical plastic resins, container shipping, inland transportation and cargo visibility,” said Roger Guenther, Port Houston’s executive director. Guenther participated in the program during a session about the Houston Ship Channel’s growth, challenges and opportunities.

Guenther also noted that the Houston Ship Channel remains the number one priority for Port Houston. The greater port is the epicenter of massive energy and petrochemical manufacturing investments that are resulting in more jobs across the nation, increased energy security and increased exports.

MARITIME EDUCATION
More than 450 students and 30 exhibitors attended the 2019 Maritime and Logistics Youth Expo held at the San Jacinto College Maritime Technology and Training Center April 26. The port’s Small Business and Education Outreach department participated in and supported the effort to help students learn about different career pathways in the maritime and logistics industries.

The expo featured presentations by mariners covering towboats, harbor tugs, barges, shipping forklifts, dredging, survey vessels and maritime salvage equipment. Logistics, distribution and transportation companies were on hand to share industry, internship and career opportunities. More than 30 exhibitors were at the event.

The event also featured a splashing tugboat push competition and helicopter water rescue. The port’s emergency Mobile Command Center and a Port of Houston fire boat were on site for demonstrations. Games, learning activities, giveaways and a photo booth station were also part of the morning.

Academic partners including Texas Southern University, Texas A&M Galveston, University of Houston, Houston Community College and San Jacinto College Maritime and North campuses were on hand to share maritime, logistics and supply-chain pathways and scholarship opportunities to students.

The event is supported by the Port of Houston Partners in Maritime Education Program and is co-sponsored by Port Houston, Harris County Precinct 2, Houston Pilots, San Jacinto College and the U.S. Coast Guard Auxiliary.
PORT EMPLOYEES VOLUNTEER AT 21ST ANNUAL MARSH MANIA

Port Houston team members spent a day volunteering at Marsh Mania, a popular environmental project, which was held April 13. Port Houston team members joined dozens of local organizations and other community members for the nationally recognized wetlands restoration project, planting stems of cordgrass to create new marsh habitat at Virginia Point, near Galveston. In its 21 years, Marsh Mania has involved more than 8,000 community volunteers in the restoration of roughly 209 acres of vital estuarine marsh habitat at 92 sites around Galveston Bay. Many of our outreach projects not only help improve the environment, but they help us engage our Port Houston team members from across the organization in larger initiatives that have wide-reaching benefits.

PORT HOUSTON DONATION DRIVE SUPPORTED RELIEF EFFORTS IN THE BAHAMAS

After Hurricane Dorian struck the Bahamas as a Category 5 hurricane, the challenge of rebuilding homes and communities quickly began. With more than 10,000 homes affected in the Bahamas, Port Houston organized a supply drive to collect items to help those affected. Dropoff sites were set up at each of our terminals and allowed employees, their families and friends to donate items to assist the Bahamas.

In addition to the items donated by Port Houston employees, community partners such as Gulf Winds International, MSC, HEB and the local International Longshoremen’s Association partnered with Port Houston to collect, package and transport a total of nine 40-foot containers to the Grand Bahamas.

In total, the Port Houston team was able to collect enough supplies to fill 240-foot containers with items like water, food and essential personal items.
PORT HOUSTON ADVANCING SMALL BUSINESS THROUGH PORT UNIVERSITY

Port Houston continued its popular Port University course for small businesses April 10 with presentations from various departments about doing business with the port. Port University, a four-week training course, is an outreach program designed to educate small businesses about procurement opportunities. The workshops are presented in collaboration with the University of Houston Small Business Development Center.

More than 50 small business representatives attended the class. They learned about port procurement opportunities, port facilities, the small business program, contracting language, bonding, insurance requirements and the port’s BuySpeed Procurement System.

Since inception in 2003, more than 800 small business owners have graduated from Port University.

SMALL BUSINESS

GRIBIN & STRONG PORT HOUSTON SMALL BUSINESS DISPARITY STUDY LAUNCHED

With a desire to aid local commerce and to promote economic development and job creation, Port Houston commissioned a disparity study to evaluate equal opportunity and fairness in its procurement and contracting process. A public meeting was held Oct. 22.

Port Houston commissioned Griffin & Strong, P.C. (Griffin & Strong), a law and public policy consulting firm, to complete this study. The study will gather information necessary to determine whether all qualified firms have the maximum opportunity to compete for and participate in Port Houston’s procurement of prime contracts and associated subcontracts and, if indicated by the evidence, will support the use of strategies to ensure such opportunity.

The results of this study are expected in the fall of 2020.
Port Houston was named a 2019 Environmental Improvement Award recipient by the American Association of Port Authorities (AAPA) for a longtime environmental mitigation project.

As part of a commitment to neighboring communities, the port started building a sight and sound berm in 2005 to preserve the quiet and beauty of nearby natural areas. At the time, Port Houston had a need to expand container terminal capacity and was building the Bayport Container Terminal. Port Houston also had a vision to be a good steward and community member.

Port Houston’s dialogue with the surrounding community spanned several years. Community members expressed their desire to maintain the beautiful view of the bay, and they wanted something more than a wall to buffer development. Port Houston worked with the cities of Seabrook and Pasadena to turn a simple berm into added space to enjoy coastal views and recreational activities.

The completed Bayport Sight and Sound Berm is 20 feet tall with a 130-foot-wide base and is 3.1 miles long with space for a trail along the top. The berm creates a visual barrier to the containers and also blocks sound.
Retirements

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<td>RICKY W. KUNZ</td>
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<td>JEFFREY MEDEMA</td>
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<td>MARK E. VINCENT</td>
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