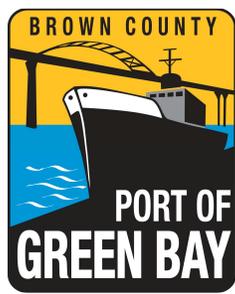


Brown County Port & Solid Waste Department
Port of Green Bay
Annual Report 2011



I. Message from Director

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.

The Port of Green Bay is a vital 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. Waterborne transportation provides an efficient and environmentally-friendly mode of transportation.

Fourteen Port businesses span over three miles of the Fox River. These businesses moved **2,162,756 metric tons during 2011, representing a 25% increase from 2010 numbers**. The season started off positive and stayed positive throughout 2011. This is a good indicator that the economy is picking up.

Major contributors to the successful season included increases in domestic imports of gypsum (69%) and petroleum coke (36%). The largest increase in foreign imports was salt (130%). The addition of the U.S. Venture terminal resulted in importing and exporting more than 210,000 mt of petroleum products in 2011. This new market has contributed to diversifying port cargo and meeting the goals of the Harbor Commission's 2010 Strategic Plan.

The Port also saw an increase in the number of vessels in port. There were just 142 vessels in port in 2010 while 2011 brought in 188, a 32% increase.

Commodities include coal, limestone, cement, salt, pig iron, fuel oil, forest products, liquid asphalt and many other essential commodities valued at over \$300 million. Eight terminal operators located on the Fox River are capable of handling dry bulk commodities such as coal, cement, limestone, salt, and others. Four terminal operators are capable of handling bulk liquids including tallow, petroleum products, chemicals and liquid asphalt. Two general cargo docks are capable of handling machinery, bagged agricultural commodities, wood pulp and forest products. **The Port of Green Bay supports over 832 jobs resulting in \$27 million in personal income, and has an annual economic impact on the Green Bay area of around \$88 million. The 14 port businesses pay over \$5 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.



Based on the 2011 results, I am looking forward to 2012 as the shipping industry continues to be the most cost-effective method of transportation for commodities. The Port generates employment opportunities for the region and brings money into our communities. The Port is a vital component of our area economy and an economic engine not found in many communities. We want to capitalize on that and extend the Port's reach to new markets in Northeast Wisconsin in 2012. The United States currently ships only 2% of its domestic freight by water, while Europe and China ship 44% and 61% respectively. Based on this, the Port of Green Bay will continue to grow and to be an economic engine that sustains existing businesses and generates new opportunities in the future.

II. Overview: Management

The Port is operated by the Brown County Port & Solid Waste Department. The Port's mission 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 directs the commercial aspects of the harbor's day-to-day operations.

Mission Statement

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.

Vision

The Port of Green Bay is an integral part of a healthy Northeastern Wisconsin economy and provides a critical link to national and global markets for Wisconsin enterprises.

III. Port and the Environment

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

Consider that a ship destined for the Port of Green Bay carrying 18,000 tons of coal from Sandusky, Ohio on Lake Erie will burn over 7,000 gallons of fuel. However, if that same amount of coal was delivered to Green Bay by rail, it would take almost 200 rail cars burning 36,000 gallons of fuel. If that same amount of coal was delivered to Green Bay by truck, an additional 700 trucks burning over 110,000 gallons of fuel would be on 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 above, moving the same amount of cargo by rail would result in 11 tons of emissions or 16 tons of emissions by truck. Transporting this cargo by ship would result in only 1 ton of emissions. With over 200 ships entering the Port of Green Bay annually, it is quite easy to see that moving cargo by ship is the “green” choice.

Waterborne transportation generates the least amount of air pollution, ground pollution, 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 environmentally benefiting everyone.

IV. 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-valued finished goods to customers.

The Port of Green Bay had an economic impact of more than \$83 million in 2010, supporting 823 local jobs. The report found that port activities produced an estimated \$26 million in income, \$802,000 in state taxes, \$890,000 in local taxes and provided an estimated \$40 million in gross state product. The 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 economy has been a challenge for all types of businesses and the port is no exception. We are confident that business will increase as the economy recovers, keeping the Port a vital component of our area economy. In addition, our strategic plan outlines new ideas and ways we can expand our reach beyond our existing markets to increase business in Northeast Wisconsin.



V. 2011 Accomplishments

The following list represents some of the Port's major accomplishments in 2011.

- Cat Island Restoration Project

The Port continued to advance this project. During 2011, the U.S. Army Corps of Engineers adopted a Dredged Material Management Plan that identified the Cat Islands and continued use of Bay Port as key solutions to dredge material management for the next 20 years. The Corps also has designed the plans and specifications for the project. Brown County over the past several years has secured \$10.4M in grants and Port funds; received a WDNR Water Quality Certification permit; been granted the lakebed by the Wisconsin Legislature; and, the Port has secured all easements and rights-of-way. During 2011, the Port used Schenck & Associates and Foth Companies to successfully demonstrate that the Port could construct the project as a service to the Corps for less money, more quickly and with more local control. Final decisions will take place in 2012.

- Economic Impact Study

Brown County worked with the Great Lakes Maritime Resource Institute and the University of Minnesota-Duluth to conduct an economic impact study on the Port based on 2010 data. The study determined the Port had an economic impact of more than \$83 million and supporting 823 local jobs while Port activities produced an estimated \$26 million in income, \$802,000 in state taxes, \$890,000 in local taxes and provided an estimated \$40 million in gross state product.

In addition, the Great Lakes-St. Lawrence Seaway System conducted an economic impact study of the whole Great Lakes system for 2010. The Great Lakes-Seaway shipping is a key driver of the U.S. economy, creating 129,000 jobs and \$18.1 billion in economic activity throughout the eight Great Lakes states. Marine-related industries and employees contribute significantly to the general prosperity of U.S. society through their \$2.7 billion contribution to federal, state, and local taxes. North American farmers, steel producers, construction firms, food manufacturers and power generators depend on the 164 million metric tons of raw materials and finished goods that are delivered by Great Lakes-Seaway ships every year to keep their businesses running.

- Renard Island

In 2010 Brown County received a \$1.5M Great Lakes Restoration Initiative (GLRI) grant from the USEPA to start the Renard Island Closure activities involving an engineered soil cap. \$1.2M of this money was spent over the winter of 2011. The remaining \$300K is being spent during the winter of 2012. In 2009, the total closure cost was estimated at \$5M with the US Army Corps of Engineers ultimately responsible for closure. Brown County, in an effort to help the Corps, applied for another GLRI grant in 2011, but was not successful. Brown County is pushing the Corps and our federal legislators to find a funding source to meet the federal responsibility of an engineered soil cap for the island. During 2011, Brown County received DNR approval for the soil that will be used for the final cap.



- 1445 Bylsby Avenue

The Port leased a total of four acres of property to Great Lakes Calcium in 2011. In addition, the Port received notice for the Corps that the remaining eight acres are not under the jurisdiction of the Corps. The Port submitted a wetland fill permit to WDNR for redevelopment of the industrial site for port-related purposes.

- Bay Port CDF Expansion

Brown County submitted expansion plans for adding two dewatering cells on the Port's 36 acres currently used as the city of Green Bay compost facility. Dewatering dredge material on this property will enable the practicality of filling the existing Bay Port CDF footprint with 2.5M CY to 7.4M CY by increasing the grades of side slopes. The capacity increase was demonstrated through a demonstration project at Cell 7 from 2001-2009.

- US Venture

US Venture successfully received a WDOT Harbor Assistance Grant to dredge and reconstruct an old port terminal into a modern facility moving petroleum products including gasoline, diesel and ethanol around the Great Lakes and St. Lawrence Seaway.

- Beneficial Reuse

The Port continues to invest in beneficial reuse of dredge material. During 2011, Brown County received WDNR approval with a variety of protocols to meet for beneficial reuse of dredge material in different applications. The Port invested significant resources into efforts to incorporate dredge material into the Hwy 41 reconstruction project. A UW-Green Bay student was hired to develop a research paper on beneficial reuse of dredged material. Upon completion the student will be pursuing a master's degree and his thesis will be to develop a business case for advancing beneficial reuse of dredge material

- Container Study

The University of Wisconsin-Green Bay completed a study on the feasibility of an intermodal facility at the Port of Green Bay. Based on the study results, efforts should be focused first on developing an intermodal rail facility located near the Port. Intermodal container movements by water and a possible liner service would be complementary to an intermodal rail facility. Staff will stay involved in the establishment of an intermodal rail facility in hopes that complementary port activities will develop.

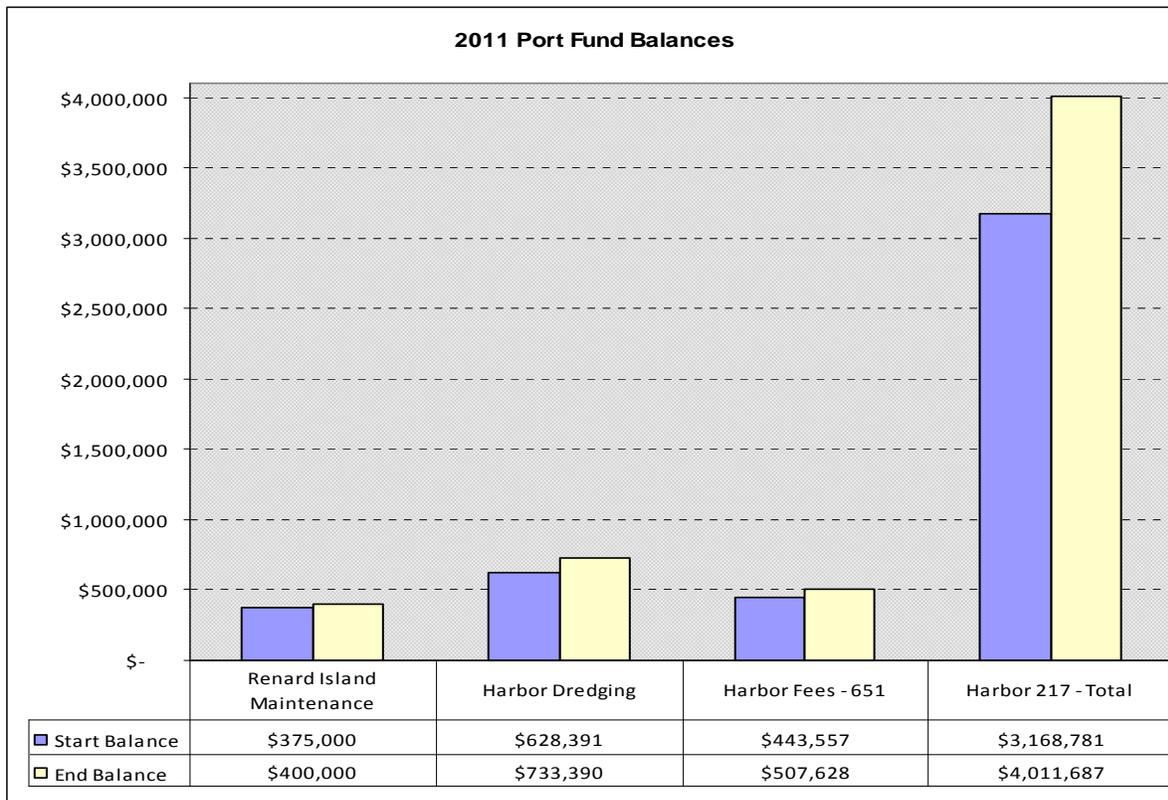
- Public Relations Plan

Outreach efforts involved creating a permanent exhibit at the Neville Public Museum and sponsoring the marine weather report on the radio during the shipping season.





VI. 2011 Financial Highlights



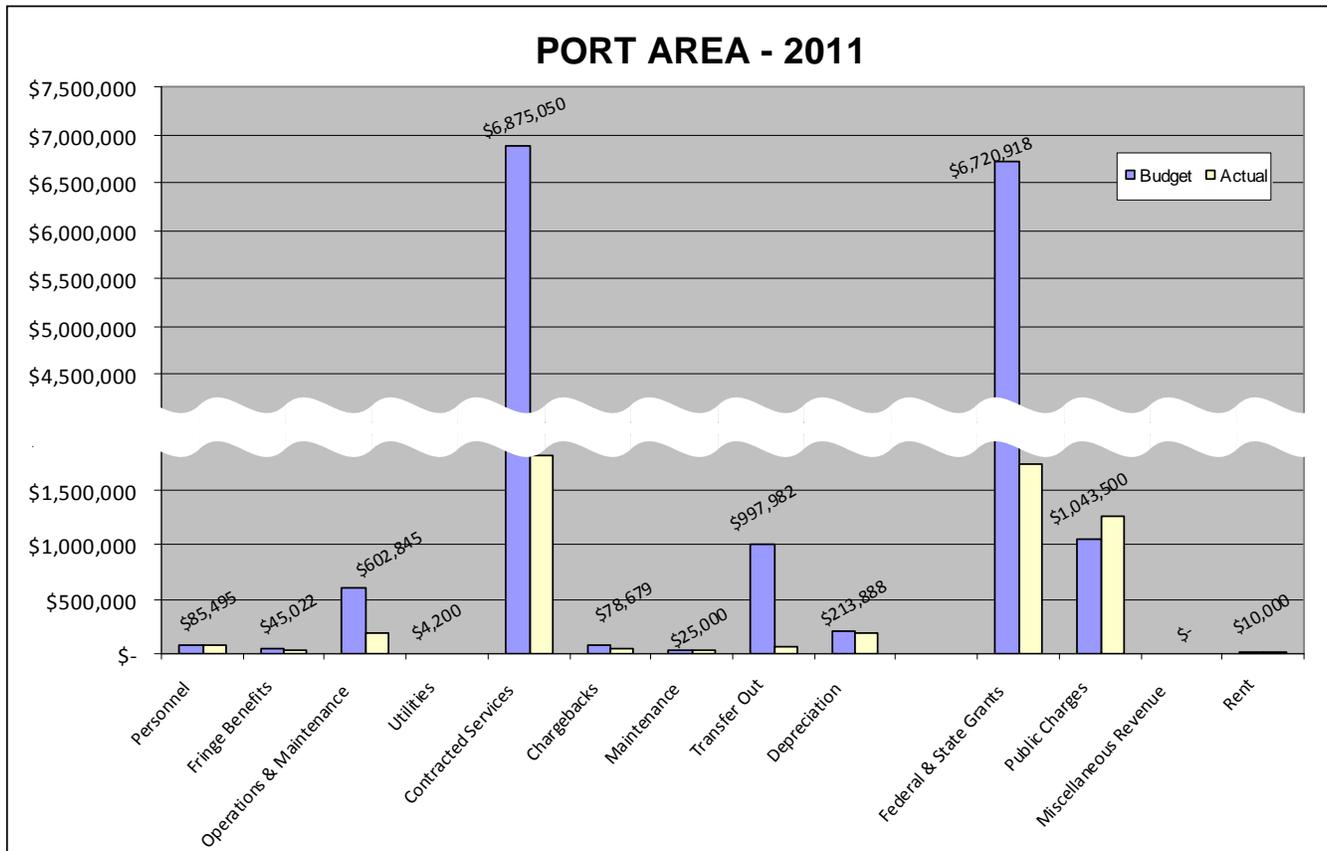
Brown County Port and Solid Waste Department Port Area Budget Status Report 12/31/2011

Account Descriptions	Annual Budget	YTD Actual	% of Budget
Total Expenses	\$ 8,928,161	\$ 2,423,021	27.14%
Personnel	\$ 85,495	\$ 75,086	
Fringe Benefits	\$ 45,022	\$ 32,065	
Operations & Maintenance	\$ 602,845	\$ 182,998	
Utilities	\$ 4,200	\$ 2,550	
Contracted Services	\$ 6,875,050	\$ 1,802,171	
Chargebacks	\$ 78,679	\$ 46,703	
Maintenance	\$ 25,000	\$ 25,000	
Transfer Out	\$ 997,982	\$ 60,385	
Depreciation	\$ 213,888	\$ 196,064	
Total Revenue	\$ 8,828,357	\$ 3,082,595	34.92%
Federal & State Grants	\$ 6,720,918	\$ 1,734,377	
Public Charges	\$ 1,043,500	\$ 1,254,157	
Miscellaneous Revenue	\$ -	\$ 40	
Rent	\$ 10,000	\$ 10,320	
Interest	\$ 57,852	\$ 25,211	
Transfer In	\$ 996,087	\$ 58,490	

HIGHLIGHTS:

Expenses: Renard Isle Closure and Cat Island account for the Contracted Services Expenses and Transfer Out. Budgeted Cat Island restoration did not happen in 2011. Operations and Maintenance lower due to Bayport Dredge Material Management done as part of Renard Island project.

Revenues: Transfer In impacted by Renard Isle project. Also budgeted Cat Island restoration did not happen in 2011.



Revenues and Expenses are current as of 1/31/12 and are unaudited.

