

# *Annual Report 2015*



## *Port of Green Bay*

*Brown County Port & Resource Recovery Department*



## I. Message from Director

This past year of 2015, the Harbor Commission and staff adopted a new strategic plan for the Port of Green Bay. The strategic plan identifies strengths, weakness, opportunities and threats and assembles them into strategic themes. From there the strategic plan identifies a select few primary goals and a number of objectives to reach the agreed upon goals over the next five (5) years. You will find in this annual report work items and deliverables reflected in the strategic plan.

The Port of Green Bay consists of fourteen (14) Port businesses spanning over three miles of the Fox River. These businesses moved **1,993,002 metric tons (mt) during 2015, representing a 14% decrease from 2014.** The 2014 tonnage was the highest port tonnage total since 2007, equaling or surpassing the 2014 tonnage levels was the goal this past year. **Despite not equaling the 2014 tonnage, the 2015 tonnage was near the 2 million mark. The 2 million mark is considered a good season and indicates the economy in Northeastern WI remains strong.** The season started off April 3<sup>rd</sup>, 15 days earlier than the 2014 shipping season due to the long winter and persistent ice conditions.

Major positive contributors to the 2015 season included increases in domestic imports of U.S. cement (66%) foreign imported salt (18%) and foreign export of petroleum products (16%). The domestically imported cement numbers are due to the Highway 41 project and a rebounding home building and construction industry that reached an eight (8) year high. The salt and petroleum product increases resulted in a 16% increase in foreign exports and a 4% increase in foreign imports. The remaining commodities moved through the port experienced declines that resulted in a 19% decrease in domestic imports and a 9% decrease in domestic exports.

The Port also saw a 26% decrease in the number of vessels that came through the port. There were 141 vessels in port in 2015, compared to 191 in 2014. When comparing the change in tonnage and vessels, it is clear that the rising water levels improved vessel carrying capacity.

The Port received its last vessel of the 2015 season on January 15, 2016 staying open almost two weeks later than 2014. Additionally, the vessel stayed in port for another week before leaving the port with the U.S. Coast Guard providing ice breaking assistance both inbound and outbound. Work is already underway for the 2016 season. Early forecasts show that commodities like limestone and petroleum products are expected to increase. At the same time, coal and cement will likely decrease because of continued low cost natural gas and completion of the Highway 41 project. The port will again strive to move more than 2 million mt of cargo in the upcoming season.

Based on the 2015 results, I am looking forward to 2016 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 expand the movements of diverse cargo and extend the Port's reach to new markets in Northeast Wisconsin in 2016.

## II. 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.

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. Waterborne transportation provides an efficient and environmentally-friendly mode of transportation.

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. Three terminal operators are capable of handling bulk liquids including tallow, petroleum products, chemicals and liquid asphalt. Three general cargo docks are capable of handling machinery, aluminum products, bagged agricultural commodities, wood pulp and forest products. Based on a 2010 economic impact study, **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 \$83 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.

## III. Overview: Management

The Port is operated by the Brown County Port & Resource Recovery 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.

The new 2015 *Port of Green Bay Strategic Plan* will serve as a long range guiding document that identifies strategic issues to address, and establishes goals and objectives to strive towards. Annually, an operating report is adopted to ensure the strategic plan goals and objectives are being strived for. The following is the mission statement and vision for the Port of Green Bay:

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”.*

## **IV. 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 one (1) ton of emissions. With nearly 200 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 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 also environmentally, benefiting everyone.

## **V. 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 according to a 2010 report on the economic impact of the Port that 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. The good news is the economy is recovering and the Port serves as a leading indicator of economic activity. The Port is a vital component of our area economy and the 2016 shipping season looks bright. 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.

A new Economic Impact Study will be prepared in 2016 using 2015 data.

## VI. 2015 Goals & Accomplishments

- Adopt 2015 Port Strategic Plan

**Complete:** June 2015

- Further Advance Beneficial Reuse of Dredged Material

**In-Progress:** Limited success to date. Looked into use of sand in County production of asphalt and for construction purposes. Possible future opportunities could be for re-establishment of a swimming beach at Bay Beach or as filter media in Green Bay Metropolitan Sewerage District ponds.

- Coordinate with the Fox River PCB clean-up project

Coordinate and cooperate with Fox River Clean-up Project ensuring uninterrupted operations of the Port of Green Bay while advocating for dredging rather than capping.

- Educate property owners of their property rights
- Cooperate with the project
- Coordinate port operations
- Invite Project presentation at Port Symposium
- Partner with Chamber of Commerce
- Hold meetings with property owners

**Complete:** April 2015. Dredging will be complete in 2016 and capping will be complete in 2017. Each Harbor Commission meeting has a public comment agenda item for public input regarding the clean-up project.

- Cat Island Restoration Project

**In-Progress:** Lineville road reconstruction and signage installed to complete project construction. Amendment to Project Partnership Agreement is being reviewed by County. Project close out to follow. Corps will bill for 10% cash contribution. Brown County will seek WDOT payment and close out project in 2016.

- Research Fertilizer

**Complete:** Researched Wisconsin fertilizer industry. Evaluation determined that importing both liquid and dry fertilizer into the Port of Green Bay warrants further efforts. Contacting suppliers and users will occur in 2016.

- Renard Island Ownership Transfer and Advance End-Use Plans

**In-Progress:** The County Board approved ownership transfer from the Corps to Brown County. Staff completed closure reports and constructed a fish reef and fish habitat structures in the winter of 2015. Corps modified the causeway, installing a box culver to comply with the WDNR chapter 30 permit requirements. Brown County received a permanent maintenance easement from McDonalds Lumber Company. Brown County also received a legislative lakebed grant from

Wisconsin legislature signed by Governor Walker in November 2015. Real Estate transfer documents will be executed in 2016.

- Advance Port/Rail/Truck Intermodal Effort

Facilitate research, making contacts, outreach and educational efforts.

**Incomplete:** Limited success. CN railroad proposed a remote intermodal yard concept. Truck based solution being implemented by third party. Staff changes at Advance have limited assistance to Brown County

- Market Bylsby Property for Port related purposes

**In-Progress:** Limited success. A Web-based marketing effort was implemented. GLC Minerals has expressed interest in leasing one (1) additional acre. Working on amending the existing lease.

- Complete Phase 2 of the WPCA Visioning Document

**In-Progress:** To be completed in 2016

- Develop Property Acquisition Strategy

**Deferred:** Until 2016

- Dredge I-43 Area Over West Shore Pipeline

**Completed:** The U.S. Army Corps of Engineers successfully dredged over petroleum pipeline near I-43 demonstrating to the Fox River Clean-up Project along with Wisconsin Department of Natural Resources and U.S. Environmental Protection Agency the ability to dredge of utility crossing rather accepting a permanent cap in these areas.

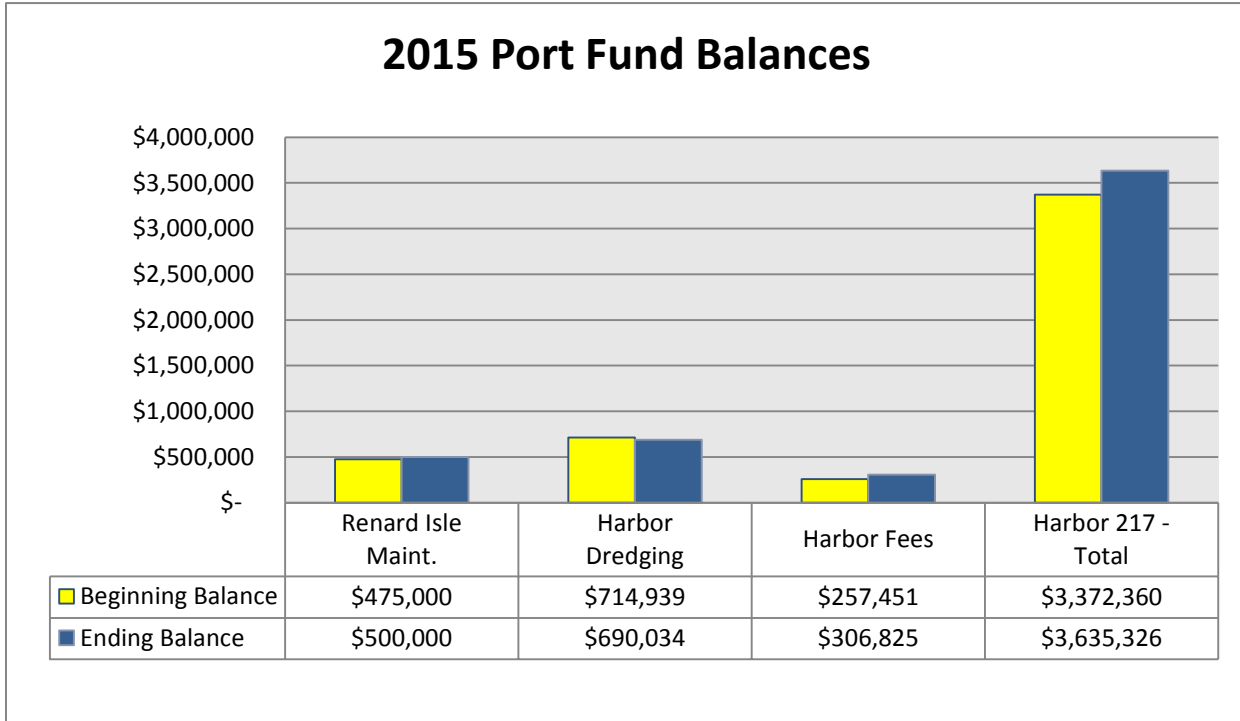


## VII. 2016 Goals

The following list represents some of the Port's major goals for 2016.

- ◆ Research WI Manufacturer's and Determine Potential Import/Export Commodities from NE WI
- ◆ Conduct a new Economic Impact Study for the Port of Green Bay
- ◆ Research Potential to Barge Containers to and from Cleveland's Northern European Liner, Muskegon's Proposed Container Service.
- ◆ Market Bylsby Property for Port-related Purposes
- ◆ Closeout Cat Island Restoration Project
- ◆ Advance Renard Island Ownership Transfer and End-Use Plans
- ◆ Pursue Beneficial Reuse of Cat Island Sand
- ◆ Pursue Beneficial Reuse of Bay Port Topsoil
- ◆ Develop Property Acquisition Strategy

## VIII. 2015 Financial Highlights



These are unaudited fund balances. 2015 Financials will not be finalized until March.





**Brown County Port & Resource Recovery Department  
Port Area Budget Status Report  
December 31, 2015**

		Annual Budget	YTD Actual	YTD %	YTD Total	Comments
<b>R e v e n u e</b>	Public Charges	\$ 972,950	\$ 753,647	77%		
	Misc. Revenue	\$ 21,528	\$ 18,371	85%		
	Other Financing Sources	\$ 169,252	\$ -	0%		
<b>Total</b>					<b>\$ 772,018.47</b>	
<b>E x p e n s e s</b>	Personnel Costs	\$ 95,895	\$ 99,759	104%		
	Operating Expenses	\$ 978,671	\$ 816,629	83%		
	Outlay	\$ (75,680)	\$ -	0%		
<b>Total</b>					<b>\$ 916,388.25</b>	

**Port - December 31, 2015**

