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PORT FREEPORT RECEIVES SECOND ROUND OF FEDERAL FUNDING FOR THE FREEPORT HARBOR CHANNEL IMPROVEMENT PROJECT

FREEPORT, TX (January 21, 2021) – The recently announced U.S. Army Corps of Engineers (USACE) Fiscal Year (FY) 2021 Work Plan includes \$24.9 million in funding for the Freeport Harbor Channel Improvement Project (FHCIP). To date, Port Freeport has received \$43.9 million in federal funding for the project. Mobilization and preparation for dredging the first component of the FHCIP is underway. Great Lakes Dredge and Dock is scheduled to commence dredging in February 2021. The FY2021 funding will allow the Port in partnership with USACE to keep the next phase of the project on schedule for bid advertisement mid-summer.

The estimated total cost of the project is \$295 million, of which the federal government share is \$165 million and Port Freeport as the local sponsor will contribute the remaining \$130 million to be funded by the 2018 voter-approved bond package. This vitally important project will deepen the Freeport Harbor Channel from its current 46 feet to depths ranging from 51 to 56 feet.

"The inclusion of the FHCIP in two consecutive USACE Work Plans demonstrates the federal government's steadfast commitment to our channel deepening and partial widening project," Port Executive Director/CEO Phyllis Saathoff said. "A deeper, wider channel will allow for safer and improved navigation of the Freeport Harbor Channel while supporting our port and channel partners' needs for efficient transits using deeper draft vessels. Our region will greatly benefit from this project, as well as our local, state, and national economies."

The channel deepening project has been a strategic initiative for Port Freeport for many years, receiving Congressional authorization in 2014. The area's ongoing industrial expansion fueled by the production of shale oil and gas and the Port's proximity to fast-growing populations have intensified the need for this project. Port Freeport was one of two seaports nationwide to

receive a "new start" designation in February 2020 for commencement of construction. In June, Port Freeport entered into a Project Partnership Agreement (PPA) with the USACE, and the first dredging contract was awarded in September.

"The advancement of the channel project could not have been accomplished without the support of our community and our port and industry partners," Port Commission Chairman Shane Pirtle said. "We cannot express enough gratitude to the Administration, Senators Cornyn and Cruz, Congressmen Weber and Olson, USACE, Governor Abbott, former Speaker Bonnen, and all others who have supported this effort and helped us achieve these milestones."

Port Freeport is a leading port in the export of crude oil and natural gas liquids and ranked 6th in chemicals, 17th in foreign waterborne tonnage, and 26th in containers. A 2019 Economic Impact Study by Texas A&M Transportation Institute revealed that, nationally, the Freeport Harbor Channel generates 279,780 jobs and has a total economic output of \$149 billion. Port Freeport serves Atlantic Container Lines, AMPORTS, BASF, Chiquita Fresh N.A., CEMEX, CMA CGM, Dole Fresh Fruit, The Dow Chemical Company, Enterprise Products, Exxon Mobile, Freeport LNG, Glovis, Grimaldi Lines, Hoegh Autoliners, Kirby Marine, Liberty Global Logistics, Mammoet, MEGlobal, Phillips 66, Riviana Foods, Inc., Sallaum Lines, Tenaris, U.S Department of Energy, Wallenius Wilhelmsen, and Vulcan Materials Company.

Port Freeport is committed to keeping the local community informed of our operations and results. If you have questions or comments about this article, please email or call Jessica Follett, Public Affairs Manager.