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VOTERS APPROVE \$130 MILLION PORT FREEPORT BOND PACKAGE

FREEPORT, TEXAS (May 7, 2018) – On Saturday, May 5, voters approved Proposition A, a \$130 million bond package supporting the Freeport Harbor Channel Improvement Project. The proposition passed with 58% percent of the votes, clearing the way for the Port to proceed with an improvement project that will deepen Freeport Harbor Channel from its current depth of 45 feet to a maximum level of 55 feet at its deepest point.

“First and foremost, we’d like to thank the voters for helping us take the next steps toward realizing our vision for Port Freeport continuing to be a leading deep-water port in the Gulf of Mexico and the nation. Based on the election results, it’s clear that Brazoria County voters see the benefit of improving the channel so their port, Port Freeport, can safely accommodate the larger ships that are currently in use and attract new liner services,” said Phyllis Saathoff, Executive Director and CEO of Port Freeport. “Accomplishing this project without a total tax rate increase is a winning situation for everyone, and the voters clearly agreed. We greatly appreciate the volunteers, local organizations, and industry leaders who worked so hard to help get the word out about the significance of this project.”

The approved \$130 million bond package is Port Freeport’s commitment to the Freeport Harbor Channel Improvement Project, which will make the channel the deepest in Texas. The total estimated project construction cost is \$295 million. More than half of the project is expected to be paid with federal funds, with approximately \$165 million to be provided through the U.S. Army Corp of Engineers.

Construction of the Freeport Harbor Channel Improvement Project is expected to begin in 2020 and be completed in approximately five years. In addition to deepening the channel, the project includes enhancements to the upper turning basin, as well as widening in narrowest section of the channel, making it safer for modern ships to navigate the bend in the inner harbor.

“By approving this bond package, the voters are making it possible to bring more business and investment to Port Freeport and the area which will produce more jobs and economic opportunities,” said Paul Kresta, chairman of the Port Freeport Commissioners. “This project does not just benefit the Port and the companies

operating within its gates, but the private terminals including BASF Corporation, The Dow Chemical Company, Phillips 66 and others that depend on the Freeport Channel to move their products to global markets. Nearly everyone we know has a some tie to the Freeport Harbor Channel, so expanding our capacity and our customer base is beneficial for the entire region.”

Port Freeport, first created by the voters in 1925, generates an economic impact of \$46.2 billion annually and supports more than 126,000 jobs directly and indirectly. Over 900 vessels per year call the private and public terminals in the Port, handling over 17 million tons of cargo. In December 2017, Forbes Magazine named Port Freeport a top ten fastest-growing U.S. Port for Exports.

Ranked 10th in chemicals and 26th in containers, Port Freeport’s Channel serves Dow Chemical, Phillips 66, BASF, Tenaris, Vulcan Material, Mammoet, Freeport Liquefied Natural Gas (FLNG), Riviana, Dole, Chiquita, Seaway, Mediterranean Shipping Company (MSC) and Hoegh Autoliners.

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

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