

# The Port of Beaumont – 100 Years and Counting!



Chris Fisher, Port Director & CEO

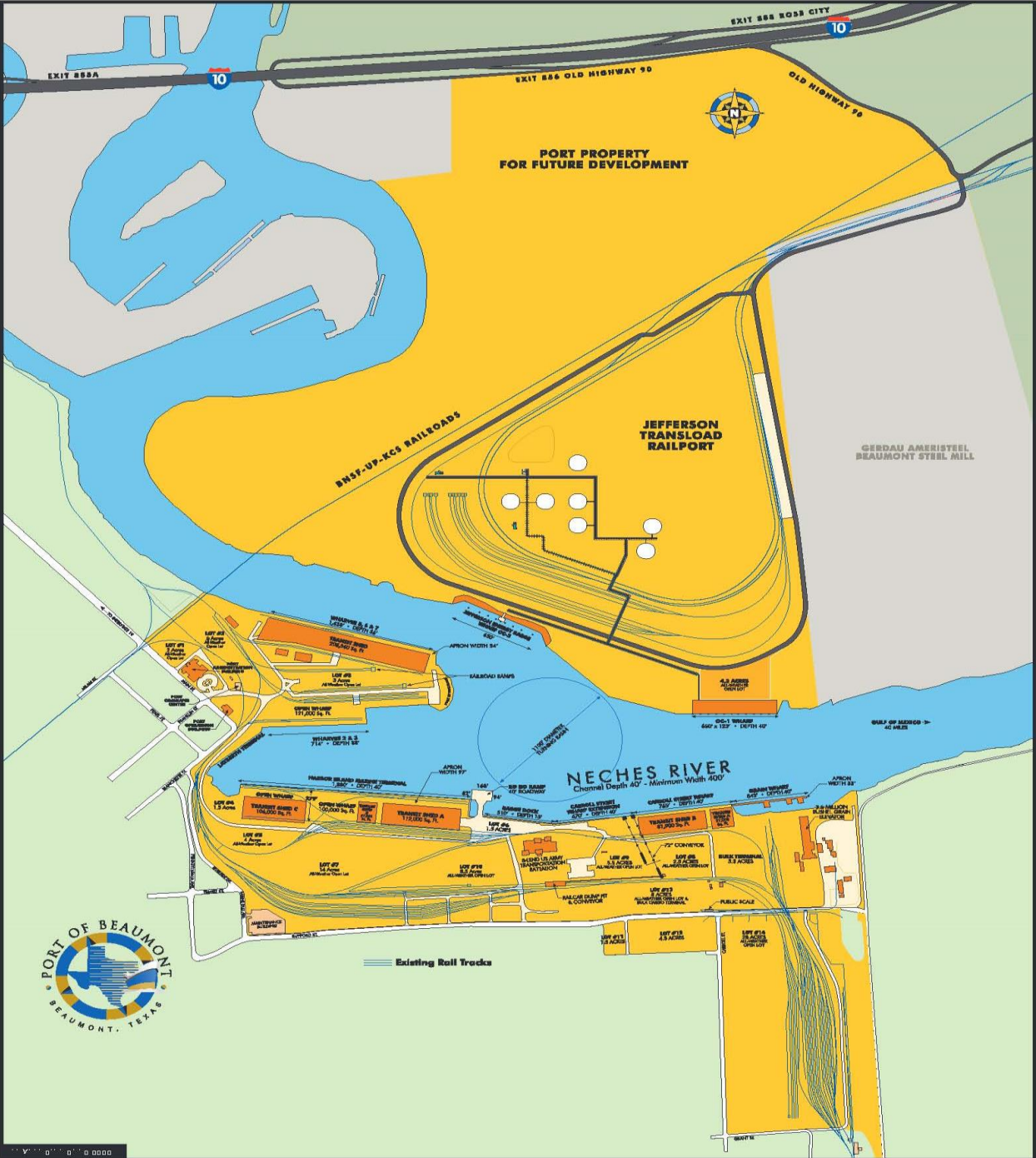
March 2016

Case Study:

**Port of Beaumont**

**Orange County Terminal**

Analysis of a Development Opportunity





# Major Commodities

- Aggregate (Dry Bulk - limestone, granite)
- Bulk grain (Dry Bulk - wheat, soybeans)
- Bagged Agricultural Goods (Breakbulk flour, rice...)
- Iron and Steel (Breakbulk - billets, pipe, coils)
- Forest products (Breakbulk – woodpulp, logs...)
- Military Cargo (Roro - tanks, helicopters, trucks)
- Roro Cargo (Roro - autos, construction equipment)
- Project Cargoes/Wind Energy (Heavy Lift)
- Crude Oil/Petroleum Products (Liquid Bulk)

# Orange County Property 2006 (240 acres)



# Barriers to Development

- Timing to meet business opportunities (considerable permitting and construction time)
- High cost of fully developing a green site into a revenue producing port facility
- Encumbrances, including USACE dredge material disposal easement and wetland areas
- Rail access not established and no access agreements with RR's in place.

# Advantages to Development

(Worth the investment?)

- Property on deep water (40' channel depth)
- Located less than one mile from Interstate 10 Highway
- Property bordered by Sunset Route Rail Line (direct access to three Class 1 Railroads (BNSF, UP and KCS, therefore rail access possible)
- Property mostly high ground
- Existing customer adjacent to property



# Bridging the Gap

(What is needed to kick start development?)

- Basic Port Infrastructure
  - Improved roadway access
  - Rail access
  - Dock facility
  - Utilities
- Elimination of Encumbrances
  - USACE easements
  - Mitigation of wetlands, if any
- Marketing Focus/Plan

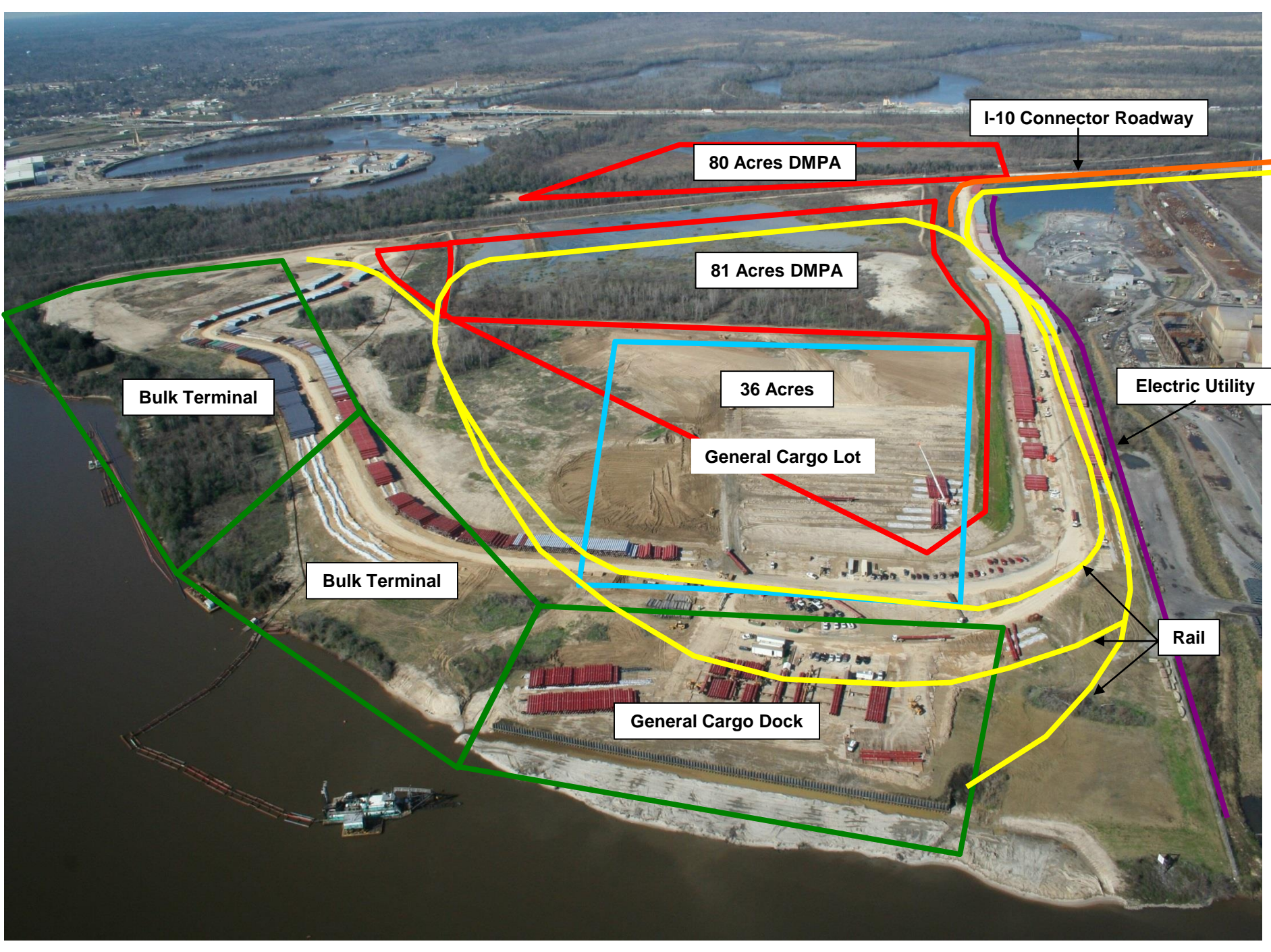
# Development Objectives/ Desired Outcomes

- Build basic infrastructure that would allow us to better market the property and provide for flexibility in the continued development of the property
- Have a facility in place that would lend itself to taking advantages of business opportunities as they arise
- Obtain a long-term tenant to facilitate full site development

# 2006 Master Plan Projects

## (\$100 million plan)

- Total \$69 million
  - Rail improvements - \$ 15 million
  - SDDC headquarters - \$ 5.8 million
  - New heavy lift crane - \$ 5.3 million
  - Lot Hard Surfacing/Office Rehab - \$3.1 million
  - New Orange County wharf - \$ 20 million
  - Orange County Rail Loop - \$13.1 million
  - Orange County Road - \$ 4.7 million
  - Utilities and Site Work - \$2 million



I-10 Connector Roadway

80 Acres DMPA

81 Acres DMPA

Bulk Terminal

36 Acres

General Cargo Lot

Electric Utility

Bulk Terminal

Rail

General Cargo Dock



# Orange County Terminal 2011



727.520.8181  
aerophoto.com

Port of Beaumont  
Rail Improvement Project

Image # 120521 6603  
Date 05.21.12

# Marketing Focus/Opportunity Vetting

- Seek long-term tenant interesting in investing in a public-private-partner ship with the Port
- Targeted Commodities
  - Roro
  - Dry bulks
  - Liquid bulks
- Ensure that the business opportunities presented were viable and did not generate considerable opportunity cost for other development

# Orange County Terminal 2012







**AUTO PORT / PORT OF BEAUMONT  
BEAUMONT, TEXAS**



# Orange County Terminal 2015



# Orange County Terminal 2015







CBTX 742685

CAPY 31820 GAL

CAPY 120 450 L

SPRG 7 OC 6 S 12 D-S  
36 INCH CL C WHL'S

120  
3



NO VAPOR  
TANK CAR NO. 12345678  
GROSS WEIGHT 45,000 LBS  
NET WEIGHT 40,000 LBS  
TARE WEIGHT 5,000 LBS  
DATE OF INSPECTION 10/15/12  
INSPECTOR'S NAME J. SMITH

TEXACO  
123456789

RSCre







# 2014 Master Plan

## (\$500 million plan)

Orange County Facility	\$ 124,850,000
-Orange County Crude Facility Improvements	\$ 25,000,000
-Orange County Terminal Overpass from 90	\$ 9,000,000
-Orange County Terminal Entrance and Security	\$ 2,250,000
-Electric Power Substation	\$ 8,000,000
-Rail Siding and Rail Access Tracks	\$ 15,600,000
-215 Acre Orange Co. Property Mitigation & Fill	\$ 35,000,000
-Orange County Deep Water Liquid Bulk Berths	\$ 30,000,000

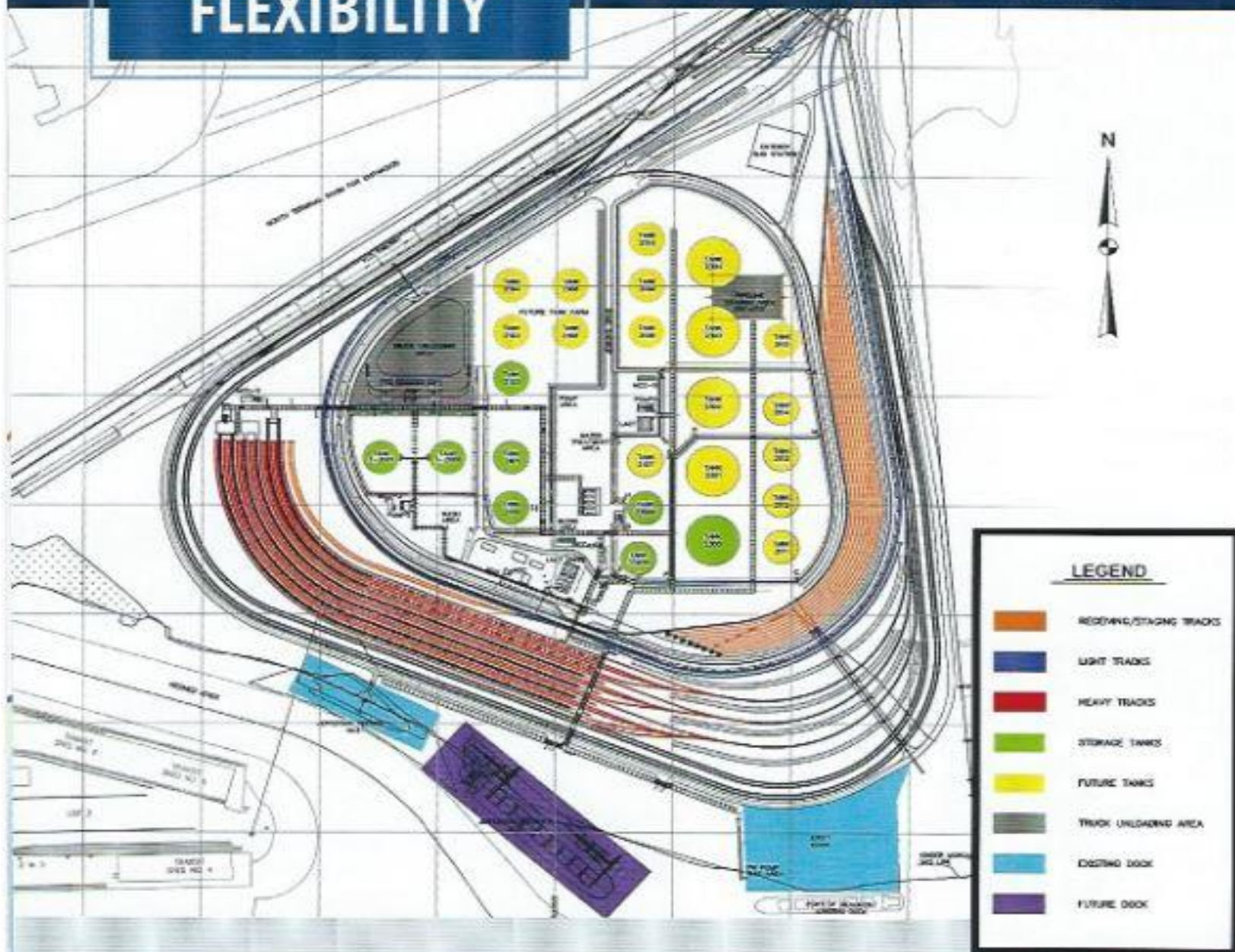
# Public Private Partnership

## (Private Investment – Orange County)

- Port of Beaumont (public) Investment
  - \$45 to \$50 million (dock, rail access/loop, roadway access, overpass, and basic utilities)
- Jefferson Energy – Crude by Rail Terminal (Private Investment - \$250 million to date)
  - Phase 1: approx. \$50 million (completed – light crude system)
  - Phase 2: approx. \$150 million (completed – heated heavy crude system and truck systems)
  - Phase 3: approx. \$50 million (in progress – additional capacity and further product diversification)
  - Phase 4: \$250 to \$ 350 million (planned)
  - Phase 5: North Terminal and International Terminal (future developments i

# FLEXIBILITY

## PHASE 1 - 250 ACRE MAIN TERMINAL



# Questions

