

2019 Year in Review

Gains in both overall export and import tonnage contributed to the port posting its sixth consecutive record-tonnage year in 2019. Increases in both vessel calls and rail cars contributed to the port moving 8.3 million metric tons of cargo for a value of approximately \$5 billion. The port's strategic location along the Columbia River at the nexus of river, road and rail, as well as its unique ability to handle break bulk and heavy lift cargo, and diversification of cargos continues to position the port well in the global marketplace.

In 2019 the port made targeted investments in critical infrastructure and assets by leveraging revenue, tax dollars, and federal and state grant funds to move forward important initiatives. At the same time, uncertainties around global trade had an impact but increases in cargo tonnage continued to grow overall operating revenue from \$37.997 million to \$43.784 million.

The Port of Vancouver is primarily an export port posting 83% exports and 17% imports. Gains in both overall export and import tonnage contributed to the port's record-tonnage year.

Operating revenue (15.2% increase from 2018)

2019 - \$43,784,366

2018 - \$37,997,110

2017 - \$36,018,976

Operating expenses (18.2% increase from 2018)

2019 - \$34,954,493

2018 - \$29,561,327

2017 - \$28,699,409

Net profit (4.7% increase from 2018)

2019 - \$8,829,873

2018 - \$8,435,783

2017 - \$7,319,567

Total net position (net worth) increase in 8 years (16.3 percent increase over 2012)

2019 - \$293 million

2012 - \$252 million

Global demand drives cargo tonnage increase

Tonnage handled in 2019 was 8.3 million metric tons, an increase from 8.12 million metric tons in 2018. The port's tonnage and cargo mix are good reflections of the national and global market due to materials essential to many industries moving through the Port of Vancouver. This includes grains, steel, copper concentrate, wind energy components, pulp and fertilizer.

Grain exports are another indicator of the strength of the global market. As economies worldwide mature, consumers are demanding more and different US agricultural products. Grains exported through the port saw gains in 2019 with increases in wheat and soybeans. The port's ability to support impressive tonnage of grains is made possible by its partnership with United Grain Corp. (UGC), and both entities' willingness to invest in infrastructure to support the efficient movement of these products in a very competitive market. UGC's Vancouver Export Terminal boasts the largest storage capacity on the West Coast.

Total cargo tonnage (2% increase from 2018)

2019 - 8,285,394 metric tons

2018 - 8,119,186 metric tons

2017 - 7,499,333 metric tons

Vessel calls (1.5% increase from 2018)

2019 - 397 vessels

2018 - 391 vessels

2017 - 392 vessels

Total rail cars (2.8% increase from 2018)

2019 - 69,632 rail cars

2018 - 67,734 rail cars

2017 - 65,398 rail cars

Exports see slight increase

Grain – wheat, corn and soybeans - continues to be the largest export commodity at the Port of Vancouver by volume; and grain overall saw a 4% increase from 2018. One factor affecting this increase is the growth of United Grain Corp. The bulk agricultural commodity handler invested \$80 million in new grain elevators to take advantage of increased rail capacity from the port's West Vancouver Freight Access project, which was completed in 2018.

Overall exports (1.5% increase from 2018)

2019 - 6,902,499 metric tons

2018 - 6,798,166 metric tons

2017 - 6,255,332 metric tons

Copper exports (16.8% decrease from 2018)

2019 - 299,791 metric tons

2018 - 360,304 metric tons

2017 - 256,006 metric tons

Bentonite clay exports (0.5% increase from 2018)

2019 - 146,140 metric tons

2018 - 145,357 metric tons

2017 - 144,041 metric tons

Jet fuel exports (432.7% increase from 2018)

2019 - 40,832 metric tons

2018 - 7,665 metric tons

2017 - 13,531 metric tons

Wheat, soybeans and corn exports (4% increase from 2018)

2019 - 5.98 million metric tons

2018 - 5.75 million metric tons

2017 - 5.30 million metric tons

Wheat exports (17.3% increase from 2018)

2019 - 3,090,124 metric tons

2018 - 2,634,587 metric tons

2017 - 2,584,903 metric tons

Soy exports (70.3% increase from 2018)

2019 - 1,831,351 metric tons

2018 - 1,075,206 metric tons

2017 - 1,452,655 metric tons

Corn exports (52.2% decrease from 2018)

2019 - 975,374 metric tons

2018 - 2,039,235 metric tons

2017 - 1,264,019 metric tons

Scrap metal exports (5.8% decrease from 2018)

2019 - 202,358 metric tons

2018 - 214,774 metric tons

2017 - 212,944 metric tons

Pulp exports (73.8% decrease from 2018)

2019 - 10,568 metric tons

2018 - 40,388 metric tons

2017 - 68,848 metric tons

Imports show steady growth

It was a good year for imports at the Port of Vancouver. Overall import volume increased nearly 100,000 metric tons – a 4.7% gain over 2018. Much of the increase was due to increases in breakbulk cargoes such as steel pipe and wind energy components which require the port's unique equipment capabilities and laydown space. The port also saw a 105% increase in urea, an ingredient used as, or in, natural fertilizers. Due to the extension of the federal Production Tax Credit, wind energy component imports came back strong with just over 3,400 metric tons coming across port docks. June saw a shipment of 198 wind blades arrive at the port – the largest single shipment in the history for wind manufacturer Vestas. Over a period of several months, the blades were moved to a wind farm in Dayton, Washington. Subaru of America had record import numbers in 2018 ahead of anticipated foreign tariffs. Although 2019 showed a decrease of 5.4%, the number of autos imported is consistent with years prior to 2018.

Overall imports (4.7% increase from 2018)

2019 - 1,382,894 metric tons

2018 - 1,321,020 metric tons

2017 - 1,244,001 metric tons

Steel imports (2.9% increase from 2018)

2019 - 855,009 metric tons

2018 - 830,912 metric tons

2017 - 712,834 metric tons

Jet fuel imports (33.1% increase from 2018)

2019 - 73,719 metric tons

2018 - 55,376 metric tons

2017 - 64,188 metric tons

Wind energy imports (Increase from 2018)

2019 - 3,460 metric tons

2018 - 0 metric tons

2017 - 393 metric tons

Urea imports (105% increase from 2018)

2019 - 71,209 metric tons

2018 - 34,629 metric tons

2017 - 81,894 metric tons

Subaru of America (-5.4% decrease from 2018)

2019 - 86,566 vehicles

2018 - 91,544 vehicles

2017 - 87,978 vehicles

Industrial occupancy remains high

Industrial occupancy at the port continues to exceed 99%. The port's 50-plus tenants offer a wide range of products and services, from fruit processing and aluminum extrusion to food transportation and metal recycling. Direct jobs at the port and tenant facilities total nearly 4,000 people and contribute \$132.4 million in state and local taxes, which support public services such as schools, police and fire protection.

The port also completed various facility maintenance and terminal improvement projects including berth deepening projects at Berths 8/9 and 13/14; various building improvements, Terminal 2 and Terminal 3 paving projects, Subaru first-place-of-rest striping project and roof and gutter replacement on 12 commercial buildings.

Environmental innovation and community investments continue

For the ninth year in a row, the port continued its commitment to renewable energy through the purchase of Renewable Energy Credits (RECs) equal to 100% of its purchased electricity. The port also continues its innovative stormwater management with biofiltration technology that enables the port to meet regulatory requirements to control zinc, oil and other runoff contaminants. Other efforts include floating treatment wetlands in the port's Terminal 4 stormwater retention pond and the Tenant Environmental Management Program which is a collaborative approach to minimize the environmental impacts associated with the port's industrial tenants.

In 2019 the port also adopted a Renewable/Clean Energy Policy which details how the port will support a global shift toward renewable and clean energy sources.

The port is continuing work on a multiuse trail for bicycle and pedestrian access along Northwest Lower River Road. In 2019 a new half-mile section of the pathway was completed and connects sections of trail near the port's administration offices to existing sections to the

west. When fully completed, the trail will extend 4.5 miles along Northwest Lower River Road and will connect with other regional trails.

Terminal 1

Progress continues with development of the Terminal 1 waterfront project. Ground stabilization needed to provide structural support to minimize impacts of a possible seismic event was completed for the 130-room AC Hotel by Marriott, a portion of the Renaissance Trail, the Vancouver Landing project and future dock work. A groundbreaking for the new hotel took place in summer 2019. The port was also the recipient of \$4.7 million from the State of Washington capital budget to help fund next phases of development.

Work on improvements to Vancouver Landing (the former amphitheater area) continued through the design process to transform this area into a much more accessible and usable space for the public to enjoy. The port also entered into negotiations with a second developer, Lincoln Property Company West, on plans for a tiered, mixed-use design approach to two blocks on the north side of the site near the BNSF railroad berm.