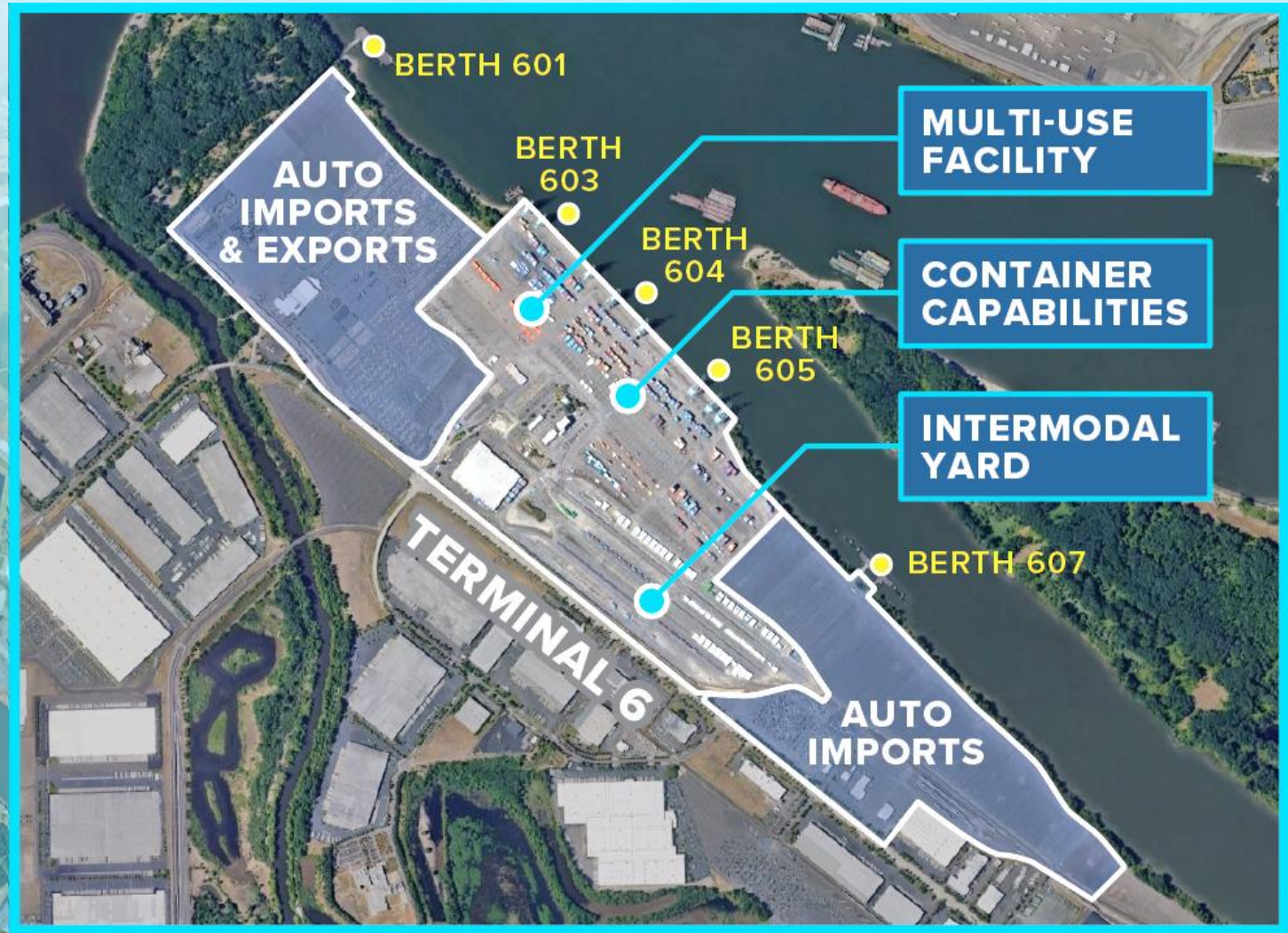


# Port of Portland Terminal 6

Presentation to Joint Committee on Transportation  
September 25, 2024

# Terminal 6 Location & Configuration



# Public Benefits of Terminal 6 Container Operations



## 1,500+ Quality Jobs

Container operations provides 696 direct family-wage jobs averaging \$79K/year, along with 871 indirect jobs in trucking, warehouse and distribution, ILWU, and freight forwarders/brokers.



## \$20M Tax Revenue

These family-wage jobs generate \$20M in state and local tax revenue annually.



## \$208M Personal Revenue

Terminal 6 generated \$208M of personal income in 2022.



## Economic Trade

Direct trade link to Asia connects Oregon agriculture to growth markets.



## Climate and Traffic Benefits

At current volumes of roughly 60,000 containers annually, direct T6 service reduces carbon emissions by 12,801 metric tons/year. This results in a reduction of 28 percent less than truck and rail emissions from transport to Puget Sound terminals.

# Business Plan



## Stabilize financial losses

- Focus on volume, pricing, management costs, and productivity to improve operating income before depreciation by \$2.1M to offset \$12.3M budgeted loss.
- Carriers agree to rate increases of 16% to 20%.



## Increase container volumes

- Mediterranean Shipping Company (MSC) submits pro forma doubling volumes from 500 to 1,000 moves Feb. 2025.
- Hyundai Merchant Marine (HMM) commences slot charter agreement with Shipping Maestro (SM) Line.
- Direct calls on carriers in Korea and Taiwan in October 2024.
- Private operator conducts marketing campaign to double volumes to 120,000 by 2032.



## Transfer T6 container operations to private operator

- Finalize lease or operating agreement in 2025.
- Transfer container operations in 2026.
- Market solicitation will take longer.



## Capital improvements

- \$20M Port Capital Improvement Fund established for ports with active container service.
- Invest \$20M in Port of Portland capital needs for pavement improvement and stormwater management.



## Lower Columbia River dredging

- \$15M in 2025 Legislative Session for channel maintenance dredging.
- Oregon's share of 20-year Dredged Material Maintenance Plan is estimated to be approx. \$70M.

# The Roadmap

## Quarterly 2025

### Industry Advisory Council

Reconvene standing Industry Advisory Council to guide and inform the long-term financial sustainability of T6 container operations.

## Q1 2025

### Accountability

Report to legislature on progress achieving key performance metrics, and annually thereafter.

### Terminal Operating Agreement

Reach agreement in principle with private terminal operator or open negotiations to other parties with goal of completing agreement in 2025 conditioned on receipt of \$20M for capital improvements.

## Q2 2025

### Legislative Funding

Secure approval for \$35M in Governor's 2025 Recommended Budget for capital improvements + dredging.

## 2026

### Terminal Operator

Transfer container operations to private terminal operator.

## 2026 – 2032

### Long-term Financial Sustainability

Private terminal operator conducts focused marketing campaign to double container volumes from current levels to 120,000.

Port seeks additional funding for Lower Columbia River maintenance dredging and capital improvements.

# Thank You. Questions?

