



PORT OF GALVESTON STRATEGIC MASTER PLAN UPDATE

BOARD BRIEFING

July 22, 2025



Purpose and Goals

PURPOSE

Galveston Wharves is a self-sustaining city entity that generates and reinvests revenue to create economic growth, jobs and other benefits for the Galveston region.

GOAL 1 - FINANCIAL

Increase revenues and manage expenses to maintain and grow the business

GOAL 2 - INFRASTRUCTURE

Develop, optimize and efficiently manage the Port's assets for economic prosperity

GOAL 3 – BUSINESS DEVELOPMENT

Facilitate and/or develop existing and new business opportunities to maximize revenues and jobs

GOAL 4 – COMMUNICATIONS

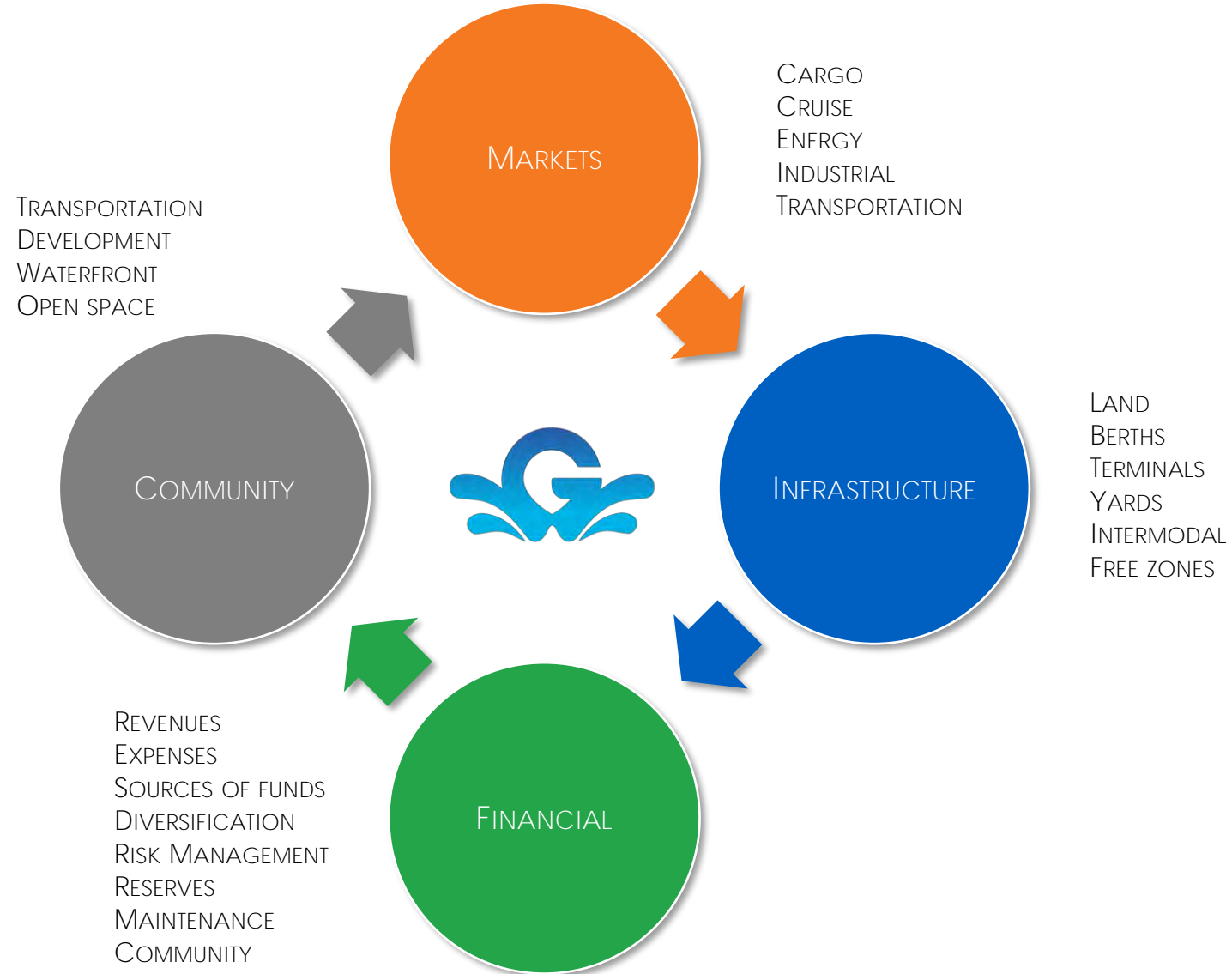
Execute a communications strategy to strengthen relationships with stakeholders, build the port's brand regionally and nationally, and support the port's business goals and objectives

GOAL 5 – PEOPLE

Foster a culture of excellence in business operations, risk management, safety, environmental performance, career development and ethical standards



A BALANCED STRATEGIC PLAN



Agenda

PROGRESS & KEY CHANGES (2018–2025)

MARKET OVERVIEW & OUTLOOK

- ▶ CARGO
- ▶ CRUISE
- ▶ COMMERCIAL

PRELIMINARY FINANCIAL OVERVIEW

ALTERNATIVES

NEXT STEPS & ACTION ITEMS

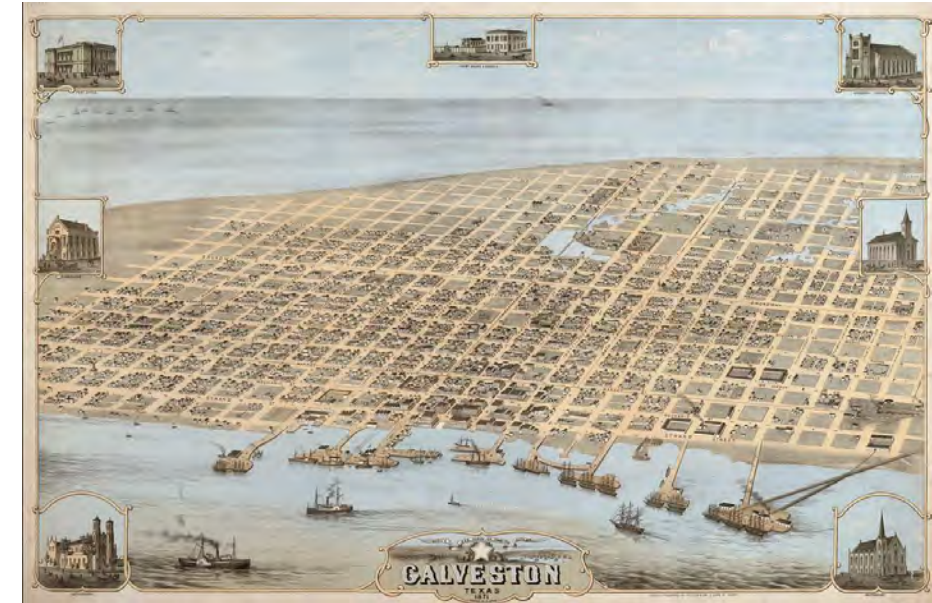


PORTS EVOLVE

from the transformative birth of a City around the port
a lifeline of travel and commerce
but constantly changing
to being enveloped by the City it helped create
change is a constant

THIS STRATEGIC PLAN

Must provide the vision for the future shaped by the forces of
change
respond to the needs of the community it created
allow for change to occur within those parameters
provide flexibility to changes to the changes







FORCES THAT SHAPED THE PORT OF GALVESTON

FORMATIVE YEARS (1825)

THE GATEWAY TO THE AREA
THE ANCHOR TO THE CITY - FOUNDED IN 1839
THE CENTER OF COMMERCE
CONNECTIONS TO THE WORLD



TRANSPORT AND COMMERCIAL HUB
ANCHOR TO THE DEVELOPMENT OF THE CITY

THE RAILROAD (1860)

THE GATEWAY TO THE AREA
THE ANCHOR TO THE CITY
THE CENTER OF COMMERCE
CONNECTIONS TO THE WORLD



PEOPLE NOW CONNECT AT TRAIN STATIONS
CARGO BEGINS A MODAL SHIFT

THE HURRICANE (1900)

THE GATEWAY TO THE AREA
THE ANCHOR TO THE CITY
THE CENTER OF COMMERCE
CONNECTIONS TO THE WORLD



ALL BETS ARE OFF

THE AIRPLANE (1920-50)

THE GATEWAY TO THE AREA
THE ANCHOR TO THE CITY
THE CENTER OF COMMERCE
CONNECTIONS TO THE WORLD



PEOPLE NOW CONNECT AT AIRPORTS

THE CONTAINER (1950)

THE GATEWAY TO THE AREA
THE ANCHOR TO THE CITY
THE CENTER OF COMMERCE
CONNECTIONS TO THE WORLD



CARGO HUB MOVES TO HOUSTON

THE CRUISE GUEST (2000)

THE GATEWAY TO THE AREA
THE ANCHOR TO THE CITY
THE CENTER OF COMMERCE
CONNECTIONS TO THE WORLD

THE PORT BECOMES A MAJOR WORLD CENTER
FOR CRUISE TOURISM AND POTENTIAL CARGO
/INDUSTRIAL OPPORTUNITIES



2018 TO 2025
WHAT HAS CHANGED?
HOW DID WE DO?

2040 MASTER PLAN

Cruise Terminal 28

11.40 Acres
1,125 ft Berth
Terminal Renovation ~1,000 sp.
Parking Garage / GTA

Cruise Terminal 25

11.72 Acres
1,075 ft Berth
Terminal Renovation ~1,000 sp.
Parking Garage / GTA
1,200 ft Berth

Commercial Area

20.93 Acres
New Flex Pkg. / Event Space
Downtown Connector

Commercial Development

8.50 Acres
Parcels / Lots
For Mixed Use

Marina Commercial Development

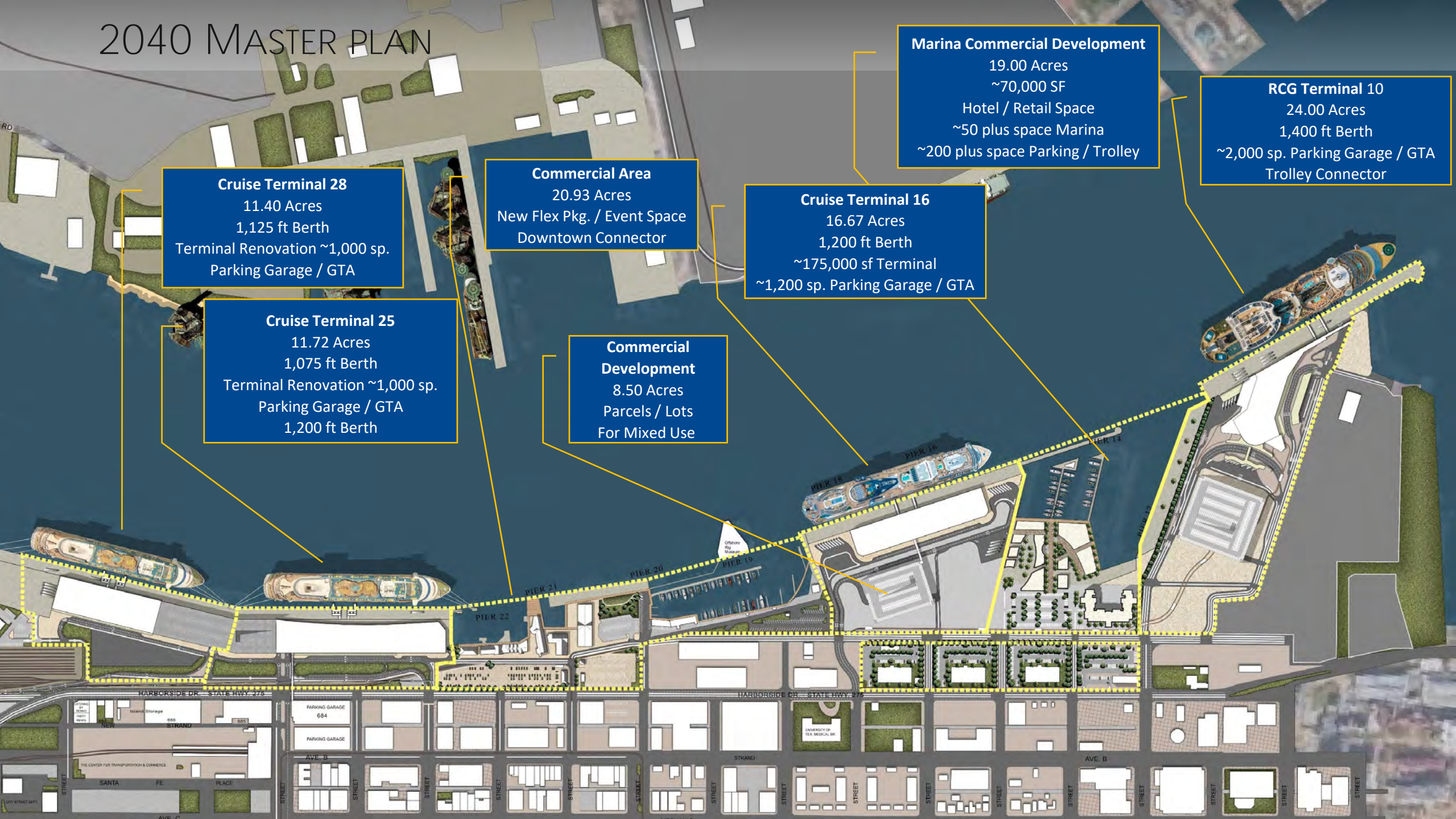
19.00 Acres
~70,000 SF
Hotel / Retail Space
~50 plus space Marina
~200 plus space Parking / Trolley

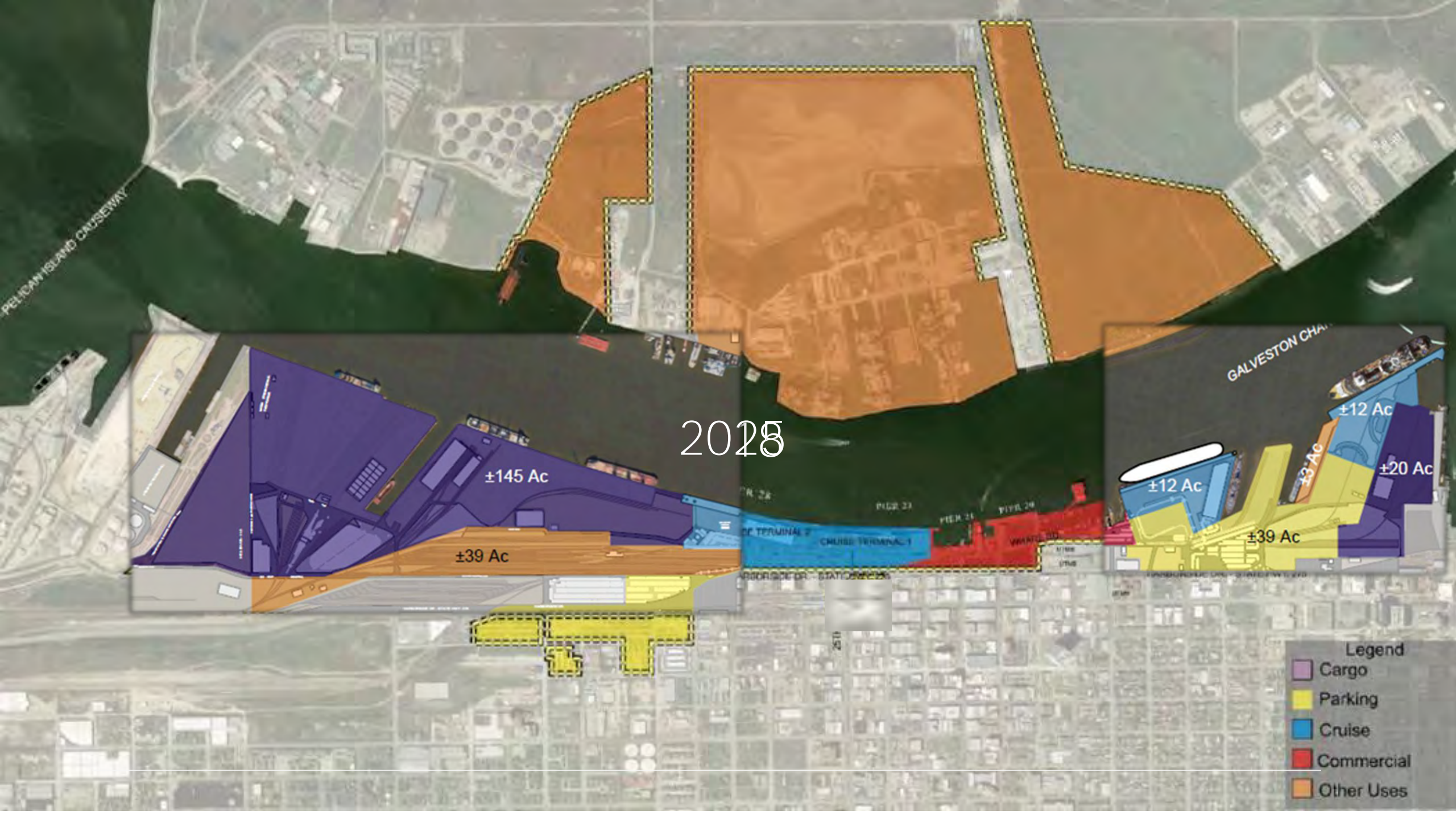
Cruise Terminal 16

16.67 Acres
1,200 ft Berth
~175,000 sf Terminal
~1,200 sp. Parking Garage / GTA

RCG Terminal 10

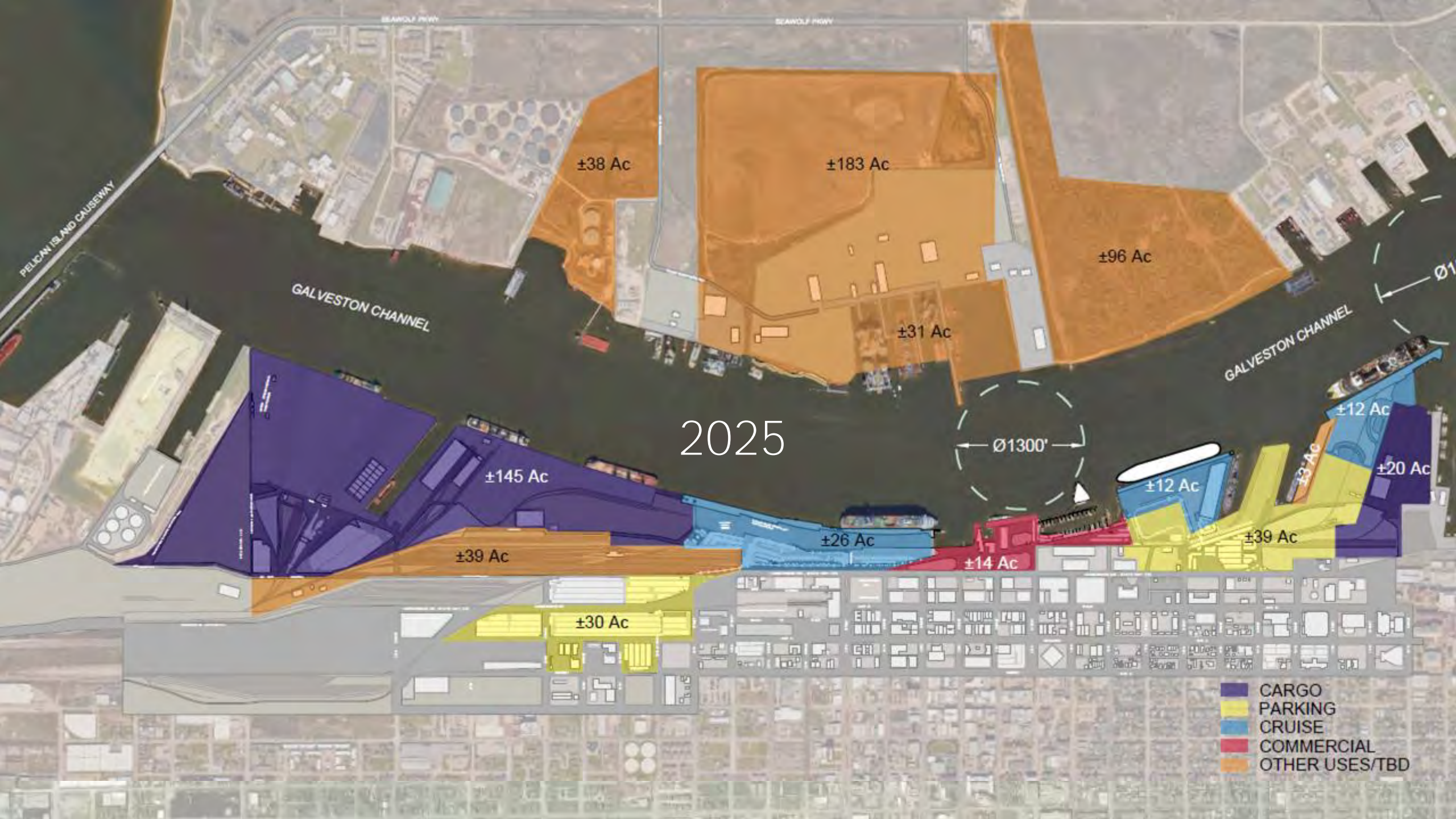
24.00 Acres
1,400 ft Berth
~2,000 sp. Parking Garage / GTA
Trolley Connector



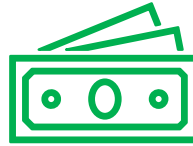


2028

- Legend
- Cargo
 - Parking
 - Cruise
 - Commercial
 - Other Uses



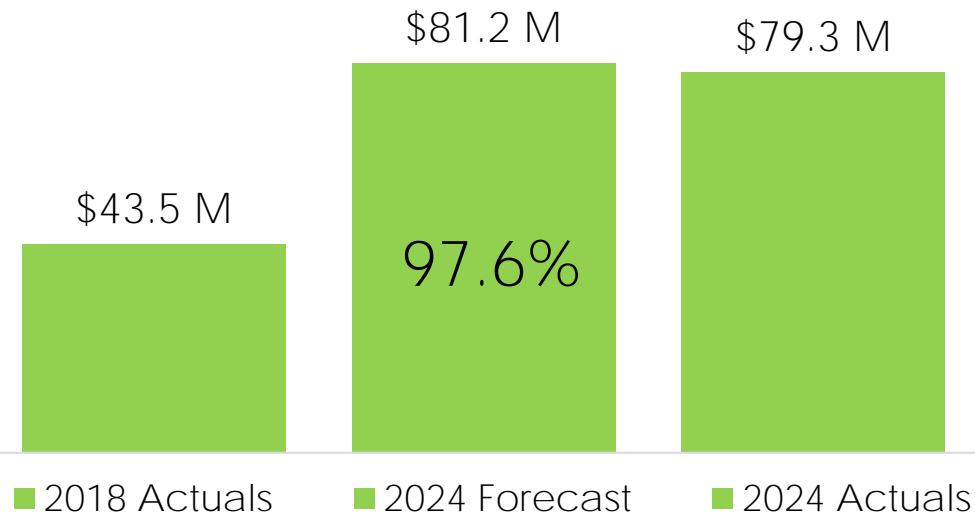
FINANCIAL DASHBOARD



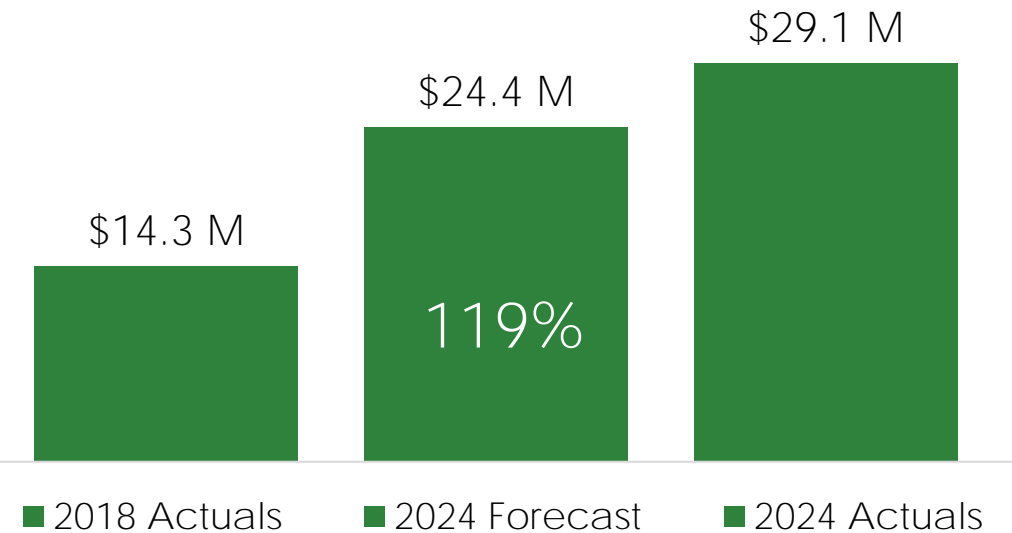
Port of Galveston Posts Highest Profits in Its History

By Steve Spears Jan 30, 2024 Reading Time: 2 min.

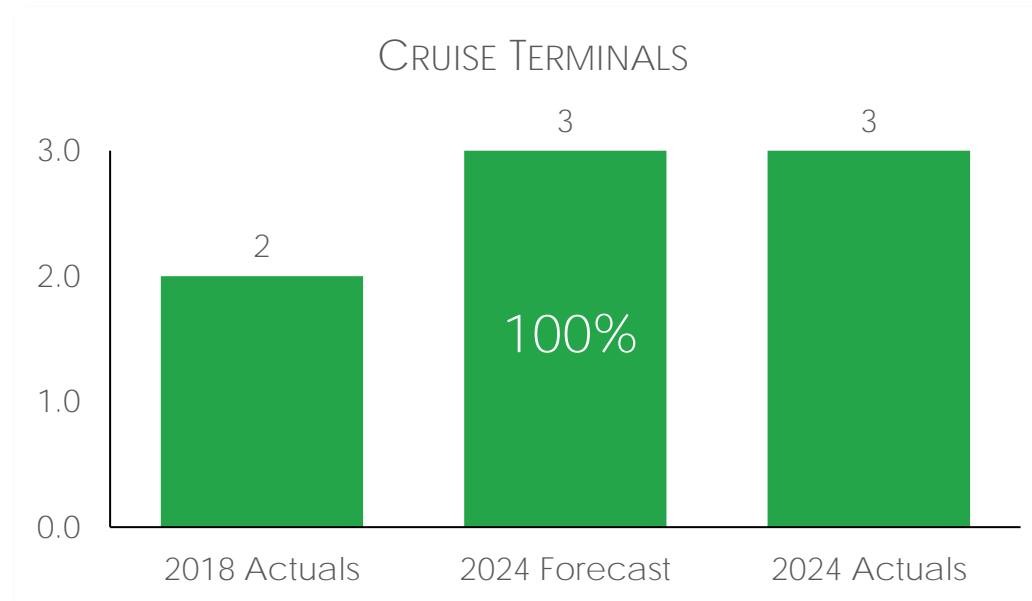
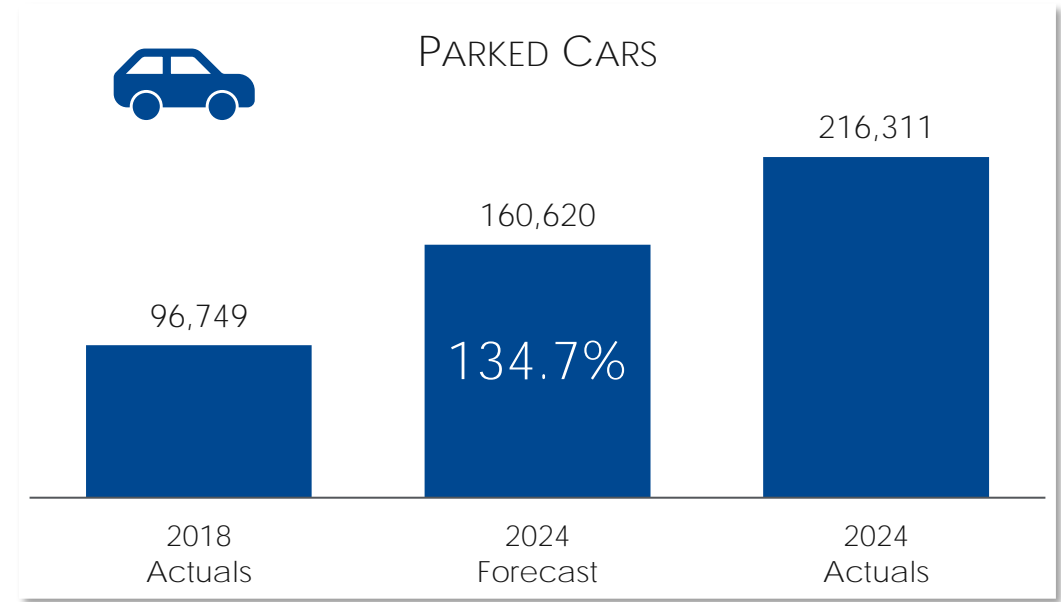
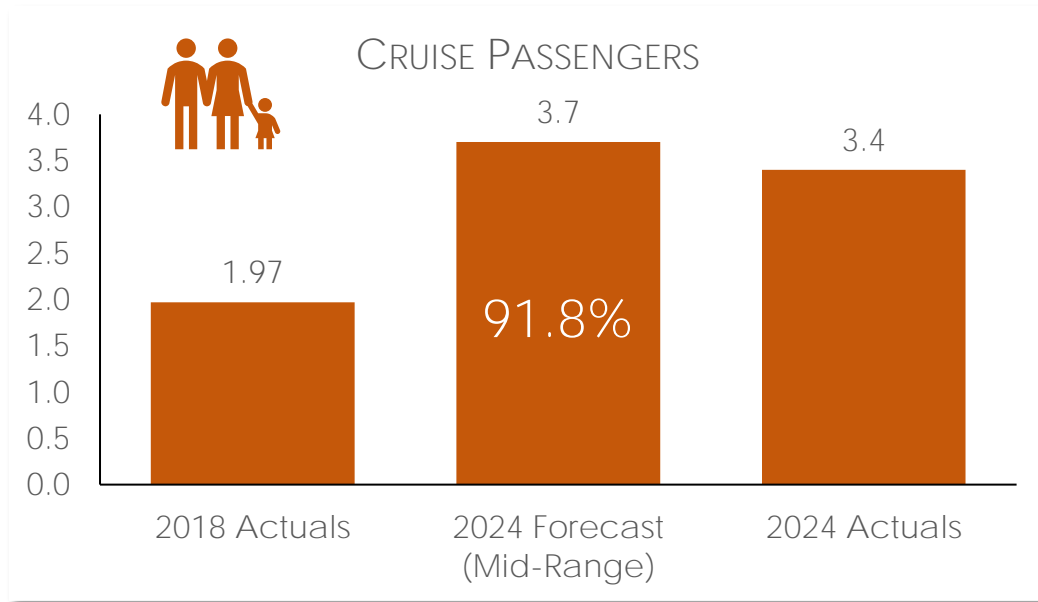
GROSS REVENUES



NET REVENUES

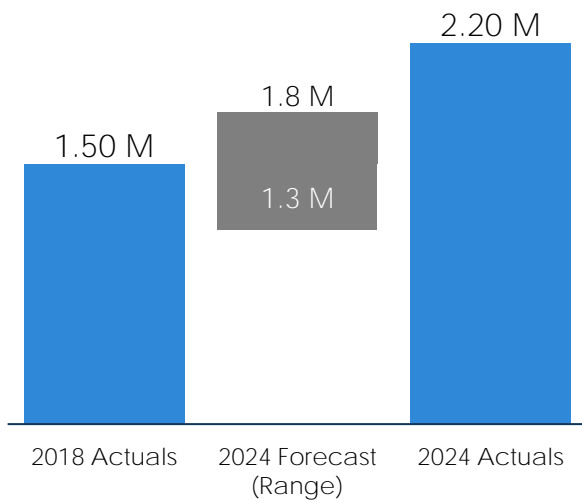


CRUISE DASHBOARD

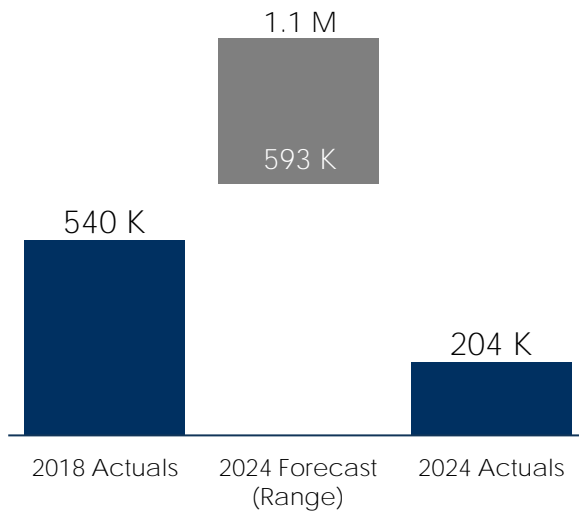


CARGO DASHBOARD

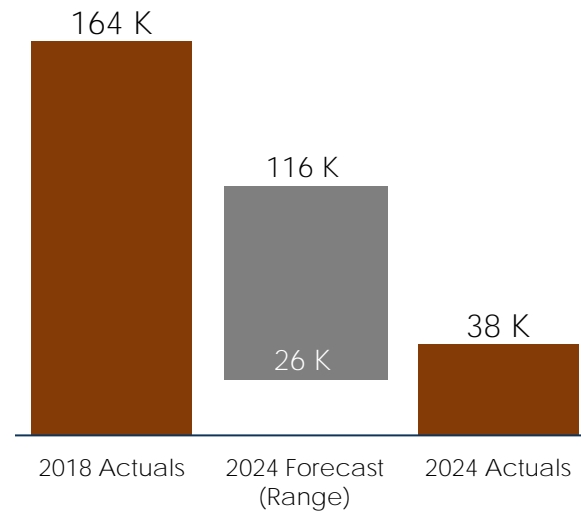
LIQUID BULK



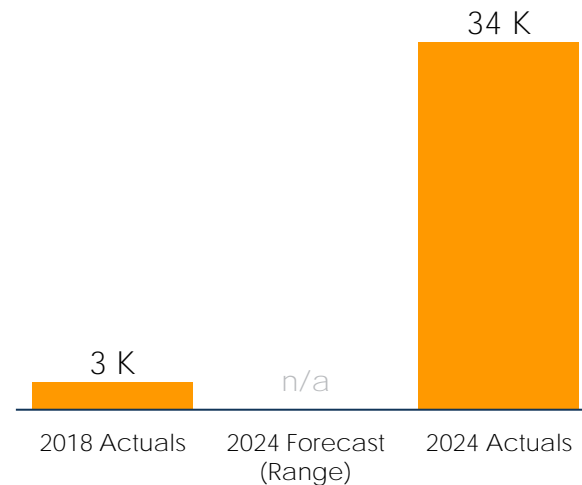
FERTILIZER



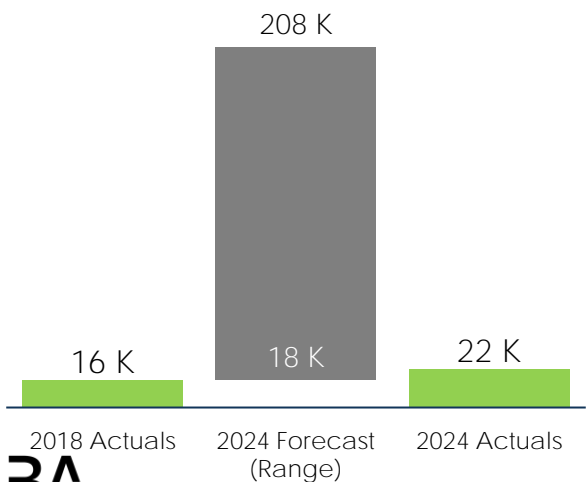
PROJECT CARGO / WIND



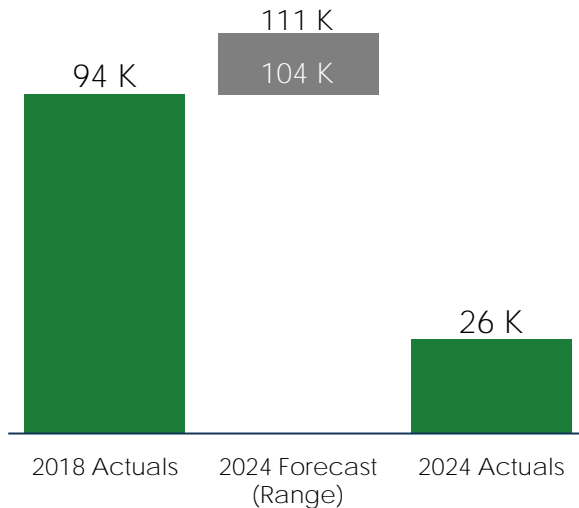
GENERAL CARGO



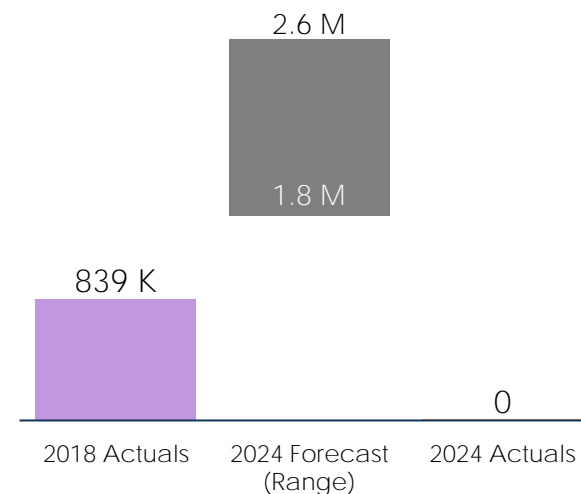
AUTOS VPC



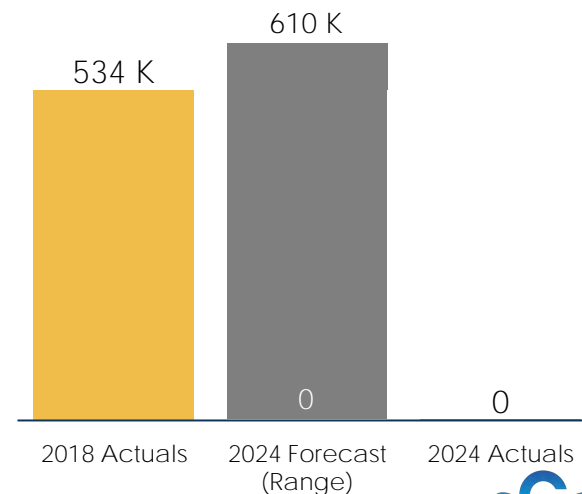
RO-RO



GRAIN



FRUIT

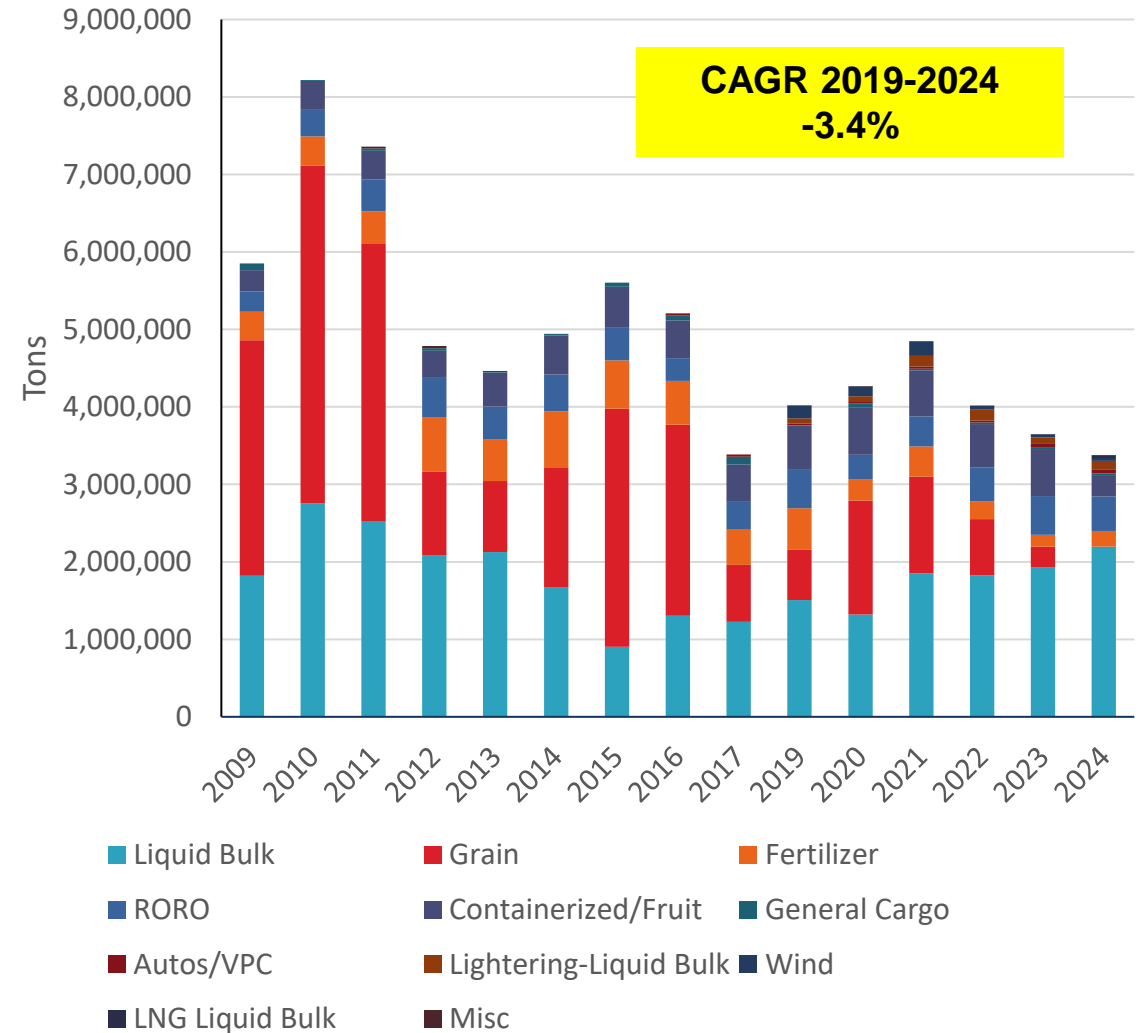


CARGO



HISTORICAL CARGO TONNAGE

- Since 2019
 - Total tonnage has decreased, attributed primarily to loss of grain and containerized fruit.
 - Liquid bulk has steadily increased
- Key takeaways
 - Discontinuation of grain and fruit operations
 - Growth in liquid bulk
 - Decline in fertilizer over past 5 years
 - RoRo and autos have remained stable
 - Wind tonnage declined in 2023 and 2024 from previous years, but occupies terminal acres



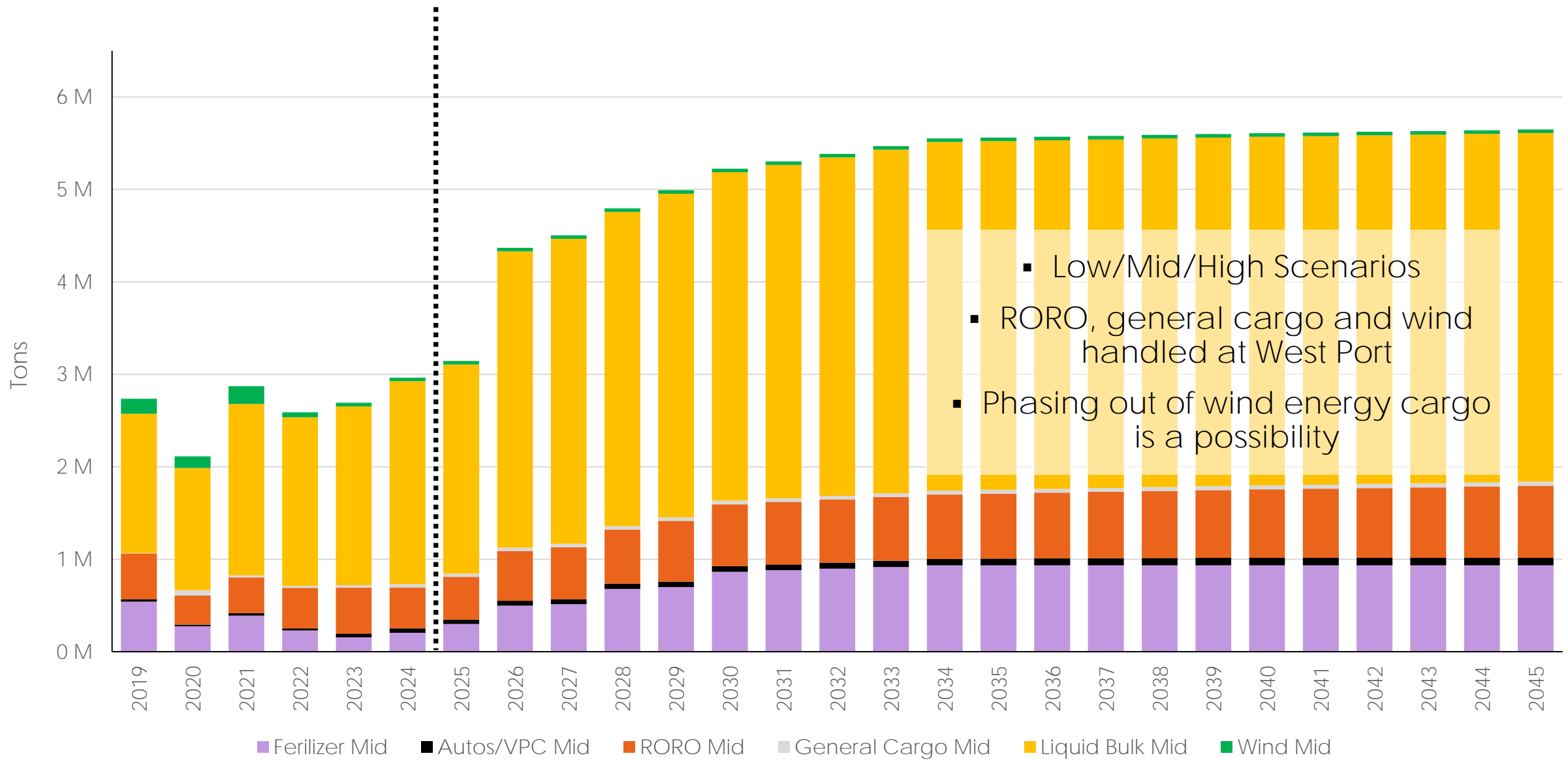
EXISTING CARGO MARKET SUMMARY

COMMODITY	2024 TONS	HISTORICAL PERFORMANCE	COMPETITIVE STRENGTHS	CONSTRAINTS	OUTLOOK	20-YR HIGH FORECAST
Fertilizer	204,571	Downward trend from peak in 2015 – due to draft	Completing \$26M upgrade – rail loading, conveyor; Potential to enter truck markets	Draft issue: Restriction, as low as 36' ; If 42' draft, could handle 55,000-ton vessel	E-crane would increase productivity; Facility capacity could reach 1M tons	1.1 M tons
Autos VPC	46,364 (22,254 units)	Since 2019, show 10% CAGR		Lack of terminal space limits ability to attract other OEMs	4-6% growth expected; Capacity of VPC is 40,000 units, under historical growth would reach capacity in 6-12 years	80,000 tons; 40,000 units
Liquid Bulk	2.2M	2010 peak 2.8M tons, decline through 2015, since 2016 market has been growing at 11.7% CAGR		Draft restriction Need -40' , has silted down to -30'; Competing capacity; Competing fuel sources – LNG/LPG	Currently handling 2.5-3.0 mm bbl/mn With -40' draft could move 4.5-5.5 mm bbl/mn	5.8 M tons

EXISTING CARGO MARKET SUMMARY

COMMODITY	2024 TONS	HISTORICAL PERFORMANCE	COMPETITIVE STRENGTHS	CONSTRAINTS	OUTLOOK	20-YR HIGH FORECAST
RORO	444,498	Sporadic, unstable	1.5 hours to sea buoy; Rail access – 2 lines, no clearance issues; Pier 39 redevelopment Stronger concrete apron Potential to bring on-dock rail for direct ship-to-rail transfer	Additional land Need stronger ramp and dock PSI Competition from Freeport	Underserved Markets Growth and share in N. Europe, Central America, SE Asia, Med; NYK initiating service in 2025; Potential to attract new accounts	920,000 tons
General Cargo	34,072	Sporadic, unstable	Experience and skilled workforce handling high and heavy	Market is typically project-based	Investment in U.S. could boost	94,000 tons
Wind	38,511	Been in decline from 2021 peak	Rail, currently supplying SunZia installation	Project-based; Laydown space	Dependent on tax credits, continual uncertainty, BBB	124,000 tons
Ship Repair / build	N/A	Shipbuilding has outpaced rig repair	Strong market for DOD customers; New leaseholder federal monies available	Dredging Need disposal capacity; Aging infrastructure	Bi-partisan support for increased U.S. shipbuilding The SHIPS for America Act	N/A

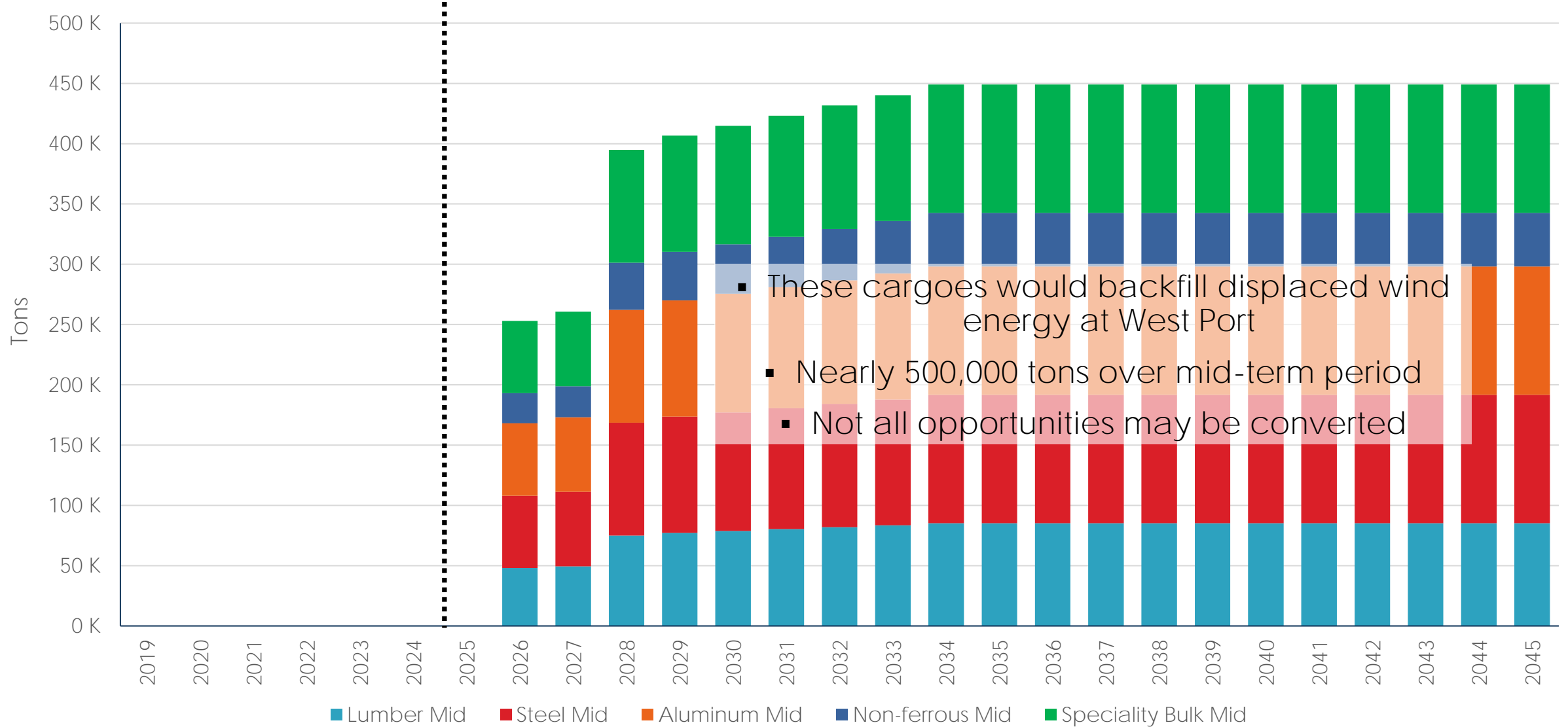
EXISTING CARGO FORECAST MID-SCENARIO



NEW CARGO MARKET SUMMARY

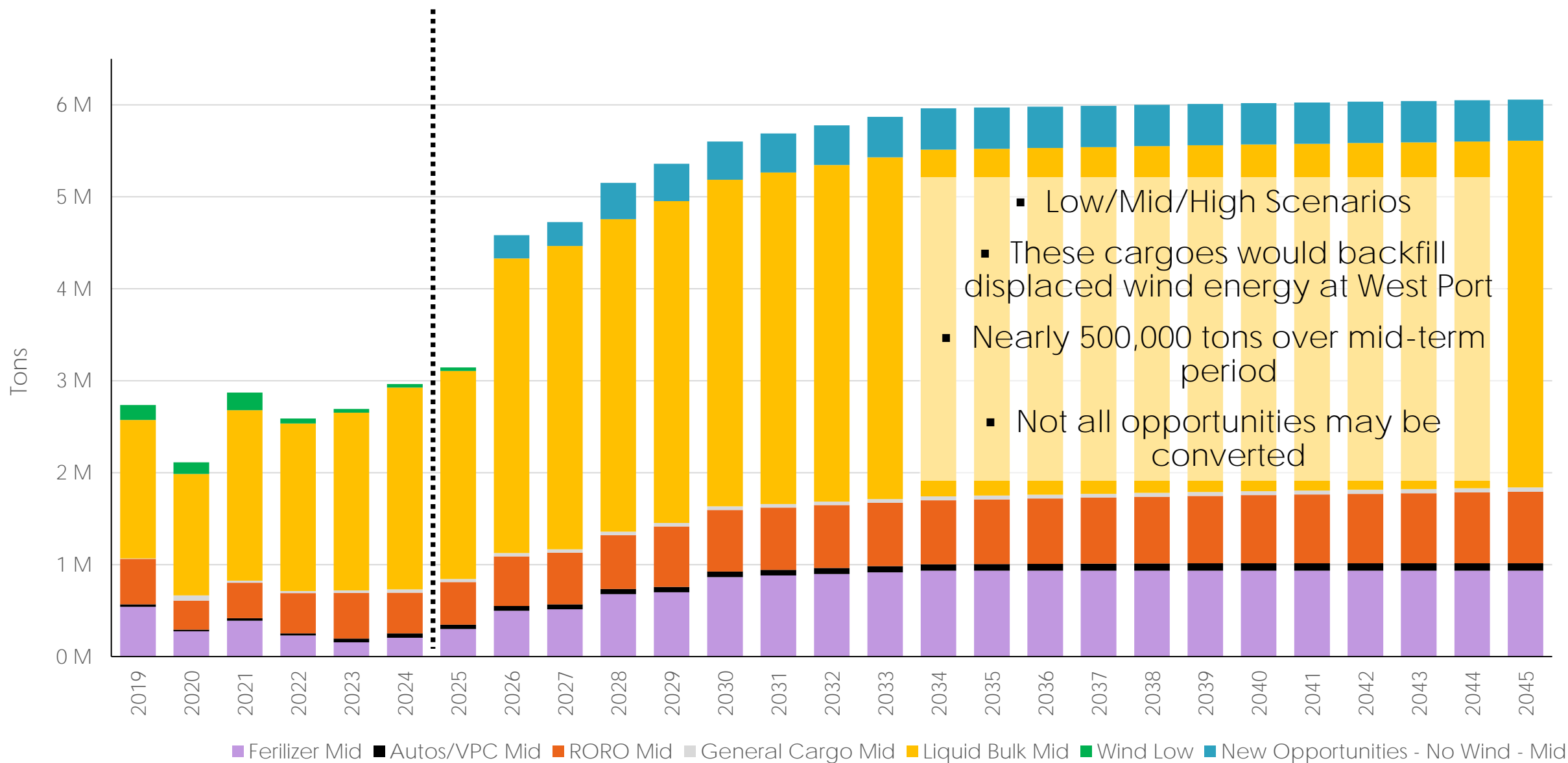
COMMODITY	MARKET	NEEDS	POTENTIAL VOLUME
Lumber	Building industry in region, west Texas	Some covered storage may be needed	140,000
Steel	Fabrication, auto stamping/manufacturing	Depending on quality, may need covered storage; Direct ship to rail	160,000
Aluminum	Fabrication, auto industry		160,000
Non-ferrous metals	Specialty manufacturing, batteries, EV manufacturing	Covered storage	50,000+
Specialty Bulks, rare earth minerals	Niche, long-term play		250,000+

NEW CARGO FORECAST MID-SCENARIO



CARGO FORECAST, NEW OPPORTUNITIES

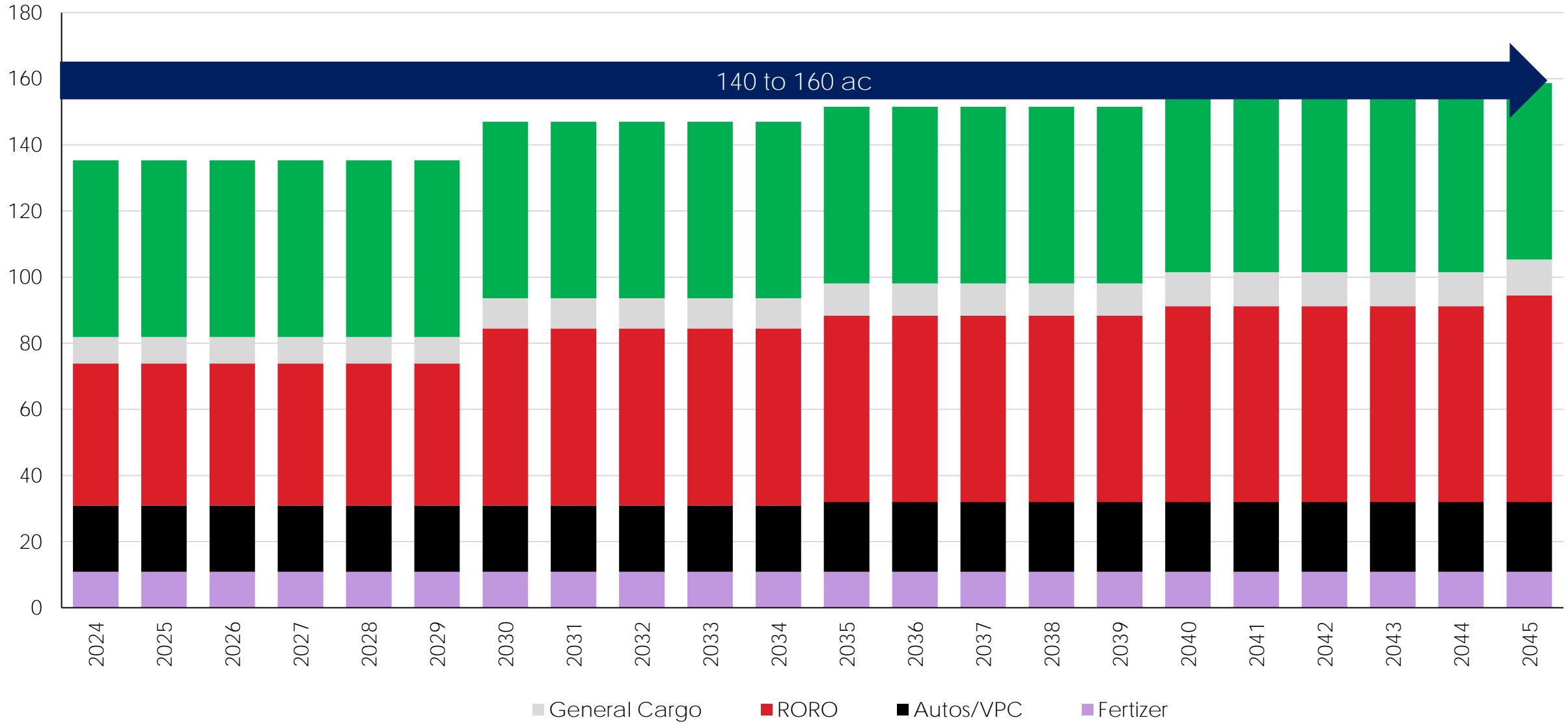
MID-SCENARIO (NO WIND)



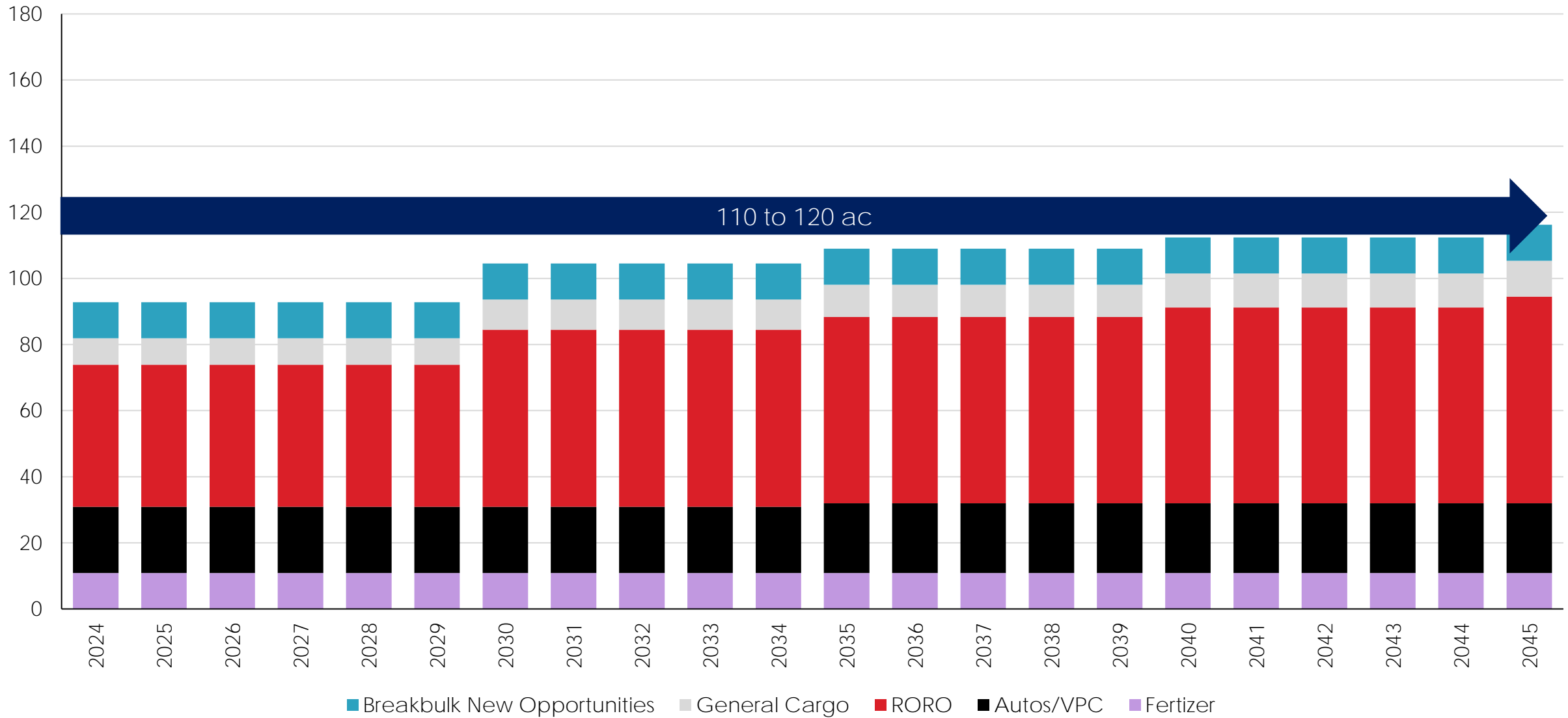
CONTAINER MARKET IMPLICATIONS

- Houston has been seen significant growth: 7.3% CAGR since 2014
- 4.2 million TEUs handled in 2024
- Long-term capacity at Port of Houston terminals Barbours Cut and Bayport: 7+ million TEU
- Potential additional planned capacity on Houston Ship Channel in near-term: additional 3-4 million TEU
- Impediments to Pelican Island development for containers:
 - Lack of rail
 - No drayage advantage in serving Dallas/Fort Worth, SanAntonio and Austin
 - Cost of terminal development would result in non-compensatory lease
 - 100 acres could yield 350,000-450,000 TEUs annually

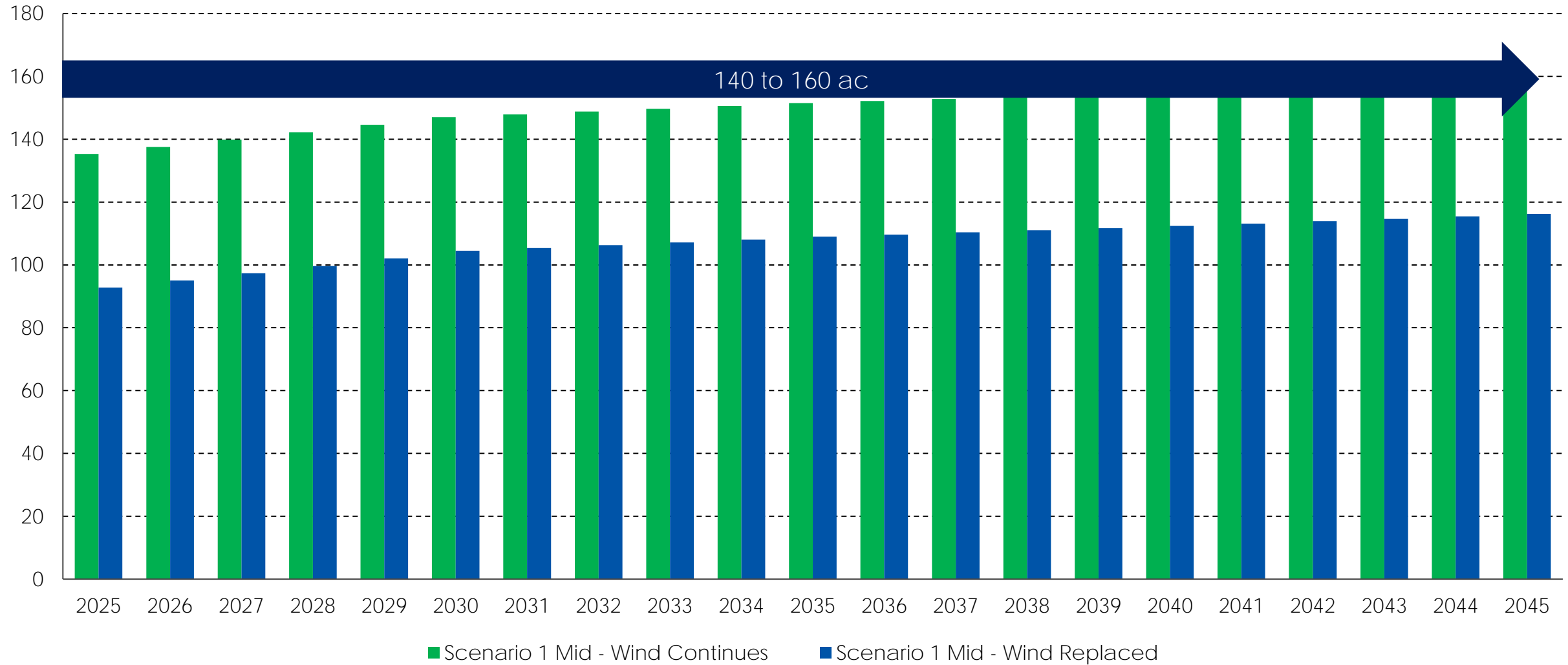
SCENARIO 1 MID - CARGO ACRES (ASSUMING WIND CONTINUES)



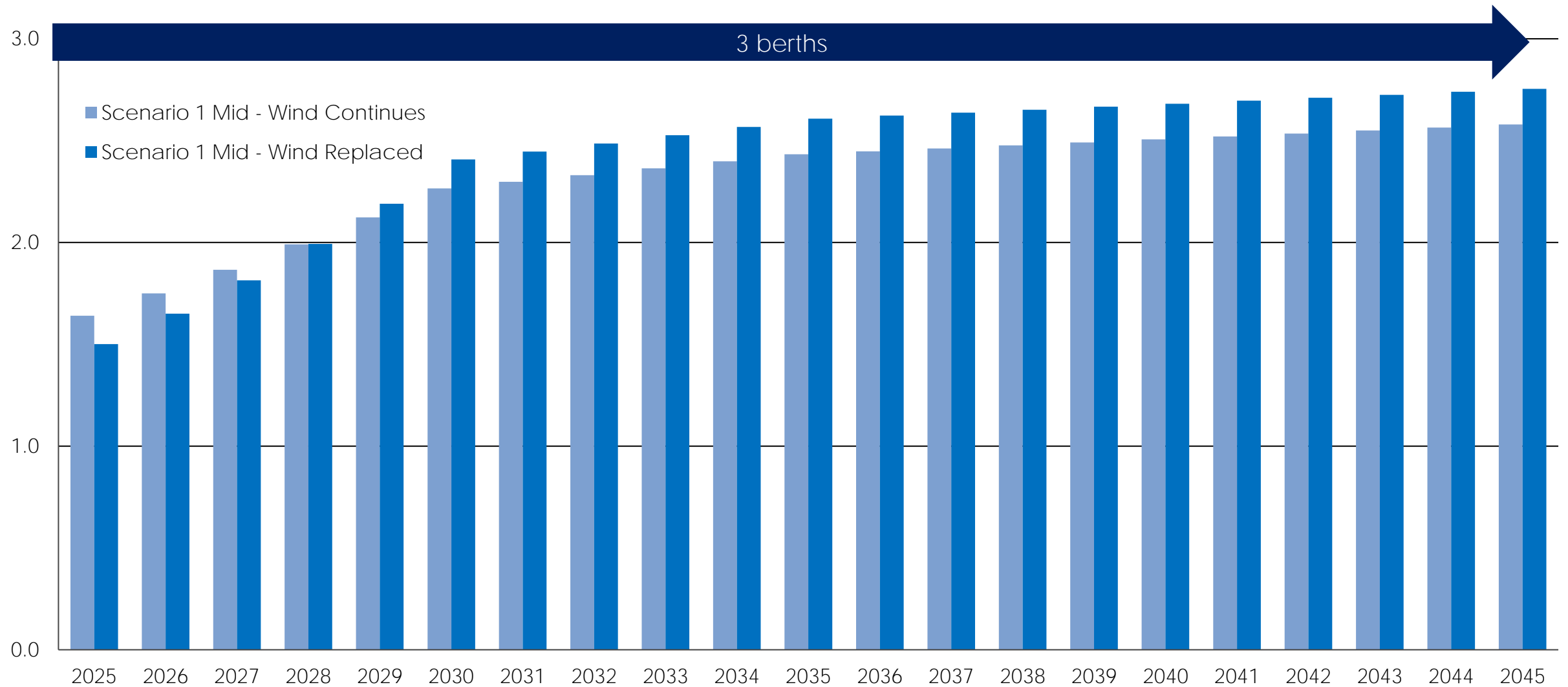
SCENARIO 2 MID - CARGO ACRES (ASSUMING WIND IS REPLACED)



CARGO ACREAGE DEMAND SUMMARY



BERTH / TERMINAL DEMAND



PELICAN ISLAND DEVELOPMENT IMPLICATIONS

- Pelican Island has been the identified area for expanded cargo
- Key constraints
 - No rail access
 - Limited truck access
- Proposed bridge will allow for truck traffic, however, need to have rail component to market site to potential tenants
- Development costs will be critical in determining if tenant's lease will be compensatory
 - Terminal, equipment, berths, channel
 - Rail/Truck Bridge – Port contribution?

PELICAN ISLAND MARKET SUMMARY

NEAR-TERM: NO NEW BRIDGE/RAIL

Shipbuilding/ship repair – high economic impact – job creation, aligns with Trump Administration focus, Federal grant availability, Defense funds

LNG Fueling – Maritime LNG is a growing market sector

Utilize float in/float out capabilities for feedstock, materials and finished product

Private investment, DFI opportunities

LONG-TERM: ASSUMES TRUCK AND RAIL ACCESS

Traditional Gulf Coast production-
Methanol production,
Ethane crackers,
Fertilizer production,
Pipe manufacturing,
Resins/plastics;
Emerging markets - Lithium, rare earth processing;
Advanced manufacturing

Ability to use truck and rail for feedstock/finished product – opens the door; need timeline established on new bridge/rail

Private investment, DFI opportunities

CARGO SUMMARY

- **General cargo area** - provide a general cargo area of around 150 acres
- **Flexibility to adapt for shifts in demand** - allow for a flexible lot configuration
- **New rail access** - Add new on-dock rail
- **Railyard consolidation** - Consolidate existing rail yards
- **New warehousing** - Develop sites for potential new warehousing to serve general cargos – lumber, etc.
- **Flex berth to serve other ports needs** - Design a flex berth for both cargo and cruise operations, depending on the demand

CRUISE

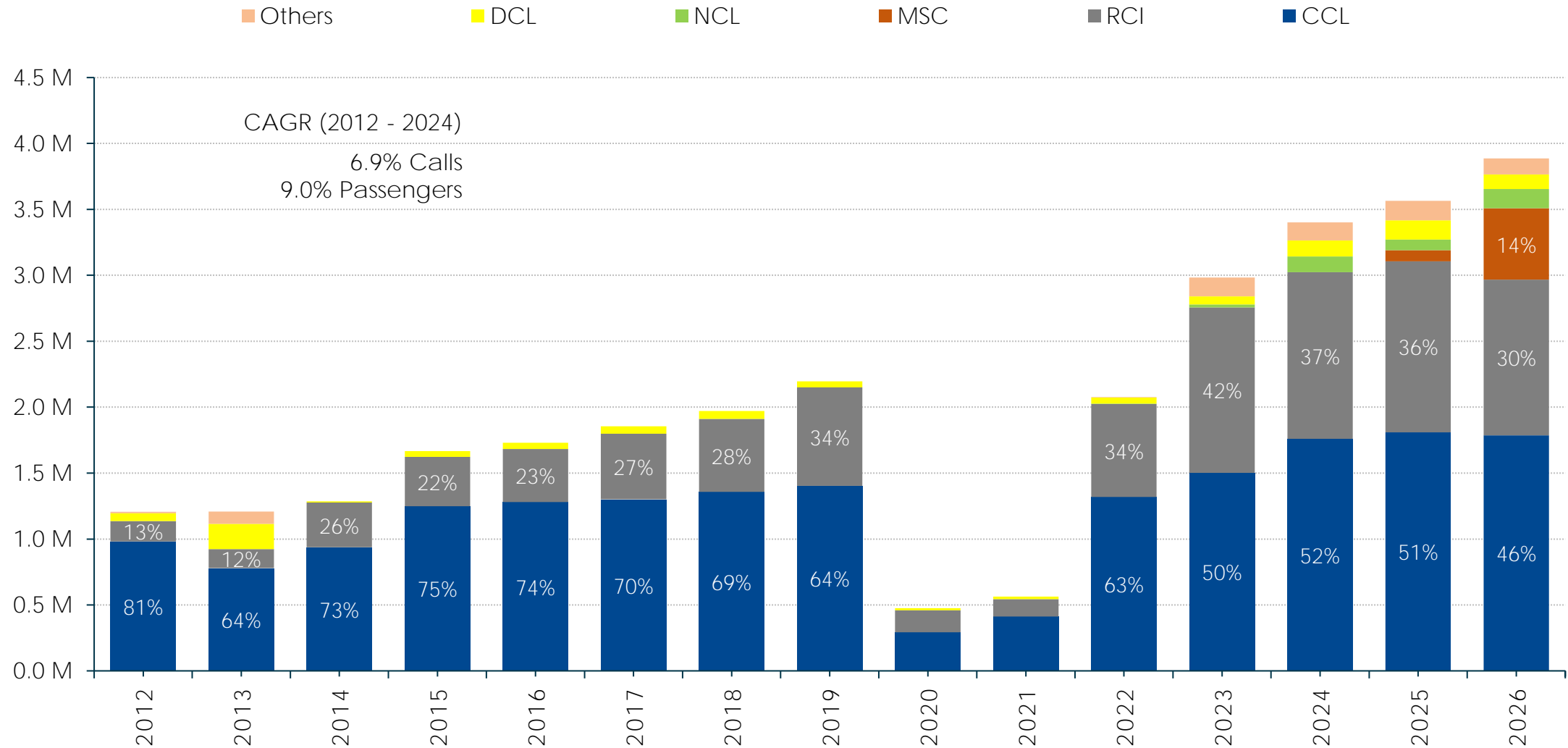


GALVESTON PASSENGERS & CALLS

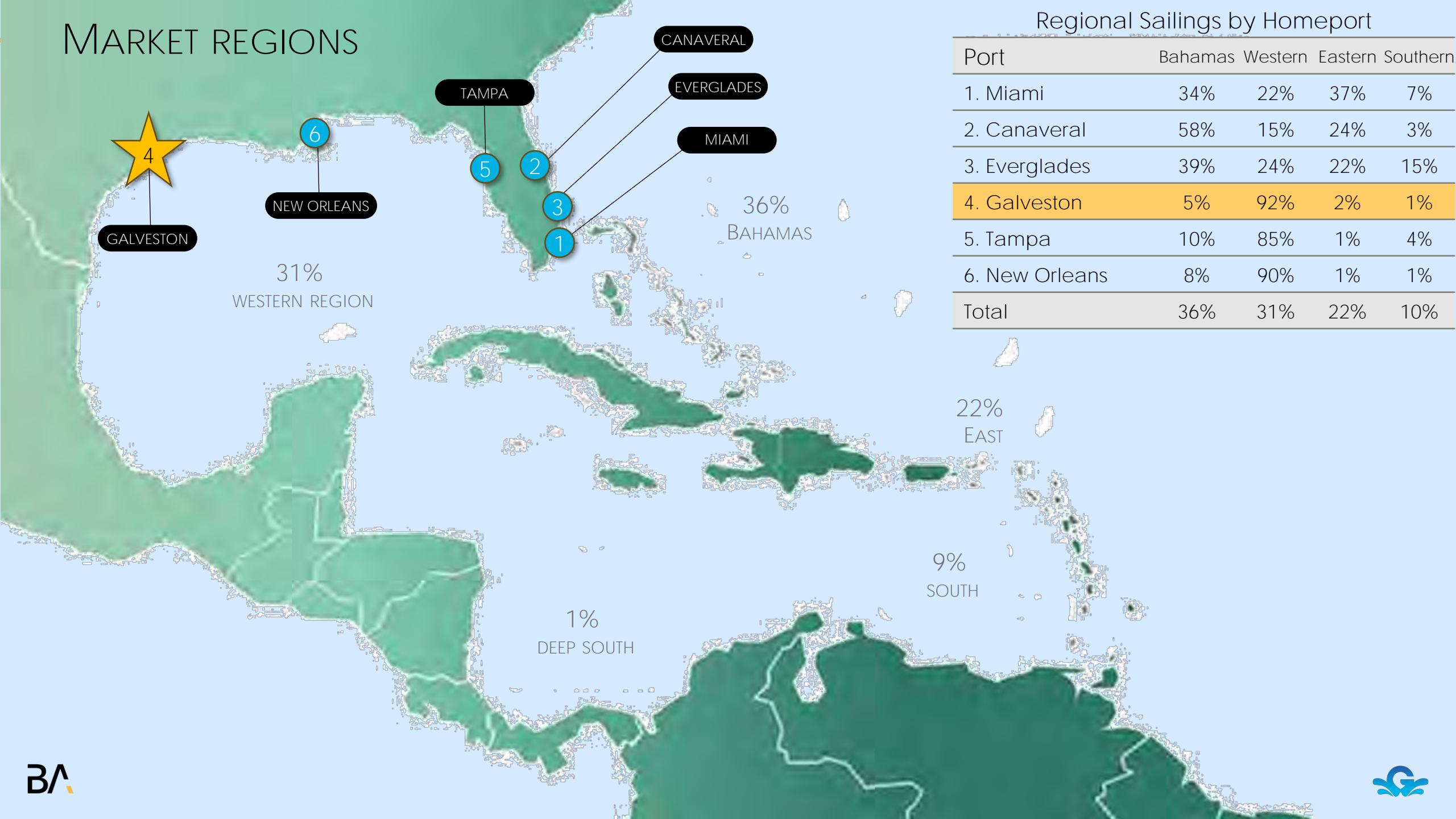


2025 & 2026 are estimates based on schedules

GALVESTON PASSENGERS BY CORPORATION



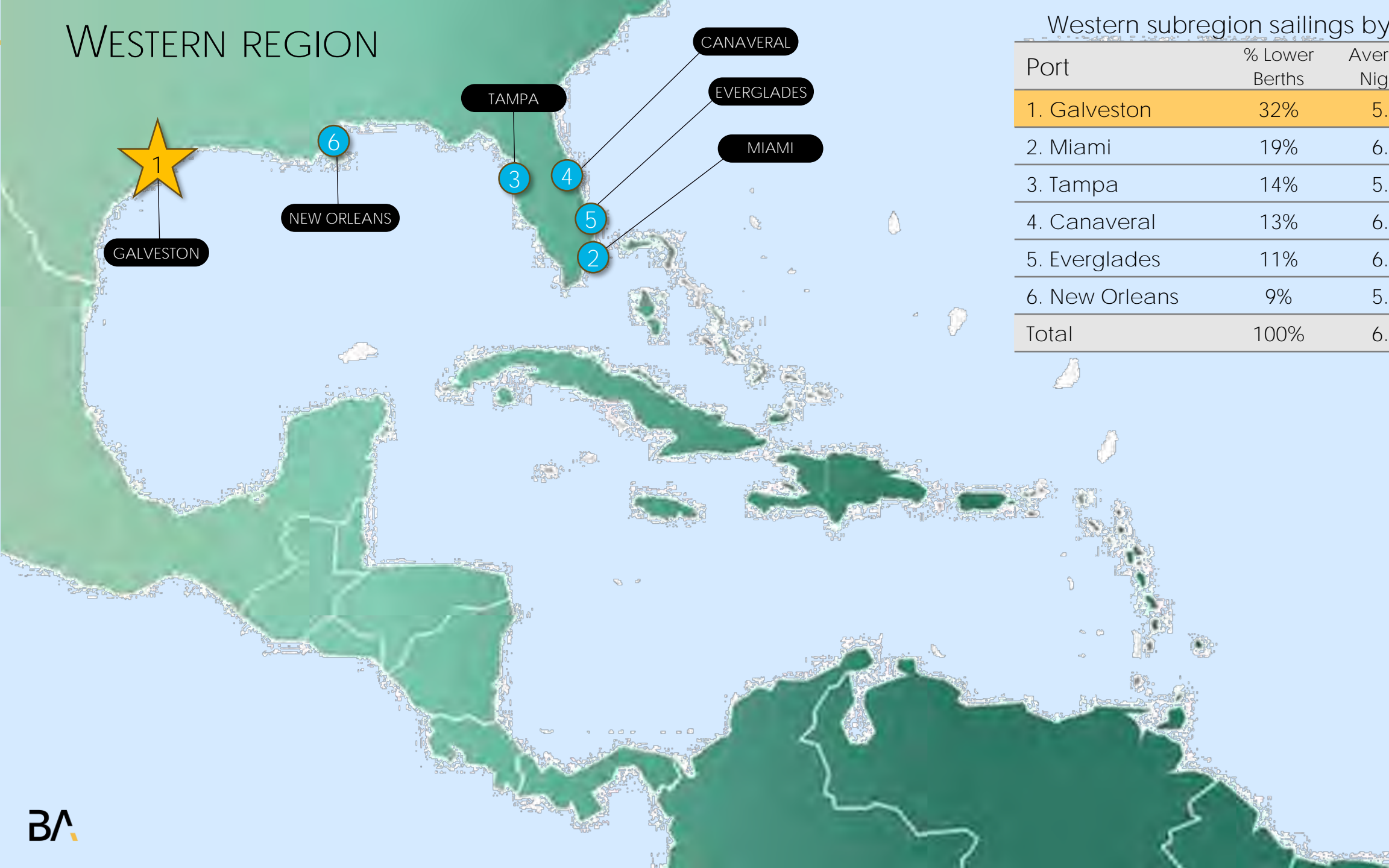
MARKET REGIONS



Regional Sailings by Homeport

Port	Bahamas	Western	Eastern	Southern
1. Miami	34%	22%	37%	7%
2. Canaveral	58%	15%	24%	3%
3. Everglades	39%	24%	22%	15%
4. Galveston	5%	92%	2%	1%
5. Tampa	10%	85%	1%	4%
6. New Orleans	8%	90%	1%	1%
Total	36%	31%	22%	10%

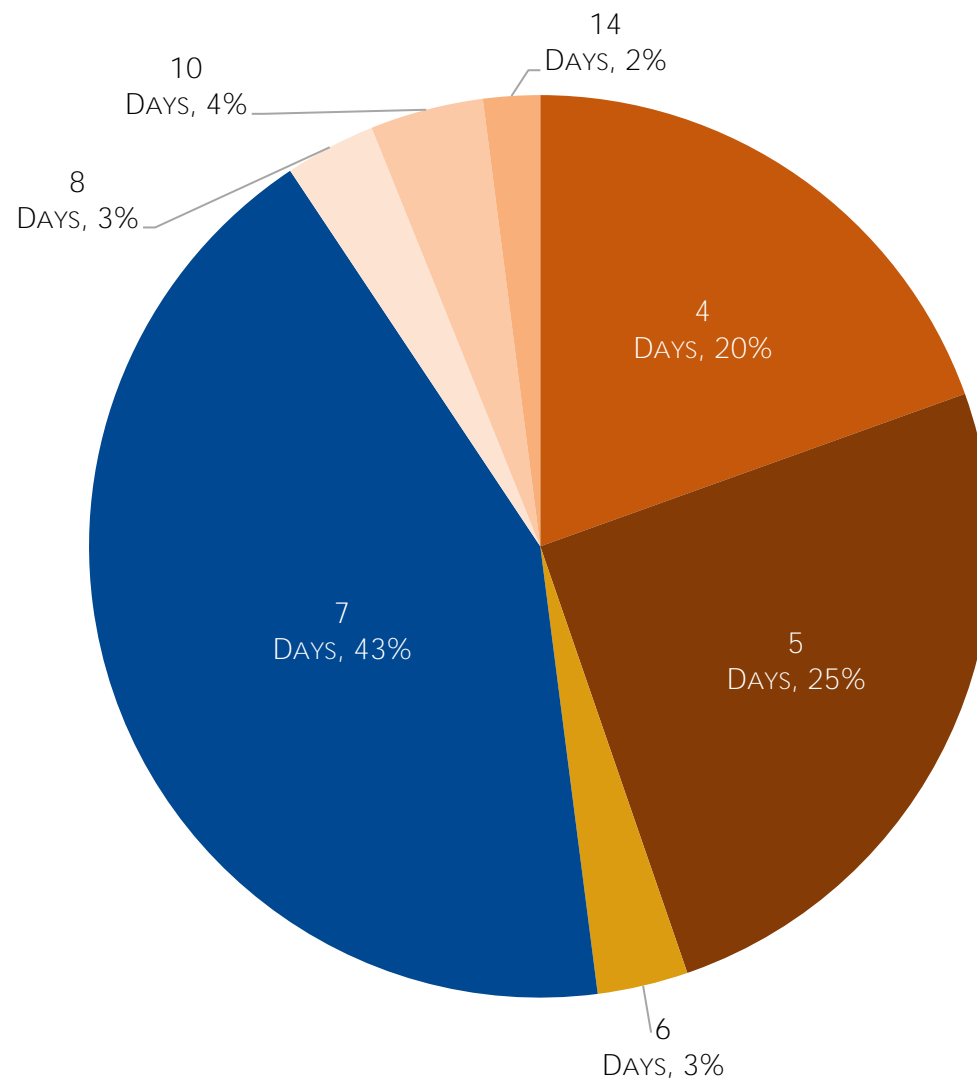
WESTERN REGION



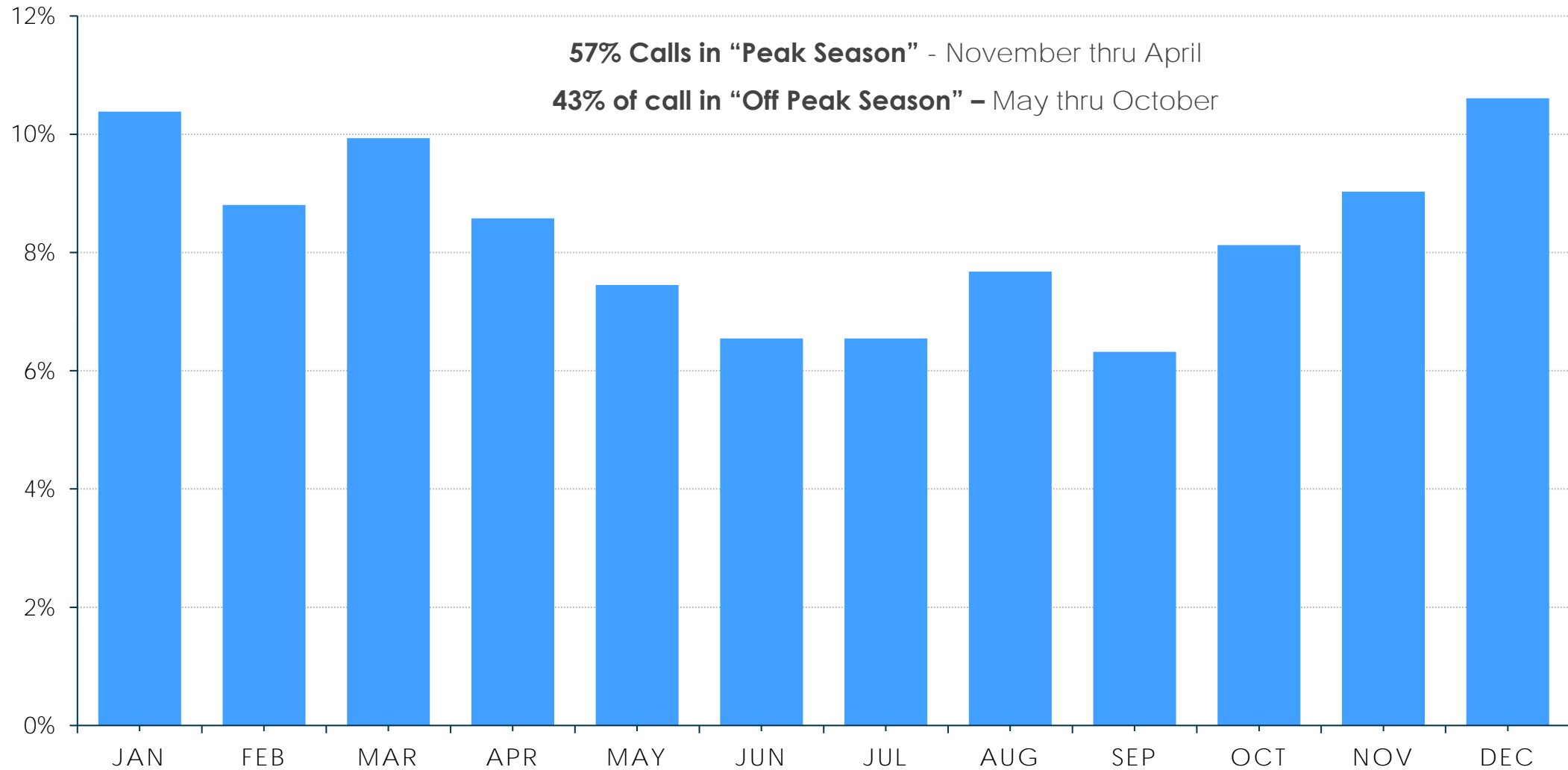
Western subregion sailings by Homeport

Port	% Lower Berths	Average Nights	Average Ship Size
1. Galveston	32%	5.9	3,870
2. Miami	19%	6.6	3,825
3. Tampa	14%	5.4	3,770
4. Canaveral	13%	6.7	3,595
5. Everglades	11%	6.3	3,120
6. New Orleans	9%	5.8	2,125
Total	100%	6.1	3,330

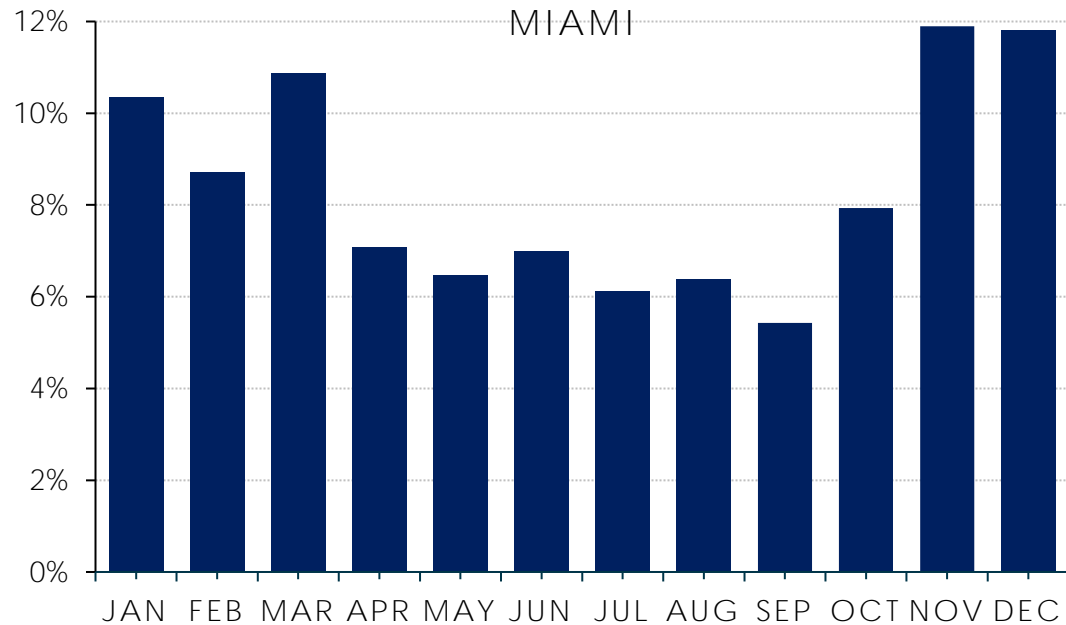
GALVESTON SAILING LENGTHS — (2026 PEAK SEASON)



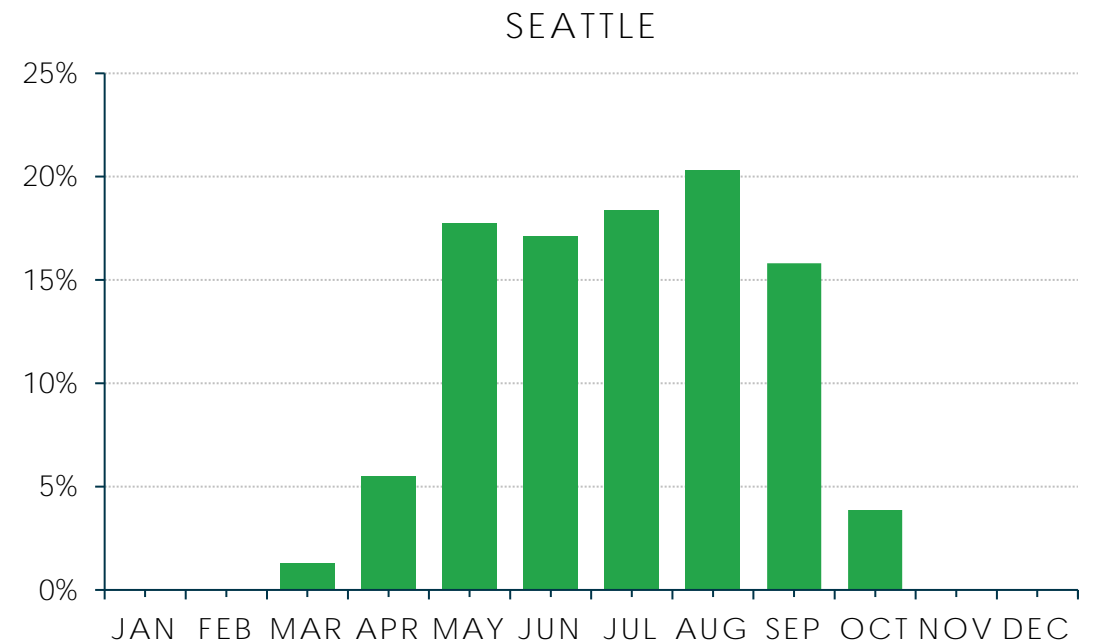
GALVESTON SEASONALITY - 2026



COMPARISON OF SEASONALITY - 2025

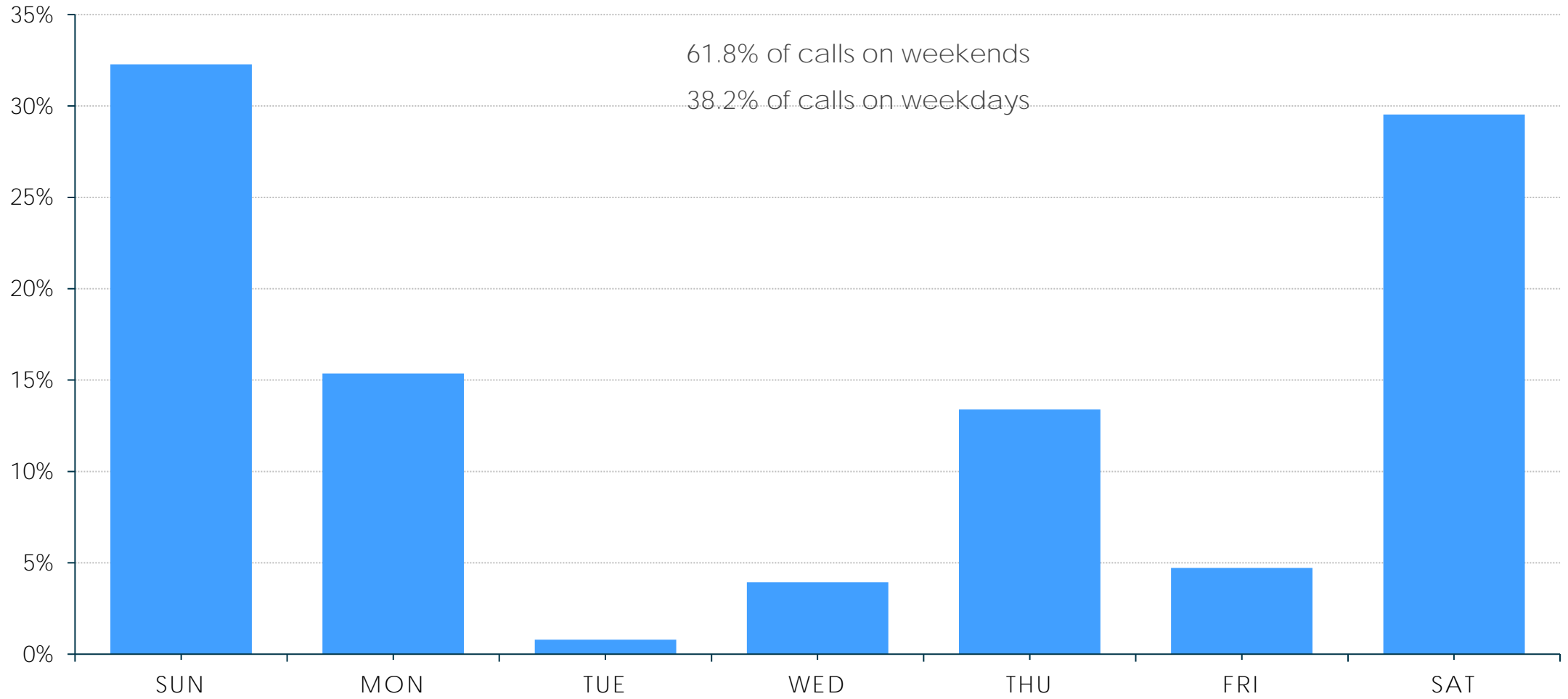


61% Calls in "Peak Season" - November thru April
39% of call in "Off Peak Season" - May thru October



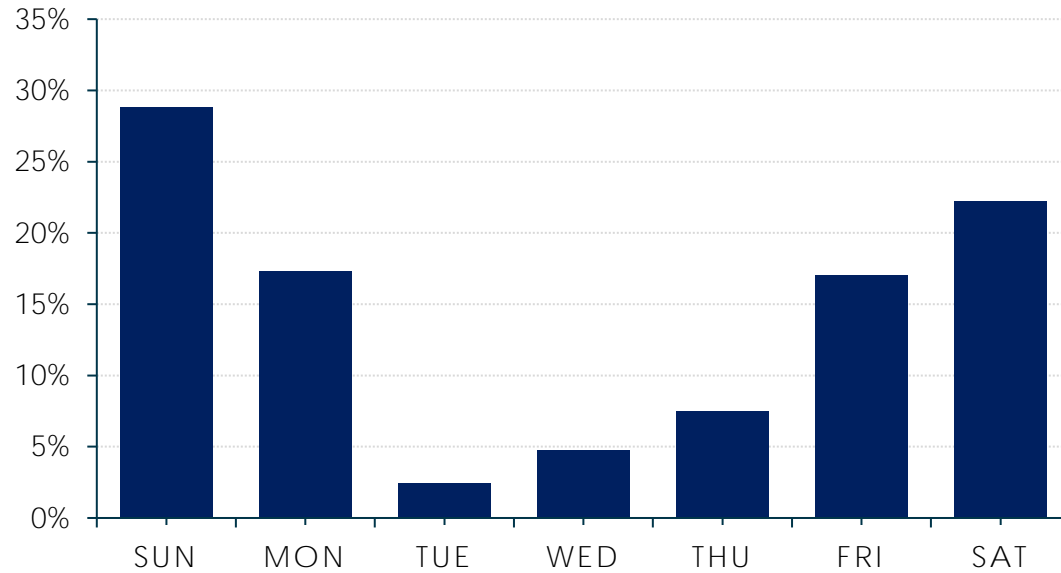
95% Calls in "Peak Season" - April thru September
5% of call in "Off Peak Season" - October thru March

GALVESTON DAILY FLUCTUATIONS (2026 PEAK SEASON)



COMPARATIVE DAILY FLUCTUATIONS

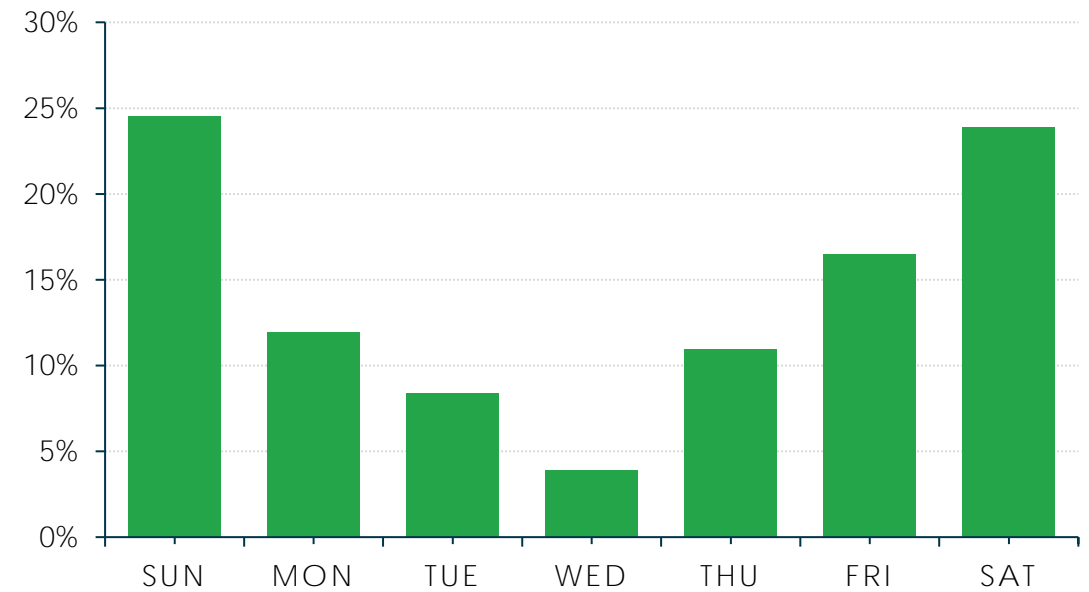
MIAMI



51% of calls on weekends

49% of calls on weekdays

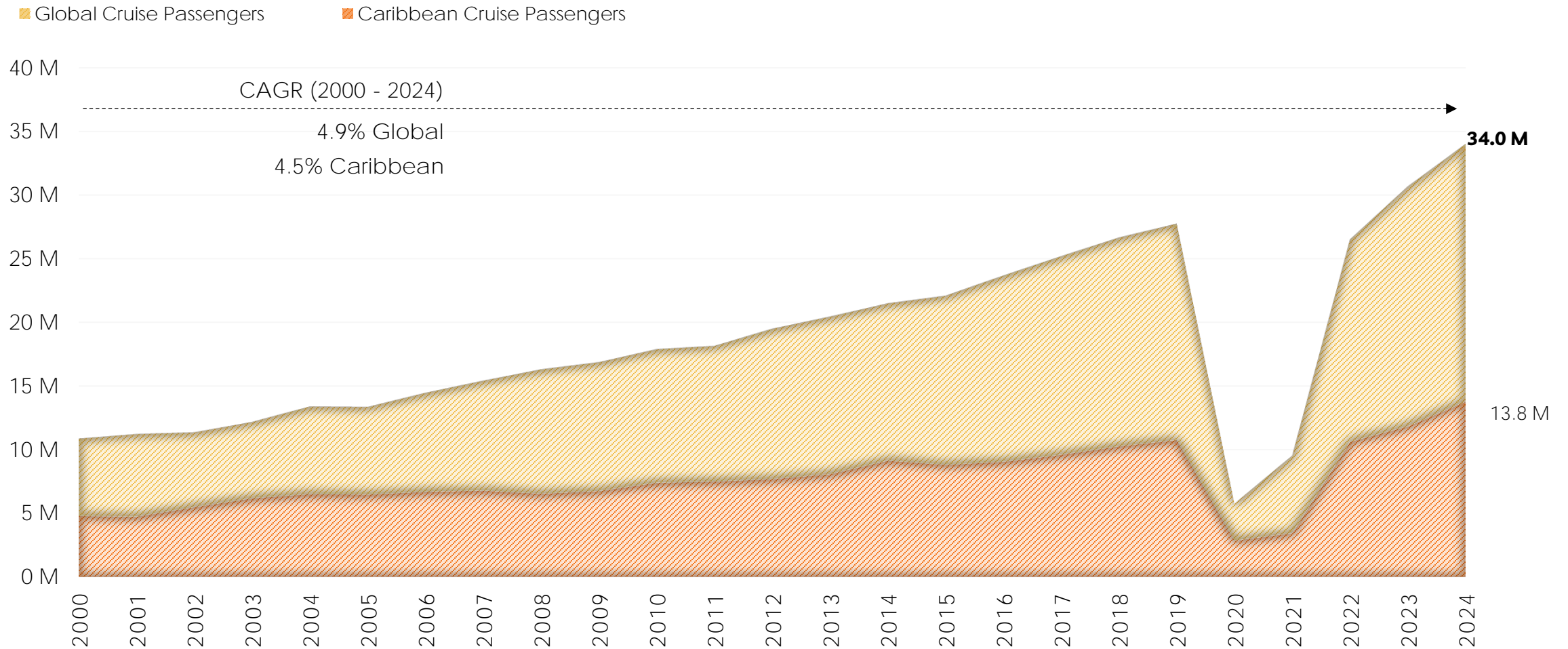
SEATTLE



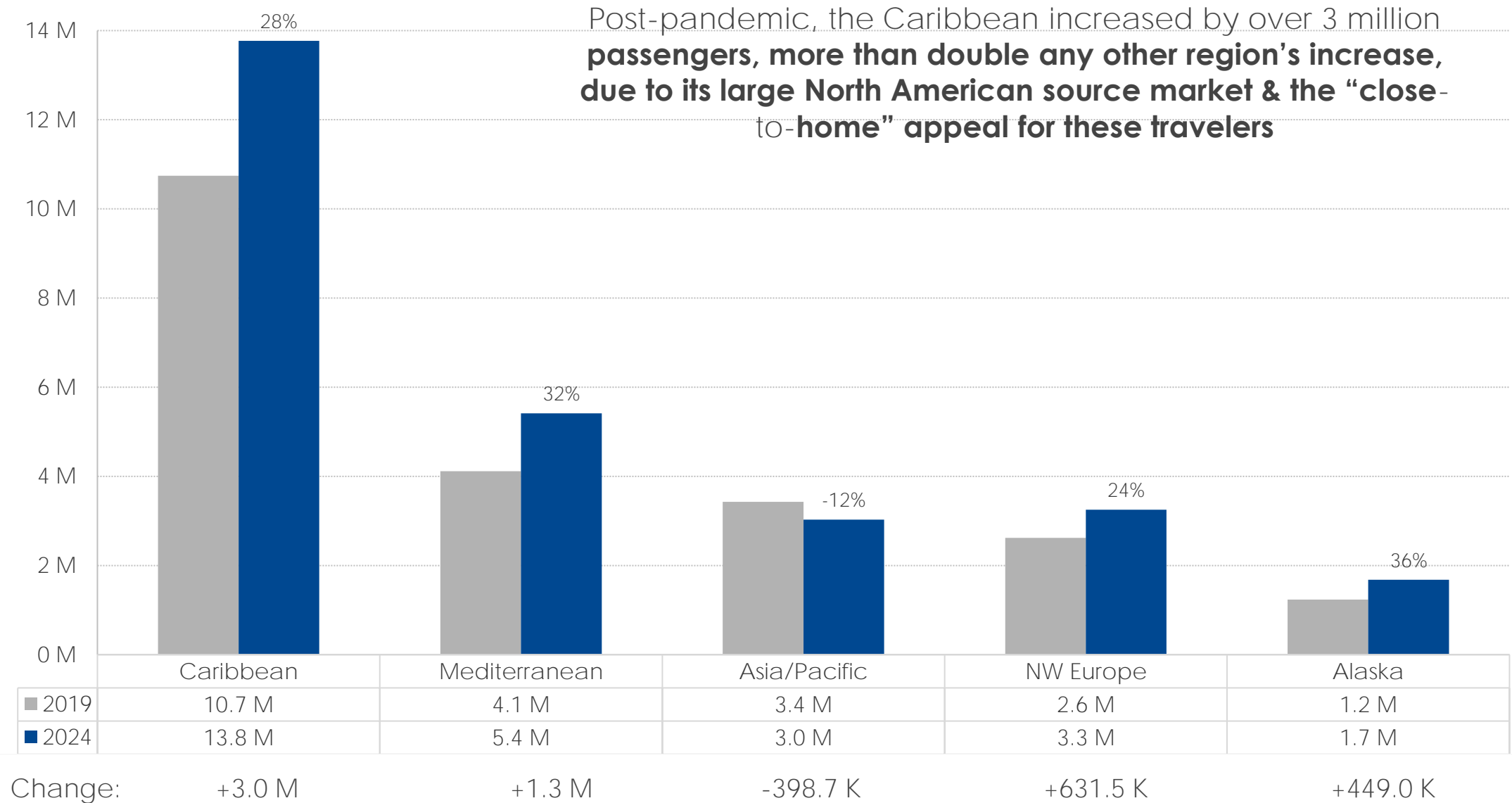
48% of calls on weekends

52% of calls on weekdays

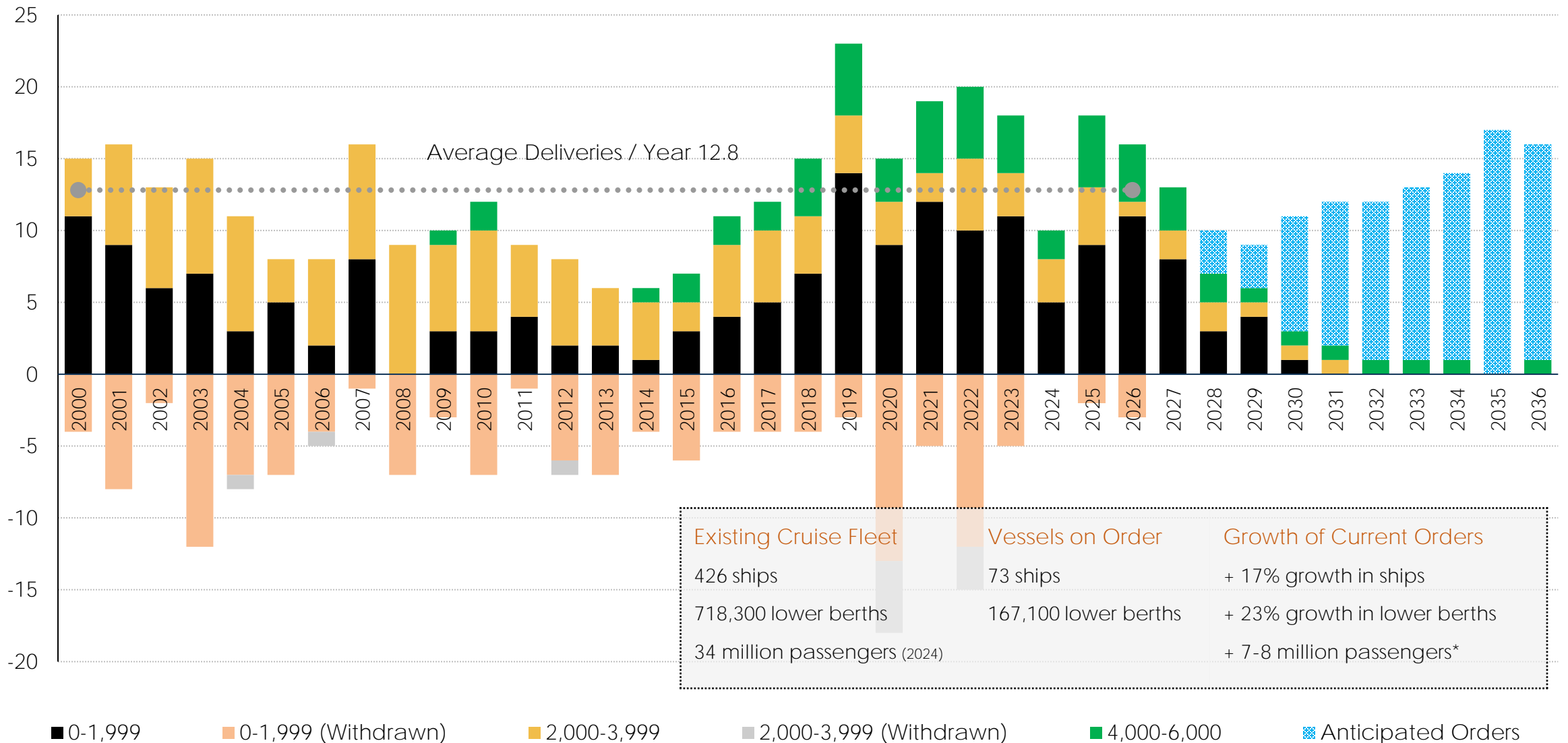
CRUISE INDUSTRY - WORLDWIDE



POST COVID RECOVERY BY REGION



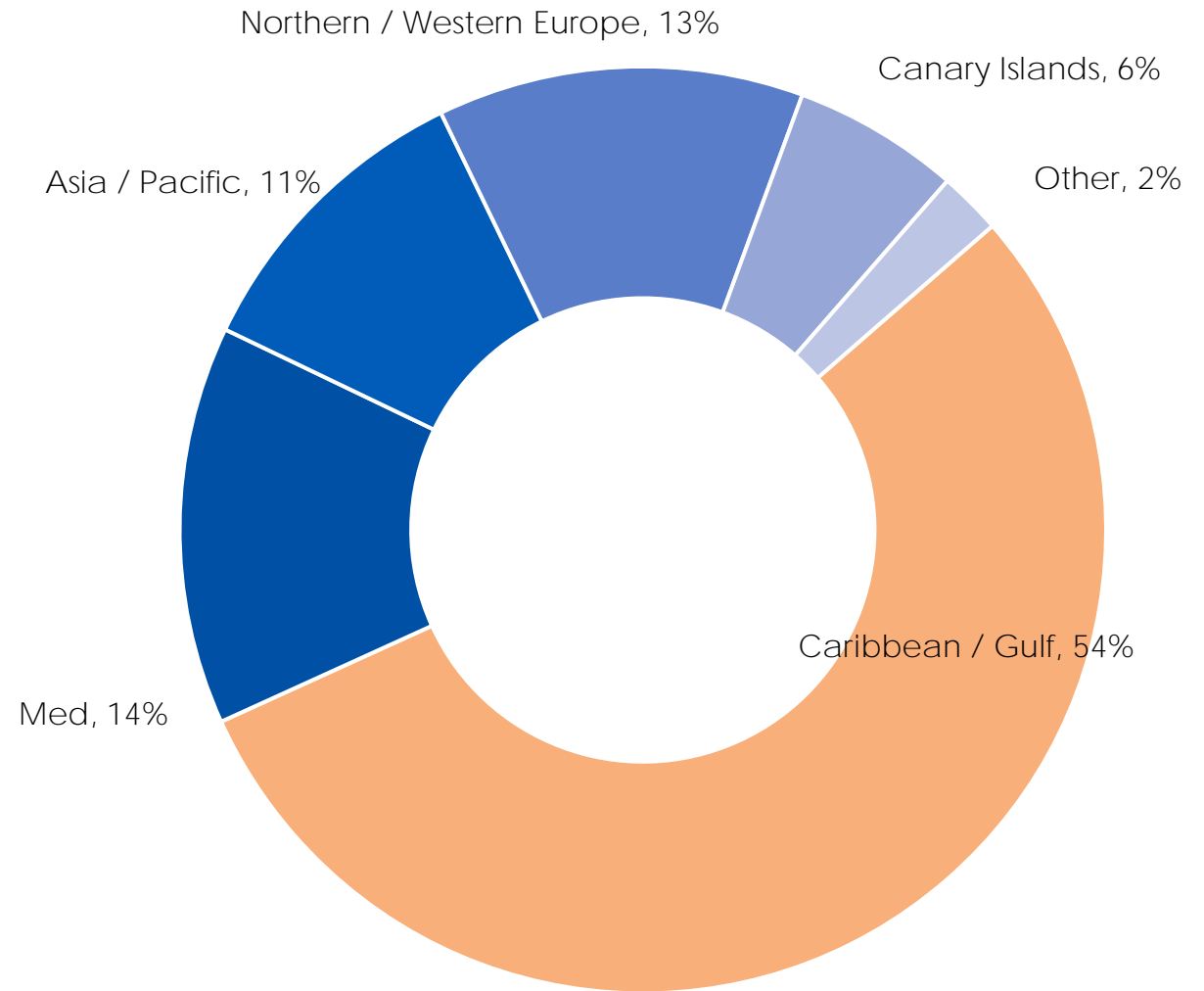
GLOBAL SHIP DELIVERIES AND WITHDRAWALS



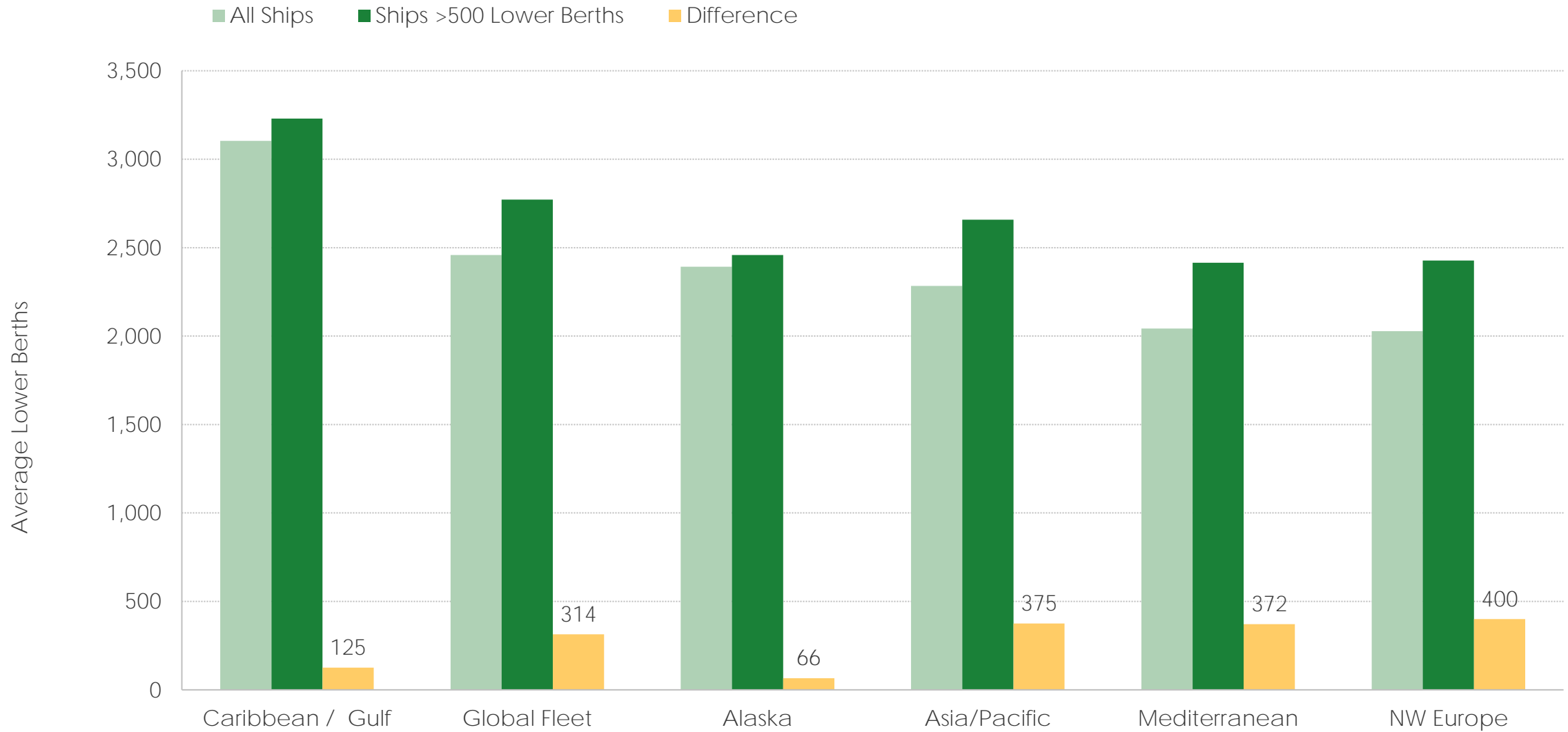
* Excludes any additional ships that are anticipated to be ordered.

ANNOUNCED DESTINATION OF NEW SHIPS

Deployment data from 2023 to 2025 indicates that the Caribbean / Gulf will receive 54% of all new berths - nearly four times more than the next closest region, the Mediterranean.



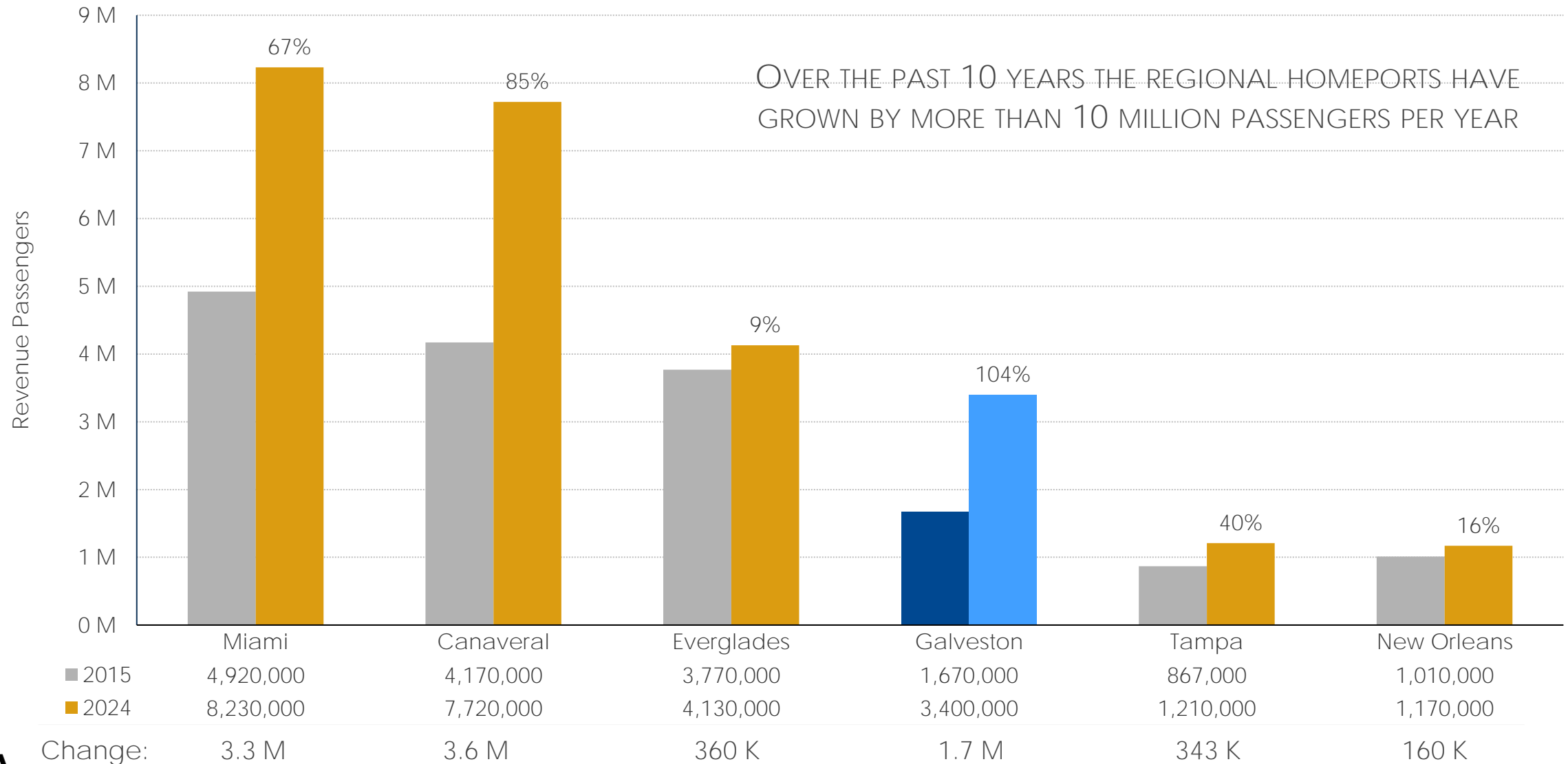
AVERAGE SHIP SIZE BY REGION - 2025



DRIVERS OF GROWTH



REGIONAL HOMEPORTS



REGIONAL HOMEPORT INVESTMENTS AND NUMBER OF TERMINALS

MIAMI

11



Terminal A \$250 M
Terminal B \$240 M
Terminal V \$145 M
Terminal AA/AAA \$390 M
Terminal F expansion \$170 M
Terminal G \$225 M

CANAVERAL

6



Terminal 3 \$163 M
Terminal 8 \$50 M
Terminal A \$100 M

EVERGLADES

8



Terminal 25 \$100 M
Terminal 4 \$35 M

TAMPA

3



Terminal 2, 3, 6 Upgrades \$10 M
New Terminal \$80 M

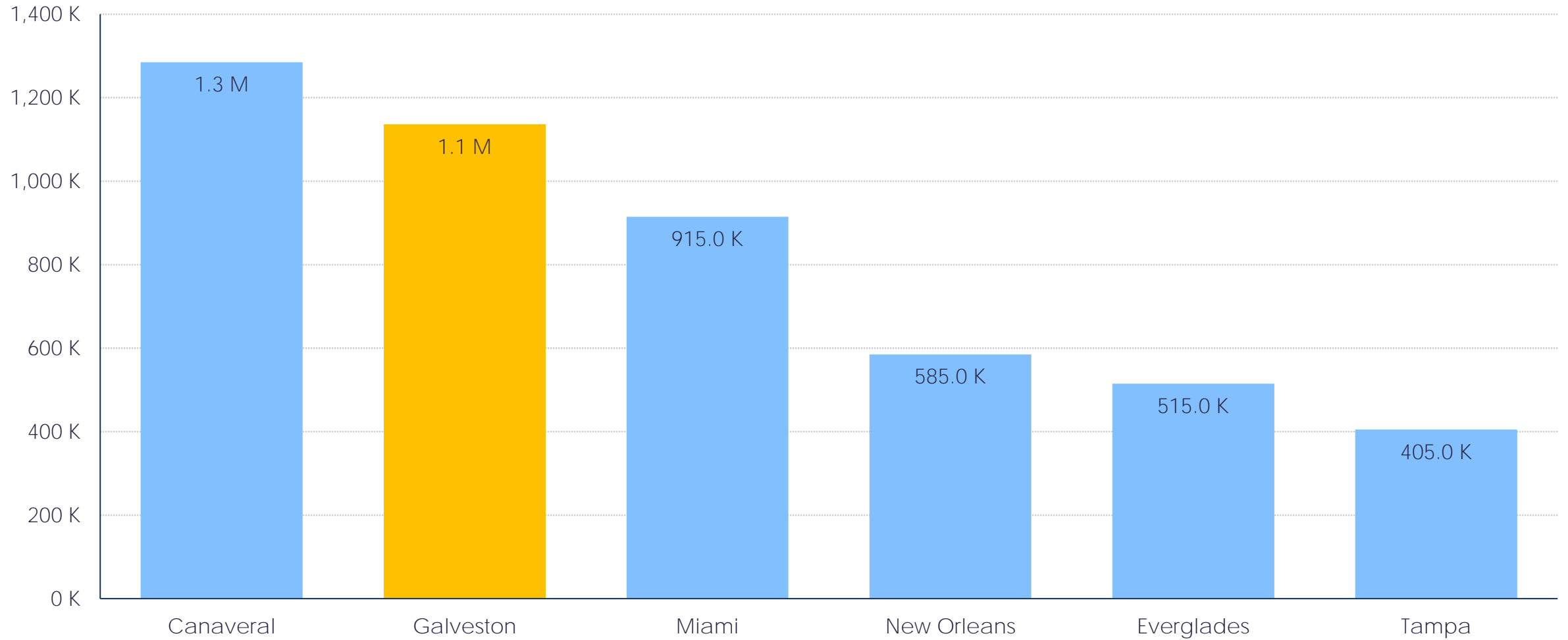
GALVESTON

3



Terminal 10 \$125 M
Terminal 25 \$53 M
Terminal 16 \$151 M

REGIONAL HOMEPORT EFFICIENCY (PASSENGERS PER BERTH/TERMINAL)



GALVESTON'S BIG 2 FACTORS FOR GROWTH

1 Opportunity

- Access to a significant US drive in market
- Year-round port
- Access to different itineraries than from South Florida
- Limited number of homeport terminals and berths
 - New Orleans
 - Mobile
 - Tampa

2 Challenge

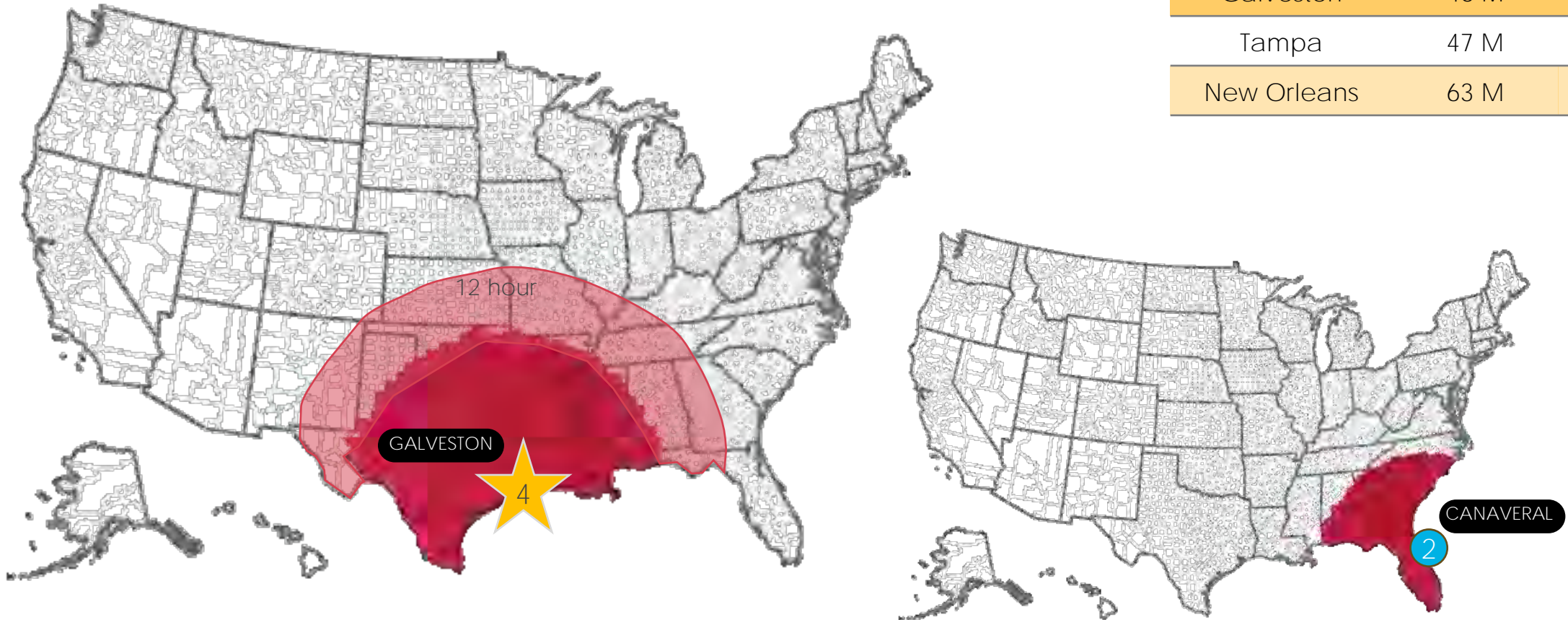
- Lack of a diverse port of call stable
- Need more destinations

OPPORTUNITY - DRIVE GUEST MARKET

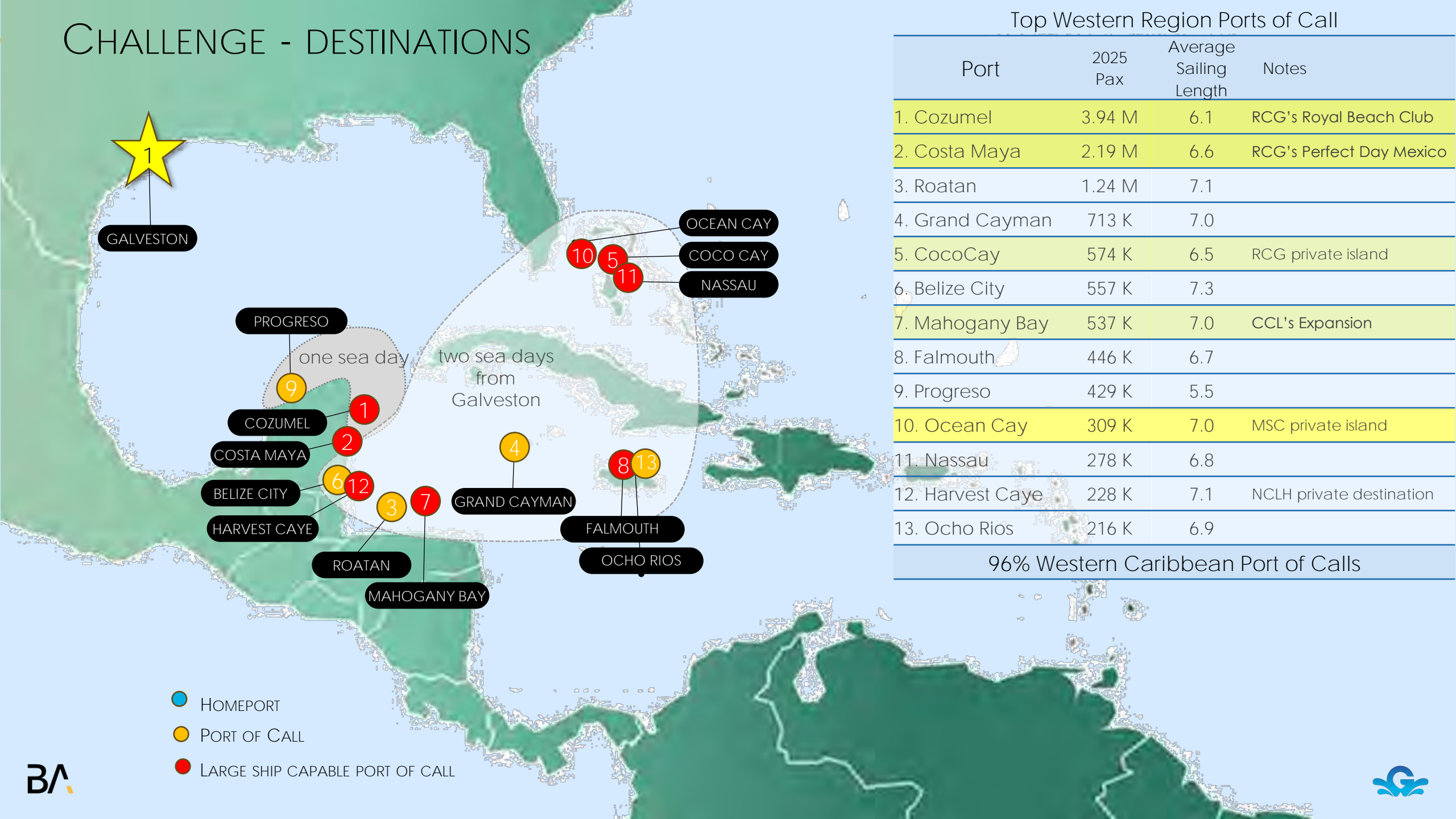
Drive Market (500 Miles / 8 Hours)

Port	Population	10 Yr Growth
Miami	26 M	16.5%
Canaveral	46 M	14.5%
Everglades	27 M	16.4%
Galveston	46 M	11.1%
Tampa	47 M	13.6%
New Orleans	63 M	11.8%

Success Breeds New Opportunities



CHALLENGE - DESTINATIONS



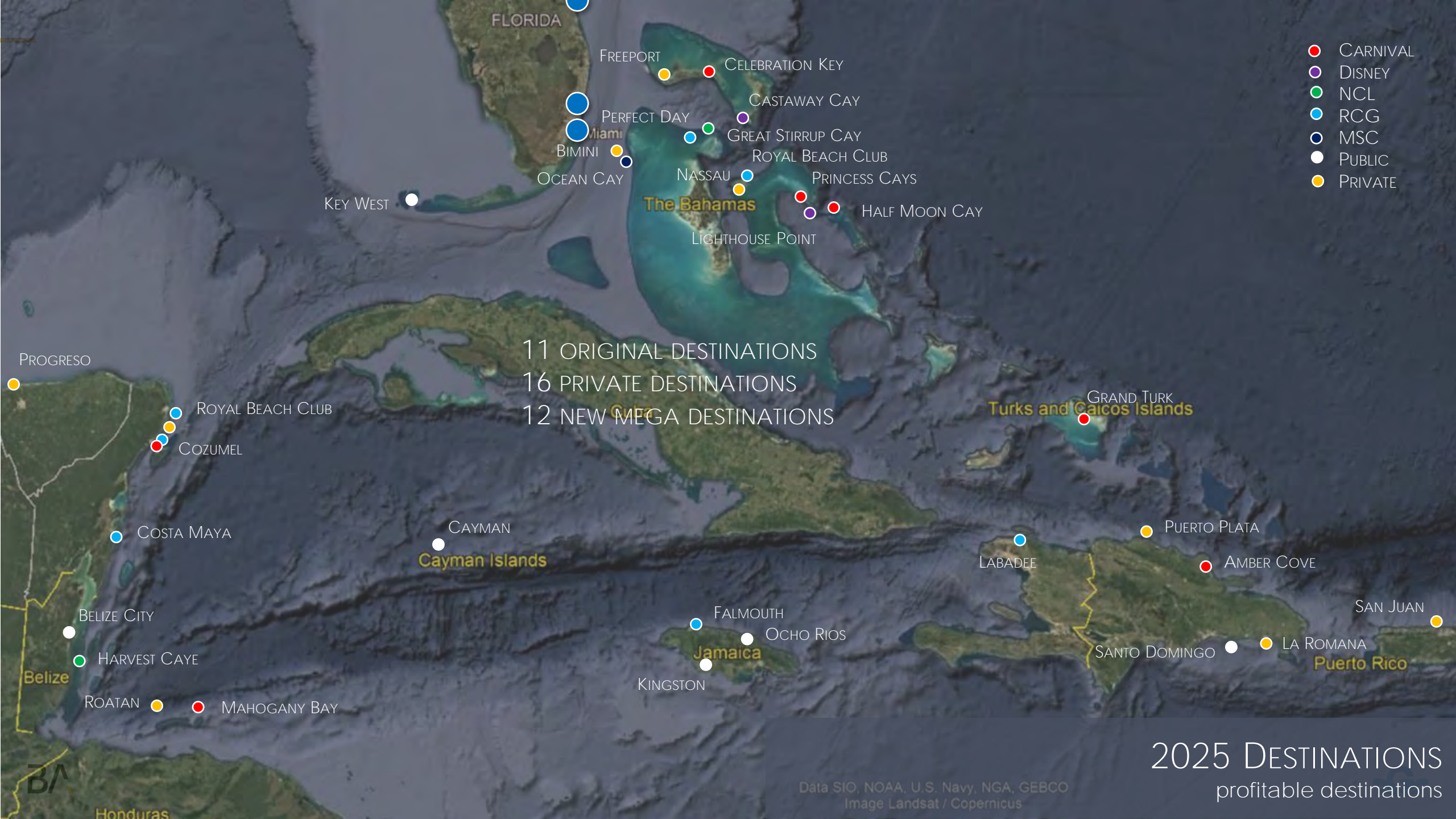
Top Western Region Ports of Call

Port	2025 Pax	Average Sailing Length	Notes
1. Cozumel	3.94 M	6.1	RCG's Royal Beach Club
2. Costa Maya	2.19 M	6.6	RCG's Perfect Day Mexico
3. Roatan	1.24 M	7.1	
4. Grand Cayman	713 K	7.0	
5. CocoCay	574 K	6.5	RCG private island
6. Belize City	557 K	7.3	
7. Mahogany Bay	537 K	7.0	CCL's Expansion
8. Falmouth	446 K	6.7	
9. Progreso	429 K	5.5	
10. Ocean Cay	309 K	7.0	MSC private island
11. Nassau	278 K	6.8	
12. Harvest Caye	228 K	7.1	NCLH private destination
13. Ocho Rios	216 K	6.9	

96% Western Caribbean Port of Calls

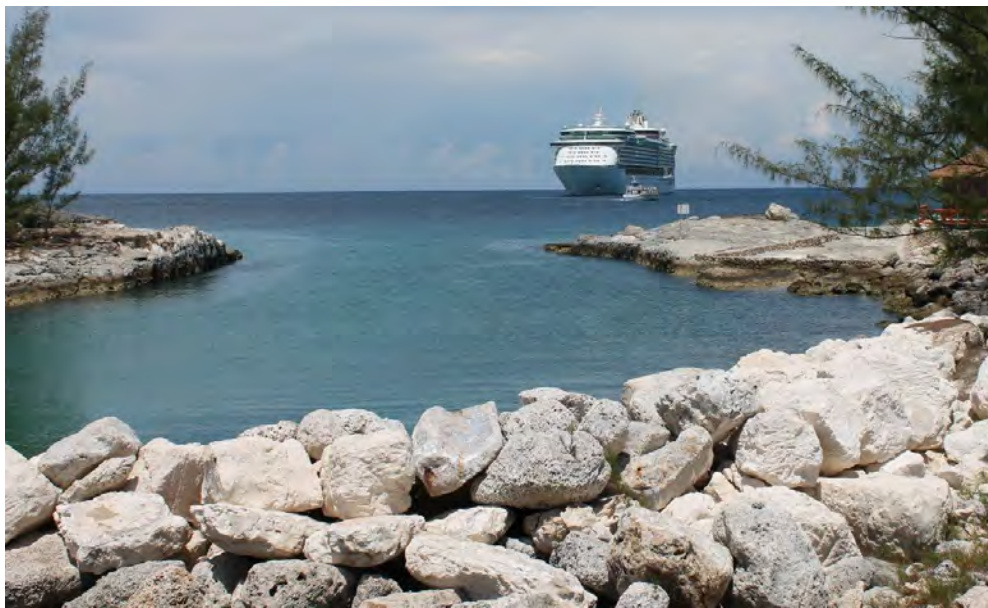








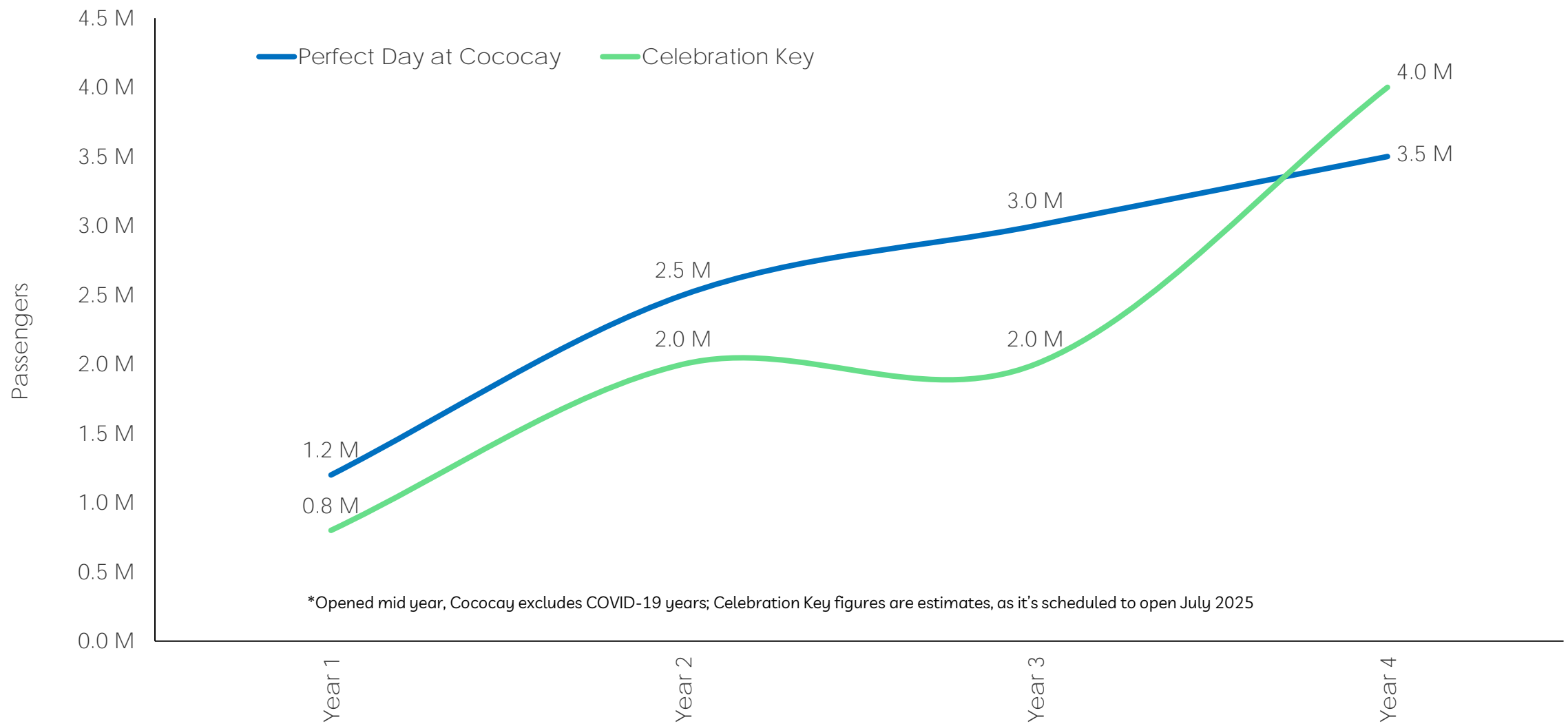
Coco
Cay





Perfect
Day

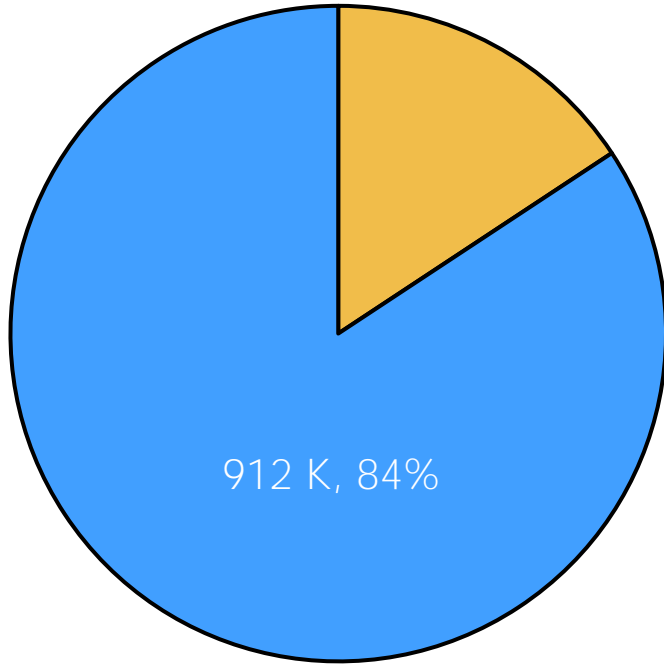
THE IMPACT OF CRUISE DESTINATIONS



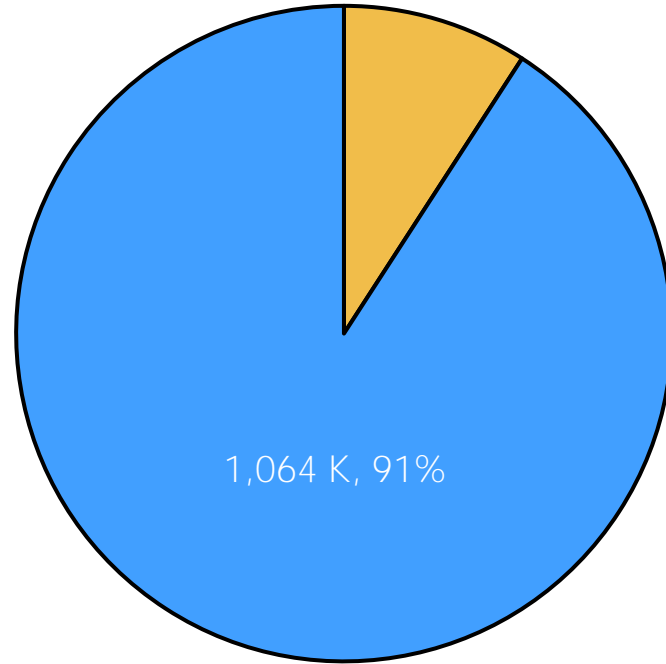
PRIVATE DESTINATIONS

HIGH PERCENTAGE OF SAILINGS TARGET THESE DESTINATIONS

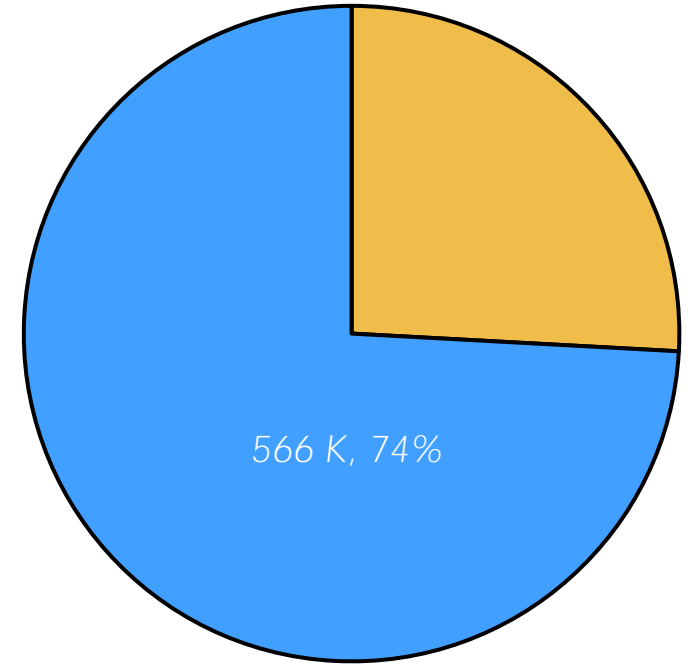
MIAMI



CANAVERAL



EVERGLADES



- RCI Sailings that do not call Coco Cay
- RCI Sailings that call Coco Cay

Carnival Cruise Line announces new private is Celebration Key for Galveston travelers

By **Anusha Fathepure**, Reporting Intern

July 18, 2025

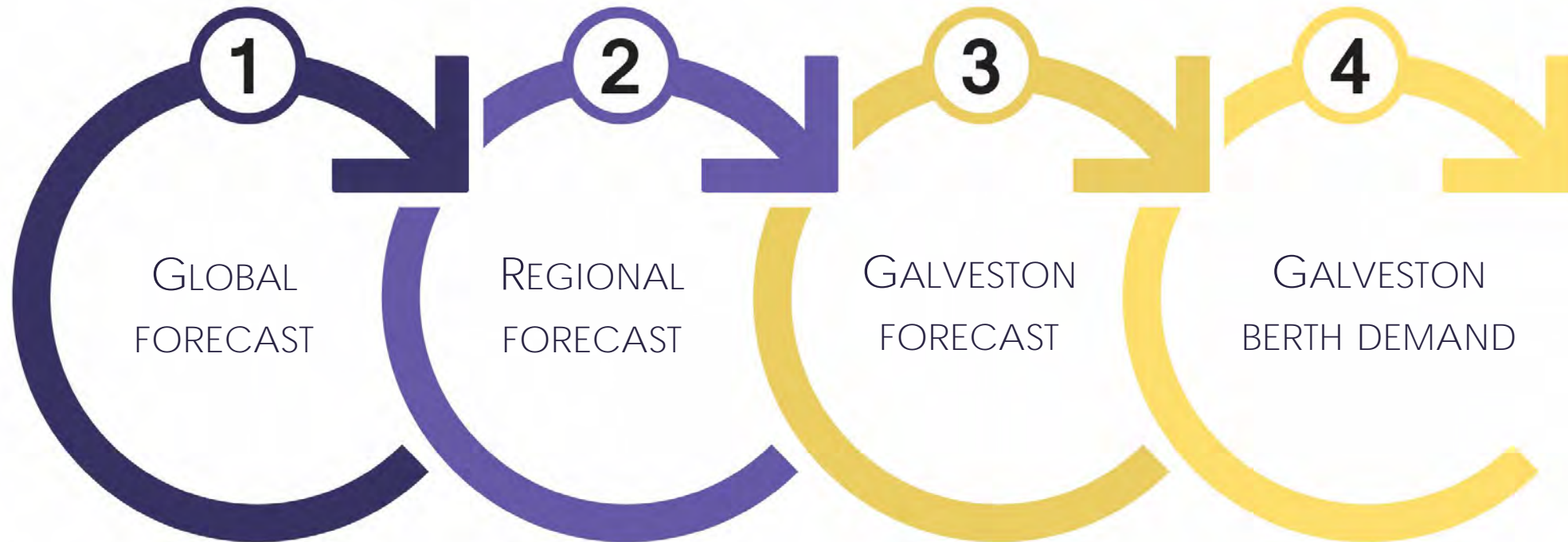




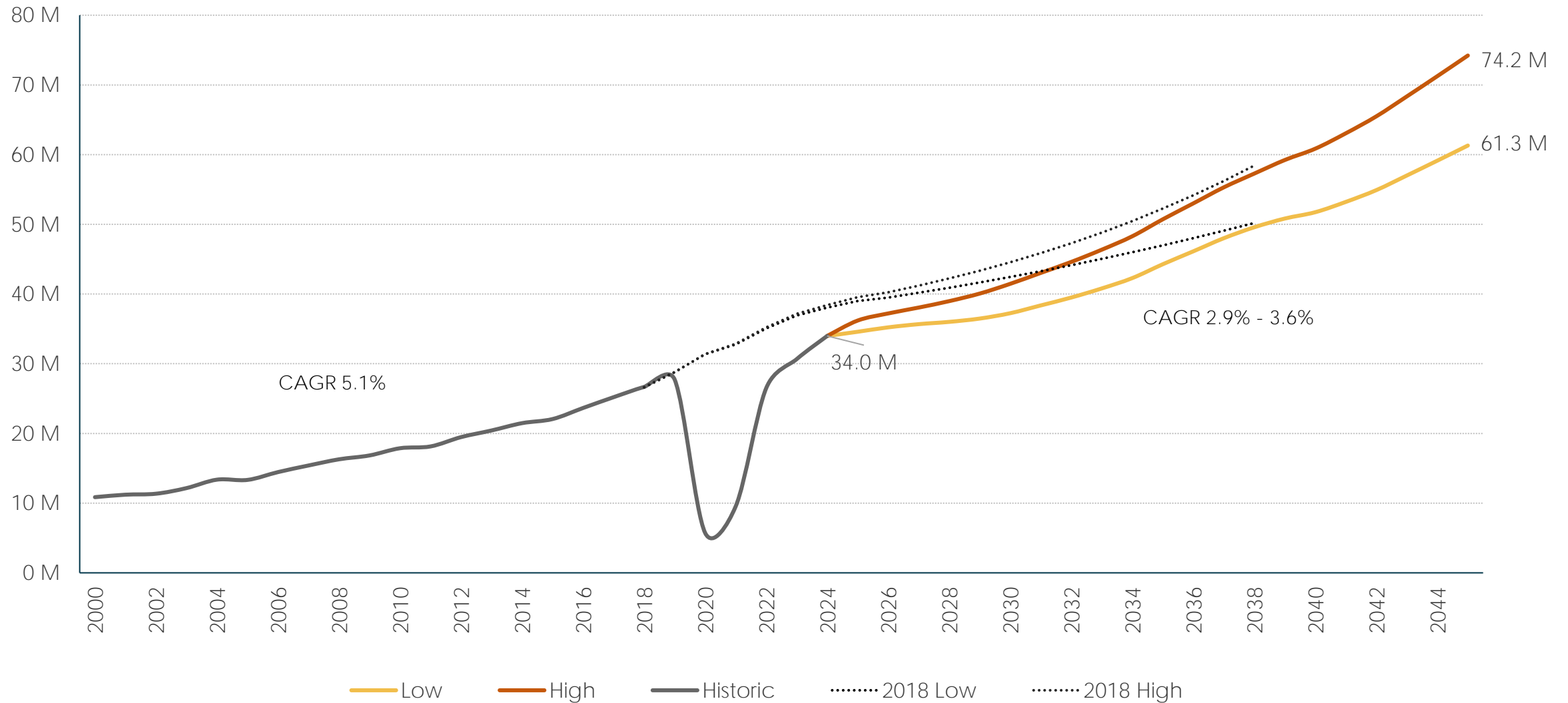
FUTURE DESTINATION DEVELOPMENT

Data SIO, NOAA, U.S. Navy, NGA, GEBCO
Image Landsat / Copernicus

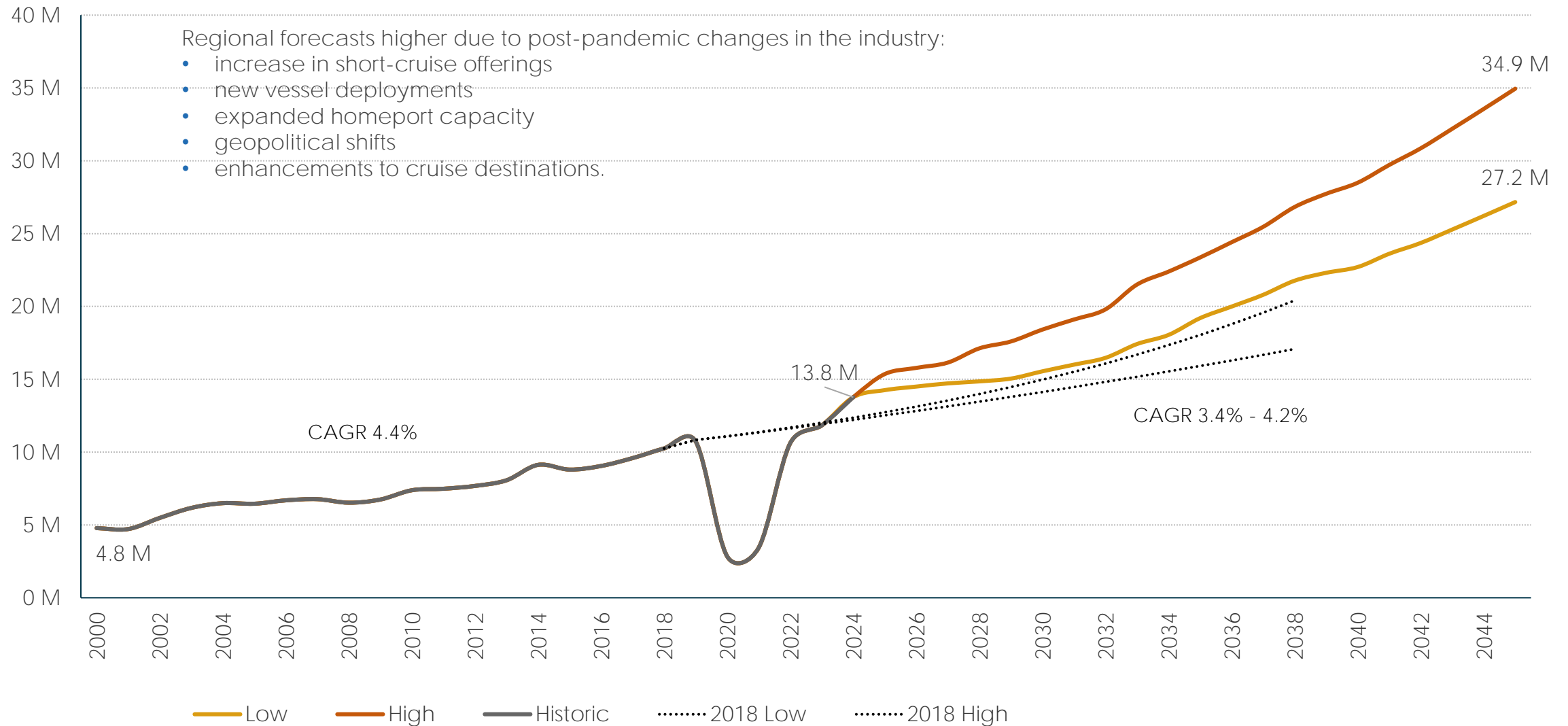
MARKET CAPTURE FORECASTS



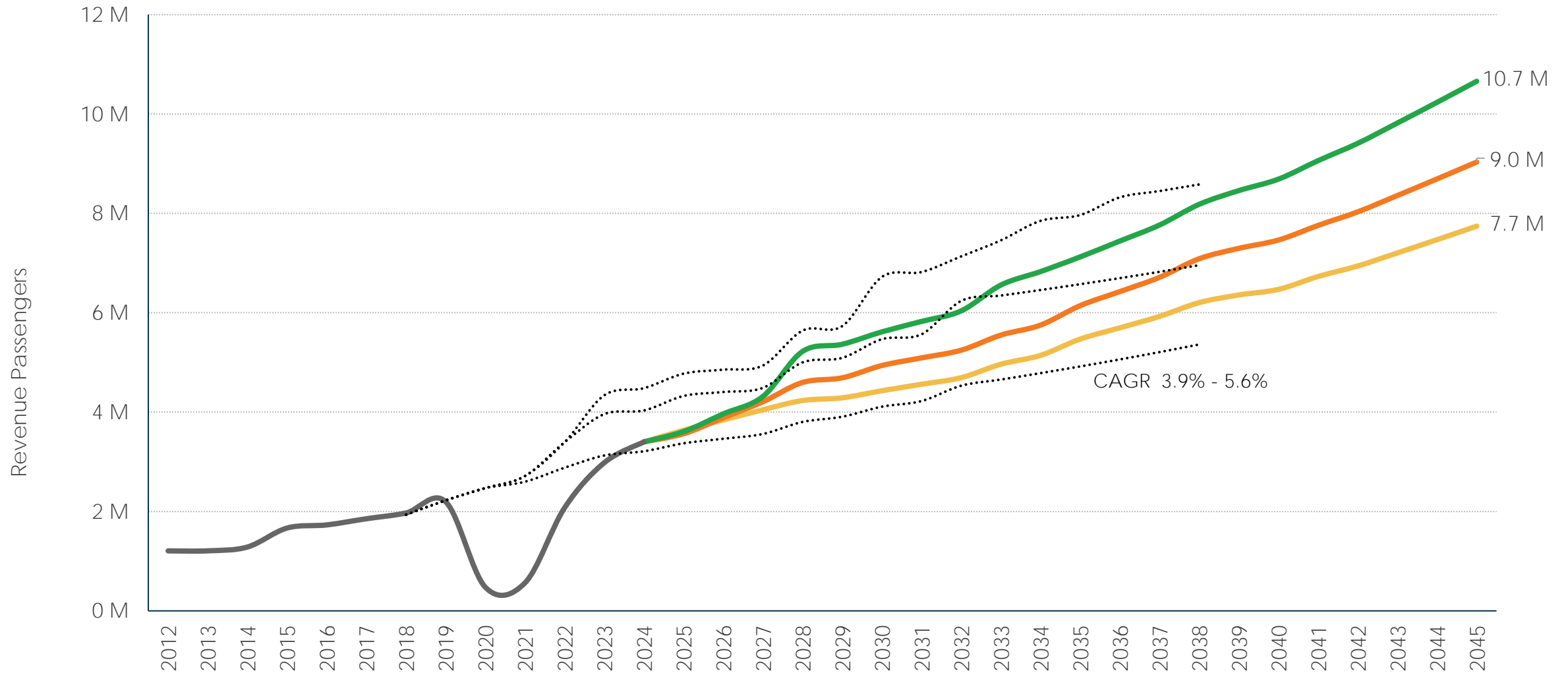
GLOBAL CRUISE FORECAST



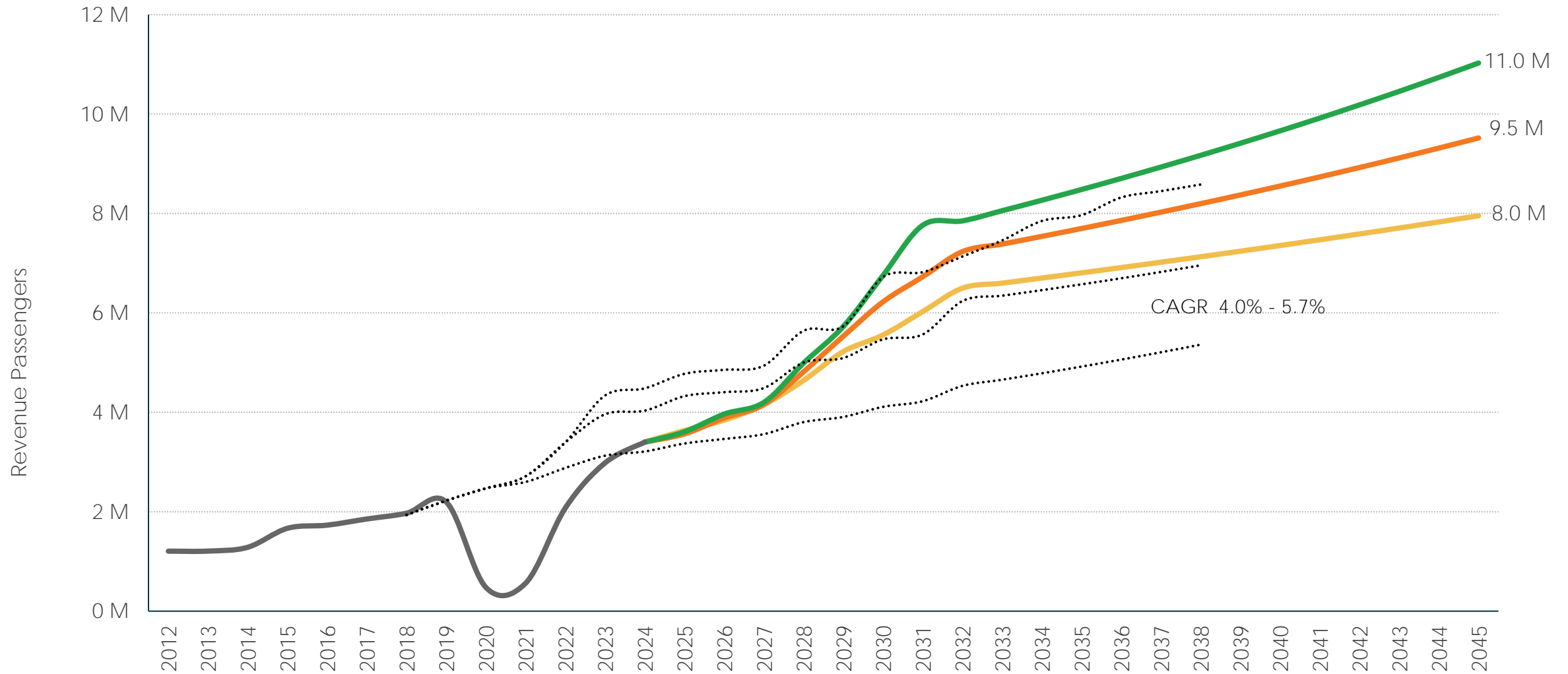
REGIONAL CRUISE FORECAST



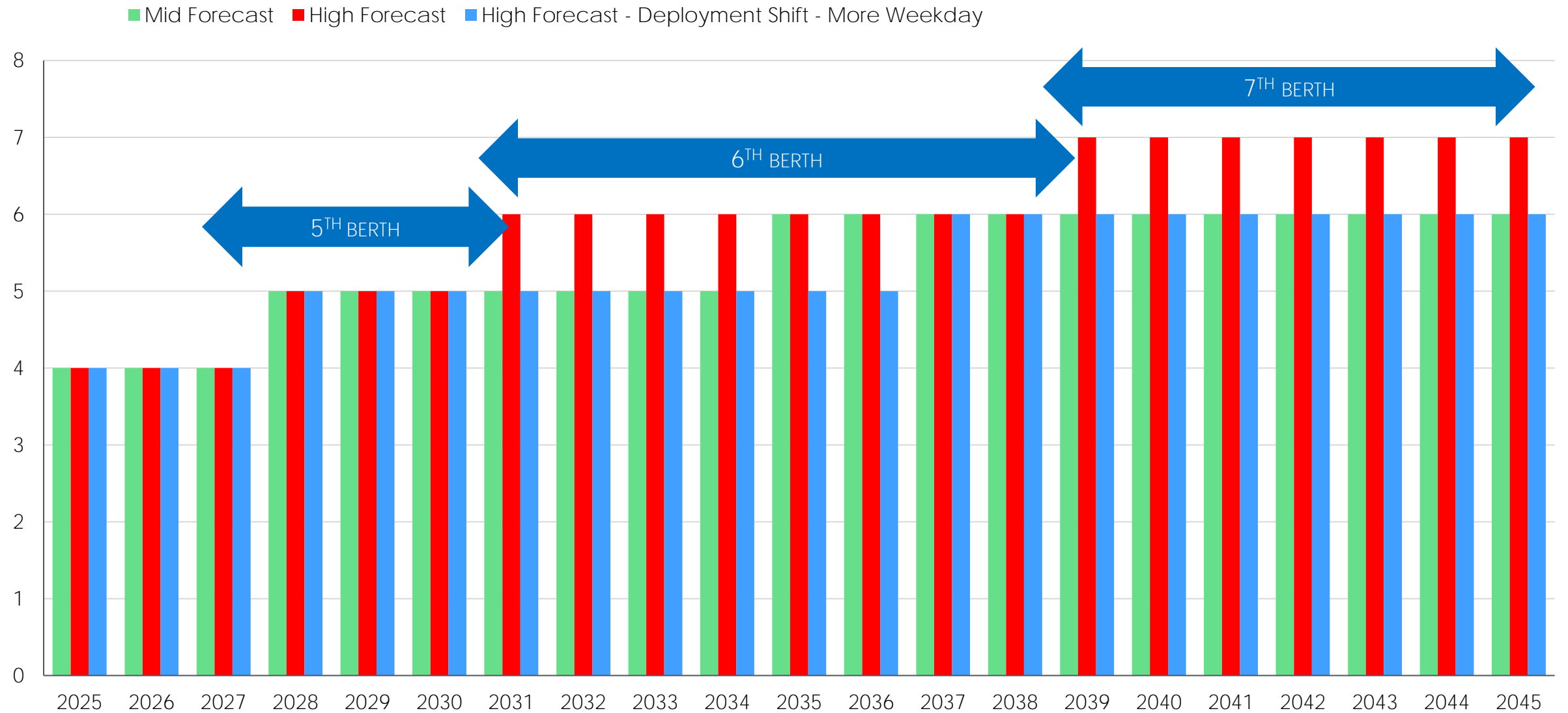
GALVESTON MARKET CAPTURE FORECAST



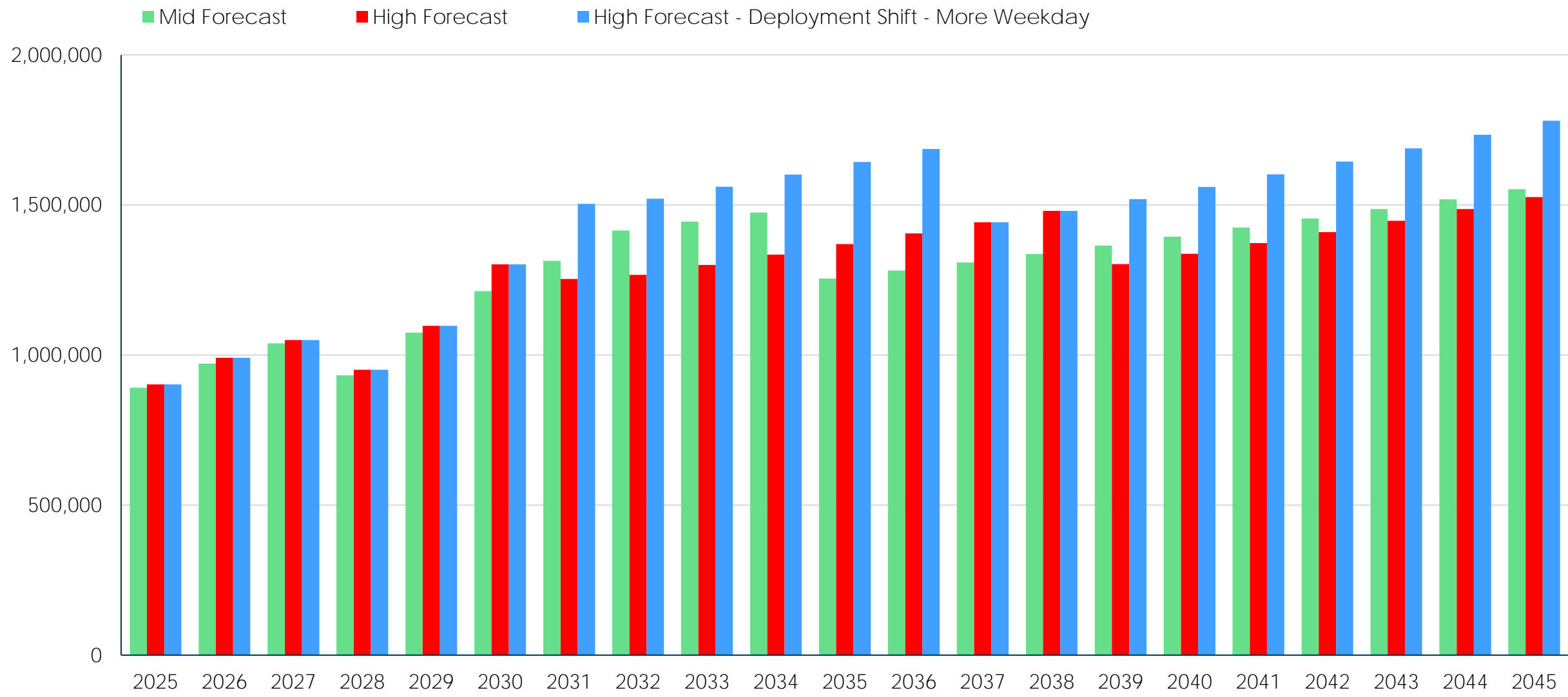
GALVESTON DEPLOYMENT (COMPETITIVE) FORECAST



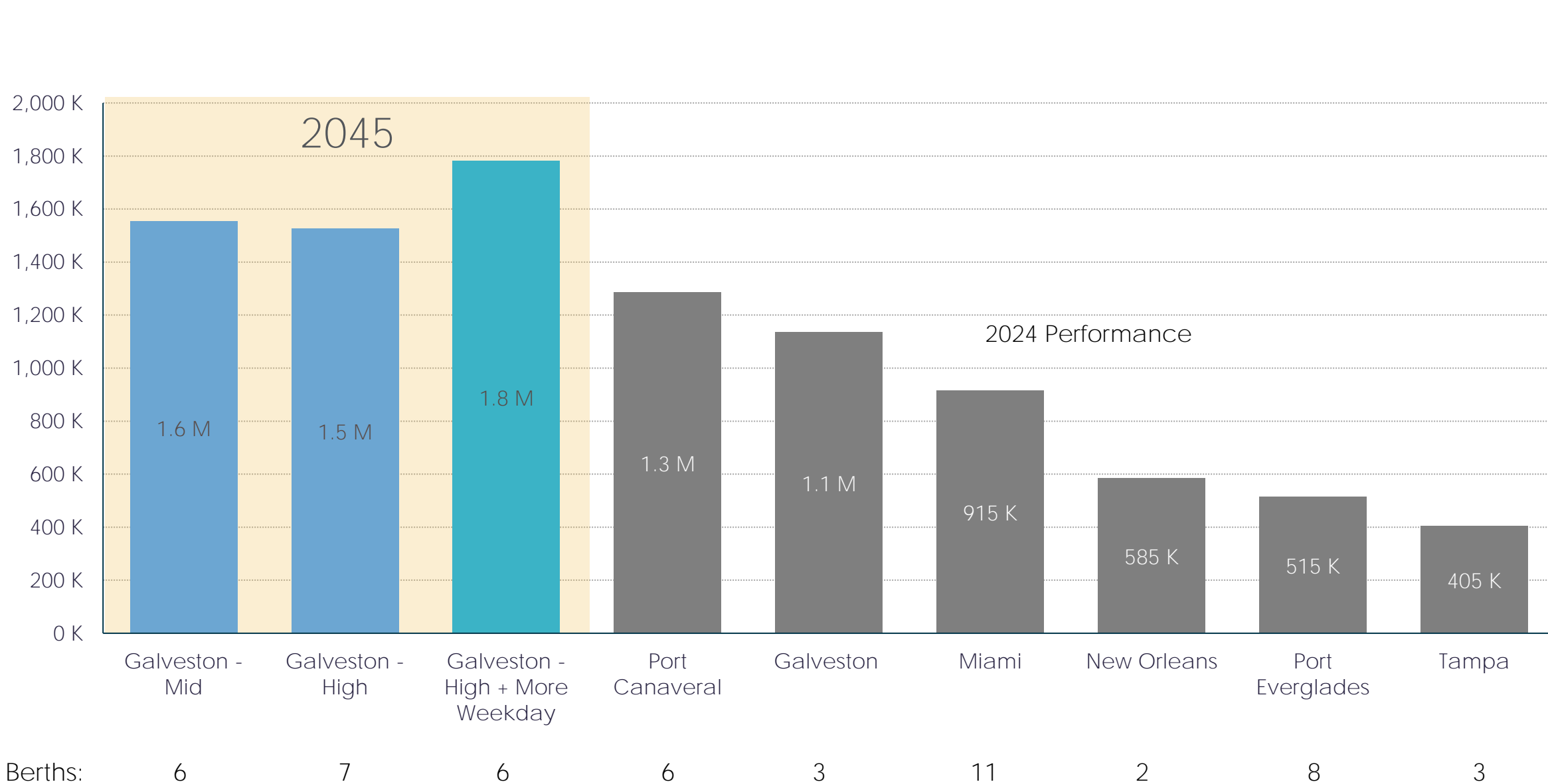
BERTH / TERMINAL DEMAND



PORT EFFICIENCY – PASSENGER PER BERTH / TERMINAL



PORT EFFICIENCY – PASSENGER PER BERTH / TERMINAL



CRUISE SUMMARY

- Galveston could exceed 10 million cruise passengers by 2045
- Galveston is on track to become the third largest cruise homeport in the world
- To meet demand, you will need a 5th and 6th terminal short-term
- Space should be planned and reserved for a 7th terminal in the long-term
- Flex berth design to serve other port needs





COMMUNITY AND COMMERCIAL





COMMERCIAL / COMMUNITY AREAS

- Identify areas that are not needed for maritime commerce
- Identify areas that can generate new revenues for the port
 - Diversification
- Identify areas that require development to support further port activity or can take advantage of the port traffic
- Identify areas that can create an urban transition from the City to the Port

NON-INDUSTRIAL REAL ESTATE ANALYSIS

USE	OPPORTUNITY
 RETAIL	600,000 additional square feet of retail demand by 2040 from cruise passenger growth.
 HOTEL	Hotel is bright spot in market being driven almost entirely by growth in cruise passengers. Majority of hotel development will continue in other areas of island and off-island in county, but we believe there is demand to support new hotels in close proximity to cruise terminals
 OFFICE	No new demand for multi-tenant buildings over foreseeable future. Current vacancy is at 24% and rental rate growth is non-existent
 MULTIFAMILY RENTAL	Market is highly sensitive to new additions to supply, but newer developments have performed well with strong absorption. We believe demand exists along Harborside Drive for another 250 units by 2028 to 2030. Tenant profile is hospital/port workers.

NON-INDUSTRIAL REAL ESTATE ANALYSIS

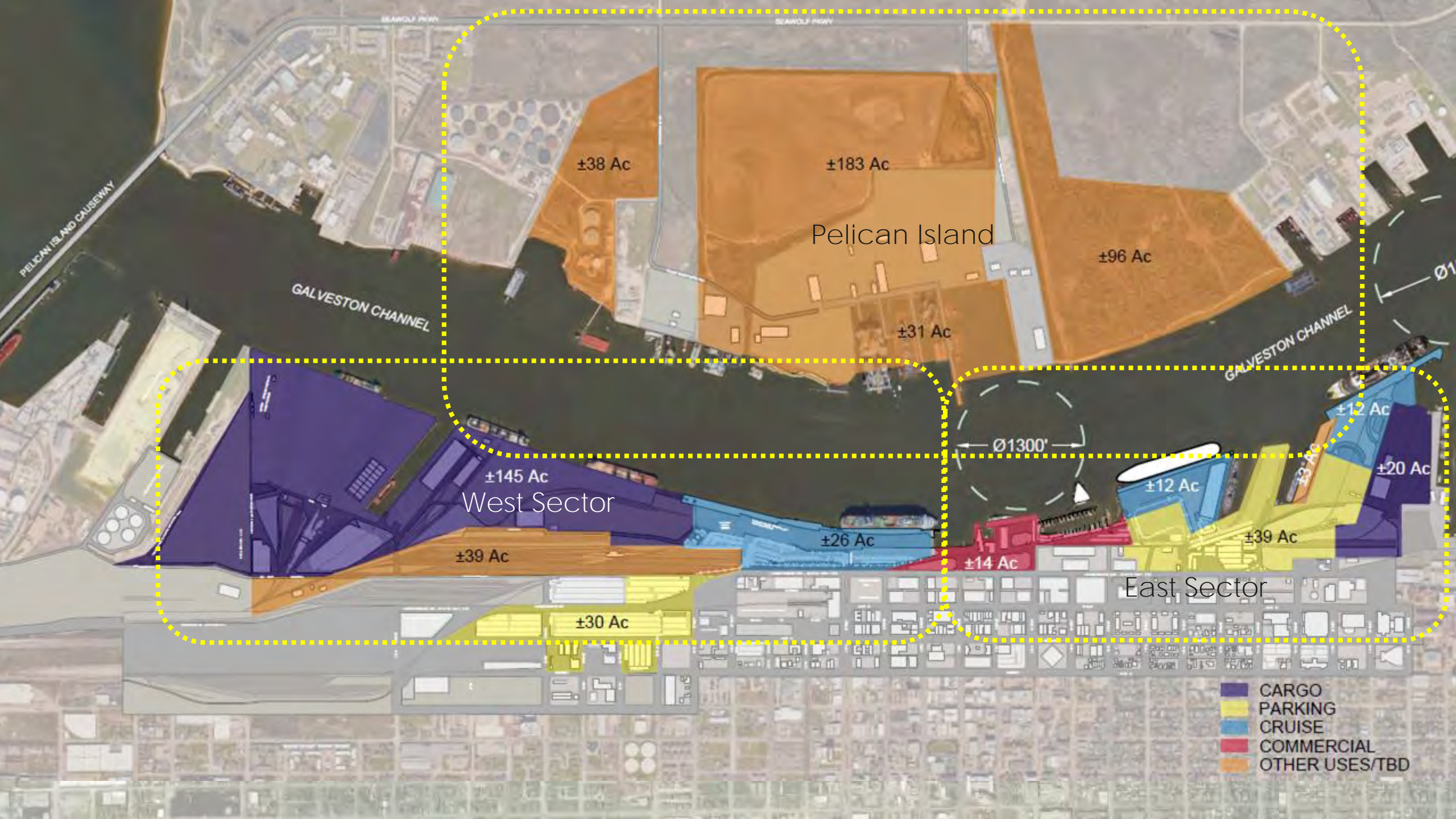
RECOMMENDATIONS		DETAILS
	PASSENGER SURVEY	Complete regular passenger surveys, at least twice annually. It will be the most important factor for property owners and developer decision making as it relates to the future of Harborside Drive.
	RETAIL	Strong mid- and long-term opportunity for retail along Harborside Drive immediately adjacent and across from cruise terminals, but the street needs to be redesigned as a retail street, not an industrial boulevard. Need a two-sided street to make retail work. Address flood elevation considerations at the street level
	HOTEL	Enough demand to support 1 or 2 limited-service hotels (100 to 125 rooms) and 1 full-service hotel (200 + rooms) along Harborside Drive through 2040 targeted to cruise passengers given projections.
	MULTIFAMILY RENTAL	Because of port, historic district, and hospital, multifamily has continued to perform well along and around Harborside Drive. The 300-unit Cove at GYB is leasing well. The demand is thin, but there is growing demand. Challenge is defining (multifamily) parcels which avoid the traditional port/residential conflicts (lights, sound, etc.). Introducing 200 to 300 units in the area every 3 to 5 years is an absolute opportunity.

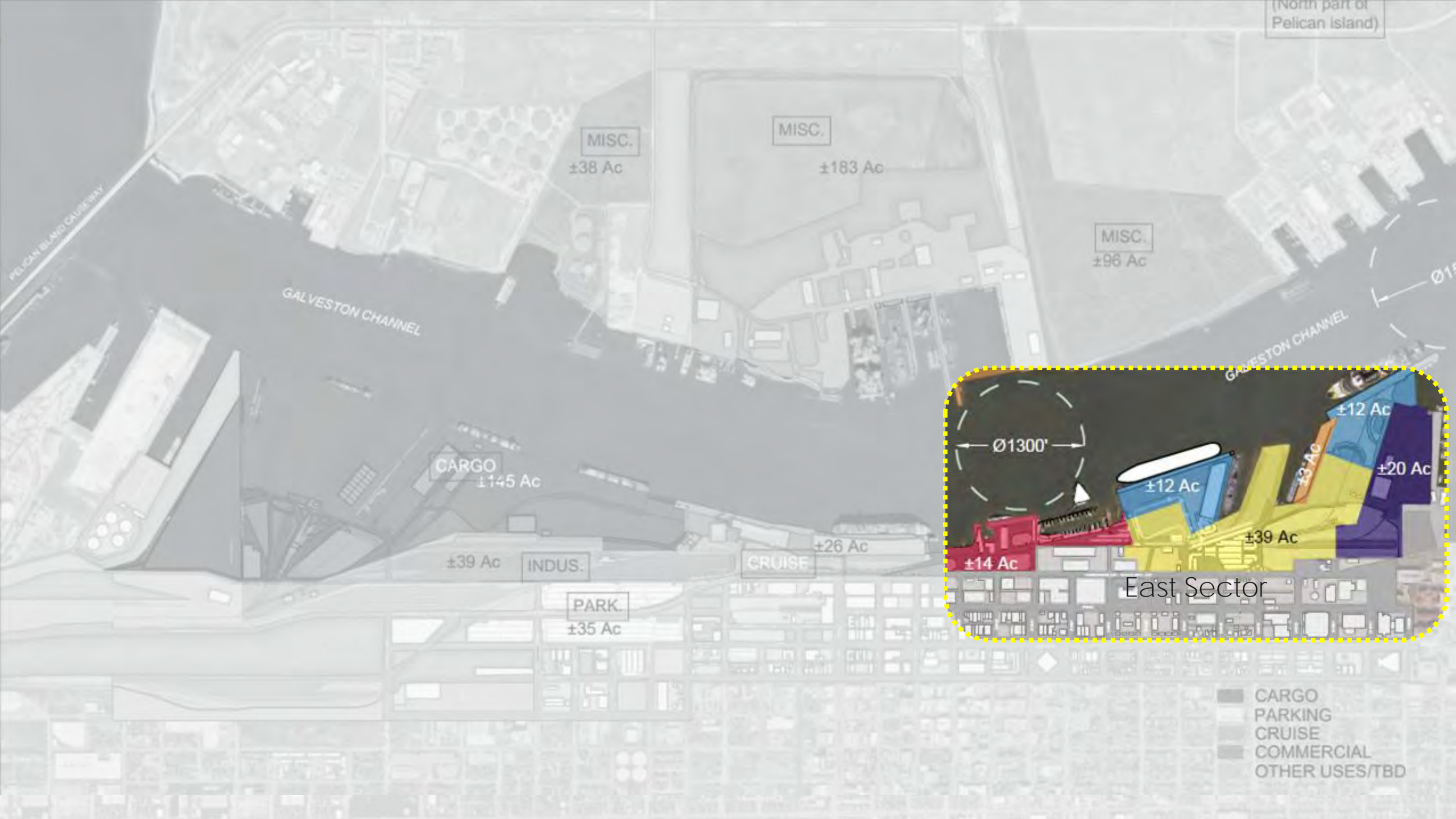
ALTERNATIVES



OVERALL PORT MARKET SUMMARY

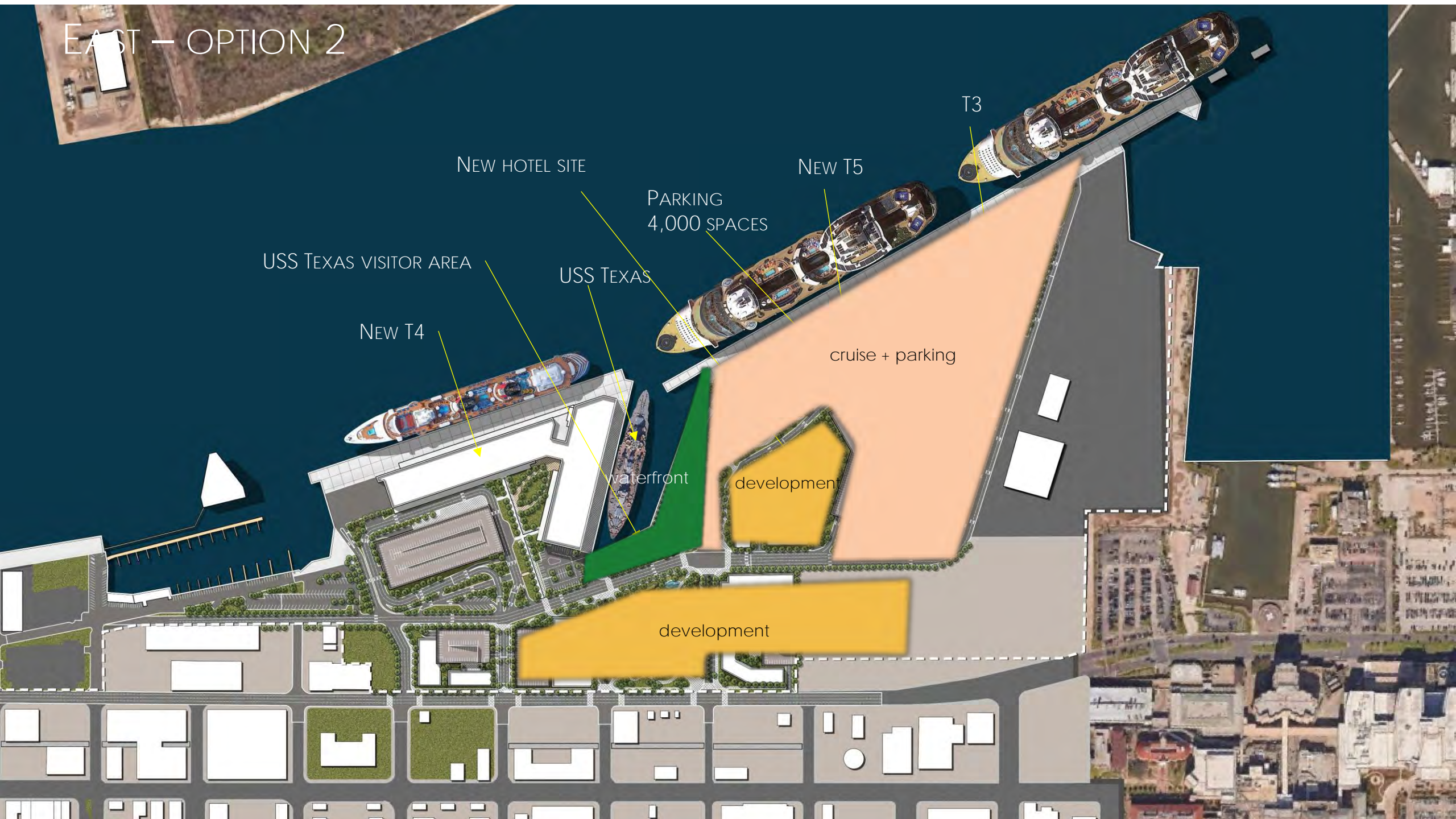
MARKET	OPPORTUNITY	NEW FACILITIES NEEDED
Cargo	Growth opportunities identified for fertilizer, autos VPC, RORO, general cargo, liquid bulk & wind	3 cargo berths 160 acres (120 acres if wind cargo is discontinued)
Pelican Island	Area for expanded cargo Near term – shipbuilding / repair & LNG fueling Long term (with rail & truck access) – Traditional gulf coast production, emerging markets, advanced manufacturing	General cargo terminal +100 acres Shipyard and / LNG fueling Bridge improvements long term to support additional cargo opportunities
Cruise	Strong cruise market opportunities & growth anticipated in Galveston to serve to growing global and western Caribbean cruise markets.	5 th cruise berth (2028) 6 th cruise berth (mid term, 2030s) 7 th cruise berth (long term, 2040s ++)
Commercial	Ongoing cruise growth is expected to stimulate demand for non-industrial commercial development, particularly in retail, hotel, and multifamily sectors, with additional demand stemming from the Port workforce, healthcare sector, and broader tourism activity.	600,000 additional sq. ft retail space by 2040 1-2 limited-service hotels / 100–125 rooms (mid term) 1 full-service hotel / 200+ rooms (longer term) 200–300 multi-family units along Harborside Drive every 3 to 5 years



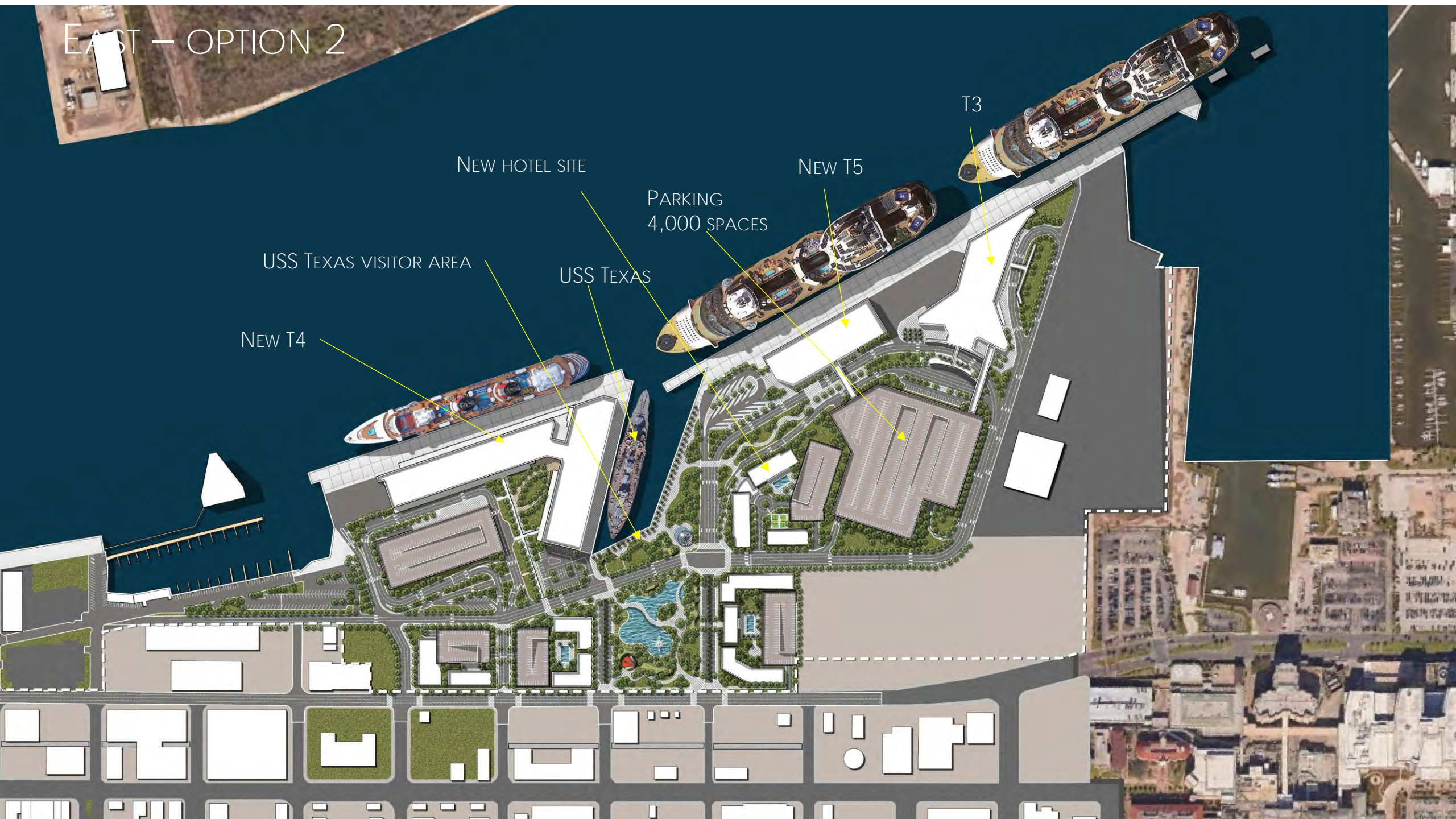




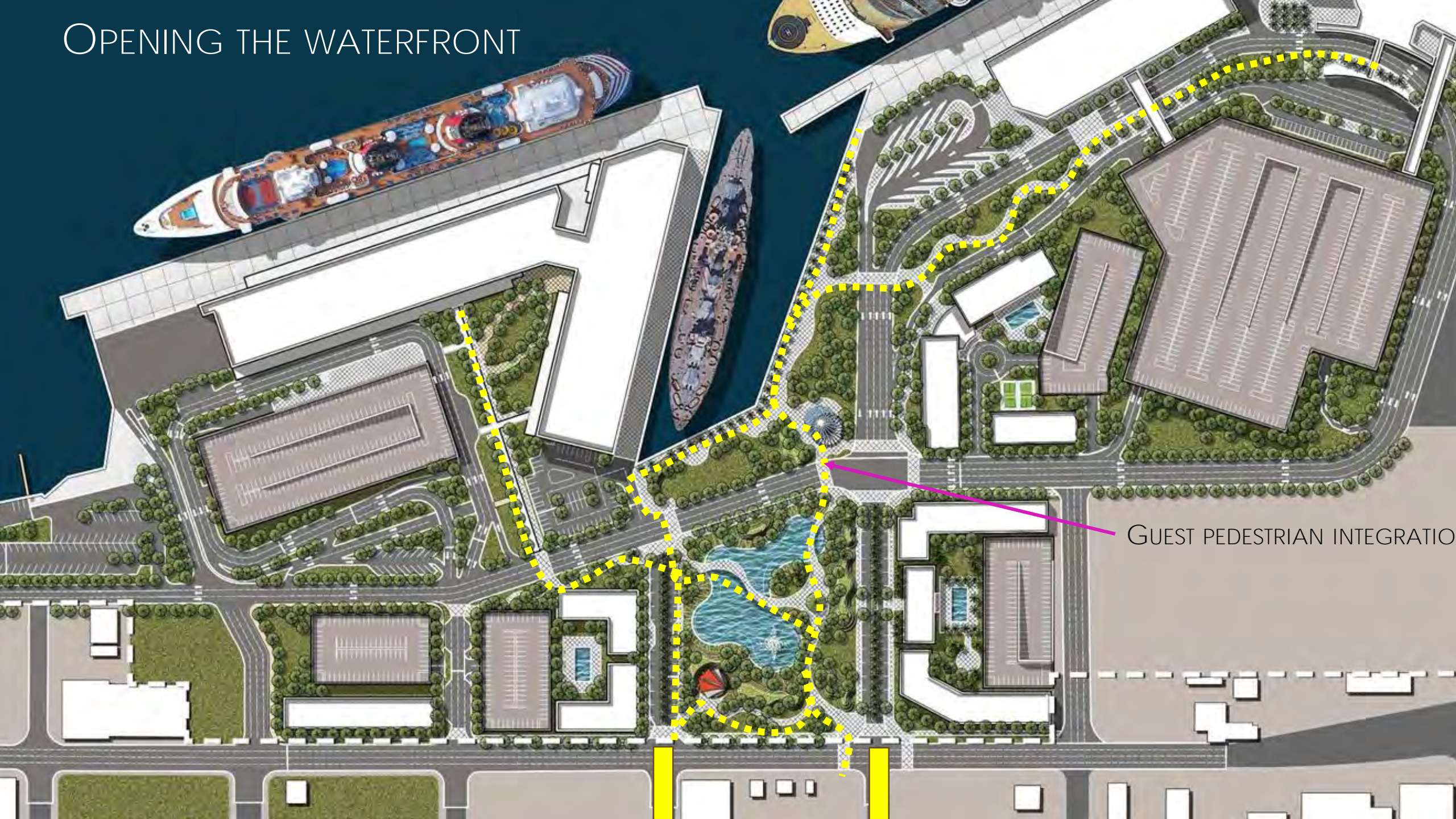
EAST — OPTION 2



EAST — OPTION 2



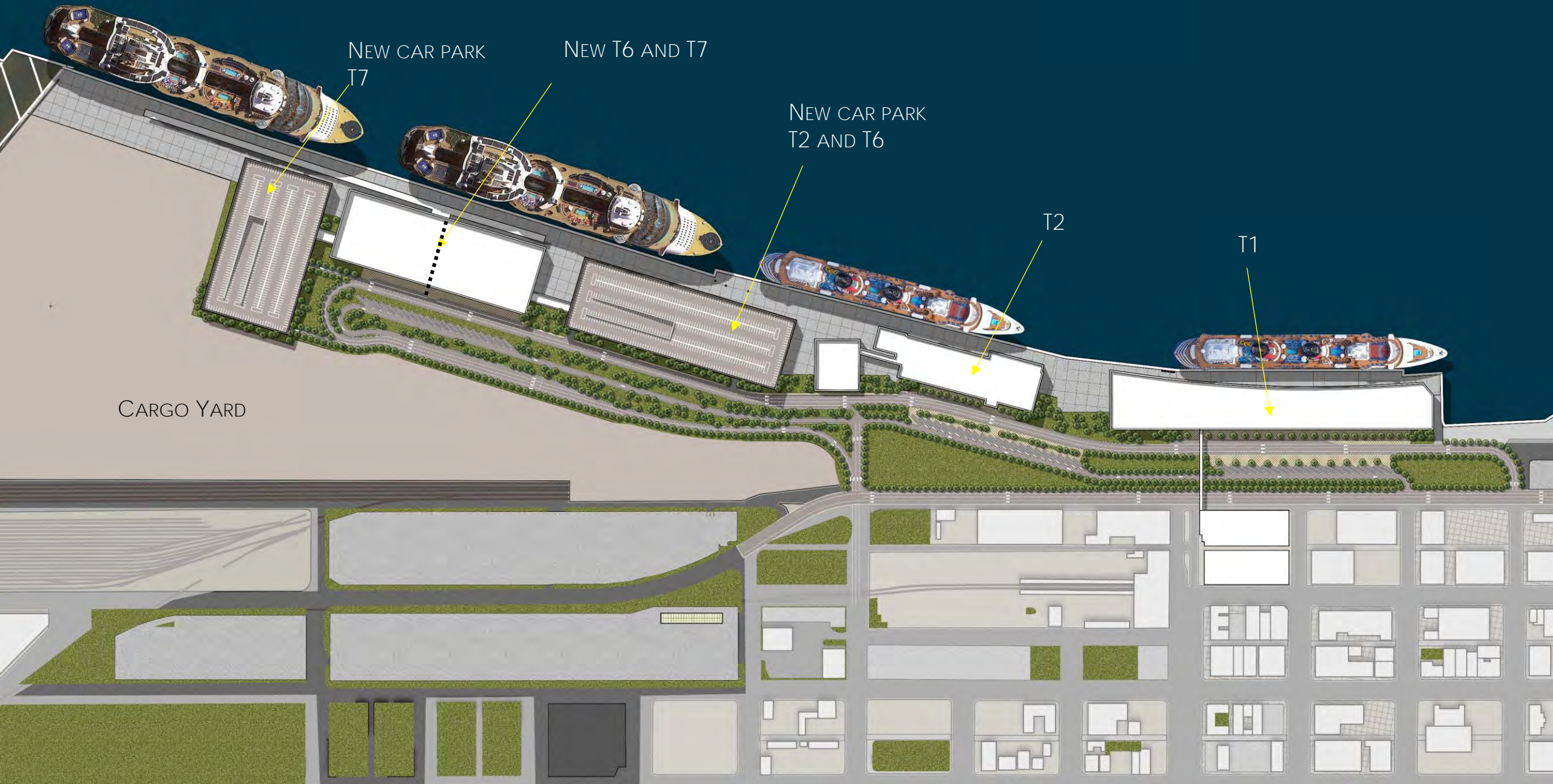
OPENING THE WATERFRONT



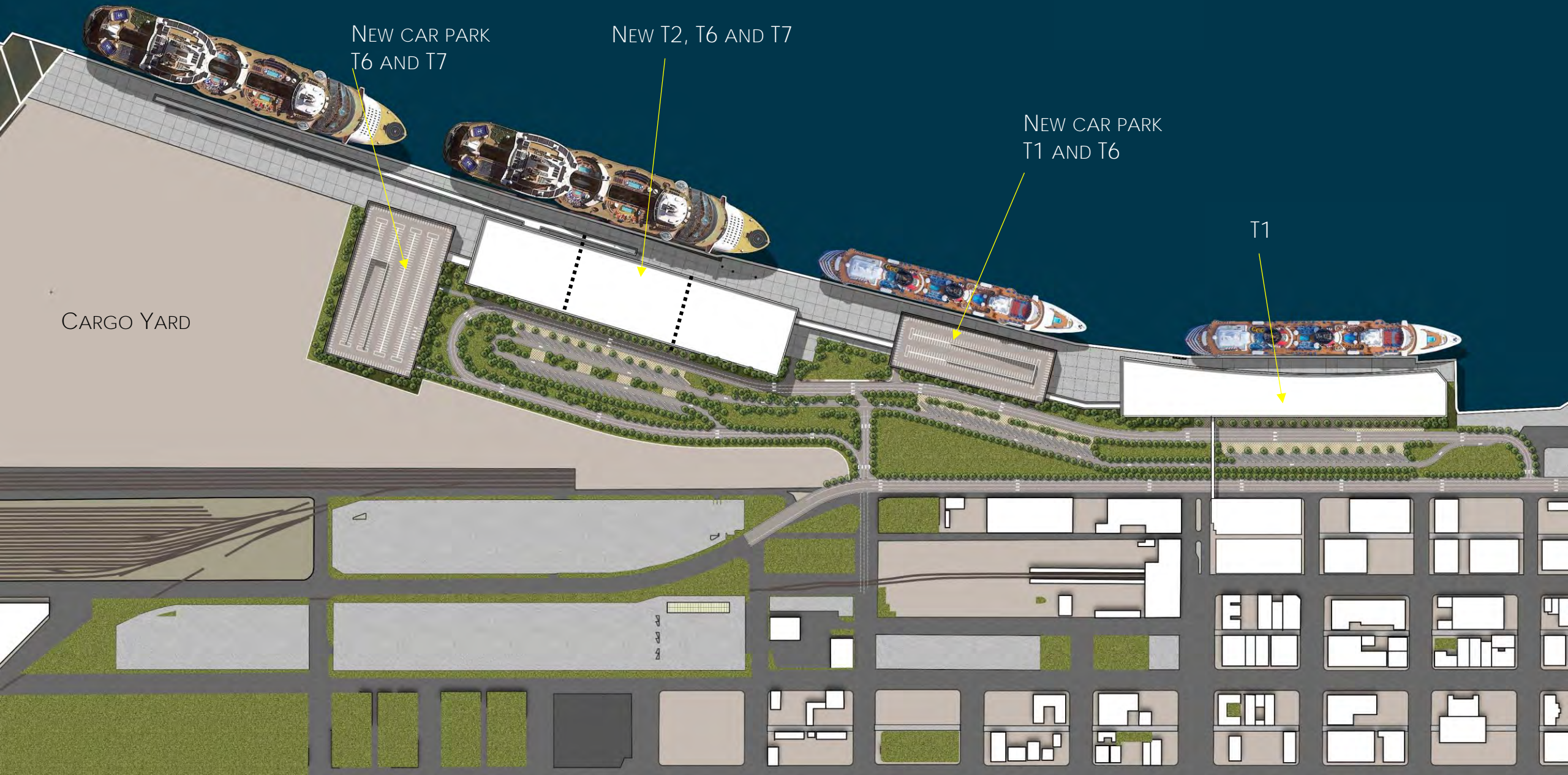
GUEST PEDESTRIAN INTEGRATION



New T6 and T7



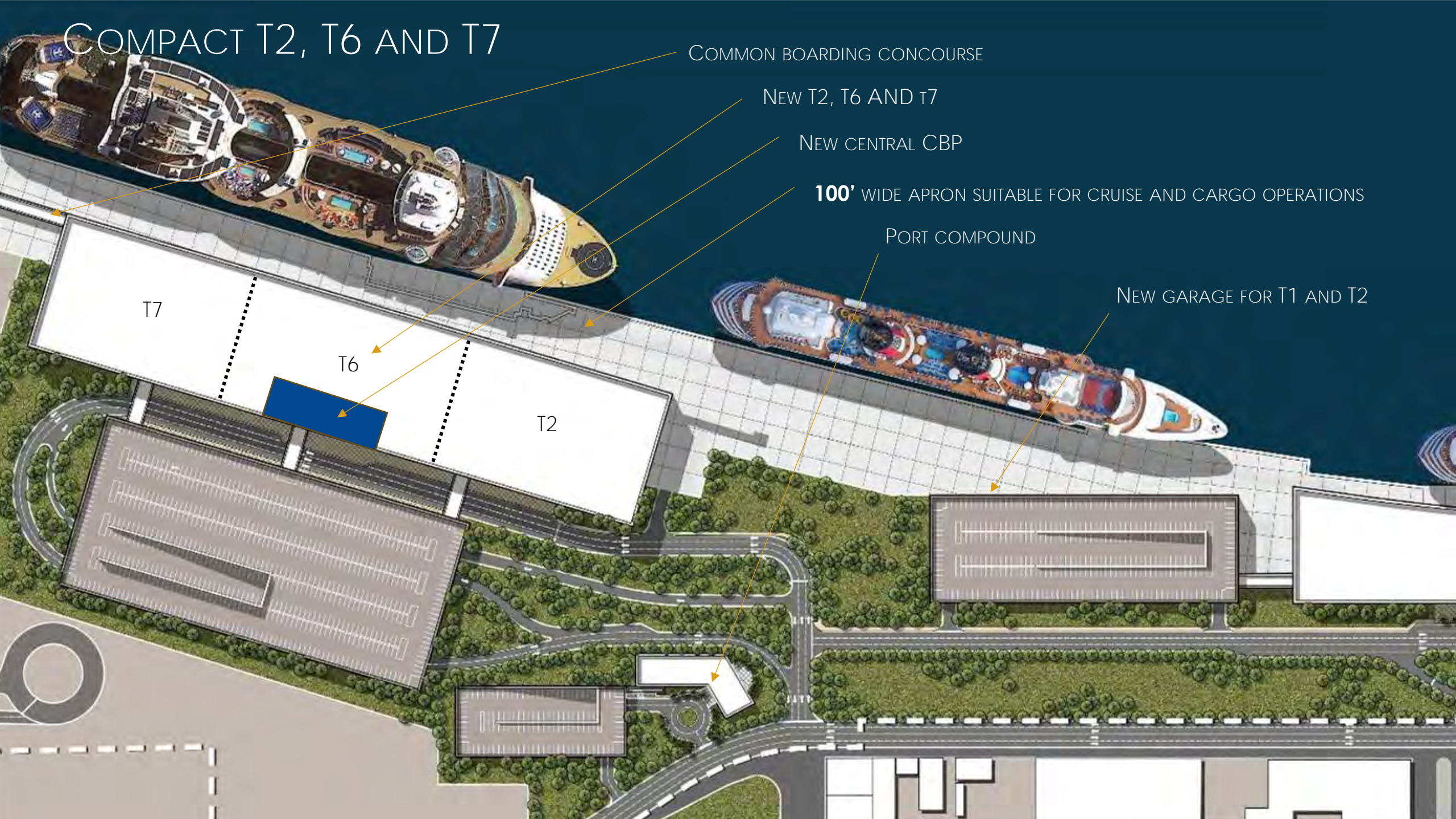
New T2, T6 and T7



Compact T2, T6 and T7



COMPACT T2, T6 AND T7



COMMON BOARDING CONCOURSE

NEW T2, T6 AND T7

NEW CENTRAL CBP

100' WIDE APRON SUITABLE FOR CRUISE AND CARGO OPERATIONS

PORT COMPOUND

NEW GARAGE FOR T1 AND T2

CARGO YARD



— FLEX BERTHS — CARGO OR CRUISE



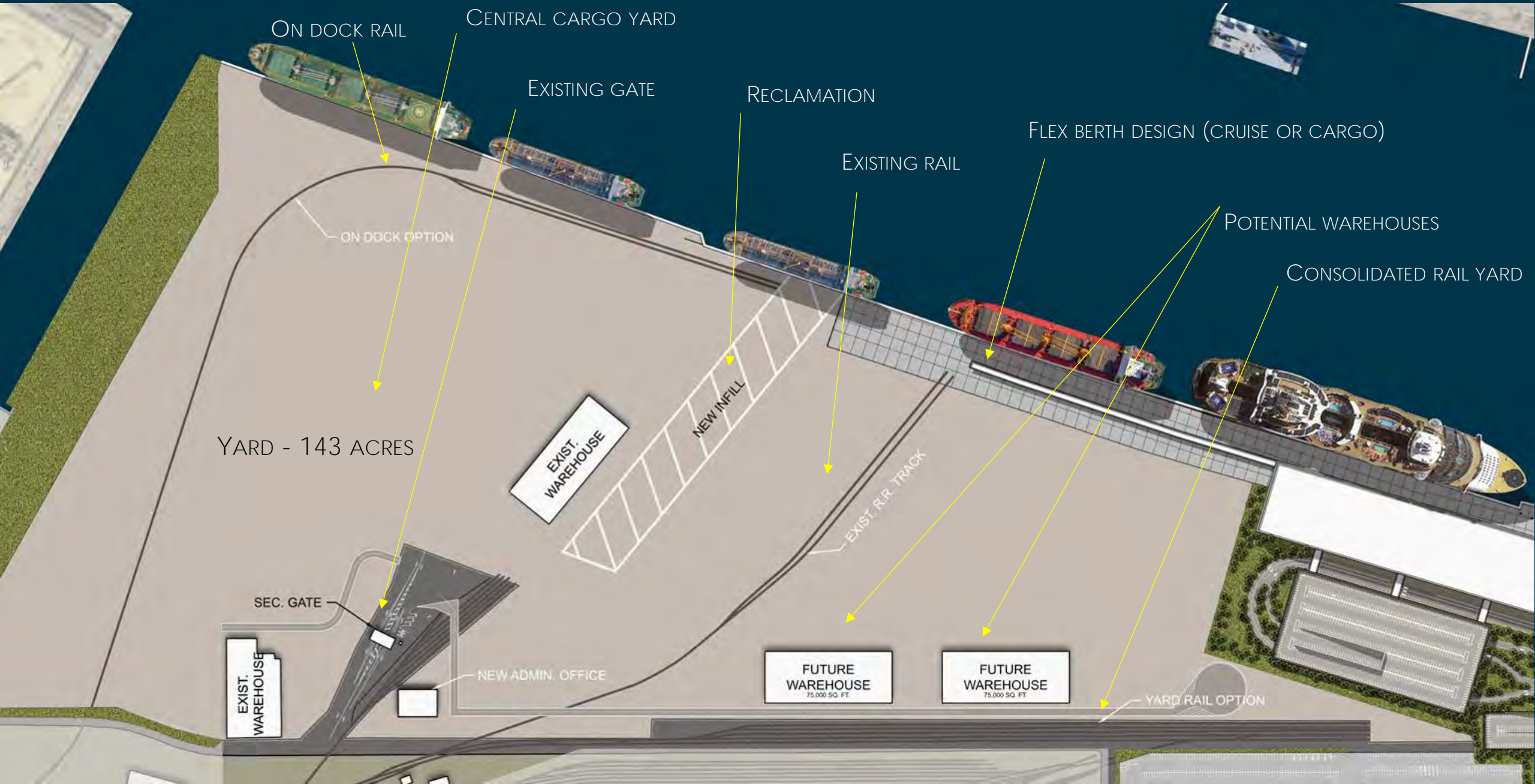
CARGO / CRUISE BERTHS



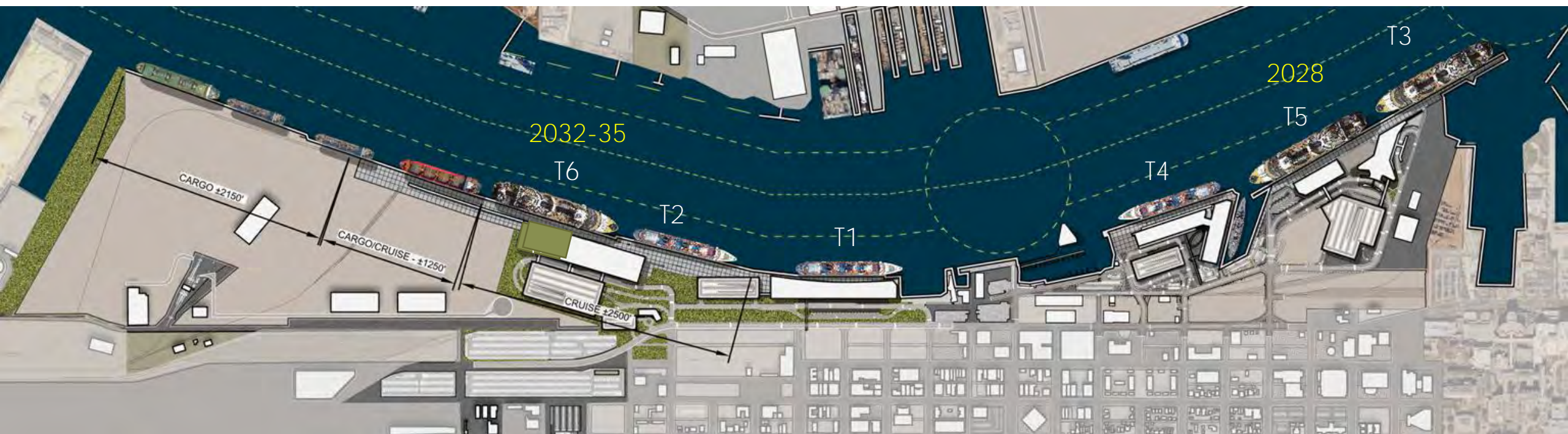
CARGO / CRUISE BERTHS



ALL PURPOSE CARGO TERMINAL



BERTH SEQUENCE



BERTH SEQUENCE





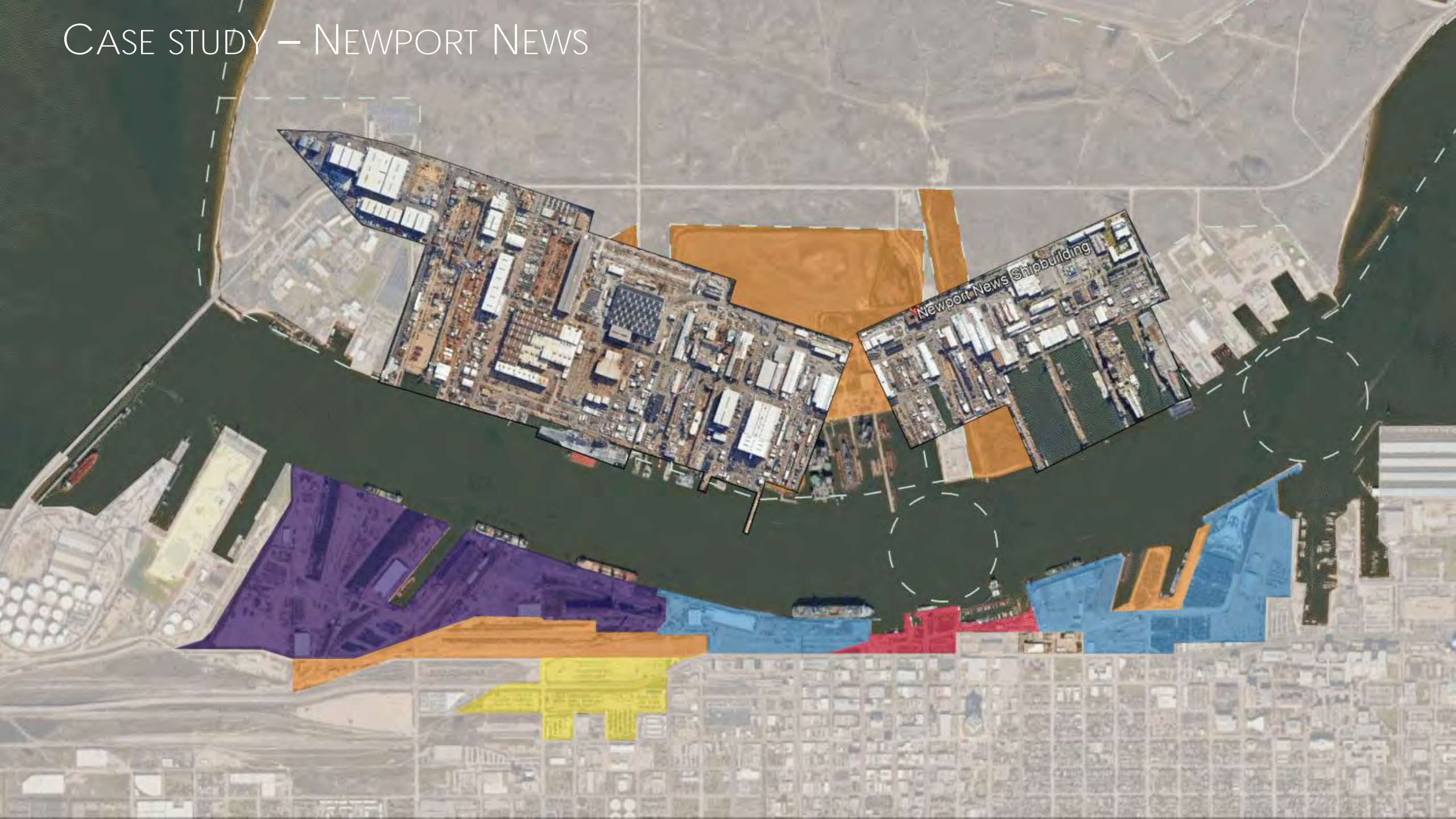
PELICAN ISLAND USES

- Shipyard – new builds and maintenance
- General cargo terminal

SAMPLING OF US SHIPYARDS

SHIPYARD	LOCATION	SIZE	NUMBER OF SLIPS	MAX VESSEL LENGTH
Austal USA	Mobile, AL	~164 acres	Not specified	~1275 ft
General Dynamics NASSCO	San Diego, CA	~80 acres + ~46 water acres	3 graving docks	~950 ft
Huntington Ingalls Industries (Ingalls Shipbuilding)	Pascagoula, MS	~800 acres	4 launch ways	~844 ft
Bath Iron Works (General Dynamics)	Bath, MA	~63 acres	2 building ways	~600 ft
Fincantieri Marinette Marine	Marinette, WI	~63 acres	2 launchways	~500 ft
Vigor Industrial	Portland, OR	~60 acres	3 dry docks	~950 ft
Bollinger Shipyards	Lockport, LA (HQ)	~165 acres (across multiple sites)	Multiple slips across 10 facilities	~350 ft
Newport News Shipbuilding	Newport News, VA	550 acres	4 dry docks	~1,092 ft
Hanwha Philly Shipyard	Philadelphia, PA	~90 acres	2 dry docks	~1,092 ft
Chantier Davie	Quebec, Canada	~90 acres	2 dry docks	~1,092 ft

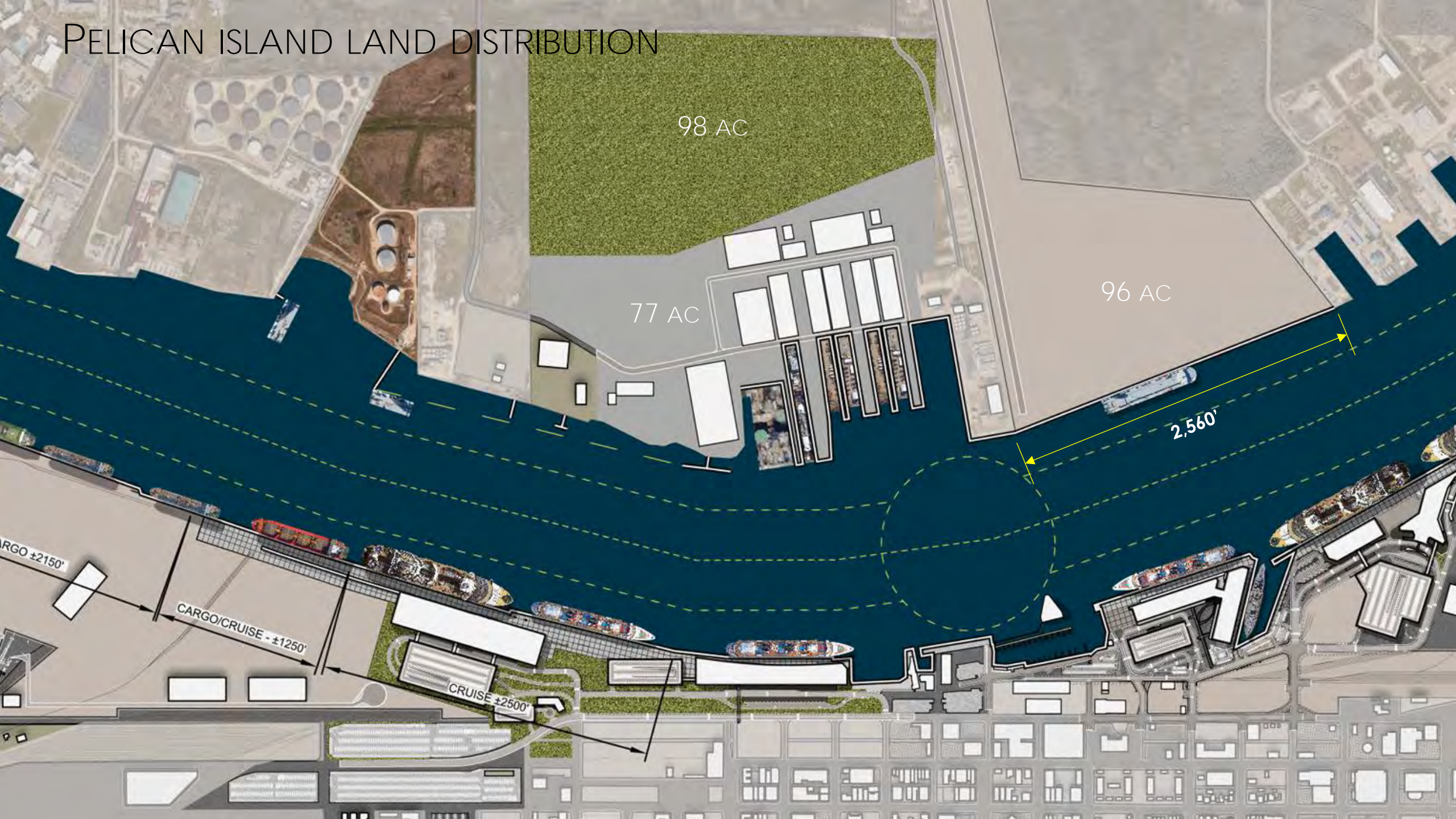
CASE STUDY — NEWPORT NEWS



POTENTIAL SHIPYARD



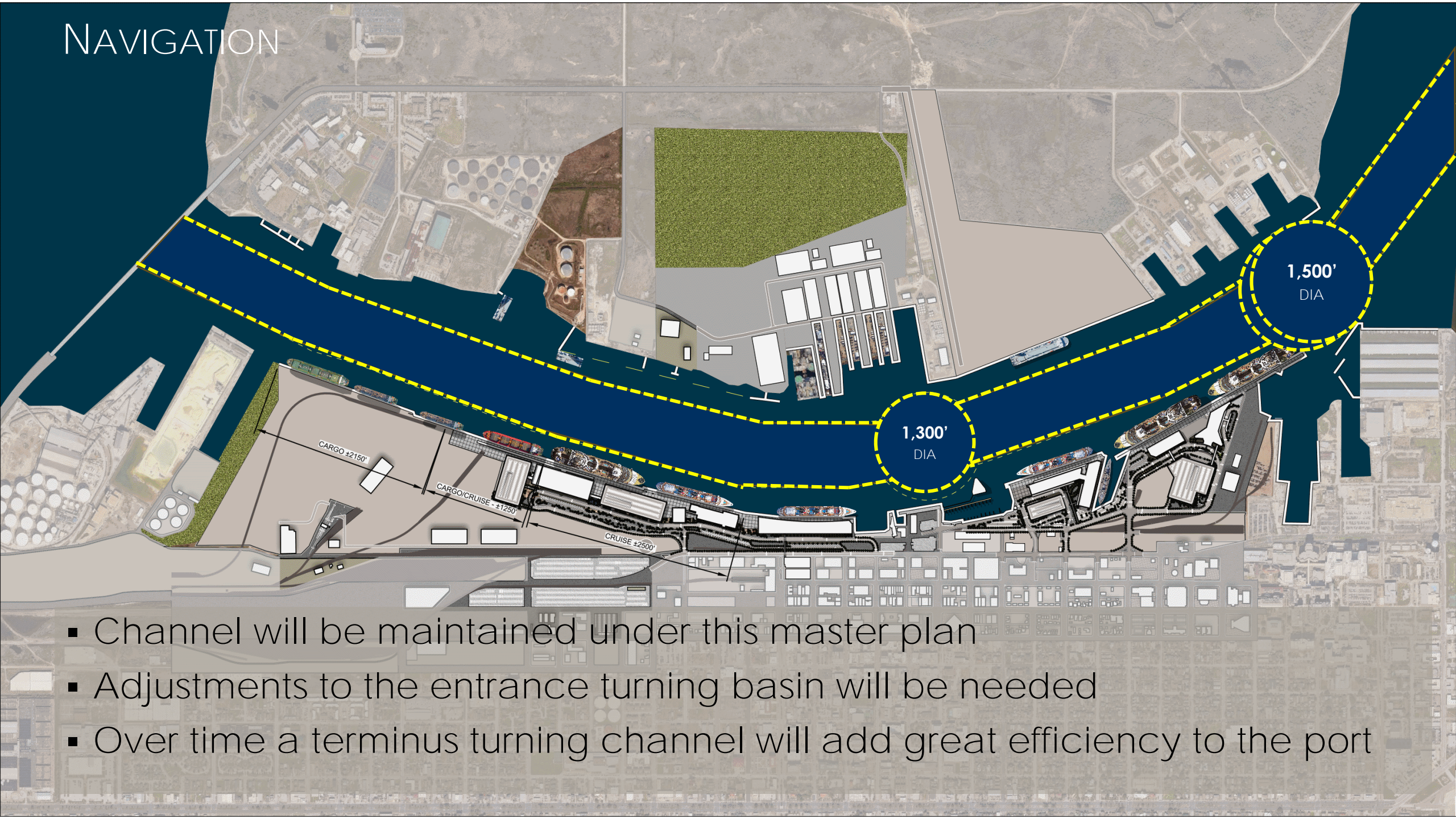
PELICAN ISLAND LAND DISTRIBUTION





TRANSPORTATION

NAVIGATION



- Channel will be maintained under this master plan
- Adjustments to the entrance turning basin will be needed
- Over time a terminus turning channel will add great efficiency to the port

CHANNEL CLEARANCES

GENERAL CARGO TERMINAL

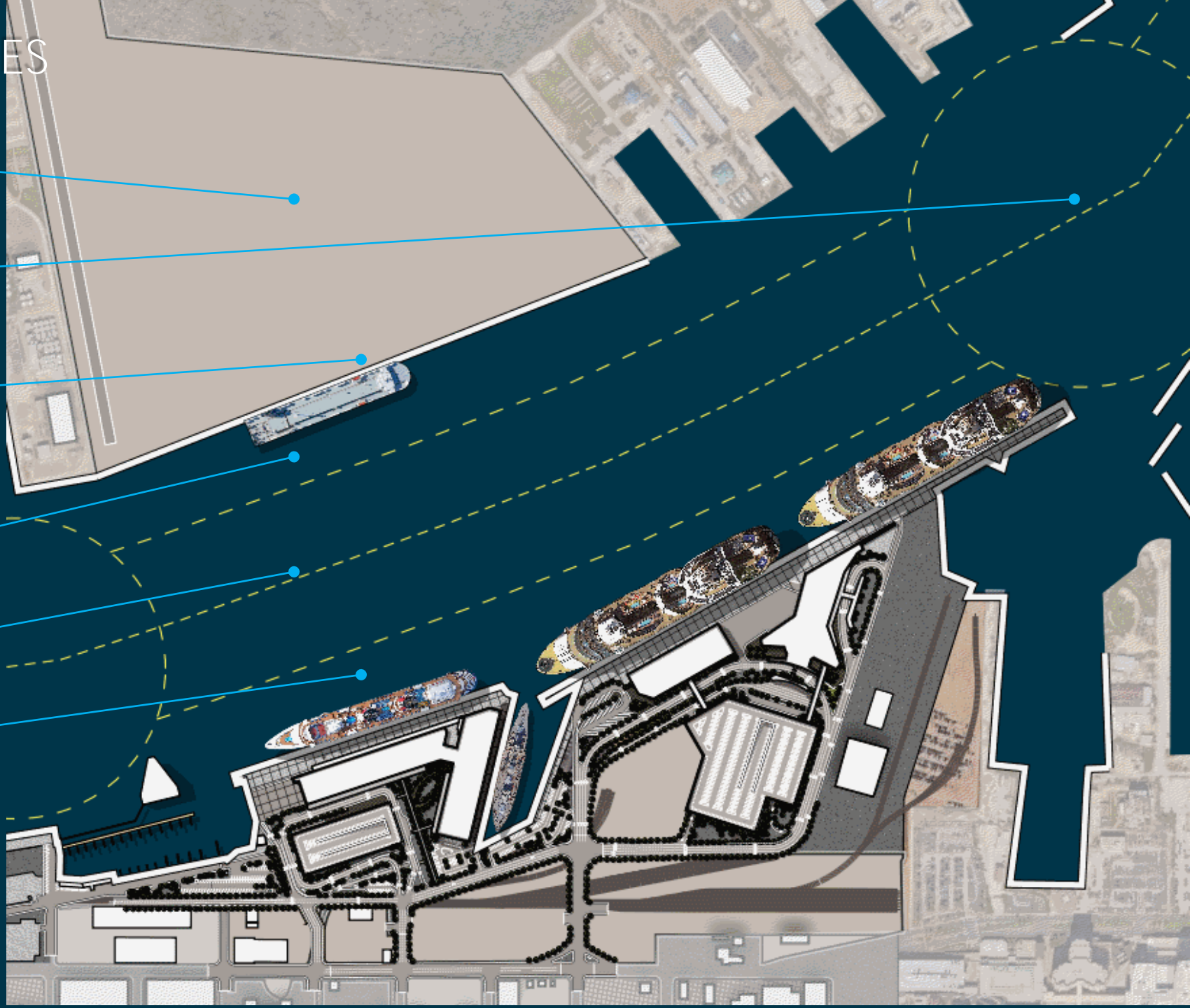
RELOCATED TURNING BASIN

NEW GENERAL CARGO BERTHS

OVER **300'** CLEARANCE

700' TO **750'** CHANNEL

OVER **300'** CLEARANCE



MANAGING MARINE TRAFFIC

- On weekends when cruise ships arrive, there will be a well rehearsed dance between the ships, pilots, ports, CBP, operators and others
- Even with cargo vessels moving at the same time, the channel will handle the traffic in time with the schedules needed
- In the evening, ships leaving the port should be a community event

TRANSPORTATION STRATEGY



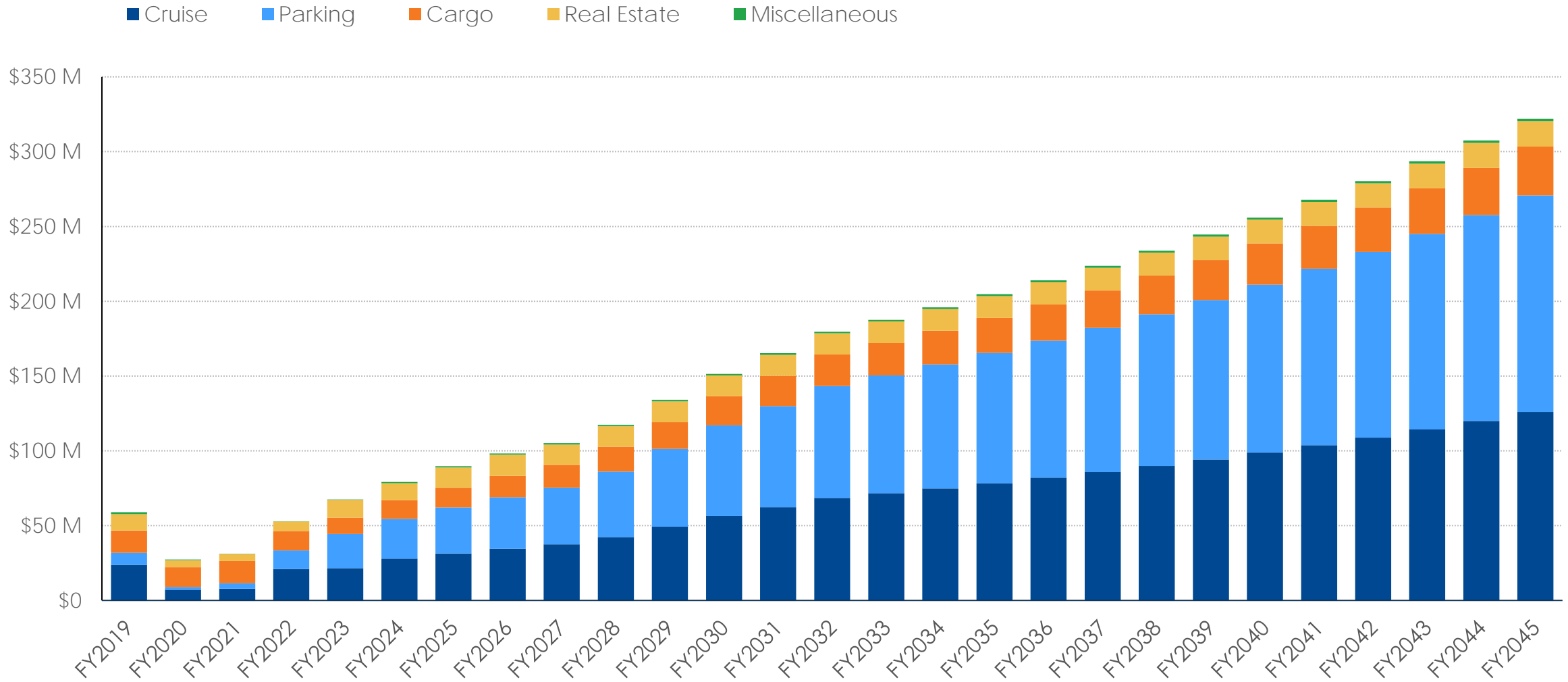
PRELIMINARY FINANCIAL OVERVIEW



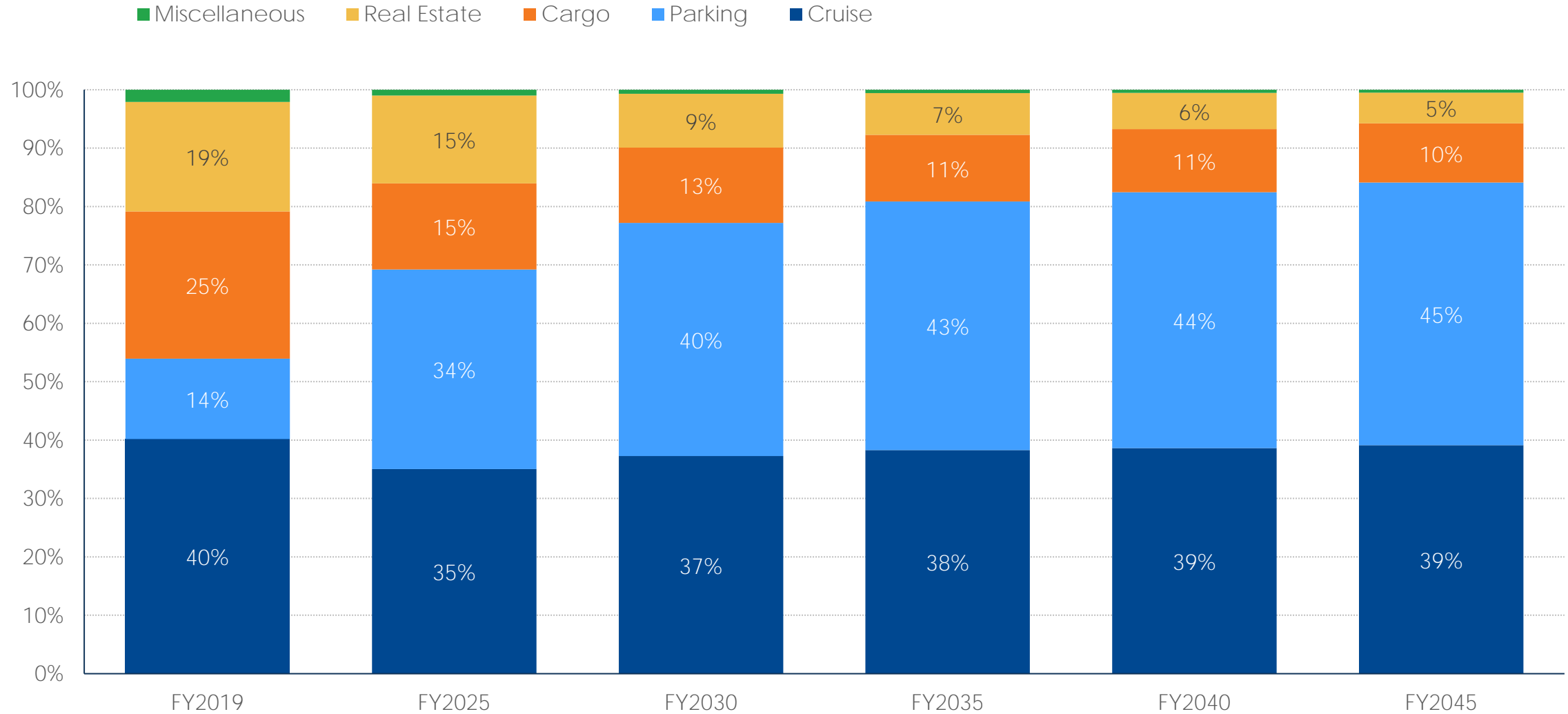
FINANCIAL KPI

- Growth to top line revenues
- Growth of commodities (maintain a competitive environment)
- Keep expenses low
- Grow net revenues faster than gross revenues
- Build necessary reserves
 - Bond ratings
 - R&R Fund
- Increase diversity of sources of revenues

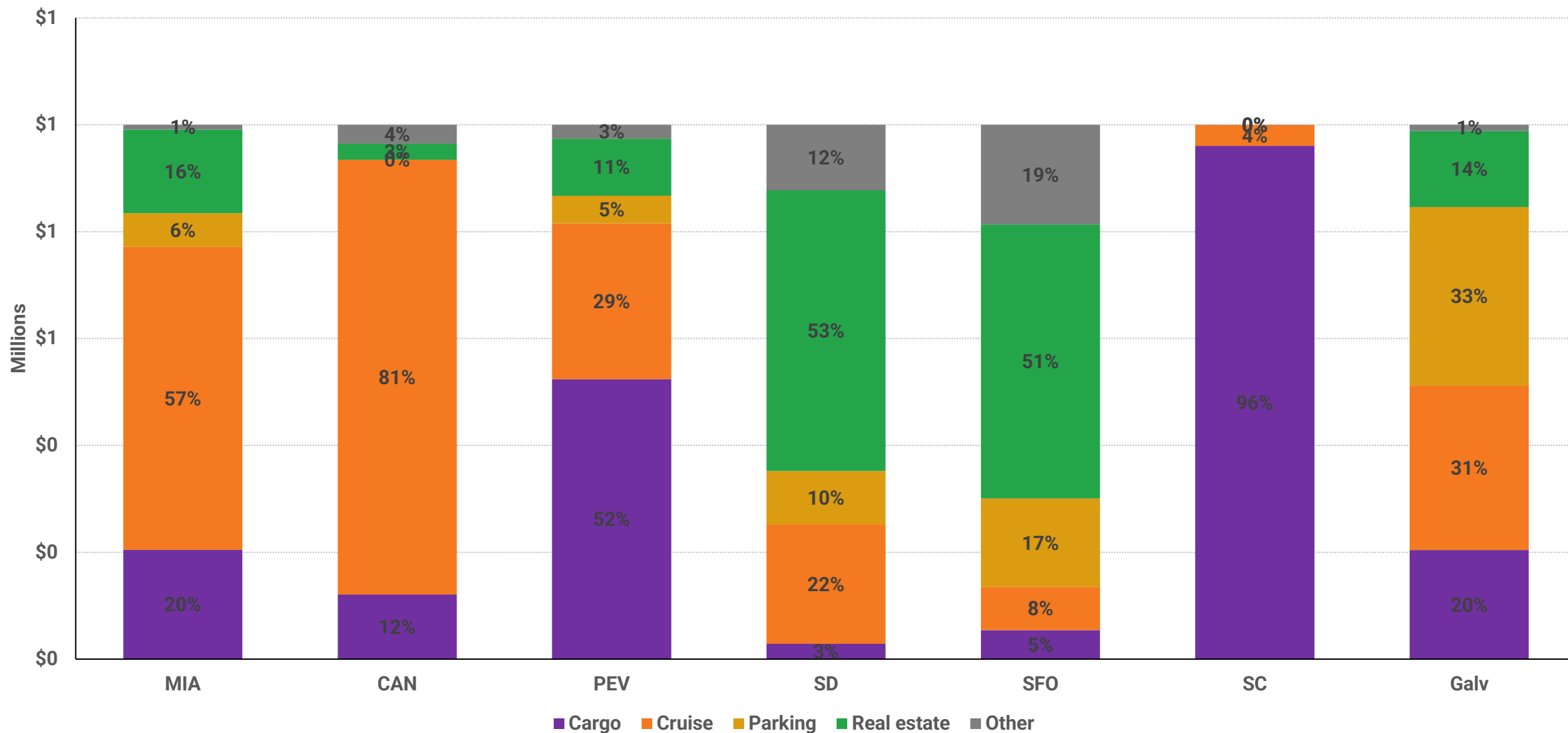
GROSS REVENUES ((VERY PRELIMINARY AND SUBJECT TO CHANGE, NO MAJOR REAL ESTATE OR OTHER INCOME))



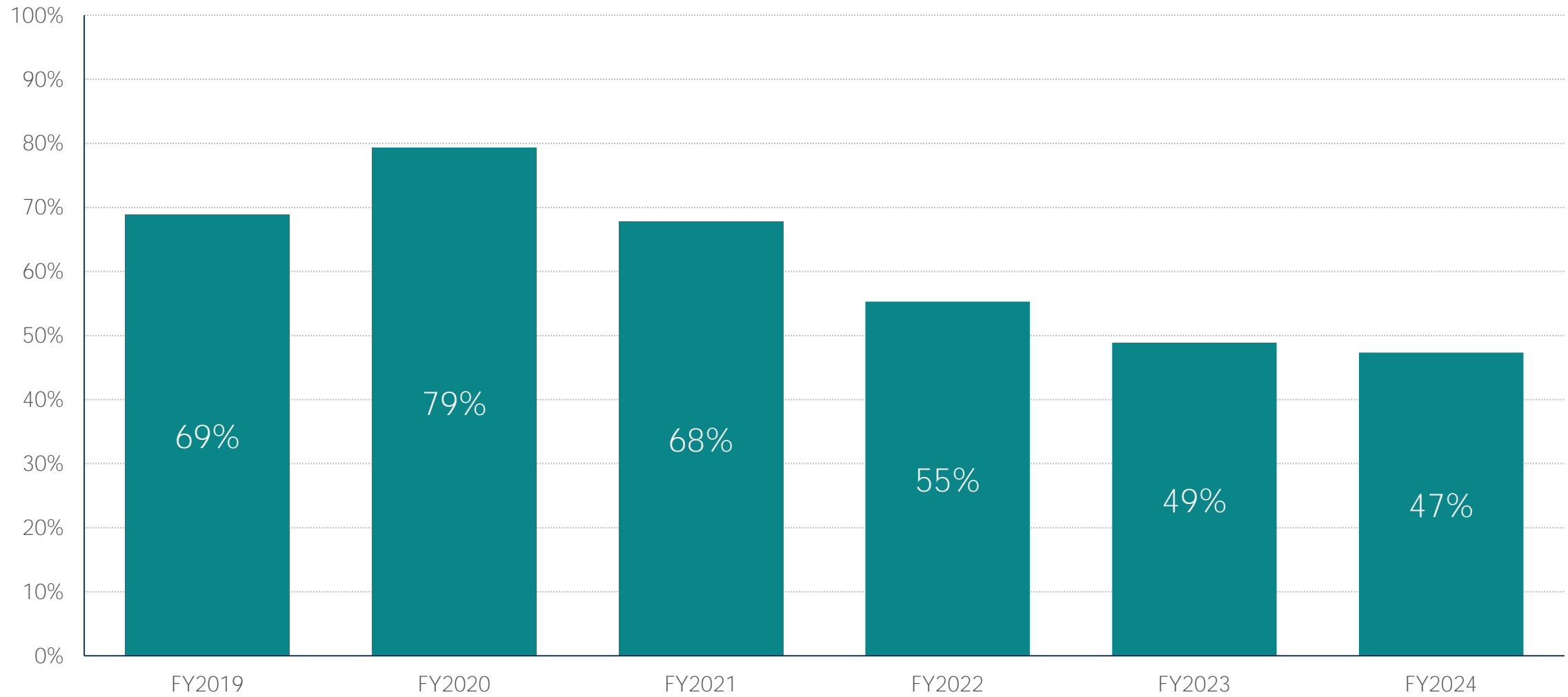
INCOME DIVERSIFICATION (VERY PRELIMINARY AND SUBJECT TO CHANGE, NO MAJOR REAL ESTATE OR OTHER INCOME)



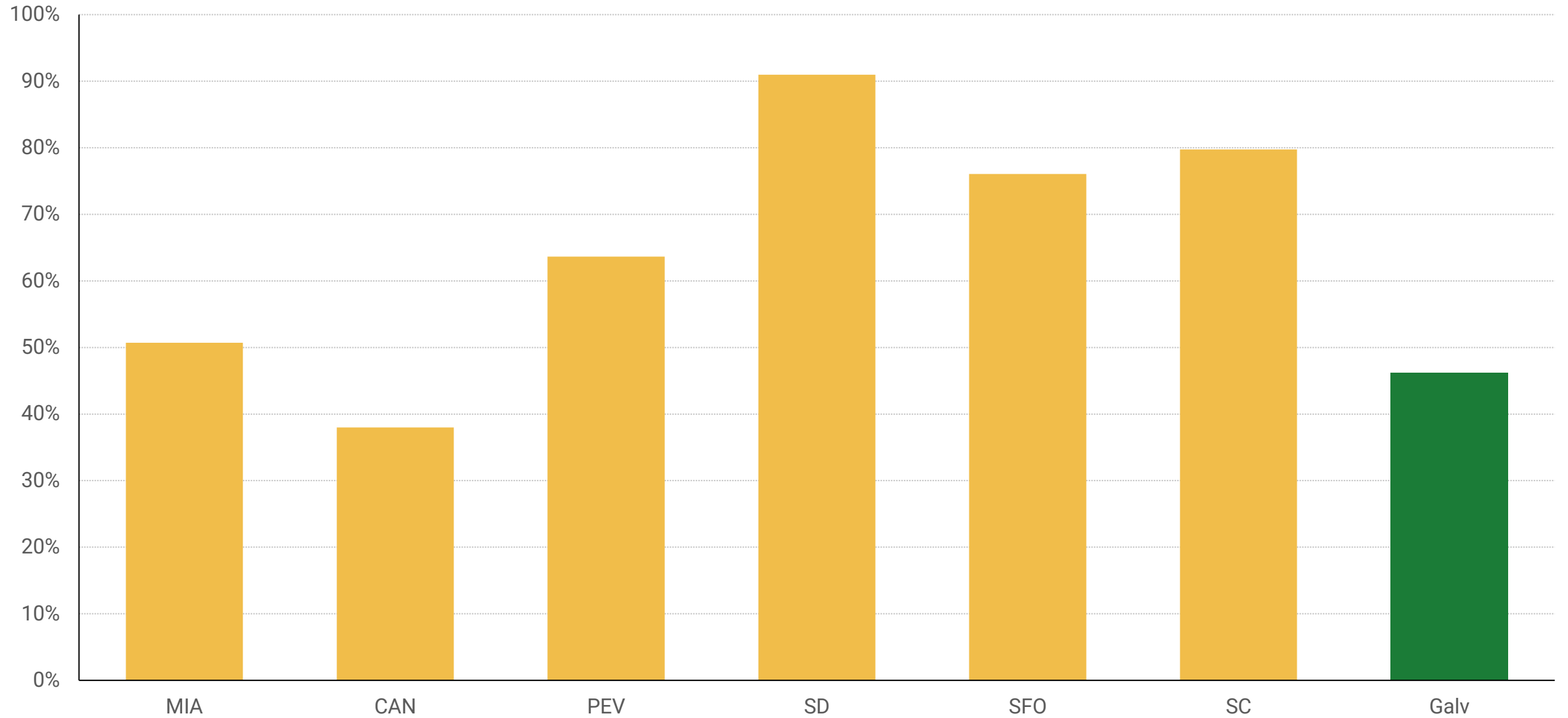
KPI – DIVERSIFICATION OF GROSS REVENUES



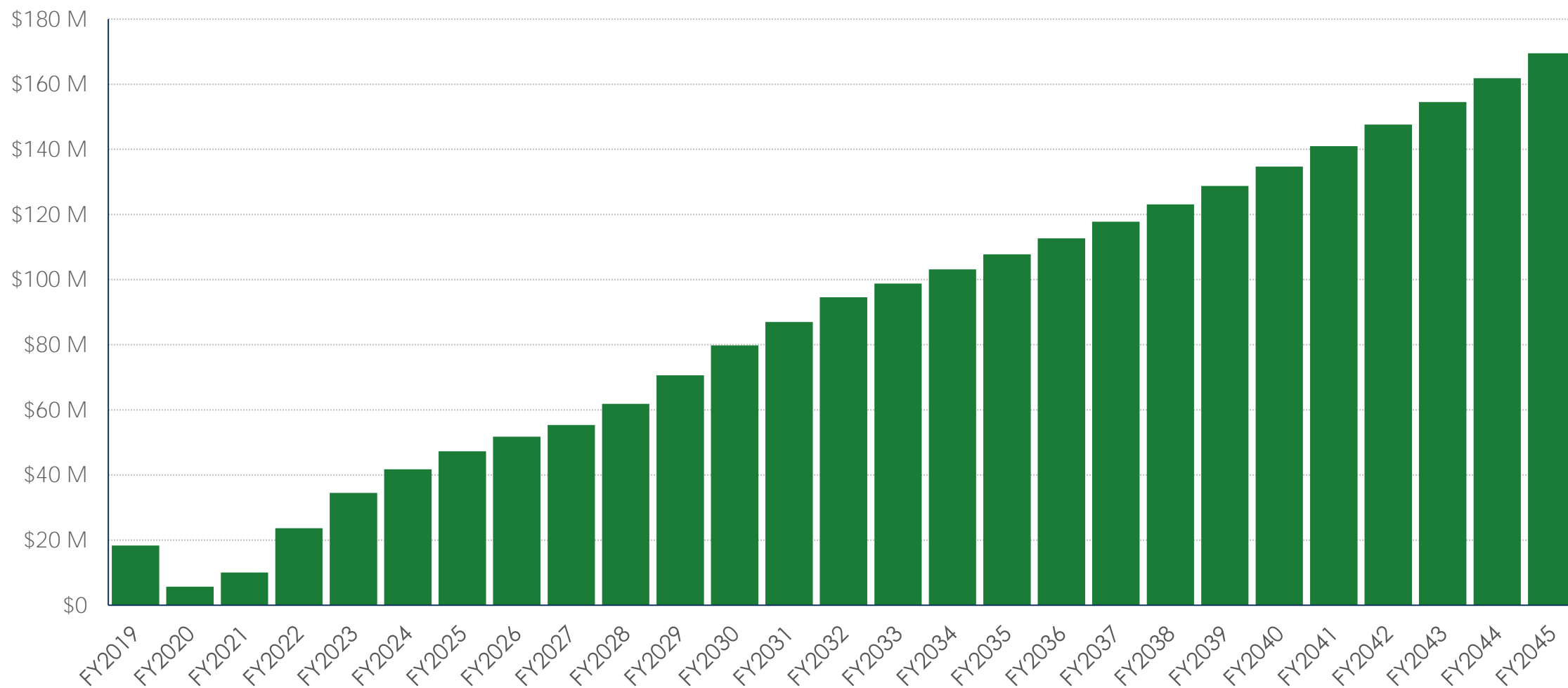
OPERATING EFFICIENCY (EXPENSES AS A % OF GROSS REVENUES)



KPI – OPERATING EXPENSE AS A PERCENT OF REVENUE



NET EARNINGS — (MID SCENARIO & 47% EXPENSE RATIO)



A wide-angle photograph of a coastal dune landscape. A wooden boardwalk, constructed from light-colored wooden planks, winds from the bottom center towards the middle ground, curving to the left. The boardwalk is flanked by dense, tall grasses in shades of green and yellow. In the background, rolling sand dunes are visible, some with patches of green vegetation and others showing exposed sand. A line of dark evergreen trees marks the horizon under a heavy, overcast sky. The text "NEXT STEPS & ACTION ITEMS" is overlaid in white, sans-serif capital letters on the right side of the image, positioned over the grass and dunes.

NEXT STEPS & ACTION ITEMS

Meeting Schedule

Board Presentation
Cruise, Cargo,
Commercial Market
Findings & Alternatives

Board Presentation
Strategic Plan Alternatives
Updates

Board Presentation
Finalize Strategic
Plan

Finalize Plan
BA to Finalize Strategic Plan,
Projects, Financials

Board Presentation
Final Strategic Plan,
Project Costs, Financials

BA to Update Plan

Public Comment Period
BA to Update Plan

Public Outreach /
Open House
Market Findings & Final
Alternatives

City Council
Presentation
Finalized Strategic
Plan

7/ 22



Individual Meetings
As Needed; Today &
Tomorrow
7/22 & 7/23

8/11

8/13

8/26

8/27

Sept

Sept



PORT OF GALVESTON STRATEGIC MASTER PLAN UPDATE

BOARD BRIEFING

July 22, 2025



EXISTING CARGO FORECAST

- Low/Mid/High Scenarios for all current cargoes handled
- RORO, general cargo and wind handled at West Port
- Phasing out of wind energy cargo is a possibility

Commodity	2024	2025	2030	2035	2040	2045
Fertilizer Low	204,751	250,000	323,575	350,248	350,248	350,248
Fertilizer Mid	204,751	298,934	863,692	934,888	934,888	934,888
Fertilizer High	204,751	298,934	870,689	989,768	1,040,256	1,093,320
Autos VPC Low	46,364	48,682	62,132	76,277	80,000	80,000
Autos/VPC Mid	46,364	48,682	60,948	70,656	80,000	80,000
Autos VPC High	46,364	51,000	79,149	80,000	80,000	80,000
RORO Low	444,498	429,567	469,627	488,696	488,696	488,696
RORO Mid	444,498	462,278	669,726	703,888	739,794	777,531
RORO High	444,498	522,278	793,665	834,150	876,700	921,421
General Cargo Low	34,072	27,259	28,650	29,813	29,813	29,813
General Cargo Mid	34,072	34,072	38,924	41,726	43,854	46,091
General Cargo High	34,072	42,000	77,698	84,943	89,276	93,830
Wind Low	38,511	38,511	0	0	0	0
Wind Mid	38,511	38,511	38,511	38,511	38,511	38,511
Wind High	38,511	102,029	116,557	124,946	131,320	138,018
Liquid Bulk Low	2,195,637	1,772,045	1,772,045	1,772,045	1,772,045	1,772,045
Liquid Bulk Mid	2,195,637	2,261,506	3,552,347	3,770,332	3,770,332	3,770,332
Liquid Bulk High	2,195,637	2,283,462	4,768,321	5,212,998	5,478,913	5,758,392

OPPORTUNITIES FORECAST SUMMARY

- These cargoes would backfill displaced wind energy at West Port
- Nearly 500,000 tons over mid-term period
- Not all opportunities may be converted

Commodity	2030	2035	2040	2045
Lumber Low	33,274	35,315	35,315	35,315
Lumber Mid	78,714	85,203	85,203	85,203
Lumber High	151,739	169,166	177,795	186,865
Steel Low	44,365	47,087	47,087	47,087
Steel Mid	98,393	106,504	106,504	106,504
Steel High	167,729	186,993	196,531	206,556
Aluminum Low	44,365	47,087	47,087	47,087
Aluminum Mid	98,393	106,504	106,504	106,504
Aluminum High	151,739	169,166	177,795	186,865
Non-ferrous Metals Low	16,637	17,658	17,658	17,658
Non-ferrous Metals Mid	40,997	44,377	44,377	44,377
Non-ferrous Metals High	103,481	115,366	121,251	127,436
Speciality Bulks Low	33,274	35,315	35,315	35,315
Speciality Bulks Mid	98,393	106,504	106,504	106,504
Speciality Bulks High	251,664	275,134	289,168	303,919
Total MID	414,890	449,090	449,090	449,090

ACREAGE AND BERTH DEMAND ASSUMING WIND ENERGY CONTINUES

Estimated Vessel Calls, Berth Days and Acreage Demand Mid Scenario assuming WIND REMAINS.						
Commodity	2024	2025	2030	2035	2040	2045
Fertilizer Mid	204,751	298,934	863,692	934,888	934,888	934,888
Base Tons/call	51,187	55,000	55,000	55,000	55,000	55,000
Calls	4	5	16	17	17	17
Base Berth Dwell Days	7.5	7.5	7.5	7.5	7.5	7.5
Berth Days	30	41	118	127	127	127
Acres	10.9	10.9	10.9	10.9	10.9	10.9
Autos/VPC Mid	46,364	48,682	60,948	80,000	80,000	80,000
Base Tons/call	1,585	1,675	1,900	2,000	2,000	2,000
Calls	29	29	32	40	40	40
Base Berth Dwell Days	2	2	2	2	2	2
Berth Days	58	58	64	80	80	80
Acres (East End)	20.0	20.0	20.0	21.1	21.1	21.1
RORO Mid	444,498	462,278	669,726	703,888	739,794	777,531
Base Tons/call	5,047	5,047	5,047	5,047	5,047	5,047
Calls	87	92	133	139	147	154
Base Berth Dwell Days	1.75	1.75	1.75	1.75	1.75	1.75
Berth Days	152	160	232	244	257	270
Acres (West End)	43.0	43.0	53.6	56.3	59.2	62.2
General Cargo Mid High/Heavy	34,072	34,072	38,924	41,726	43,854	46,091
Base Tons/call	1,000	1,000	1,000	1,000	1,000	1,000
Calls	31	34	39	42	44	46
Base Berth Dwell Days	3.25	3.25	3.25	3.25	3.25	3.25
Berth Days	101	111	127	136	143	150
Acres (West End)	8.0	8.0	9.1	9.8	10.3	10.8
Wind Mid	38,511	38,511	38,511	38,511	38,511	38,511
Base Tons/call	2,207	2,207	2,207	2,207	2,207	2,207
Calls	17	17	17	17	17	17
Base Berth Dwell Days	4.5	4.5	4.5	4.5	4.5	4.5
Berth Days	79	79	79	79	79	79
Acres (West End includes 13 acres leased directly to BNSF for staging)	54.3	54.3	54.3	54.3	54.3	54.3
Total West End Estimated Berth Days Existing Cargo Mix with Wind	331.5	349.5	437.2	458.2	477.6	497.9
Total West End Estimated Acres Existing Cargo Mix with Wind	105.3	105.3	117.0	120.4	123.8	127.3

- By 2045, assuming wind, West End RORO/general cargo and wind demand:
 - 498 berth days
 - 127 acres

ACREAGE AND BERTH DEMAND ASSUMING NO WIND ENERGY

- By 2045, assuming no wind, West End RORO/general cargo and alternative cargoes demand:

- 657 berth days
- 136 acres

Notes:

- Ports America RORO: Berth days assumes same size vessel (current 656'LOA-750'LOA), however interview suggests that if channel depth is maintained, larger vessels 869' LOA may be deployed and handled. Impacting berth length requirements and increasing tons/call
- Ports America RORO handled 500,000 tons over 40 acres in 2023.
- Ports America RORO/Gen Cargo: Floor strength needs approx. 1,500PSF - 2,000PSF in order to handle large high/heavy pieces; Interview suggests current floor strength at 750PSF
- Ports America RORO dwell time between 10-15 days. Quick turns.

Commodity	2024	2025	2030	2035	2040	2045
Total Mid Scenario Altrnative Opportunity Tons			414,890	449,090	449,090	449,090
Breakbulk Opportunitiy Acres			57.40	62.13	62.13	62.13
RORO Mid Tons	444,498	462,278	669,726	703,888	739,794	777,531
RORO Acres	43.0	43.0	53.6	56.3	59.2	62.2
General Cargo Mid Tons High/Heavy	34,072	34,072	38,924	41,726	43,854	46,091
General Cargo Acres	8.0	8.0	9.1	9.8	10.3	10.8
Total West End Acre Estimate Ports America Cargoes	51.0	51.0	62.7	66.1	69.5	73.0
Total West End Alternative Breakbulk Opportunity Acres			57.4	62.1	62.1	62.1
Total West End Estimated Berth Days Existing Cargo Mix with Alternatives			578.1	617.2	636.5	656.9
Total West End Estimted Acres	51.0	51.0	120.1	128.2	131.6	135.2

Market Overviews – Key Strategic Takeaways

	Cargo (Wind)	Cargo (No Wind)	Pelican Island	Cruise	Commercial
Market Opportunity	Growth opportunities identified for fertilizer, autos VPC, RORO, liquid	Growth opportunities identified alternative cargos	Area for expanded cargo Near term – shipbuilding /	Strong cruise market opportunities & growth	
New Facilities to Support Demand	498 k 160 a			++)	
2045 Estimated Throughput	Fertilizer: 305K – 1.1M Autos VPC: 80K RORO: 489K – 921K General Cargo: 30K – 94K Wind: 38K-138K Liquid Bulk: 1.8M – 5.8M	Lumber: 35K – 187K Steel: 47K – 207K Aluminum: 47K – 187K Non-Ferrous Metals: 18K – 127K Specialty Bulks: 35K – 304K		Total Passenger Movements: 8M – 11M Passenger Movements / Berth: 1.5M – 1.8M	

Update with check marks on what the plan does

ECONOMIC IMPACTS OF FUTURE CRUISE AND CARGO ACTIVITY - MID-SCENARIOS

Cruise impacts.

CRUISE	2030 Mid Scenario	2035 Mid Scenario	2045 Mid Scenario
JOBS			
DIRECT	3,767	4,560	5,517
INDUCED	2,079	2,511	3,031
INDIRECT	<u>2,883</u>	<u>3,554</u>	<u>4,370</u>
TOTAL JOBS	8,729	10,625	12,918
INCOME (\$1,000)			
DIRECT	\$162,628	\$196,114	\$236,477
RE-SPENDING/LOCAL CONSUMPTION	\$272,426	\$328,436	\$395,941
INDIRECT	<u>\$108,599</u>	<u>\$133,875</u>	<u>\$164,547</u>
TOTAL INCOME (\$1,000)	\$543,653	\$658,425	\$796,965
REVENUE (\$1,000)	\$1,587,884	\$1,932,878	\$2,348,577
LOCAL PURCHASES (\$1,000)	\$206,585	\$255,094	\$314,011
STATE/LOCAL TAX (\$1,000)	\$46,754	\$56,625	\$68,539

Cargo impacts. Assumes wind cargo will continue over long-term.

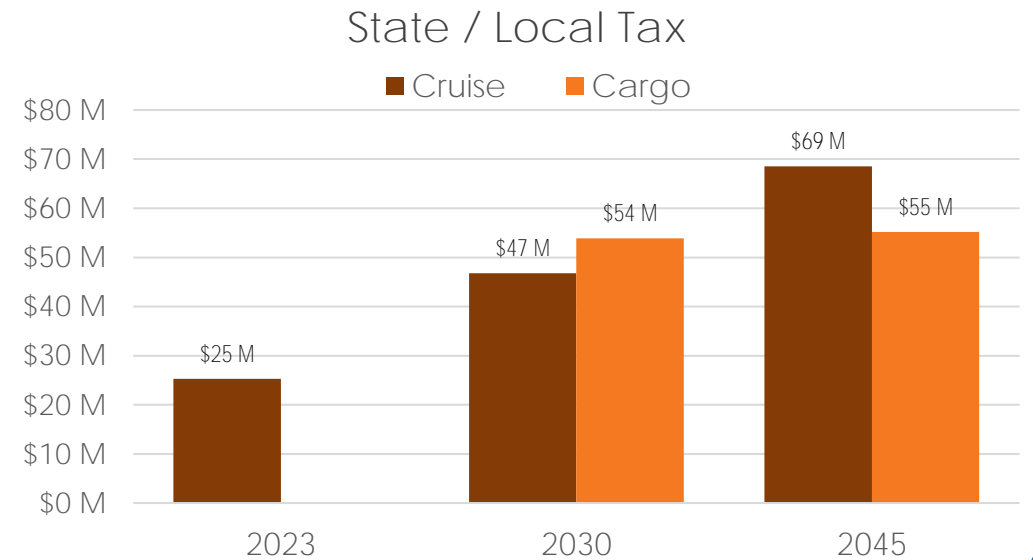
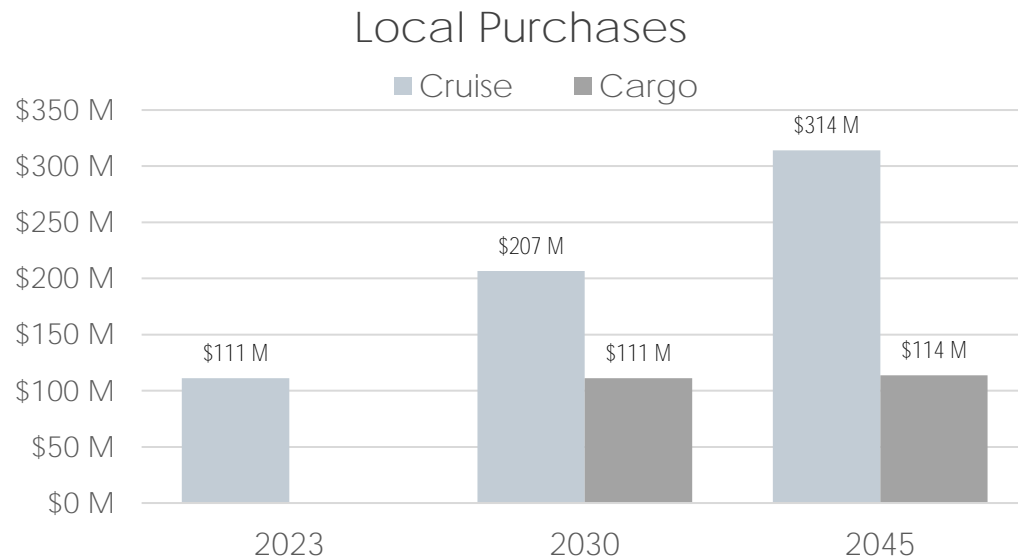
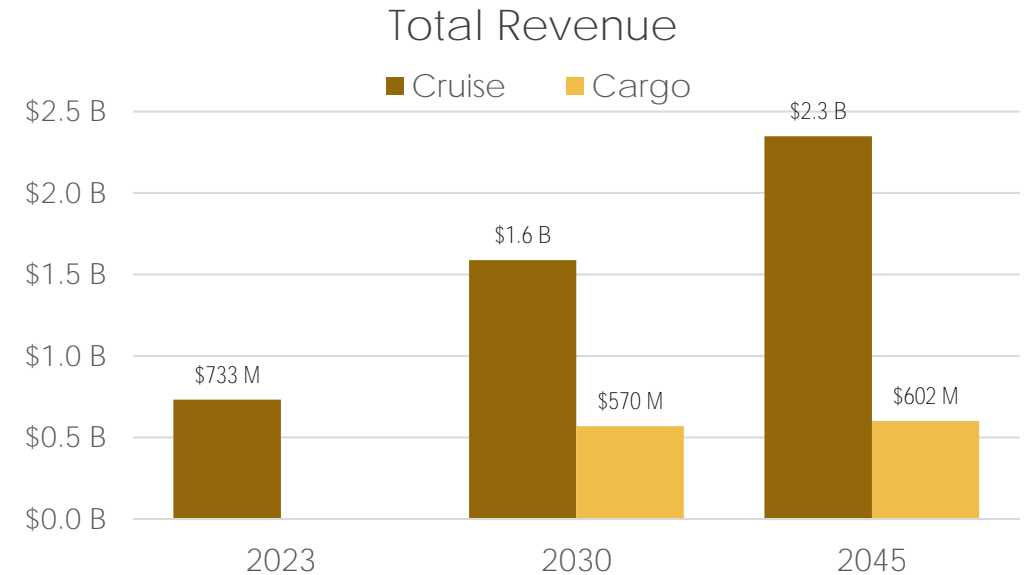
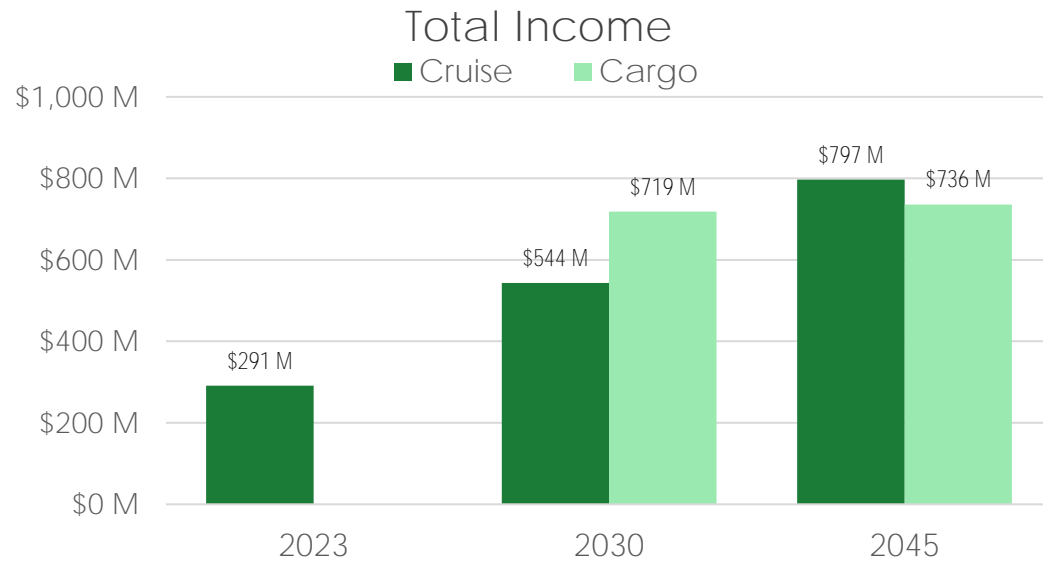
CARGO (w/ wind)	2030 Mid Scenario	2035 Mid Scenario	2045 Mid Scenario
JOBS			
DIRECT	1,949	2,016	2,041
INDUCED	2,880	2,984	3,026
INDIRECT	<u>1,014</u>	<u>1,049</u>	<u>1,062</u>
TOTAL JOBS	5,843	6,049	6,129
INCOME (\$1,000)			
DIRECT	\$131,152	\$135,917	\$137,848
RE-SPENDING/LOCAL CONSUMPTION	\$426,047	\$441,527	\$447,798
INDIRECT	<u>\$53,492</u>	<u>\$55,333</u>	<u>\$56,029</u>
TOTAL INCOME (\$1,000)	\$610,691	\$632,777	\$641,674
REVENUE (\$1,000)	\$541,439	\$570,690	\$574,860
LOCAL PURCHASES (\$1,000)	\$95,618	\$98,908	\$100,152
STATE/LOCAL TAX (\$1,000)	\$45,802	\$47,458	\$48,126

Cargo impacts. Assumes wind cargo will be discontinued, new breakbulk cargo markets will be pursued.

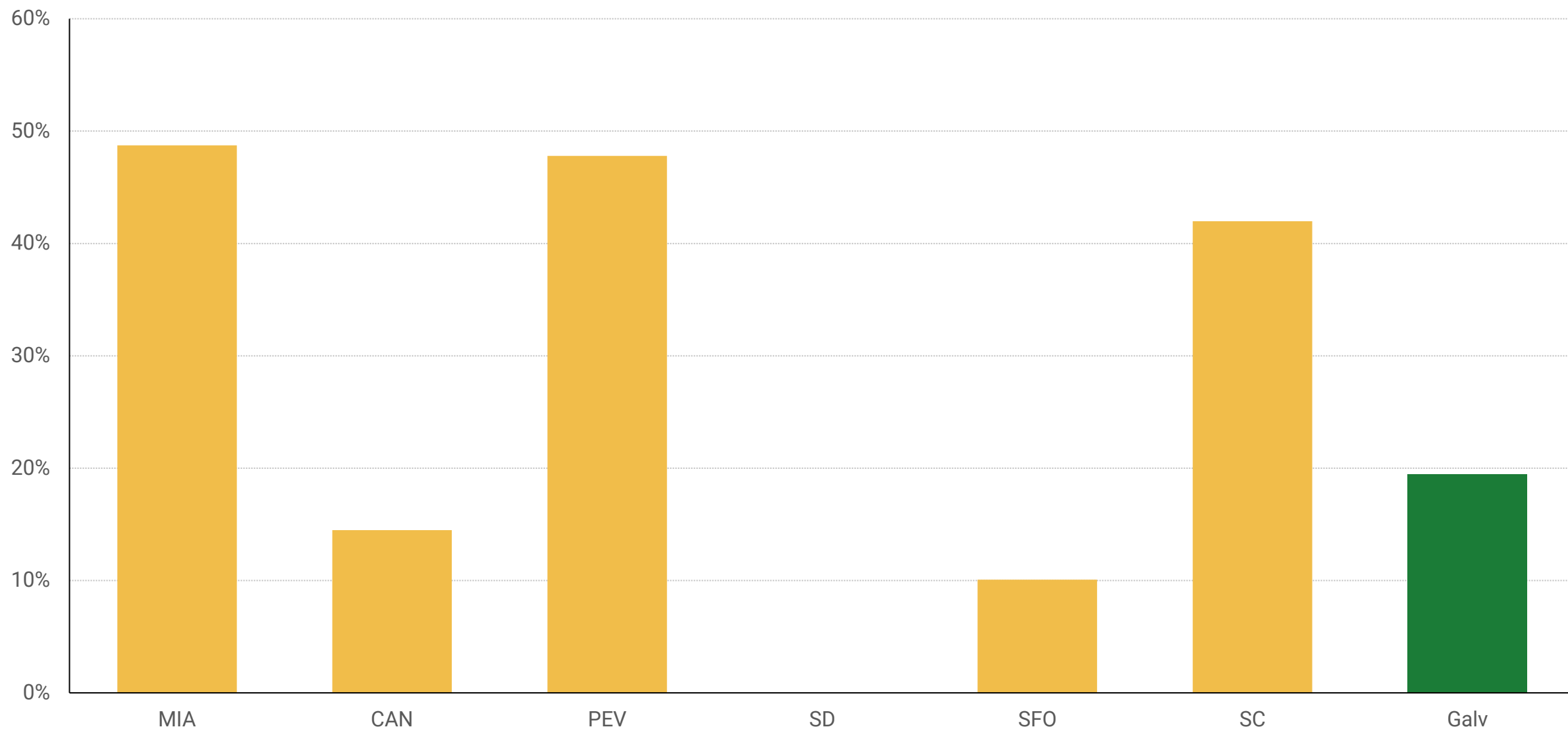
CARGO (no wind, alt cargo)	2030 Mid Scenario	2035 Mid Scenario	2045 Mid Scenario
JOBS			
DIRECT	2,266	2,284	2,319
INDUCED	3,386	3,411	3,467
INDIRECT	<u>1,179</u>	<u>1,188</u>	<u>1,206</u>
TOTAL JOBS	6,831	6,883	6,993
INCOME (\$1,000)			
DIRECT	\$154,494	\$155,612	\$158,257
RE-SPENDING/LOCAL CONSUMPTION	\$501,875	\$505,506	\$514,096
INDIRECT	<u>\$62,203</u>	<u>\$62,695</u>	<u>\$63,640</u>
TOTAL INCOME (\$1,000)	\$718,572	\$723,814	\$735,993
REVENUE (\$1,000)	\$569,792	\$596,645	\$601,515
LOCAL PURCHASES (\$1,000)	\$111,188	\$112,068	\$113,757
STATE/LOCAL TAX (\$1,000)	\$53,893	\$54,286	\$55,199

- Cargo impacts include only POG facilities, do not include private terminal activity
- Cargo impacts do not include related jobs, income and output
- Figures will not align with 2023 Economic Impacts presented at May Board meeting

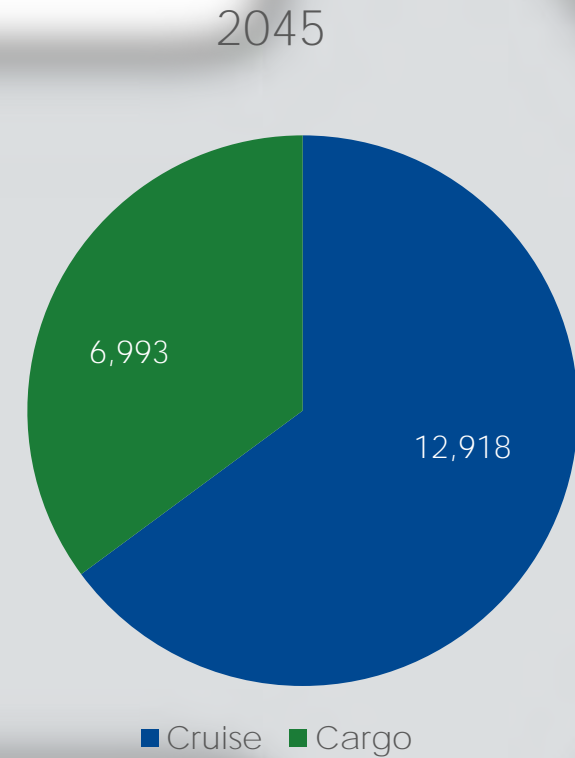
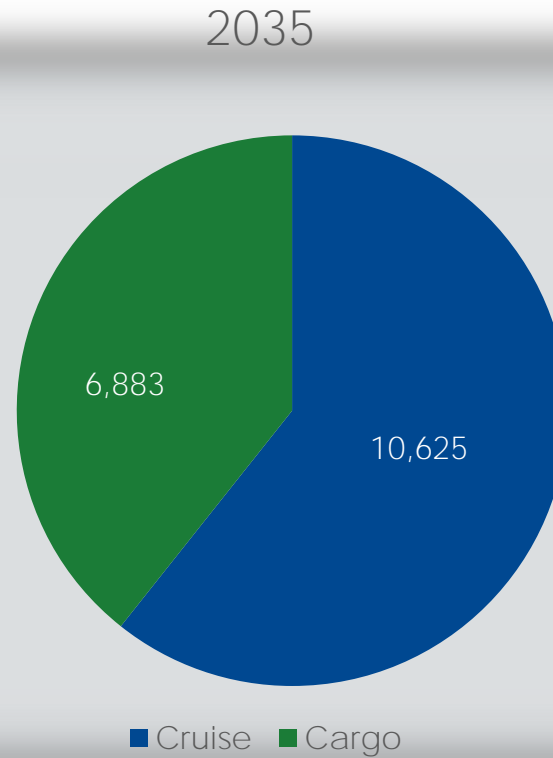
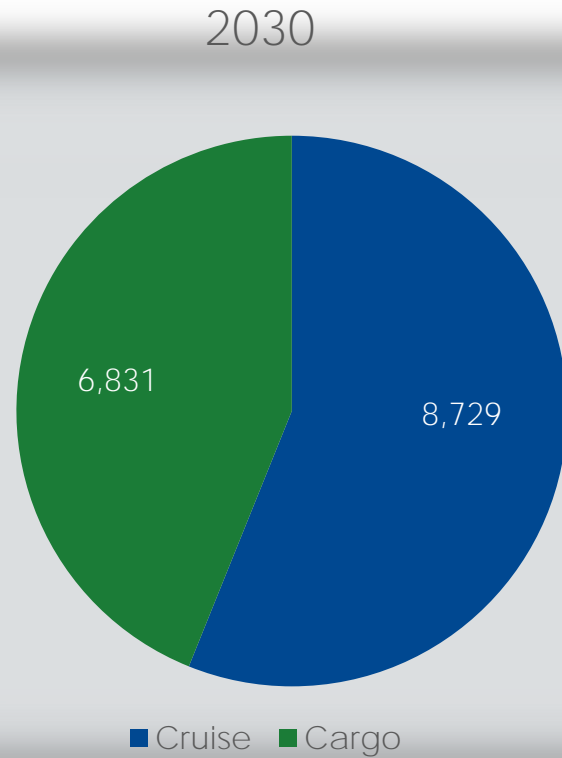
ECONOMIC IMPACT



KPI – DEBT SERVICE OR INTEREST EXPENSES AS A PERCENT OF NET REVENUE



JOBS (VERY PRELIMINARY)



ECONOMIC IMPACT - DIRECT, INDUCED, INDIRECT JOBS

