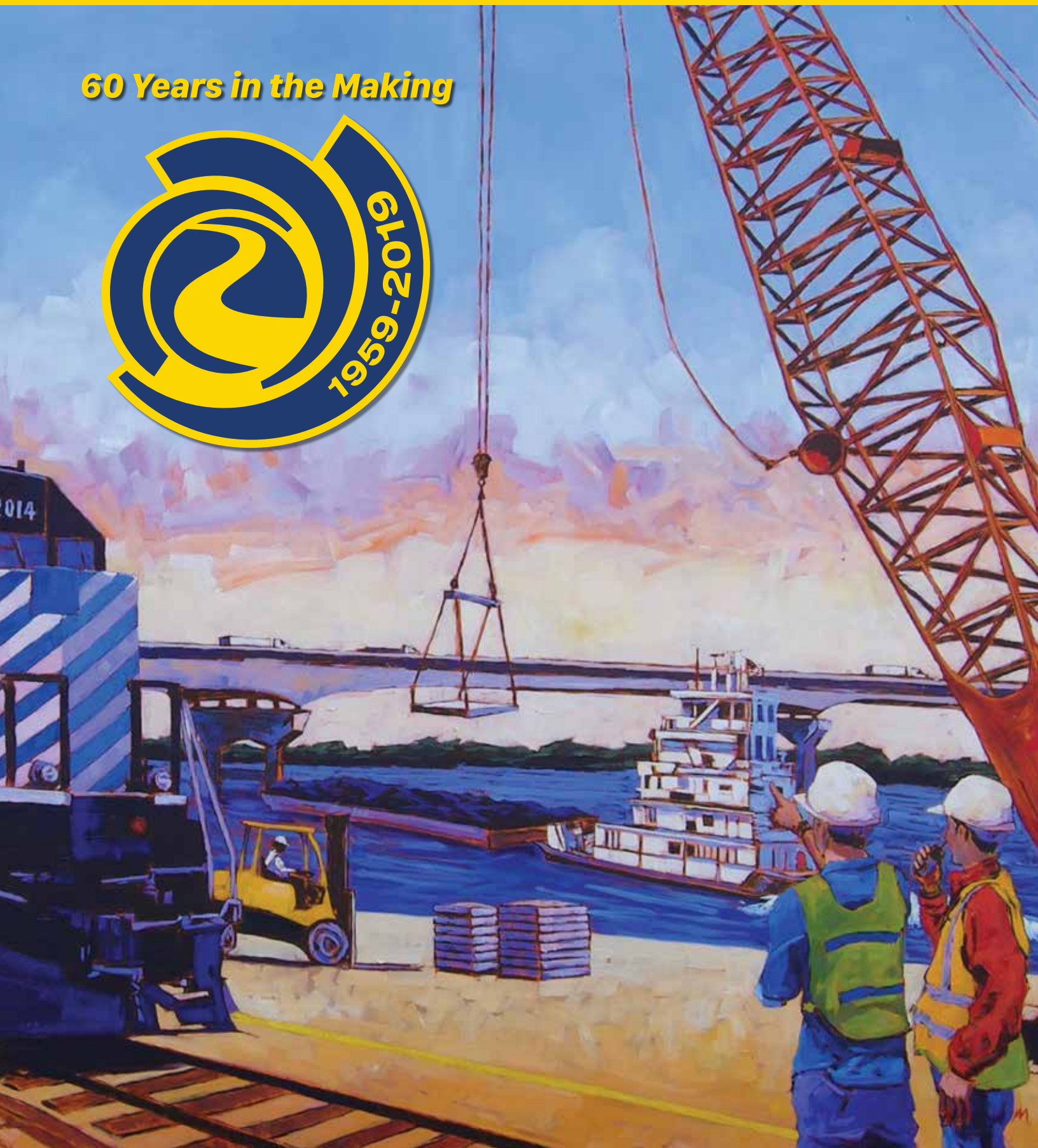




**Port of Little Rock**

**State of the Port  
2019**

**60 Years in the Making**



## Letter from the Board Chair

*To our community stakeholders, industrial partners and local residents:*

I am honored to present the 2019 annual report of the Little Rock Port Authority recognizing our original creation date of July 6, 1959. The Port of Little Rock remains a vibrant and important part of our community. We are proud to share our 2019 successes.

The Port of Little Rock was established to create jobs for our community and the Port's Board of Directors continues to reach that goal. In 2019, we welcomed three new industries to the Port of Little Rock: CZ-USA, a Czech-Republic Gun Manufacturer; HMS, a Michigan based plastics company; and L&W Supply, a local company who chose to relocate their business. When these three companies are fully staffed, almost 1,000 new jobs will be added to our community.

The Port of Little Rock remains committed to expanding our infrastructure and capital investments. In 2019, port staff expanded outdoor storage yards to attract new industry and serve existing companies; completed a portion of the TIGER Grant that added more than 6,000 linear feet of rail to serve our industry partners and expanded the conference room at the Arkansas River Resource Center.

Real estate acquisition remains a priority. In 2019, the Port acquired (or optioned) more than 400 acres of land, including the purchase of the former Baptist Health Clinic on Lindsey Road, now leased to CHI St. Vincent. The healthcare clinic is expected to be fully operational in mid 2020. We also acquired 120 acres in northeastern Pulaski County in 2019 that will eventually be the home of the new VOR Cone currently located south of the Port. The Port will have an

important industrial supersite once completed.

In May and June of 2019, the Arkansas River experienced record flooding and commercial traffic came to a standstill for almost two months. This flood event created challenges for all ports and terminals along the river and the economic impact in the Arkansas River basin exceeded \$3 billion dollars. While many of the ports and terminals upriver saw a more significant impact, the Port of Little Rock fared relatively well, and our business interruptions were minimal. Port staff is repairing facilities that were damaged, and we believe we are better prepared should we experience a similar event in the future.

In July, we celebrated our 60th anniversary with a community-wide luncheon with more than 300 guests at the Robinson Center. This event gave the Port an opportunity to share its story with the business community, local policy makers and central Arkansas residents. Governor Asa Hutchinson, Little Rock Mayor Frank D. Scott, Jr., Mack McLarty, Chairman of McLarty Associates and Lance Fritz, CEO of Union Pacific, spoke about the importance of the Port in providing jobs, opportunity and logistics to the area.

The Port of Little Rock has become one of Arkansas's largest economic development drivers and we will continue to attract industry from around the world. Our future is robust, and I am confident that this Port is on its way to becoming the best inland port in America.

Sincerely,



Melissa Hendricks  
Chair

## Significant Benchmarks Over Our 60 Years

**July 6, 1959** The Little Rock Port Authority is created by City Ordinance No. 10,957.

**July 1967** Purchase of 151 acres enabled the beginning of planning for the dock – "the Port of Little Rock." The initial LR Port Railroad was constructed to serve the main facility on the River.

**1968-1972** 1,200 acres purchased on the land side of the levee.

**1968** 4 miles of RR constructed; Transit Shed #1 constructed

**Dec 1968 - Dec 1970** McClellan-Kerr Navigation System – completed from LR to Catoosa, OK.



**1968** Port of LR begins operation with rail, barge, and truck access to the dock on the Arkansas River.

**1970** Port RR connects to Rock Island RR and MoPac (now UPRR and BNSF) and added a marshaling yard and parallel future main line to River.

**Oct 1972** International Foreign Trade Zone No. 14 created.

**Dec 1973** Land purchased to be used for the Slackwater Harbor area development.

**1974** Railroad Marshaling yard completed

**1977** Railroad Engine storage and maintenance building constructed; First fleeting area for 28 barges completed

**1977** Engine Maintenance Facility and RR Crew office completed.



## 2019 Little Rock Port Authority Board of Directors



Melissa Hendricks  
*Chair*



Greg Joslin  
*Vice-Chair*



Joe Bailey  
*Treasurer*



Bobby Brown  
*Director*



Ray C. Dillon  
*Director*



Dexter Doyne  
*Director*



Clay McGeorge  
*Director*



Mayor Frank Scott  
*City of Little Rock*

## 2019 Port Accomplishments

- Three new tenants are welcomed to the Port: CZ- USA, HMS Manufacturing and L&W Supply
- The Port acquired, or put under contract, approximately 400 acres of land, including a 120-acre site in north Pulaski County to relocate the VOR Cone
- The Port created additional outdoor laydown space near the Arkansas River Dock (result of a 2018 Arkansas Waterways Commission Grant)
- The Port received a \$167,000 grant from the Arkansas Waterways Commission to construct a connector road between the docks on the Slackwater harbor and to construct a tornado safe room for employees
- The Port began the second element of the TIGER Grant project (the construction of a new rail-served dock at the Slackwater Harbor); the project should be completed by fall 2020
- The Port acquired the former Baptist Health Clinic on Lindsey Road and leased it to St. Vincent, CHI to operate a healthcare clinic. Expected to open in 2020
- The Port partnered with the Chamber of Commerce to conduct 17 business retention visits to existing port industry partners
- The Port completed a number of outreach events, including "Pickin at the Port", three Coffee at the Port networking opportunities, a bike drive with Recycle Bikes for Kids, a grant writing workshop for ports and terminals, and a "Yoga at the Port" event
- The Port redesigned its website to focus more on economic development, site selection and real estate opportunities
- The Port changed a number of the wayfinding signs and the main entry sign in the industrial park to reflect its new logo and brand
- The Port expanded the conference room in the Arkansas River Resource Center to accommodate growing attendance at board meetings
- The Port worked with FEMA to receive public assistance to repair damages caused by the highwater event. When completed, the Port will receive approximately \$350,000 to repair and mitigate future damage
- The Port completed a Visioning Plan for the future to help guide future funding decisions and lay the groundwork for a comprehensive masterplan. Also completed was a labor shed study to use in economic development



**1980-1983** I-440 (East Belt Freeway) constructed through Port Industrial Park.

**1999** Transit Shed No. 2 constructed.

**2001-2003** Slackwater Harbor constructed

**2007-2009** Rail extensions were completed Portwide

**2012 – 2015** The Arkansas River Resource Center was dedicated in August, 2014

**2014** Purchased first locomotive

**2015** Completed strategic growth plan

**2016** Received a \$6.2 Million TIGER Grant to construct a second dock on the Slackwater Harbor

**2016** Completed economic impact study

**2016-2019** Acquired over 1,500 acres



## New to the Port



**HMS Mfg. Co.**, a Michigan-based company, plans to start production at the 550,000 sq. ft. facility in the summer of 2020 and create 90 new jobs within the next two years. The injection molding facility expansion in Little Rock will integrate cutting-edge manufacturing practices that align with corporate growth plans. HMS brands: Home Logic®, b+in™ and the Hefty® brand it licenses.



**CZ-USA**, a Czech Republic gun manufacturer, has chosen the Port for its North American headquarters and first U.S.-based production facility. It plans to invest \$90 million and hire almost 600 people over six years for its planned 265,000-square-foot facility.



**L&W Supply**, a local company, is relocating their business to the Port. The company is one of the nation's largest distributors of wallboard and building materials. When the company is fully staffed, 20 jobs will be added to the Port. The company has over 100 locations across the country.



## 5-Year Impact Study 2015-2019



The Port of Little Rock has had significant growth and development over the last five years and has established itself as a premier inland port.

- IMPACT OF 1,200+ ANNOUNCED JOBS & \$203+ MILLION INVESTMENT
- \$1 BILLION TOTAL IMPACT
- \$462 MILLION GDP IMPACT
- \$269 MILLION LABOR INCOME IMPACT
- \$37 MILLION TAX IMPACT

2019 Top 100  
Best Places to Live -  
Livability.com

## TIGER Grant progress



The Port of Little Rock initiated Phase 2 of the Tiger Project which includes the installation of a closed-cell dock, conveyor pit, rail spurs to the river, warehouse space and outdoor storage; Planned completion 2020



Only 40 grants were  
awarded among 585  
national applicants



## Arkansas River flood of 2019



The year 2019 began with above average snowfall, a quick warming and record rainfall, creating a recipe for disaster. By May, massive flooding began to quickly inundate rivers across the Heartland region. It was the wettest season on record; in some places, more rain fell in a single day than during a typical month.

With nowhere to go but downriver, ports across Arkansas, Missouri, Mississippi, Ohio and Tennessee Rivers were overwhelmed by flood waters.

Before spring ended, the Army Corps of Engineers was left with no choice but to open the flood gates in its retention lakes and dams.

The 2019 Arkansas River Floods damaged ports, sank barges, and halted an entire economy reliant on the safe and affordable



**US Army Corps  
of Engineers®**

transportation via the MKARNS system. It was estimated that this 200-year flooding event cost our economy more than \$3 billion.

The Port of Little Rock did not escape the wrath of the river; the mouth of the slackwater harbor silted in which delayed access to barges for several days; part of the river embankment collapsed which threatened rail infrastructure in the harbor; and the primary dock experienced significant washout in several places. The Port of Little Rock was lucky though and none of this damage caused any significant delays in operation. The Federal Emergency Management Agency stepped in to cover the costs of repairs and the Port took the necessary steps to return its facilities to normal.

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***...thanks to a prior  
investment in the  
Slackwater Harbor, its  
barges remained safe.***

Despite the damage and destruction, the Port of Little Rock remained strong. Situated at a higher elevation, the property remained mostly dry. Thanks to a prior investment in the Slackwater Harbor, its barges remained safe. With constant communication among public and private stakeholders, the Port of Little Rock implemented a plan to protect people and property from catastrophic damage. Governor Asa Hutchinson wasted no time in putting together a statewide task force to shore up Arkansas's levee systems and better prepare for future extreme weather events.

The Port of Little Rock can't control Mother Nature, but it can and will take strong measures to protect its infrastructure. The Port of Little Rock is strengthening

the inland waterways of America with its partners, and is confident that river transportation will continue to fuel our economy.



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***The Port of Little Rock  
was lucky though and  
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caused any significant  
delays in operation.***





## Statement of Revenue and Expenses

Little Rock Port Authority and Railroad combined



	2015	2016	2017	2018	2019
<b>OPERATING REVENUES</b>					
<i>Total Railroad and Port Authority Revenues</i>	3,478,832	2,658,621	2,835,598	4,375,323	<b>4,361,900</b>
<b>OPERATING EXPENSES</b>					
<i>Total Railroad and Port Authority Expenses</i>	2,422,267	2,179,105	2,273,024	2,964,494	<b>3,443,495</b>
<b>OPERATING REVENUE OVER/(UNDER) EXPENSES</b>	1,284,734	479,516	562,574	1,410,829	<b>918,405</b>



10600 Industrial Harbor Drive • Little Rock, Arkansas 72206  
(501) 490-1468 • [PortofLittleRock.com](http://PortofLittleRock.com)

### Little Rock Port Authority Staff



Bryan Day  
Executive Director



James Firestone  
Director of Operations



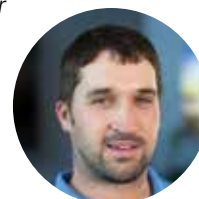
Doug Farley  
Railroad Supervisor



Scotty Allen  
Assistant Railroad  
Supervisor



Wila Pinkerton  
Receptionist



Jason Briggs  
Engineer/Conductor



Kally Robinson  
Assistant/Special  
Projects



Jean Pulliam  
Finance Manager



Mike Stapp  
Engineer/Conductor



Matt Chastain  
Brake Operator

## Port Operations

The Little Rock Port Authority was organized in 1959 to oversee the Port and provide intermodal transportation services connecting U.S. markets and the deep water ports of the Gulf of Mexico. The Port of Little Rock is located approximately seven miles east of downtown Little Rock along the banks of the Arkansas River.

The LRPA Industrial Park is a 4,000-acre diverse business community representing over 4,000 jobs and more than 40 businesses. At the core of its activity is the Little Rock Port Terminal and the Little Rock Port Authority Railroad; these assets provide the foundation for existing business and future expansion of businesses in Central Arkansas. All modes of transportation converge at the Port: water, rail and motor freight, offering convenient intermodal shipping solutions. The Port caters to world-wide markets with its Foreign Trade Zone #14.

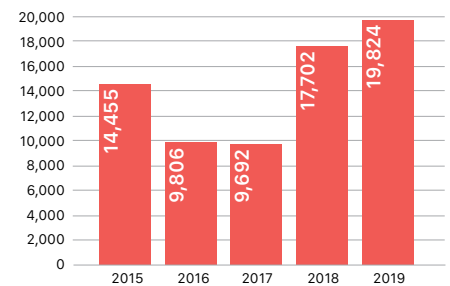
The Port of Little Rock is part of the 448-mile McClellan-Kerr Arkansas River Navigation System completed in 1971, which runs from the Mississippi River northwest to 15 miles east of Tulsa, OK. The 448-mile system includes 18 locks, shipping 12 million tons annually with a cargo value of \$4 billion.

### The Port of Little Rock

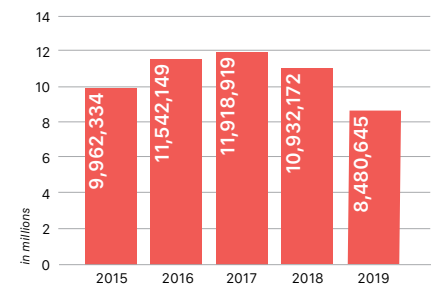
- More than 40 active businesses representing over 4,000 jobs
- 4,000-acre industrial park with ample levee-protected acreage available
- Two full-service river terminals including a River Port and a Slackwater Harbor
- The Union Pacific Railroad and the BNSF serve the Port of Little Rock's switching railroad, handling over 20,000 cars yearly
- Quick connections to I-40 and I-30 are located within five miles of the Port
- Caters to world-wide markets with Foreign Trade Zone #14
- Eligible new and expanding businesses are offered competitive incentive packages
- Arkansas Freeport Law exempts inventory tax on raw materials, goods in progress and finished goods bound for out-of-state shipment
- Port promotes sustainability practices



### Total Railcars Interchanged

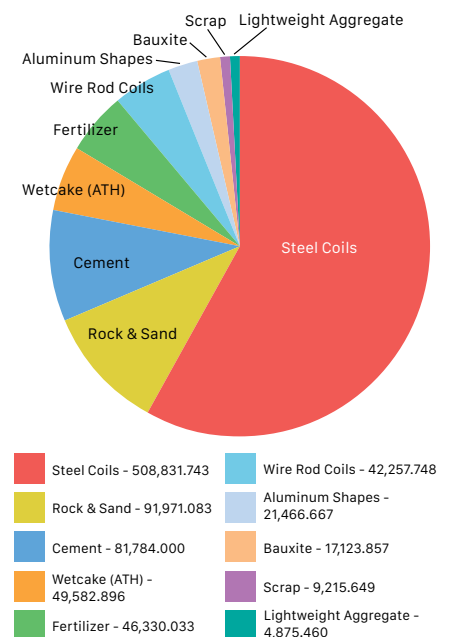


### Arkansas River Tonnage McClellan-Kerr Navigation System



### Dock Commodity Tonnage (2019)

873,439.135 total net tons



## Corporate profiles

partial list



**Admiral/Mayflower Moving** - Little Rock • Moving /Storage Company



**CHS Inc.** - Inver Grove Heights, Minnesota • Wholesale bulk / blend crop nutrients supplied by barge and rail



**Delta Plastics of the South and Revolution Bag** - Little Rock • Preserving our Farmland • Plastics polytube and Revolution Bag can liners



**Interstate Signways** - Little Rock • Engineer and fabricate architectural, wayfinding and transportation signage



**J&M Foods, Inc.** - Little Rock • Wholesale Bakery (Cookies & Cheese Straws)



**Lexicon, Inc.** - Little Rock • Prospect Steel and Custom Metals - Fabricated Steel Products



**LM Wind Power** - Kolding, Denmark • The Power to Deliver • Wind Turbine Blades



**Logistic Services, Inc.** - Seattle, Washington • Full Intermodal Bulk and Breakbulk Facility



**Natural State Recycling** - Little Rock • Paper, Plastic, and Wood Recycling



**Novus Arkansas, LLC, Novus International, Inc.** - St. Louis, Missouri • Amino acids and minerals for the animal feed industry



**Ring Container Technologies** - Oakland, TN • Plastic Containers (specifically Skippy Peanut butter Jars in Little Rock)



**Ryerson** - Chicago, Illinois • General line metal service center • Plate fabrication



**Sage V Foods** - Boulder, Colorado • IQF Frozen Rice



**TY Garments** (Tian Yuan Garments Co. Ltd) - China / Little Rock • First fully automated sport-wear producer for Adidas and Reebok



**Waste Management** - Houston, Texas • leading provider of waste and environmental services in North America



**Welspun Tubular LLC** - India / Mumbai • Leading Tomorrow Together • Manufacture steel pipe for the oil and gas industry