BIG RIVER STEEL CHOOSES BROWNSVILLE FOR NEXT MILL

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Big River Steel has signed an option agreement with the Board of Commissioners of the Port of Brownsville to bring a $1.6 billion steel mill and distribution facility to south Texas.

The agreement gives Big River Steel the option to lease 800 acres between the Brownsville Ship Channel and State Highway 48. The facility will be modeled after Big River Steel's plant in Osceola, Ark. The Brownsville plant will support 500 full-time jobs, as well as 1,500 construction jobs during the building phase.

Eddie Campirano, Port of Brownsville Director and CEO, said there are regulatory hurdles that have to be crossed before groundbreaking can begin.

"Permitting and engineering is Year 1 and 2, typically, and construction is Year 3 and 4," said Campirano. "You want to get this thing done as soon as you can. The impact on the region is going to be incredible."

"They've made the decision," he added. "We have an agreement in hand that says Brownsville's the place where we're going to make it happen."

The location of the deepwater seaport on the U.S.-Mexico border drove the selection of the site by Big River Steel. The mill will be ideally situated in a scrap-rich region with access to bring in additional scrap by barge. The facility will supply steel for automakers in the U.S. and Mexico.

"This is good news for Brownsville and the result of hard work by many individuals and organizations over a long period of time. Our rail partner OmniTRAX played an important role in introducing this opportunity to the port," stated John Wood, Chairman of the BND. "We are excited about this step forward and remain confident the venture will be beneficial for all parties, for Brownsville and the Rio Grande Valley."

A spokesperson for Big River Steel declined to confirm the reported agreement, stating, "Big River Steel does not comment on specific actions as it evaluates various growth opportunities."

Sandy Williams joined Steel Market Update as Editor and Writer in October 2012. She is a graduate of The University of Akron with degrees in Business Management, Public Relations and a masters in higher education administration. She has experience in writing, marketing, and event planning for non-profit organizations. Sandy edits the SMU newsletter and writes articles. For more information, email Sandy@SteelMarketUpdate.com.