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PORT AUTHORITY COMMISSION DELIVERS **VARIOUS CONTRACT AWARDS**

HOUSTON – The Port of Houston Authority (PHA) Commission approved several recommendations involving contract awards, bids and proposals, professional services and general administrative and operational matters during its monthly meeting today. Chairman Jim Edmonds presided over the meeting in the board room at the PHA Executive Office Building, located at 111 East Loop North.

Bayport Matters

During executive session, the commission authorized PHA to negotiate for the purchase of land. Several tracts totaling approximately 80 acres would be used in the development of the proposed Bayport Container and Cruise Terminal.

The commission approved the award of a one-year, \$125,000 environmental consulting services contract to Saitas and Seales to assist PHA in on-going environmental projects related to the proposed Bayport facility and other existing PHA locations. The contract award was based largely on a PHA recommendation that highlighted the firm's extensive experience working with the Texas Commission on Environmental Quality (TCEQ) on air quality issues.

The commission also evaluated competitive sealed proposals (CSPs) for a contract to clear land at the site of Bayport Phase 1A. The CSPs from Cherry Moving Company, Reytec Construction Resources, and Affolter Contracting, Ltd. were ranked first, second, and third, respectively, for potential negotiations of a \$225,000 to \$375,000 contract.

Although no work will be performed and no spending will be authorized until and unless the USACE approves the Bayport project, the PHA has begun the process of advertising requests for quotes and proposals (RFQs and RFPs) and receiving bids and proposals in an effort to save time and money when construction is authorized. The entire bidding and contracting process can take six to eight months from the time bids are submitted, evaluated by staff, reviewed by commissioners and then awarded. PHA is committed to meeting ISO 14001 environmental quality standards upon the completion and opening of the Bayport facility.

The U.S. Army Corps of Engineers (USACE) recently released its Final Environmental Impact Statement (FEIS) on the proposed Bayport project. The FEIS takes into consideration all public comments that were submitted following the USACE's release of the draft environmental impact statement (DEIS) in November 2001. Comments on the FEIS are due by June 16. The USACE will consider comments on the FEIS in the finalization of its Record of Decision (ROD), which is scheduled for July 28. The ROD will direct one of the following actions: 1) issuance of the permit, 2) issuance of the permit with modifications or conditions, or 3) denial of the permit.

Deregulated Electric Power Contract

The commission authorized PHA to negotiate and execute a new contract with Cirro Energy for the purchase of electric power at an estimated cost of up to \$4.5 million for up to three years. The current electric power contract with Reliant Energy Solutions ends on June 30. PHA received and evaluated proposals from four electric power suppliers and recommended that Cirro Energy's proposal provided the best value for PHA's electric power requirements.

Asbestos Removal Contract

The commission approved the award of a \$32,351 contract to Texas Environmental Control for the removal of asbestos at the Barbours Cut Terminal 3 – Administration Building. The competitive sealed proposal (CSP) from Texas Environmental Control was the top ranked of three proposals that best met PHA's selection criteria. During PHA's negotiations with the company, no changes were made in the scope, time, or price terms of the contract.

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About the Port of Houston Authority

The Port of Houston Authority owns and operates the public facilities located along the Port of Houston, the 25-mile long complex of diversified public and private facilities designed for handling general cargo, containers, grain and other dry bulk materials, project and heavy lift cargo, and other types of cargo. Each year, more than 6,600 vessels call at the port, which ranks first in the U.S. in foreign waterborne tonnage, second in overall total tonnage, and sixth largest in the world. The Port Authority plays a vital role in ensuring navigational safety along the Houston Ship Channel, which has been instrumental in Houston's development as a center of international trade. The Barbours Cut Container Terminal and Central Maintenance Facility are the first of any U.S. port facilities to develop and implement an innovative Environmental Management System that meets the rigorous standards of ISO 14001. Additionally, the port is an approved delivery point for Coffee "C" futures contracts traded on the New York Board of Trade's Coffee, Sugar & Cocoa Exchange. For more information, please visit www.portofhouston.com