



For Immediate Release
August 25, 2003

PORT AUTHORITY COMMISSION DELIVERS BOND SALE, BAYPORT MATTERS

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 on Monday, August 25. Chairman Jim Edmonds presided over the meeting in the board room at the PHA Executive Office Building, 111 East Loop North (exit 29 off I-610 Loop).

Bond Sale Resolution

The commission approved a recommendation to adopt resolutions for the issuance and sale of up to \$14.5 million in PHA Unlimited Tax Bonds, Series 2003A. The proceeds will be used to pay a portion of the costs related to the Houston Ship Channel widening and deepening project. The U.S. Army Corps of Engineers will determine a final amount needed for the upcoming fiscal year for the ship channel project. The amount sold will be deducted from the \$25.7 remaining from the original \$130 million that Harris County voters authorized in 1989.

Amendment to PHA, Corps Cooperation Agreement

The commission approved a recommendation to amend its 1997 project cooperation agreement with the U.S. Army Corps of Engineers to accommodate the design and construction of 12-foot deep barge lanes along the sides of the Houston Ship Channel from Bolivar Road to Morgan's Point. The barge lanes for this specific segment of the channel were added to the energy and water development appropriations legislation enacted by Congress in 2001. These "slow lanes" will separate barge traffic from the ocean-going traffic that will use the 45-foot center portion of the channel. This will improve vessel traffic safety and efficiency along the waterway. The estimated \$17 million cost of the barge lanes is expected to be shared – 90 percent federal and 10 percent local.

For more information about the ship channel widening and deepening project, please visit www.portofhouston.com.

Bayport Matters

The commission approved a recommendation to issue a change order to URS Corporation for continued support services related to the U.S. Army Corps of Engineers' preparation of technical documents related to the PHA's proposed Bayport Container and Cruise Terminal. URS will help the Corps develop the record of decision, copy the project library, support the administrative record and provide technical assistance in support of litigation. The change order is not expected to exceed \$200,000.

Previously, the commission had authorized a contract and six amendments totaling more than \$5.5 million for URS to help the Corps prepare the Bayport environmental impact statement. The amount included \$550,000 for evaluating FEIS requirements.

The Corps released its Bayport FEIS on May 16, opening an initial public comment period that closed on July 16. Earlier this month, the Corps issued a new public notice with a 30-day public comment period on two new components of PHA's mitigation plan that have been developed in response to comments from resource agencies and citizens. Specifically, PHA plans to preserve two areas of habitat, 456 acres on the lower San Jacinto River and 500 acres on the Katy Prairie, to compensate for the habitat and other ecological values that are perceived to exist on the property.

The FEIS evaluates issues related to the PHA's planned facility, including potential impacts on air quality, water quality, noise, security, traffic and other environmental and social factors. The Corps will consider public comments on the FEIS prior to the preparation of its record of decision, which is expected in September. Based on the ROD, the permit will either be issued or denied. The Corp's permit decision is expected to be announced in October.

Gate Control Contract

The commission approved a recommendation to award an estimated \$869,824 contract to L.A. King Co. for the installation of a gate control system at PHA's Barbour's Cut Container Terminal. L.A. King's proposal was the lowest of three bids submitted for the contract. The project is expected to decrease the waiting times for trucks at the gate resulting in efficiency and positive impact on air emissions.

The gate control project is part of a \$13 million entry/exit pre-check and inspection facility. A special condition use permit has been granted for this project by the City of LaPorte.

Fairmont Parkway Power Lines

The commission approved a recommendation to pass a resolution to assume the revised cost share of \$3.345 million for the Fairmont Parkway Overpass Project. The recommendation includes the authorization of a \$275,000 purchase order for CenterPoint Energy to raise the 138 kV and 345 kV power transmission lines over the road.

Previously, the commission had approved a resolution assuming \$3.320 million for the Fairmont Parkway project, which included \$250,000 as the estimated cost for any required utility relocations. CenterPoint then submitted a proposal for the utility work with an estimated amount not to exceed \$275,000.

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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 Barbour's 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