



For Immediate Release
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PORT AUTHORITY COMMISSION DELIVERS
CONTRACT AWARDS FOR LEGISLATIVE CONSULTANTS

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 meeting on Monday, November 17. Chairman Jim Edmonds presided over the meeting, which was open to the public.

Legislative Consultants

The commission approved the following seven firms and individuals for one-year contract awards ranging from \$63,000 to \$126,000 to provide legislative consulting services at the state and federal government levels:

- Akin, Gump, Strauss, Hauer & Feld, L.L.P. (state)
- Bracewill & Patterson, L.L.P. (federal)
- Loeffler, Jonas & Tuggey, L.L. P. (federal)
- Baker Botts, L.L.P. (state)
- Al Luna (state)
- Texas Lobby Group (state)
- Buster Brown (state)

“The legislative consultants for the port authority bring diverse background experience and expertise to their roles,” stated Chairman Edmonds. “Our consultants provide information and tools needed for sound decision-making by our very capable Harris County delegation of elected officials. Their support is crucial to the port authority’s progress, prosperity, and accountability to taxpayers and other stakeholders.”

Over the past eight years, PHA has invested approximately \$4 million in the services of federal and state legislative consultants. To date, the investments have yielded approximately \$327 million in federal support and millions of dollars in economic development opportunities for Houston’s port. “That’s not a bad return on our investment,” Edmonds said.

As examples of the successful impact of PHA's legislative consultants, Edmonds noted the recent congressional authorization and appropriation of nearly \$40 million for the Houston Ship Channel deepening and widening project. On the security front, PHA has received federal grants totaling nearly \$9 million. Since 1996, PHA has received over \$327 million in federal funding for diverse capital projects involving ship channel maintenance dredging, the installation of modern navigational systems, and inter-modal transportation improvements.

At the state level, PHA has been given the authority to execute design-build construction contracts that will save time and money on port projects. Legislation has also been enacted to allow PHA to create the Port of Houston Authority International Corporation, an in-house consulting firm that provides expert technical assistance to foreign ports seeking to develop and modernize their marine terminal facilities. During the 2001 session of the Texas Legislature, PHA's state government consultants helped gain passage of a measure to exempt stored coffee and cocoa in Harris County from ad valorem taxes. After the measure passed, PHA submitted an application to the New York Board of Trade and gained designation as a coffee exchange port, a status that creates abundant economic opportunities for the Houston region's private sector.

Tariff Increases

The commission approved a recommendation to amend Port Tariffs No. 8, No. 14, and No. 20 to cover increased costs and expenses for dockage, wharfage, shedhire, container crane rental, container throughput rates, and harbor fees primarily at PHA's Turning Basin, Barbours Cut, and Galveston terminals. The tariff increases ranging between two and three percent take effect on January 1, 2004.

Port Security

The commission approved a recommendation to award a three-year contract to U.S. Security Associates, Inc. for unarmed, uniformed security gate officer services at PHA terminal gates and the cruise terminal parking lot. The estimated \$3,786,231 contract takes effect February 1, 2004.

Cranes

The commission approved a recommendation to authorize PHA staff to advertise and receive proposals for diesel electric container yard cranes. PHA expects to ultimately spend between \$10 million and \$20 million to purchase seven cranes with an option for up to five additional cranes for PHA's Barbours Cut Terminal.

In another matter also related to diesel electric cranes, the commission approved a recommendation to execute a \$30,875 change order for Konecranes VLC Corporation to install exhaust silencers on five of its cranes at Barbours Cut. Capable of reducing noise by 45 to 52 dBA, the devices are considered by PHA officials to be an example of the port's continuing efforts to be a good neighbor by working aggressively to minimize impacts on communities surrounding port operation sites. The cranes may eventually be transferred to the Bayport Container Terminal, a proposed project that continues to undergo an extensive review by the U.S. Army Corps of Engineers. The Corps is expected to issue its record of decision on Bayport by the end of this year.

Group Insurance

The commission approved a recommendation to award contracts to four insurance carriers to provide coverage for PHA employees, retirees, and dependents. Out of a total of 24 proposals submitted, the commission awarded one-year contracts to AETNA and CompBenefits, respectively, for medical (HMO, POS, and PPO) and dental coverage. CIGNA was awarded three separate two-year contracts to provide long-term disability, accidental death and dismemberment, and group life insurance coverage. Vision Service Plan also was awarded a two-year contract to provide group vision coverage. Each of the contracts takes effect on February 1, 2004.

The next meeting of the PHA Commission will be at 2 p.m. on Monday, December 15 at the Lou Lawler Seafarers Center located at 1817 Barbours Cut Blvd. (off Highway 146) in LaPorte, Texas. The meeting is open to the public.

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CONTACTS:

Felicia Griffin, Communications Manager

Office: (713) 670-2644 Cell: (713) 594-5620, fgriffin@poha.com

Argentina M. James, Director of Public Affairs

Office: (713) 670-2568 Cell: (713) 306-6822, ajames@poha.com

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