

# THE PORT REPORT



PORT OF HOUSTON AUTHORITY

DECEMBER 2007

## PHA 'Still Leading,' Edmonds Tells Partnership



A Greater Houston Partnership crowd of 350 business leaders and principals of economic development was briefed on the state of the Port of Houston Authority by PHA Chairman Jim Edmonds in a Nov. 28 speech at the Hilton-Americas Hotel.

Edmonds said the PHA is still leading in cargo, security, environmental stewardship and sustainability, and best business practices. And again, this year the port authority will likely exceed its expectations in most cargo categories.

The audience gave a round of applause when he noted that the PHA received 65 percent voter approval for the \$250 million port bond in November, the widest margin of any port bond proposal in recent memory. The funds will be used to support capital projects, primarily at Bayport, improvements to security at port facilities and to underwrite important environmental projects.

## HHS Secretary Leavitt Visits Port to Discuss Import Safety

Health and Human Services Secretary Mike Leavitt visited with officials from the Port of Houston Authority, Customs and Border Protection (CBP) and the Food and Drug Administration on Nov. 21 at the PHA's Barbours Cut Terminal to discuss import safety and ways to better protect consumers.

"Consumers are demanding what the world can provide," Leavitt said. "With 825,000 different shippers and \$2 trillion worth of goods imported every year, however, we can't inspect everything. So we must build quality in at every step of the way."

Leavitt recently presented President Bush with an action plan developed by an intra-governmental Import Safety Working Group to provide specific recommendations to enhance the safety of the increasing volume of imports entering the United States.

Products seized by both agencies were on display and officials were given a close-up look at the CBP's VACIS machine, which uses gamma ray technology to view cargo. A CBP staff member and her canine partner also gave a demonstration of package inspection. "Our food supply is safe," Leavitt said. "But it's not perfect. We must continue to improve."



U.S. Rep. Gene Green; Jeffrey Baldwin, director of field operations, Customs and Border Protection; U.S. Health and Human Services Secretary Mike Leavitt; H. Thomas Kornegay, PHA executive director; and Hector Luis Zua Zua, director of investigations branch, Food and Drug Administration southwest imports.



PHA Commissioner Jimmy Burke was a double-red cell donor at the December 13 blood drive.

## PHA Collects 217 Units in 2007 Blood Drives

The Port of Houston Authority sponsored four blood drives this year, collecting a total of 217 donations for the Gulf Coast Blood Center. The last drive, held December 13, resulted in the donation of 41 units of blood, including five double-red cell donations. A total of 16 successfully donated at Barbours Cut Terminal and a total of 25 donated at the Executive Building. According to Gulf Coast Blood Center officials, one unit of blood can save up to three lives, which means up to 651 lives were possibly saved as a result of donations from the 2007 PHA Blood Drives.

## November Port Commission Highlights

At its November 27 meeting, the Port Commission of the Port of Houston Authority:

- Approved execution of a change order to Morganti Texas, Inc., for Bayport Cruise Terminal Complex – Phase 1 Terminal Building in the credit amount of \$468,800. The contract includes a \$400,000 allowance for security equipment, along with a \$68,800 installation cost.
- Approved amending the design/build contract with BAE Systems Information and Electronic Integration, Inc., for Bayport Terminal Security and Telecommunication Systems integration for \$447,479.
- Approved awarding a professional services contract to Starcrest Consulting Group, LLC, to conduct a goods movement air emission inventory at the Port of Houston for \$292,455.
- Approved an amendment to the J. Simmons Group, Inc. Professional Services Contract for implementation of the Disposal Area Management Plan (DAMP) for all PHA dredge material placement areas, DAMP management, engineering, and marsh management, extending it for five years.
- Approved advertising and receipt of competitive sealed proposals for dust suppression system at Industrial Park East – 2008 for an estimated \$450,000 to \$500,000.
- Approved awarding a construction contract to Bo-Mac Contractors, Ltd., for repair of embankment, outfall, T-Head Dock and Dolphins at Wharf No. 1 east at the Turning Basin for \$2,426,523.



Port of Houston Authority Commissioners Kase Lawal and Steve Phelps.

## ISO Auditors Praise PHA Environmental Initiatives

The results of this year's ISO 14001 surveillance audit are in and the Port of Houston Authority got high praise for its "noteworthy efforts," particularly those involving the Clean & Green Port of Houston and the VOC emissions reduction programs.

Auditor Det Norske Veritas cited the Clean & Green program as an indicator of the PHA's "ongoing commitment to community outreach." Additionally, the auditor commented on the Port's reduction of VOC emissions from 2002 through 2006 by 32 percent, exceeding the initial goal of 25 percent, all while increasing the vehicle fleet. Comments were made on how well the PHA's Material Safety Data Sheet (MSDS) system is managed – all MSDS requested during the audit were available both online (utilizing the 'MSDS online' software system) and in hard copy.

During the first quarter of 2008, PHA will have an initial assessment audit of the Bayport Terminal performed by Det Norske Veritas, in preparation for ISO 14001 compliance, tentatively scheduled for the third quarter of 2008.



## New PHA Tariffs Go Into Effect January 1, 2008

The Port Commission of the Port of Houston Authority has approved reissuing Tariffs Nos. 8, 14 and 15, as well as general tariff rate increases that will go into effect on January 1, 2008.

The increases are necessary, PHA officials say, to address increased operations costs and escalating expenses and to keep PHA terminals competitive with other ports around the country.

The cumulative effect of this increase will be about 3 percent at the Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal. Affected rates include wharfage, dockage, container crane rental, throughput rates, container storage, security fee, harbor fees, and freight handling.

The new tariffs can be viewed on the PHA Web site at: <http://portofhouston.com/maritime/tariffs.html>

### Questions?

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