



# Port E-News

Public Relations Department  
 Port of Galveston  
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## Board of Trustees of the Port of Galveston February 2005 Meeting

### January 2005 Financial Results:

Port of Galveston and Galveston Port Facilities Consolidated Income Statement:

**\*The Port reported a net income for the first time since April 2004.\***

	January 2005 Actual	January 2004 Actual	January 2005 Budget
Operating Revenue	\$1,396,946	\$1,303,679	\$1,478,750
Operating Expense	\$871,542	\$737,879	\$965,164
<b>Net Operating Income (Loss)</b>	<b>\$525,404</b>	<b>\$565,800</b>	<b>\$513,586</b>
Add - Other Income	\$128,875	\$104,353	\$106,142
Deduct - Other Expense	\$318,448	\$314,911	\$304,431
<b>Net Income (Loss) After Other Income and Expense</b>	<b>\$335,831</b>	<b>\$355,242</b>	<b>\$315,297</b>
Deduct Depreciation and Amortization	\$239,142	\$241,021	\$239,142
<b>Net Income (Loss) for the Period</b>	<b>\$96,689</b>	<b>\$114,221</b>	<b>\$76,155</b>

Increased bulk fertilizer, ro-ro and refrigerated cargoes for the month of January resulted in increased wharfage revenues. Grain exports continue to improve but were less than anticipated in the FY2005 budget, resulting in reduced regular and lay dockage revenues for the period. Total vessel calls at the Port were up from the previous month and up from the same period in 2004. Passenger service charges were over budget for the month and the number of cars parked was up versus last month and the same month in 2004. However, cruise passenger parking revenues were under budget projections, showing that passengers are increasingly using busses and other transportation services to reach the cruise terminals. Operating expenses were under budget in the area of salaries, maintenance & repair and professional services due to unfilled positions, timing and a reduction in consulting fees for cruise operations.

**January 2005 Cargo Results:**

Description	January 2005	January 2004	Percentage + / -
<b>Bulk Grains</b>	205,676	370,088	-44.43%
<b>Bulk Fertilizer</b>	4,378	0	100.00%
<b>Bulk Liquid</b>	0	46,245	-100.00%
<b>Bulk Cement Pier 41</b>	4,830	0	100.00%
<b>Bananas / Fruit</b>	18,787	17,406	7.93%
<b>Ro-Ro Cargo</b>	15,891	7,115	123.35%
<b>Containerized</b>	0	5,133	-100.00%
<b>Containerized</b>	10,689	2,272	370.47%
<b>Total Cargo</b>	260,305	449,221	-42.05%
<b>Cargo/Lay Ships</b>	32	32	0%
<b>Cruise Ships</b>	25	18	38.9%
<b>Cargo/Lay Barges</b>	16	3	433.33%
<b>Research Vessels</b>	12	19	-36.84%
<b>Total Calls</b>	85	72	18.06%

**Cruise Passenger Activity:**

January 2005 vs. January 2004 embarkation statistics - Up 55.65% from 33,285 in 2004 to 51,808 in 2005.

January 2005 vs. January 2004 disembarkation statistics - Up 53.04% from 34,360 in 2004 to 52,585 in 2005.

**Additional Reports:*****Cruise Terminal 2 Renovations***

The wharf work is complete with the exception of two fender panels and the westernmost mooring bollard and some additional wharf paving. The boat-shaped wall in the passenger check-in and waiting area has been installed and work has begun on the Customs and Border Protection inspection area. The pad for the western building expansion has been poured and work is in progress on the elevator shaft. Final completion of Terminal No. 2 is scheduled for July 1, 2005.

***Relocation of Police Headquarters and Emergency Operations Center Development***

The federally-funded project to build a new Port Police Headquarters and a secondary Emergency Operations Center was awarded to Brazos Commercial Constructors, Inc. Final completion of the facility is estimated to be late summer 2005.

***Fuel Cell Commissioning***

The fuel cell became fully operational on January 12, 2005. There is an additional installation to the fuel cell that will ensure it does not feed into the power grid. This installation must be checked by Centerpoint Energy after it is completed. The installation cost is \$133,961 and is payable through a federal security grant.

***Cruise Terminal Security Perimeter Improvements***

The project includes the construction of four crash proof gates at various vehicle entrances to the cruise terminals at Pier 23, Pier 26, Pier 28 and Pier 29. This project is funded by a federal grant. Work is projected to begin in March and final completion is expected by the end of April 2005.

### ***Pier 34 Upland Development***

Plans continue to improve Pier 34 and the uplands area to accommodate ro-ro cargo. The bid opening for the job was March 3. Site work has begun on the electrical trenching for the lights and the catch basins for the drains. A contract to fabricate the light poles has been awarded to Broome Welding. The work is being managed by the Port of Galveston Engineering staff using a mixture of contract labor and Construction and Maintenance staff.

### ***Port of Galveston Finance Department***

The Port's Director of Finance and the staff of the Finance Department again this year received a Certificate of Achievement for Excellence in financial reporting from the Government Finance Officer's Association for the Galveston Wharves Comprehensive Annual Financial Report for the fiscal year ended December 31, 2003. The certificate is the highest form of recognition in governmental accounting and financial reporting and its attainment represents a significant accomplishment by a government and its management.

### **Board of Trustees Agenda Items**

- The Board of Trustees approved ratification of changes to the Board of Trustees of the Galveston Wharves Tariff Circular No. 6, effective March 1, 2005 concerning a fee of \$125 an hour per police officer for escort and traffic-control services provided by the Port Police Department. The fee is proposed to improve revenue and to help recover the costs of employment of police personnel providing the services.
- The Board of Trustees approved changes made to the 2005 schedule of regular monthly meetings of the Board of Trustees. The changes are as follows:
  - Monday, October 24, 2005 to Monday, October 17, 2005
  - Monday, November 28, 2005 to Monday, November 21, 2005
  - Monday, December 26, 2005 to Monday, December 19, 2005
- The Board of Trustees discussed board attendance at the American Association of Port Authorities 2005 seminar for port commissioners and governing boards.
- The Board of Trustees authorized the Port Director to engage RETEC under the current Environmental Services Consulting Agreement to prepare an environmental due-diligence packet for the Port of Galveston Pelican Island Terminal.
- The Board of Trustees approved the replacement option agreement between the Board of Trustees of the Galveston Wharves and BP Energy Company relating to the lease and development of a liquefied natural gas regasification facility on approximately 185 acres of land on Pelican Island.
- The Board of Trustees authorized staff to enter into a professional engineering services agreement with Gee & Jensen, a division of CH2M Hill, to conduct a feasibility study for the development of Cruise Terminal 3.

### **Next Meeting**

The next regular meeting of the Board of Trustees of the Galveston Wharves is scheduled for Monday, March 28, 2005 at the main offices of the Port of Galveston located at 123 Rosenberg, 8<sup>th</sup> floor. Agendas are scheduled to be posted on the Port of Galveston website at [www.portofgalveston.com](http://www.portofgalveston.com) on the Friday before the meeting on Monday.

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