

Port E-News

Public Relations Department
 Port of Galveston
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March 6, 2006

Board of Trustees of the Galveston Wharves February 2006 Meeting

Meetings of the Board of Trustees of the Galveston Wharves
 are now televised on the City of Galveston's Channel 16.

January 2006 Financial Results:

Port of Galveston and Galveston Port Facilities Corp. Consolidated Income Statement:	January 2006 Actual	January 2006 Budget	January 2005 Actual
Operating Revenue	\$1,691,576	\$1,813,964	\$1,396,946
Operating Expense	\$1,027,285	\$1,078,819	\$ 874,923
Net Operating Income (Loss)	\$ 664,291	\$ 735,145	\$ 522,023
Security Cost Recovery	\$ 44,027	\$ 51,833	\$ 4,387
Add - Other Income	\$ 110,060	\$ 103,808	\$ 124,488
Deduct - Other Expense	\$ 289,329	\$ 292,915	\$ 318,448
Net Income (Loss) After Other Income and Expense	\$ 529,049	\$ 597,871	\$ 322,450
Deduct Depreciation and Amortization	\$ 262,750	\$ 262,750	\$ 239,142
Net Income (Loss) for the Period	\$ 266,299	\$ 335,121	\$ 93,308

Comments on Major Revenue and expense Items vs Budget

REVENUES	OVER/(UNDER) BUDGET	COMMENTS
Wharfage	\$ 22,000.00	Increased Ro-Ro Cargoes
Passenger Service Charges	(\$ 22,000.00)	Seasonal Variance
Dockage	\$ 37,000.00	Increased Ro-Ro Vessels
Rentals	\$ 29,000.00	Higher than budgeted results from Port property
Revenue Producing Services	(\$ 22,000.00)	Delay in water rate increases until Feb. & Mar.
Parking Fees	(\$153,000.00)	Heavy use of "seamless" travel and additional competition for parking
Total	(\$109,000.00)	

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EXPENSES	OVER/(UNDER) BUDGET	COMMENTS
Maintenance & Repair	(\$ 7,000.00)	Variance due to timing
Office & Sales	(\$ 43,000.00)	Professional Services under due to reduced Consulting Fees on parking operations. Office Supplies, Dues, Publications and Travel Expenses under due to timing.
Total	(\$ 50,000.00)	

January 2006 Cargo Results:

Description	January 2006	January 2005	%	Year-to-date 2006	Year-to-date 2005	%
Bulk Grains	184,062	205,676	-10.51%	184,062	205,676	-10.51%
Bulk Fertilizer	70,463	4,378	1509%	70,463	4,378	1509%
Bulk Liquid	48,566	59,162	-17.91%	48,566	59,162	-17.91%
Bulk Cement - Pier 41	6,884	4,830	42.53%	6,884	4,830	42.53%
Bananas / Fruit	20,743	18,787	10.41%	20,743	18,787	10.41%
General Cargo	1,107	54	1950%	1,107	54	1950%
Ro-Ro Cargo	26,278	15,891	65.36%	26,278	15,891	65.36%
Containerized – Pier 10	0	0	0	0	0	0
Containerized - Others	9,745	10,689	-8.83%	9,745	10,689	-8.83%
Total Cargo	367,848	319,467	15.14%	367,848	319,467	15.14%
Disembarking PAX	65,580	52,585	24.71%	65,580	52,585	24.71%
Embarking PAX	64,363	51,808	24.23%	64,363	51,808	24.23%
Cargo/Lay Ships	39	32	21.86%	39	32	21.86%
Cruise Ships	29	25	16.00%	29	25	16.00%
Cargo/Lay Barges	10	16	-37.5%	10	16	-37.5%
Research Vessels	25	12	108.33%	25	12	108.33%
Total Calls	103	85	21.18%	103	85	21.18%

Definitions:
PAX - Passenger

Additional Reports:

Perimeter Security Surveillance Camera Project (Federal Security Grant)

Five change orders on the surveillance camera project funded by Round 2 of the Federal Security Grants Program have been necessary to make improvements not foreseen when the original contract was awarded. This extra cost is covered by the security grant. These include cameras at the west end gate and improvements in the Emergency Operations Center at Cruise Terminal No. 1. Reinstallation of some camera system components located on the roof of the Shearn Moody Plaza removed for Hurricane Rita are pending completion of the building's roof repairs.

Relocation of the Port of Galveston Police Headquarters and Emergency Operations Center Development (Federal Security Grant)

The tentative completion date of the construction of the new Port Police headquarters is scheduled for March 2006. The exterior walls are erected and the roof is complete. Interior work including framing interior walls, roughing in the plumbing and HVAC are also completed. Some site work including grading and paving of the parking lot and installation of lights will not be completed until April 1, 2006

East End Security Project (Federal Security Grant)

The contract to construct the guard house and the entrance road to the east end of the Port will be advertised for bid on March 12 and March 19, 2006. Contract award is estimated by early April and a completion date of late August 2006 is anticipated. A separate contract to improve the fencing around the perimeter of the east end should begin by the end of March 2006. The Port of Galveston is working with the City and UTMB concerning a traffic light at the intersection of 14th Street and Harborside Drive. Funding for the new traffic signal is being pursued through the Houston-Galveston Area Council.

Cruise Terminal Access Road

Work on the cruise terminal access road and bus and public transportation area in front of Terminal No. 1 is complete. This area is a critical component to this project along with the new by-pass road to Terminal No. 2. Decorative fencing and landscaping have been installed. The only remaining work is the installation of signs, light poles and light fixtures. Signs were scheduled to be installed the week of February 27. The installation of the light poles has been delayed until mid-March pending receipt of the fixtures. This is a \$2 million project using funds loaned to the Galveston Port Facilities Corporation by Carnival Corporation.

Agriliance LLC Fertilizer Terminal Expansion

Construction on the new bulk fertilizer import warehouse on Pier 36, developed by port tenant Agriliance LLC, is rapidly moving forward. Completion of construction is projected for mid-March 2006. The first import cargo of urea through the new warehouse is expected in April 2006.

Items

- Item E-1 – The Board of Trustees of the Galveston Wharves authorized acceptance of the licenses for those stevedores doing business in the Port of Galveston providing all requirements are met. If those requirements are not met by the end of March 2006, the stevedore's license will be revoked.
- Item E-2 – The Board of Trustees of the Galveston Wharves authorized two board members to attend the 2006 Seminar for Port Commissioners and Governing Boards in June 2006 in Montreal, Canada.
- Item E-3 – The Board of Trustees of the Galveston Wharves accepted the lease/purchase agreement for the FMT Passenger Loading Bridge upon the approval of legal counsel.
- Item E-4 – The Board of Trustees of the Galveston Wharves authorized issuing an RFQ for a consultant or landscape architect not to exceed \$15,000 for the development of a plan and cost estimate for landscaping on Harborside Drive.

Next Meeting

The next regular meeting of the Board of Trustees of the Galveston Wharves is scheduled for Monday, March 27, 2006 at the main offices of the Port of Galveston located at 123 Rosenberg, 8th floor. Agendas are scheduled to be posted on the Port of Galveston website at www.portofgalveston.com prior to the meeting.

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