



BAYPORT REPORT



PORT OF HOUSTON AUTHORITY

WINTER 2008

PHA, Seabrook Continue Working Together per Agreement

The Port of Houston Authority continues to work with the city of Seabrook through the Memorandum of Settlement Agreement signed between both parties in late 2007. The agreement with Seabrook expands the port authority's use of berms and other barriers to shield the adjacent neighborhoods from Bayport's operations. In addition, the port authority and Seabrook contracted with the Galveston Bay Foundation to investigate and mitigate sedimentation of Pine Gully in Seabrook. The Pine Gully project is now in its second phase, which includes further analysis of preferred alternative, preliminary design development and obtaining of necessary permits.

Pine Gully is a tidal creek that starts a half-mile north of Red Bluff Road and flows east into Galveston Bay. The port authority and Seabrook will share the responsibility and cost as well as oversight of the engineering design and permitting for the restoration project. The port authority will commit approximately \$339,000 to the project for final design and construction service costs.

The port authority will construct a berm prior to construction of the rail line for cargo operations on the southeast side of the Bayport property. The parties will work together to create a trail system to become a portion of Seabrook's established network of hike and bike trails. About 41 acres of the port authority's land will be converted to park space.



A new commercial road over port authority property will be dedicated through the northwest side of Seabrook.

Rail service to the Bayport Terminal will be routed within the light industrial area of Seabrook. The port authority and Seabrook will work together to design a sound barrier to minimize rail noise in the area of State Highway 146, and up to \$1.6 million will be earmarked for its construction.

The port authority will also construct flood detention and retention ponds on the southeast border of the terminals. Additional restrictions will be put into place with respect to lighting, sound mitigation relative to operations, container storage and rail operations.



Seabrook's Planning and Zoning Commission and City Council have re-zoned port authority property south of the berm and north of the commercial road to a C-3 commercial zoning district. The PHA petitioned the Seabrook City Council for creation of an industrial district to encompass the terminal property, which was granted at the January 8 Seabrook City Council meeting. The port authority, in turn, entered into an Industrial District Agreement with the city of Seabrook at its January 22 port commission meeting.

Dear Neighbor:

Among our efforts to continue to be a good neighbor, the Port of Houston Authority is committed to keeping the local communities informed about projects, programs and other aspects of the Bayport container and cruise terminals.

Much progress is being made at both Bayport terminals, and we continue to take active steps to mitigate sound and the other environmental aspects of construction. The new cruise terminal and latest expansion of the container terminal are both set for completion before spring. In addition, we have completed designs for our first "green" building at Bayport, and the first wharf expansion.



An initiative to lessen sound concerns of local residents, the Sound Mitigation Pilot Program, is now ready to begin testing. We believe it is the first port-related sound mitigation program of its type in the nation.

Cruise Terminal

The cruise terminal is nearing completion. The dock and site work (including parking and landscaping) and the terminal building are set for completion by the end of March. Virtually all remaining work at the terminal is within the building interior, including flooring, wall finishes and security systems.

Container Terminal Work

The expansion of the container yard and gate facilities is expected to be completed by March. The work included paving of an additional 45 acres of pavement, using a special concrete paving process that reduced construction time by about six months. The expansion will enable a new shipping line to start work at Bayport in mid-March.

Separately, the construction work to extend the Bayport Container Terminal wharf 1,330 feet east of the existing wharf terminal is expected to start in May.

Sound Mitigation Pilot Program

Five houses have been selected for the Sound Mitigation Pilot Program. Testing began in February. PHA worked with a sound mitigation specialist to help design the pilot project and assist with addressing sound concerns of local residents. This program is the outcome of PHA meetings with local elected officials and community leaders.

Design of PHA's First "Green" Building

The port authority has completed designs for the permanent support buildings at Bayport. As the first "green" building constructed by the port authority, the Administration Building will serve terminal operations personnel, U.S. Customs & Border Protection officers and tenant company offices.

We will continue to keep you updated in future editions of the newsletter. Postcards on construction updates will also be mailed to local community members. If you have any questions or comments about Bayport, please call the information line at 713.670.1000.

A handwritten signature in black ink that reads "Roger Guenther". The signature is written in a cursive, flowing style.

Roger Guenther
General Manager, Container Terminals
Port of Houston Authority

Design for Port Road Expansion Nears Completion

The design for the widening of Port Road to a four-lane boulevard is nearing completion, and the project remains on track for a construction contract award by TxDOT this summer. The design will include additional dedicated left turn lanes, to enable traffic to flow past old Highway 146 and plant entrances. The new lanes will be concrete with curb and gutter, and the original section of roadway from SH 146 to the container terminal will be reconstructed as a reinforced concrete pavement. The Port Road project is being designed in coordination with the design of the future interchange with SH 146, potentially providing direct connectors to Port Road, and allowing Port Road traffic to and from SH 146 North to use ramps that bypass the intersection under the highway.

Additionally, TxDOT has reviewed traffic patterns at Port Road and SH 146, and will add stop signs on Port Road at the interchange. The revised signage may be installed as early as April.

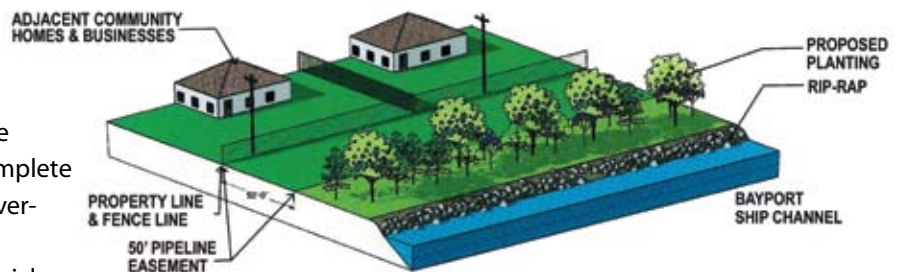


Dredging Continues, Moorings to be Installed

PHA awarded a contract to Orion Construction in November to perform dredging for the next berth at the Bayport Container Terminal and install additional moorings for container ships. Dredging began in January and will continue through April, using the quiet electric dredge that previously worked at the cruise terminal and the Bayport channel. One mooring will be a pipe pile similar to the piles installed by Orion at the cruise terminal wharf.

North Shore Landscaping Enhancement in Progress

The design of the landscape enhancement project for the North Shore of the Bayport channel is expected to be complete by March, and a construction contract will soon after be advertised and awarded. Enhanced landscaping includes trees and shrubbery designed to help screen sight lines to industrial areas at Bayport, without interrupting southerly breezes. The project will include an irrigation system, to help assure high survivability of the plants and promote rapid growth. The plants will be native species that are adaptable to the nearby marine environment, and will be predominately evergreens.



Future Work Includes PHA's First "Green" Building



The port authority has completed designs for the permanent support buildings at Bayport and the wharf expansion. As the first "green" building constructed by the port authority, the Administration Building will provide space for terminal operations personnel, U.S. Customs & Border Protection officers and tenant company offices. The Maintenance and Repair building will enable port personnel to efficiently maintain and repair the \$50 million of equipment already in service at the terminal, along with future equipment. Separately, the Container Terminal wharf will be extended 1,330 feet east of the existing wharf terminal, with construction expected to start in May.

The new wharf will be similar in appearance and function to the current facility, although much of the construction will occur over water instead of on land. This project will include elements of construction, including a tie-back system, similar to the successful configuration of the cruise terminal wharf.

Good Neighbor Hotline: 713.670.1000

The Bayport Terminal Construction Project includes a Telephone Information Line designed to allow residents of adjacent communities and businesses to obtain information or to comment on the construction and operation of the terminal.

If you have a question, comment, or concern, please leave a message and your call will be responded to in a timely manner. Every effort will be made to get in touch with the appropriate contact at Bayport who can provide the caller with complete details surrounding each inquiry.



Come See Bayport:

Would you or your organization like to take a tour of the Bayport Container and Cruise terminals or have someone from the Port of Houston Authority address your organization?

Please call Kristi Bogie at **713.670.2831** to schedule a tour or a speaker.

Tours are scheduled for Thursdays and Fridays from 8 a.m. – 5 p.m.

Save the Date: TRASH BASH 2008

Saturday, March 29
8 a.m. to 1:30 p.m., Rain or Shine!

For the 3rd year, the Port of Houston Authority will participate as a site coordinator for River, Lakes, Bays 'N Bayous Annual Trash Bash at Baytown Nature Center. Some of the many sites available to volunteers include:

Bay Area Park
Seabrook
Dickinson Bayou Boat Ramp
Texas City Dike
Scenic Galveston Preserve:
O'Quinn Corridor / Virginia Point



Trash Bash is an annual event where corporate sponsors and organizations volunteer to clean up the watersheds in and around the Houston-Galveston area which impact Galveston Bay.

Individuals, families, civic groups and students are encouraged to attend. Following the cleanup, volunteers will enjoy a free lunch, door prizes, entertainment, educational exhibits and receive a Trash Bash t-shirt.

For additional information, please go to the Web site at www.trashbash.org or call **281.486.9500**.



The Port of Houston Delivers a Good Neighbor Plan



The Port of Houston Authority
111 East Loop North
Houston, Texas 77029

PRSRT STD
US Postage
PAID
Houston, TX
Permit #1395