

webber

Financing Cruise Terminal Development February 10, 2011

Presenter: Larry Hurley, PE
President of Webber

webber

- Largest Transportation Contractor in Texas
- Houston based
- 2,000 employees
- \$610 Million Annual Revenues
- 1 Ports Contract – Port of Galveston
- So what do I have to share with you?



Financing Cruise Terminal Development

webber

Terminal 2



Financing Cruise Terminal Development

Port of Galveston

- 2002
 - IRS 6320 Corporation – Formed the Galveston Ports Facility Corporation
 - Expanded from providing engineering services only to offering a full portfolio of services
 - Design, Construction, Construction Management and Financing if required

webber



Financing Cruise Terminal Development

POG 2002 – 2008

- Terminal 2
 - Multiple Phases – 4 design & construction phases
 - Limited Schedule – Royal Caribbean
 - 3 Hurricanes and 19" of rain during phase 1
 - Limited Capital Funds – build to budget - \$20M
 - Limited Footprints
 - Grain Silos
 - Capital Financing

webber



Financing Cruise Terminal Development

POG 2003 – 2007

- Terminal 1
 - Multiple Phases – 3 construction phases
 - Extensive internal and external improvements to operating facility
 - Limited Schedule – Carnival Cruise Lines
 - Limited capital funds – build to budget - \$22M

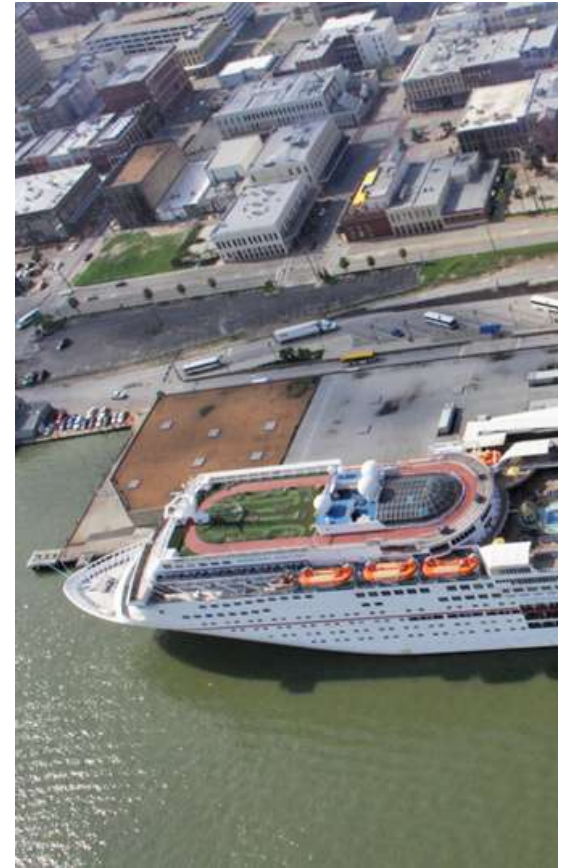
webber



Financing Cruise Terminal Development

Bayonne, NJ – 2006

- Cape Liberty – Royal Caribbean
 - Single Phase Construction
 - Very Tight Schedule – January to May
 - Working Location – Texas to New Jersey
 - 17 Local Unions and City Services and Utilities
 - Limited Capital Budget - \$10M



Financing Cruise Terminal Development

Common Theme

- Client needs required immediate improvements
- Limited Capital Funding
- Scope requirements exceeded reality
- Aggressive schedules

Our Solution

- Full Service Project Delivery
 - Understand the clients agenda
 - Open discussion concerning wants vs. needs
 - Honest and open communications
- Understand the clients financial limitations
 - Shared contingency accounts
 - Open bids

Our Solution

- We became part of the owner's team
- We understood what was required
- We worked with owner to achieve all their goals
 - Financial
 - Schedule
 - Met tenant expectations

POG – 2010

- Terminal 1
 - Webber is a new contractor with the POG
 - Expanding Cruise Terminal 1 for CCL “Magic”
Nov. `11
 - Completion scheduled for June 2011
 - Scope (wants vs. needs) > contract value
 - Schedule at this stage is not a significant issue
 - Working with POG to meet their needs +
some wants



Financing Cruise Terminal Development

Conclusion

- Know what your client wants
- Work on communications
- Be flexible to creative financial solutions
- Share risks where it makes sense
- Become part of an integrated project delivery team