Financing Cruise Terminal Development
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President of 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?

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Terminal 2

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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
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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
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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
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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
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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

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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
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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