



Florida Department of Transportation-D-6 News Clip Port of Miami Tunnel Project

From: *Miami Today*, Thursday, July 27, 2006
Subject: **Port of Miami revenues up 4% year to date, official reports**

By Charlotte Libov

Port of Miami revenues in the fiscal year's first eight months rose about 4% from the same period last year, the port's top official says.

Port revenues hit \$63.4 million through May, up from \$60.9 for through May of 2005. Cruise revenue rose to \$34.1 million from \$31.9 million for the period last year. However revenue from cargo operations, which makes up about 50% of port business, rose only slightly to \$29.2 million from last year's \$29 million. The port's fiscal year begins Oct. 1.

Cargo manager Ray Mauri said hurricanes Katrina and Wilma kept the revenue gains on the freight side from being higher. "In October, we had 25 cargo cancellations that month, due to the storms, so we started the year down 28%," he said. "Now we are down less, so we are chipping away at that deficit. We should start bounding back."

Bill Johnson, the port's interim director, said the increase in cruise business is no surprise. "People want to take cruise vacations, and we have new vessels here, like Freedom of the Seas, the brand new Royal Caribbean ship," he said. Still, he added, several steps are needed to keep the seaport's cruise business strong.

"There is a lot of competition, both in the cruise and the cargo business," he said. "After 9/11, people wanted to fly less and this gave other ports opportunities. New York entered in a big way. There was a redeployment of vessels to other ports, including Tampa, Jacksonville, California and Hawaii." This means that to stay competitive, Miami must "make our services as state-of-the-art as we can," he said.

Mr. Johnson has said the port needs a \$365 million capital-improvement infusion to remain competitive. But in addition, he said, steps are needed to improve port access, making it more convenient for both passengers and freight.

"The cruise business is truly a business. You need to be able to provide good, safe, convenient ports for cruise lines and passengers," he said.

"We need to work with our three major cruise partners as well as the smaller, boutique cruise lines," he said, referring to the large cruise lines—Carnival, Royal Caribbean, and Norwegian Cruise Lines, that call the port home, as well as the smaller operators such as Costa Cruises, Crystal Cruises and Windjammer Barefoot Cruises.

To do this, access over Port Boulevard and the Port Bridge needs an upgrade.

"Access to the port is on everyone's mind. It deals with a quality of life issue.

“We are a world-class city. We don’t want congestion on our streets—given the new residential projects going up in the area, as well as the opening of the Miami Performing Art Center and the new museums planned,” he said. “This is very significant and very important, and we’ve had great support from our business partners, including the Beacon Council and the Greater Miami Convention & Visitor’s Bureau.”

Currently, there is a bottleneck before reaching the terminals. Port officials had hoped to open 10 more traffic lanes in June, but that’s been delayed due to a lack of funding, said Andria C. Muniz, the port spokeswoman.

Mr. Johnson is also pinning his hopes on a proposed \$1-billion-plus Port of Miami Tunnel, which would divert freight trucks from downtown. “We’re trying to get our hands around that project. It would remove congestion from downtown streets,” Mr. Johnson said.

He also hopes the Phase III Dredging at the port will become a reality. Congress has yet to pass the bill to deepen the port so that it could accommodate large vessels. “The industry trend right now is, the larger the ship, the more capacity, so we need to be able to accommodate this trend in years to come,” he said.

Last year, the seaport served as home port for 176 cruise ships, that travel to destinations including the Bahamas, Mexico, the Caribbean, South America and the Far East. It’s also the largest cargo seaport in Florida, and welcomed new service to the Far East, Europe and South America.