

**STATEMENTS OF THE PRESIDENTS OF
THE LOS ANGELES BOARD OF HARBOR COMMISSIONERS
AND THE LONG BEACH BOARD OF HARBOR COMMISSIONERS**

At the Joint Special Meetings of the Los Angeles Board of Harbor Commissioners and the Long Beach Board of Harbor Commissioners (the Commissions”) held on Monday, November 20, 2006, at 1:00 P.M. in the Long Beach City Council Chamber, 333 W. Ocean Blvd., Long Beach, California, the two Commissions unanimously adopted the San Pedro Bay Ports Clean Air Action Plan as reflected in the minute record of the proceedings. At the meeting, the Presidents of the Commissions made the following statements, findings and proposed amendments which were incorporated into the Clean Air Action Plan that was approved by the Commissions:

First, we agree with the demand of many of those who commented on the Plan that there must be measurable goals so the public can have a yardstick to measure progress. So, we propose that we commit to a goal of reducing particulate emissions in 2008 by at least 15% from what it would be without the plan, ratcheting up each year to at least a 45% reduction in 2011.

Second, we think we need to recognize that ultrafine particles are probably the most damaging of the fossil-fuel related air pollutants to human health. Accordingly, we propose that the staffs of the two Ports be directed to work with the USC Research Group on Ultrafine Particles to present the results and suggested next steps to the two commissions no later than July 1, 2007. In addition, our new Technology Advancement Program must include ways to eliminate emissions of ultrafine particles, which in reality, in our view, means moving towards carbon-free fuels.

Third, we should recognize that the recently enacted California Global Warming Solutions Act of 2006 (AB32) requires carbon emissions be reduced back to 1990 levels by the year 2020. In light of the growth prospects of the two Ports, that means we must switch to carbon-free fuels (for example, green electricity) and other carbon-free technologies in every possible application as soon as possible. Toward that end we propose we direct our respective staffs to include such technology in our Technology Advancement Program. As part of that effort the Ports pledge to contribute and raise from other interested parties the many millions needed to fund this vital effort.

Also there is one technical amendment we offer to make clear that implementation of the individual Plan measures are subject to additional CEQA review, a fact that is beyond dispute and in the interest of all parties. We therefore move that on page 19 of the Overview and page 24 of the Technical Report the three words after “conducted” be stricken and replaced with “subject to CEQA statute, regulations and guidelines”.

Both the environmental organizations and the business communities have expressed a desire for a continuous process for participation in the ongoing review and improvement of the Clean Air Action Plan in the months and years ahead. We welcome such participation. We therefore urge ALL groups to provide the ports, within the next 30 days following adoption of the CAAP [by December 20, 2006], their ideas for how such public participation can best be conducted. We will promptly approve and implement that process within 30 days after receipt and review of their ideas.

A critical initiative in the Plan is a massive effort to deal with the well-recognized problem of heavily polluting trucks driven by under-paid drivers. These trucks produce 10% of the port-related diesel particulate emissions and fully 25% of the NOx emissions. The Ports have identified over 16,000 individual vehicles that make 80% of the trips to and from Port terminals, so cleaning up those vehicles would eliminate a significant portion of port-related air pollution.

That will be a hugely expensive effort that will involve replacing many trucks and retrofitting others with pollution control devices. The commissioners of both Ports believe that we can tackle the dirty truck problem in a manner consistent with the Clean Air Action Plan.

Accordingly, we propose that we direct our respective staffs to work expeditiously to bring forward a plan with the following elements for further future approval of these boards:

- a. The Ports undertake a 5-year, focused effort to replace or retrofit the entire fleet of over 16,000 trucks that regularly serve our Port with trucks that at least meet the 2007 control standards and that are driven by people who at least earn the prevailing wage.
- b. The Ports establish within their respective districts a program that restricts the operation of trucks that do not meet the clean standards established in the Plan. Further, that we impose a system of fees and transportation charges to raise the necessary funds to pay for the cleaner trucks. These fees would be imposed on the shippers, and not on the drivers.
- c. The Ports will invite private enterprise trucking companies to hire the drivers on terms that offer the proper incentives and conditions to achieve the Clean Air Action Plan goals while resulting in adequately paid drivers.
- d. The Ports begin this program with an infusion of cash to the Gateway Cities Program that would fund a 500-truck program that will demonstrate the applicability of new retrofit technologies. This

demonstration program will be activated in the 1st quarter of 2007, and the full 16,800-truck program will be rolled out shortly thereafter.

- e. The Ports develop requests for proposals that will encourage truck fleets of alternatively-fueled vehicles, for example, LNG.

We believe that we can count on the support of our private industry and government partners in this effort.

We believe that this program would enable the Ports to achieve one of the major goals of the Clean Air Action Plan quickly and with minimum economic impact to the people who can least afford to absorb extra costs, namely the hard-working truck drivers who move so much of the cargo.

That leads to our second point, which is the issue of monetary incentives. Many people have commented that the Ports need to pay to clean up pollution from port operations. Both Boards want to make it clear that the Ports cannot and will not subsidize the cost of cleaner transportation indefinitely. Those expenses are a legitimate cost of doing business, and we believe that our position will ensure that companies engaged in goods movement pay their fair share of the cost of cleaning up our air and protecting our citizens. Accordingly, it is our policy that monetary payments by the Ports for cleaner technologies and fuels will be granted to true pioneers in the industry, but only for short periods of time. After that, each entity must bear the costs of reducing pollution from its operations.