



San Pedro Bay Ports Clean Air Action Plan

For Immediate Release

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Ports to Consider Cargo Fee for Transportation Projects

Charges would raise \$1.4 billion for bridges, roads, rail networks in harbor area

The Long Beach and Los Angeles Boards of Harbor Commissioners on Monday, January 14, 2008, in a joint meeting, will consider a cargo fee that would generate \$1.4 billion for transportation projects to improve traffic flow and air quality in the harbor area. The fee would be in addition to one enacted in December to help fund the ports' Clean Trucks Program.

The transportation infrastructure funding would be used for bridge, railway and road improvements used in port-related goods movement, including replacement of the Gerald Desmond and Heim bridges, freeway connector improvements, and port-area rail enhancements, which reduce the need for local truck trips.

Funds generated by the infrastructure cargo fee would be used to match Proposition 1B funds, which California voters approved in 2006 to help pay for major transportation and air quality improvement projects. Together, the cargo fee and Proposition 1B funds will finance about \$3 billion in improvements.

"These infrastructure improvements will deliver major benefits to the community in improved traffic flow and reduced air pollution," said Long Beach Port Executive Director Richard D. Steinke. "Importantly, they will also help support the economy and jobs by ensuring the continued efficient movement of cargo."

"Proceeds from this tariff will help make our bridges safer, improve highway safety and congestion, and shift more containers from trucks to on-dock rail," added Port of Los Angeles Executive Director Geraldine Knatz Ph.D. "It also generates local dollars to help our ports obtain additional state and federal funding for infrastructure and air quality projects."

The proposed fee would be assessed on every loaded 20-foot equivalent (TEU) cargo container entering or leaving any terminal by truck or train beginning January 1, 2009. The amount would fluctuate based on the current funding needs of approved projects. It is anticipated that the charge would be \$15 per loaded TEU for seven years, but could vary depending on how quickly the ports move forward with their projects.

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If approved by both commissions the cargo fee would apply to the entire San Pedro Bay. Funds from the proposed fee program would be used only for approved local projects. Spending would be limited to specific projects after project approval by the applicable lead agency and fee collection would stop when those projects are completed.

As proposed, cargo fee revenue and Proposition 1B funds would pay for rail and highway projects including improvement of the ports' rail network, which will help reduce truck trips to the ports. Local highway improvements include replacement of the Gerald Desmond Bridge from Long Beach to Terminal Island and construction of an interchange to allow the removal of a traffic light at Navy Way and Seaside Avenue. The ports also propose to improve access from the Harbor Freeway to the Port of Los Angeles and upgrade the Terminal Island Freeway by replacing the Schuyler Heim drawbridge and constructing a four-lane, elevated expressway between Ocean Boulevard and Alameda Street at Pacific Coast Highway. Also proposed is a highway-railroad grade separation in south Wilmington.

The projects are included in the California Goods Movement Action Plan, which was the result of intensive collaboration during the past several years by business, transportation and environmental interests.

The Long Beach and Los Angeles Commissions will meet jointly Monday, January 14, at 1 p.m. to consider adopting the cargo fee. The meeting will be at the Long Beach Port Administration Building, 925 Harbor Plaza, and broadcast live on the web at www.polb.com.

In December 2007, the ports approved a cargo fee of \$35 per loaded TEU to generate \$1.6 billion to help fund the Clean Trucks Program to replace and retrofit old, polluting trucks.

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