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Executive Director

October 19, 2021

The Honorable Joseph R. Biden, Jr.
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Biden:

I write to express my gratitude for your invitation to the White House last week to discuss supply chain disruption and potential solutions. The initiatives we identified represent a major step forward and we are intent on using this opportunity to reach agreement with our supply chain partners on measures to address the unprecedented strain on the nation's goods movement system.

Combined, the ports of Los Angeles and Long Beach handle 40% of the container traffic that enter the United States. With both ports now moving towards operationalizing our 24/7 goal, your continued leadership in securing commitments from cargo owners to take advantage of extended hours is critical. For our part, the Port of Los Angeles remains committed to convening decision makers from across the supply chain to implement solutions and drive continued improvement in our operational situation.

Over the longer term, the need for continued federal partnership to build resiliency and adaptability into our goods movement system has never been greater. The Infrastructure Investment and Jobs Act pending in Congress would provide approximately \$17 billion for port and waterway infrastructure. Together with the Build Back Better package, which focuses on human infrastructure, I believe there are several long-term investments and changes that could help prevent future disruptions.

Terminal Island Cargo Support Facility

The Port of Los Angeles is identifying properties within the port complex that can serve as flex capacity, which will assist with operational challenges such as empty container returns, staging for loaded import containers, and other marine terminal support functions. Over the long term, we recommend permanent activation of an 80-acre site on Terminal Island to serve this purpose.

To that end, we request support for a grade separation project with an estimated project cost of \$50 million that will provide unimpeded access to an 80-acres site on Terminal Island. Currently, the site is enclosed by a loop of active and heavily used rail tracks limiting accessibility by truck or other equipment. Grade separation will open unimpeded access to this site and enable its use as a flex capacity space to assist with future cargo surges.

Workforce Training and Development

Supply chain workers are essential workers. Ensuring an adequate supply of trained workers across the goods movement system is fundamental to system resiliency. Therefore, we request support for a Goods Movement Workforce Training Center at the Port of Los Angeles. With a project cost of approximately \$150 million, the facility will be the first training campus in the U.S. dedicated to the goods movement industry. It is designed to attract new workers, address skill shortages, and provide opportunities for workforce up-skilling or re-skilling to help alleviate the workforce shortages contributing to the current supply chain disruption as well as address the rapidly changing needs of the industry. It will also be built with an eye towards a greener future and will be a resource for workers in the industry to train on zero emission (ZE) technologies.

Supply Chain Visibility

As we continue to meet with supply chain users and service providers, one consistent message is the need for timely and uniform sharing of information across the supply chain. Ports in the United States remain behind their international peers in this regard. We support continued implementation of supply chain digitalization and interoperability. At the Port of Los Angeles, we are investing in this critical technology through our Port Optimizer system. The Port Optimizer digitizes maritime shipping data for cargo owners and supply chain stakeholders to improve operational efficiency. It helps cargo owners bring their goods to market in a more predictable and timely manner.

Expanding the use of the Port Optimizer within the Port of Los Angeles – and elsewhere – will provide real-time data and information to supply chain stakeholders as they seek to address the current backlogs. We therefore ask for federal partnership in the form of a \$6 million grant from the Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) program for a new Port Optimizer module called the Gateway.

Zero Emission Technology Investment

Supply chain disruption and inefficiency lead to higher emissions of greenhouse gases and criteria pollutants. Under our Clean Air Action Plan (CAAP), we have set a goal of achieving a 100% ZE trucks by 2035 and 100% ZE cargo handling equipment by 2030.

Currently, we are developing a first-in-the-nation program to deploy ZE trucks in the near-term to handle cargo movement to destinations within a 25-mile radius. This will accelerate development and widespread adoption of ZE port trucks and concentrate air quality benefits in those impacted communities along major freight routes. We intend to support this program with port funds and ask you to consider partnering with us to fund ZE truck deployment and supporting infrastructure.

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We look forward to working with you and your administration to address the challenges facing the nation's supply chains. Thank you again for your willingness to work with the supply chain sector and your direction in bringing the resources of the federal government to address these critical supply chain challenges. Please feel free to contact me at Gene_Seroka@portla.org or 310-732-3456 for additional information.

Sincerely,



EUGENE D. SEROKA
Executive Director
Port of Los Angeles

cc: The Honorable Nancy Pelosi, Speaker of the House
The Honorable Charles E. Schumer, Senate Majority Leader
The Honorable Pete Buttigieg, U.S. Secretary of Transportation
Mr. Brian Deese, Director of the National Economic Council
Mr. John Porcari, Biden-Harris Administration, Port Envoy
Ms. Julie Rodriguez, Director of the White House Office of Intergovernmental Affairs