

tie lines – August 2005

The Port of Long Beach's monthly newsletter

AROUND THE PORT . . .

Amid steady gains in imports and exports, the total number of cargo containers shipped through the Port of Long Beach in June climbed 16.7 percent to the equivalent of 576,604 twenty-foot-long container units, compared with the same month a year ago.

The number of inbound containers increased 12.8 percent to 294,252 twenty-foot equivalent units (TEUs). The number of outbound containers jumped 23.3 percent to 101,381 TEUs. The number of empty containers, most of them headed overseas, rose 19.7 percent to 180,971 TEUs.

Through the first six months of 2005, the shipping terminals at the Port reported a 24 percent jump in container cargo volume to 3,153,532 TEUs, compared with the same period a year ago.

Imports were up 18.5 percent, while exports rose 20.5 percent. Still, with an imbalance in trade, the number of empties jumped 36.3 percent in the first half of 2005.

Historically, the second half of the year is much busier, buoyed by peak season shipments for the year-end holiday season.

The Long Beach Board of Harbor Commissioners has adopted a \$411.1 million budget for the 2005–06 fiscal year beginning Oct. 1. The budget is \$40 million or 8.8 percent less than the 2004-05 spending plan, primarily because of reductions in capital outlays.

The budget sets aside \$217.5 million for capital improvements including an on-going project at Piers D and E, site preparation at Pier S, the third phase of development of the Pier T container terminal, and the rebuilding of the Ocean Boulevard/Terminal Island interchange.

New projects include proposed improvements for the Pier A and Pier G container terminals. To further tighten security, the Port will spend about \$27 million on security staff, enhancement of a video surveillance system, a command and control center, and an incident management system.

While the 2006 Port budget reflects a slowing of construction activity, the spending plan includes major investments in environmental protection including a new \$100 million Green Port reserve fund.

The budget allocates nearly \$33 million for Green Port efforts in fiscal 2006 such as shore-to-ship electrical power ("cold ironing"), storm water pollution prevention, dust controls, wetlands mitigation, diesel emissions reductions, remediation of Superfund sites, and reduction of petroleum coke impacts.

The new Green Port infrastructure long-term reserve fund will be used for projects such as the proposed electrical infrastructure for cold ironing, and rail improvements.

The budget now goes to the City Council for its approval.

PierPASS Inc. surpassed expectations, getting off to a strong start with its OffPeak night

and Saturday truck gate shifts at the ports of Long Beach and Los Angeles.

More than 7,500 containers entered or exited marine terminals during each of the first four nights of the program, July 25 through 28, about 29 percent of a typical day's volume of 26,000 containers. PierPASS had set a goal of moving 30 percent of cargo during the second year of the OffPeak shifts.

The first OffPeak Saturday shift, held July 23 during daytime hours, also drew heavier-than-expected cargo volume. The OffPeak program aims to reduce traffic congestion in and around the ports by shifting cargo movement to nights and weekends, when highway traffic is light.

Under the OffPeak program, marine terminals have established five new shifts per week (Monday through Thursday from 6:00 p.m. to 3:00 a.m. and Saturday from 8:00 a.m. to 6:00 p.m.).

As an incentive to use the new OffPeak shifts, a Traffic Mitigation Fee is required for most cargo moves during peak hours (Monday through Friday, 3:00 a.m. to 6:00 p.m.).

Detailed information on PierPASS, the OffPeak program, the Traffic Mitigation Fee (including who must pay it, when it must be paid, payment methods, and credit account information) is available at www.pierpass.org.

The Marine Exchange, which monitors vessel traffic, continues to report a smooth flow of ships in and out of the ports of Long Beach and Los Angeles through July.

With few exceptions, the total vessel counts this year have remained within the "normal range" of 35 to 50 ships at the two ports on any given day.

The Board of Harbor Commissioners has approved a two-year \$1.2 million contract with eModal.com LLC and International Asset Systems Ltd. Inc. to develop a web-based virtual container yard, sort of an "eBay for empty containers."

Currently, once an import container is emptied at a warehouse, the empty container is trucked back to the port terminal. When exporters need empty containers, they dispatch truckers to the port.

With the virtual container yard, these truck trips to the port could be reduced. Those with empty containers could be matched up on-line with those needing empty containers. The virtual container yard could reduce as many as 1,650 truck trips a day from the Long Beach (710) Freeway.

One of the world's largest container ships, Hanjin Shipping Co.'s 8,000-TEU Hanjin Boston, made its maiden call to Long Beach on July 25 at Total Terminals International's facility on Terminal Island.

The Boston is the first of five 8,000-TEU ships coming to TTI's Pier T terminal through the end of the year. The Hanjin Miami is scheduled for its maiden call in August, to be followed by the Hanjin Baltimore, Yantian and Dallas.

Built by Hyundai Heavy Industries, the Boston is 984.3 feet long, 140.4 feet wide (or 17 containers across), which is 30 feet wider than the Panama Canal; and has a maximum speed of 25.2 knots.

The Boston will operate in Hanjin's Pacific Express Service (PSX), which calls in Yantian

(China), Hong Kong, Kaohsiung (Taiwan), Gwangyang and Busan (South Korea), Long Beach, Oakland, Seattle, then back to Busan and Yantian. Cargo loaded aboard the Boston in China will arrive 14 days later in Long Beach.

The Hanjin Boston is among a new generation of 8,000-TEU vessels that have begun to call at the Port of Long Beach.

Long Beach is one of the few U.S. ports with the deep channels and large shipping terminals capable of handling these giant vessels fully loaded.

Five other lines have 8,000-TEU ships calling in Long Beach: Orient Overseas Container Line (OOCL), China Shipping, China Ocean Shipping Co. (COSCO), CMA CGM and Mediterranean Shipping Co. (MSC).

Gov. Arnold Schwarzenegger presented \$5 million in grants to improve port security at 11 of California's largest ports, including \$750,000 to the Port of Long Beach.

California's ports bring in 43 percent of the nation's cargo containers. The \$5 million in grants from the state Office of Homeland Security will be used for communications equipment, physical security improvements such as cameras, lighting and fencing, underwater surveillance, personal protective equipment for port first responders and training for port security personnel.

Construction of the detour road for the \$34 million Ocean Boulevard/Terminal Island Freeway Interchange project is well underway. Look for a switch of traffic from Ocean Boulevard onto the detour road in October.

Irvine-based Ortiz Enterprises Inc. is rebuilding the interchange to improve traffic flow.

Completion is scheduled for February 2007.

When completed, motorists using Ocean Boulevard will be able to travel non-stop east and west on a new, elevated roadway over the intersections with the Terminal Island Freeway and Henry Ford Avenue. Currently, traffic signals at these intersections often cause backups.

With the lease for one of its two Port of Long Beach rail yards expiring at the end of 2006, Toyota Logistics Services has announced plans to import and process select Toyota vehicles through the Port of Benicia in Northern California beginning in the fall of 2006.

Trains to Arkansas, Mississippi, Oklahoma, Texas and parts of California will move Toyotas shipped through the 34-acre Benicia facility. Toyota will continue to ship vehicles through its 144-acre Long Beach terminal and other West Coast facility at the Port of Portland.

The Port of Long Beach is studying a proposal to merge Toyota's expiring 30-acre Wilmington rail yard into the adjacent 170-acre SSA Terminals container facility used by Mediterranean Shipping, Zim and CMA CGM.

To make the wharf footage marks more readable -- especially important for the new, larger 8,000-TEU container vessels -- the Port has begun to repaint and enlarge the footage marks.

The Jacobsen port pilots use the footage marks to position and properly dock vessels at the appropriate berth. The numbers have been six inches high, and will be repainted and replaced with 10-inch-high numbers.

So far, the markings have been repainted at Berths A90-96, F204-207, and J266-270. Next up are the markings at Berths T132-140, with the remaining berths scheduled over the next few months.

SSA Marine has relocated three of its older Paceco ship-to-shore cranes from its Pier J Pacific Container Terminal, barging them to its Port of Seattle Terminal 18 facility.

SSA has recently taken delivery on a series of newer, larger cranes from China for its Pier J terminal, where it now has 10 gantry cranes.

John Husing, a leading authority on the Southern California economy, will be the speaker at the Harbor Transportation Club dinner Aug. 11 at the Reef Restaurant in Long Beach Harbor. For more information, call (562) 434-7393 or e-mail info@htc.org.

The Harbor Transportation Club will host its 18th annual Harbor Cruise at the ports of Long Beach and Los Angeles on Sept. 15.

The boat will depart at 6 p.m. from the Catalina Express Terminal, Berth 95, in San Pedro. For more information, contact info@htc.org or (562) 434-7393.

The California Air Resources Board will be hosting a series of public workshops on Aug. 24 on three draft regulations requiring reductions in air pollution from cargo-handling equipment, auxiliary engines on oceangoing vessels, and incinerators on cruise ships.

The workshops will be held 10 a.m. to 4 p.m. at the Port Administration Building, 925 Harbor Plaza; and 6 to 9 p.m. at the Long Beach Senior Center, 1150 E. 4th St.

PORT PEOPLE . . .

George Seufert, who retired in 1981 as director of maintenance at the Port of Long Beach, died July 13. He was 83.

Seufert, a Navy veteran, worked for 35 years at the Port. After his retirement, he remained active with the Port Ambassadors and the International Seafarer's Center.

Al Garnier, the COO of Metropolitan Stevedore, and Rob Waterman, a Metro Assistant VP, were among the crew of the Garnier family's Reinrag2 yacht, which won Division III of the centennial Transpacific Yacht Race from Long Beach to Hawaii.

The victory was the Reinrag2's third division win in four years.

A team of Port of Long Beach golfers headed by Jim Santa Ana and Kerry Stewart of the Engineering Division has won the Harbor Association of Industry and Commerce's 11th annual Harbor Cup Golf Tournament for the second year in a row.

They beat a team from the Port of Los Angeles by one stroke in sweltering conditions at the Rio Hondo Country Club.

The Board of Harbor Commissioners has appointed Randy Rich as the director of maintenance for the Long Beach Harbor Department. Rich, formerly the public works

superintendent for the City of Cypress, succeeds Keith Allen who retired last year.