

FIRST MEGA-TERMINAL: Port Completes First Phase; Turns Over 288 acres to Hanjin

LONG BEACH, Calif. Aug. 19, 2002 – The Port of Long Beach has formally declared construction complete on the first phase of a new 375-acre Pier T shipping terminal on Terminal Island – the port's largest container cargo facility and its first "mega-terminal."

With the certification of eight gantry cranes marking the final step in the completion of the 288-acre first phase, the port has turned over use of the Pier T facility to Hanjin Shipping Co. The South Korea shipping line, one of the world's largest, will operate the terminal under a 25-year lease that calls for Hanjin to pay the port a minimum of \$42 million a year. Financed without taxpayer money, the \$576 million Pier T project is the largest in the port's history in dollar terms.

Hanjin will be moving from its existing Long Beach terminal north of Terminal Island at Pier A – previously the port's largest container terminal. Hanjin has tentatively scheduled its first vessel call at Pier T for mid-September.

"Hanjin's move to Pier T launches the era of mega-terminals here at the Port of Long Beach," said port Executive Director Richard D. Steinke. "We project a doubling or tripling of trade during the next two decades. To accommodate trade growth, shipping lines have begun building larger ships. To accommodate the increasing cargo volumes and larger ships, we are building larger shipping terminals. Pier T is the first of our 'mega-terminals.'"

Hanjin's move is the latest for the Korean line, reflecting its growth in Long Beach and the boom in Pacific Rim trade. Hanjin began calling in Long Beach in 1979, moving into its first dedicated terminal in 1991, a 57-acre facility at Pier C. In 1997, the Korean shipping line moved to its 170-acre facility at Pier A where, in 1999, it became the first Long Beach terminal to handle the equivalent of 1 million container units in a single year.

The massive scale of the new Pier T terminal reflects the promising outlook for trade. When completed next year, the facility will be equal in size to 280 football fields. The first phase features a 3,700-foot-long deep-water wharf with a minimum water depth of 50 feet. (The port will complete another 1,300 feet of concrete wharf in the second 87-acre phase.) The Pier T facility includes a 29-lane truck gate, more than 140,000 square feet of terminal buildings, and the nation's largest on-dock rail yard with more than 83,000 feet of rail linked to the newly opened Alameda Corridor.

Among the terminal's most prominent landmarks are its 12 bright-red ship-to-shore gantry cranes. Costing \$7 million each, the cranes are among the largest and fastest in the world, standing 350 feet high with their lifting booms raised and featuring sophisticated computer technology. They are each capable of lifting 100 tons. The cranes can reach across a yet-to-be-built generation of vessels with a width of 22 containers each eight feet wide. The largest vessels today are 17 containers wide.

The first phase resulted in the employment of 5,500 temporary construction workers under 15 major construction contracts. Once Hanjin moves into Pier T, the facility will employ nearly 600 full-time management and union workers.

The Pier T site was formerly home for nearly half a century to thousands of sailors and civilians based at the Long Beach Naval Station and the Long Beach Naval Shipyard. With the end of the Cold War, Congress closed the Naval Complex in the mid-1990s and transferred use of the land to the city of Long Beach for redevelopment in 1998.

“The successful redevelopment of Pier T has been a model for the military base reuse process,” said Steinke. “These former federal lands have found a new productive use as a major center for international trade and jobs.”

Both the Navy and the port have been lauded for their part in the environmentally sensitive redevelopment of Pier T. The Navy has remediated contaminated land. The port dredged contaminated sediment from the harbor floor and safely sandwiched the sediment within landfill created to expand another shipping terminal. The U.S. Environmental Protection Agency and the California Regional Water Quality Control Board honored the port for its environmentally conscientious work.

For more information on Pier T, including a photo tour, visit the port's web site at www.polb.com.

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