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August 2001

AROUND THE PORT

SSAT Long Beach has signed a letter of intent to lease the Port of Long Beach's 170-acre Pier A container cargo terminal - located north of Terminal Island and currently the port's largest shipping facility.

Meanwhile, SSAT Long Beach has signed a 25-year agreement with Geneva-based Mediterranean Shipping to move over from the Port of Los Angeles and operate at Pier A.

The letter of intent calls for SSAT Long Beach to take over operation of Pier A in the third quarter of 2002, after its current operator, Hanjin Shipping Co., vacates the facility. Hanjin will be moving to a new, \$525 million container terminal under construction on Terminal Island and scheduled to open by July 2002. Hanjin's 375-acre "Pier T" facility will surpass Pier A as the port's largest shipping terminal.

Under the preliminary agreement, SSAT Long Beach will lease Pier A for 25 years, paying the port a minimum of \$19 million a year. The letter of intent precedes final negotiations on a formal lease that has to be approved by the Long Beach Board of Harbor Commissioners.

Amid continuing signs of sluggish economies in the U.S. and Asia, container cargo volumes dipped slightly at the Port of Long Beach in June.

Shipping terminals in Long Beach handled the equivalent of 362,658 twenty-foot-long container units in June, a 3.3 percent decrease from June 2000. The decline is primarily the result of a drop in exports and empty containers, and reflects the slow U.S. economy and lack of growth in key Asian nations.

The import total in June, 202,988 twenty-foot equivalent units (TEUs), was virtually the same as a year ago. The number of exports fell to 78,395 TEUs, a 5.9 percent decline from June 2000.

Through the first six months of the year, container trade in Long Beach declined by 2.3 percent, which is in line with a 2.9 percent overall decrease for the major West Coast ports.

The Long Beach Board of Harbor Commissioners has approved a \$588.4 million budget for the 2001-2002 fiscal year beginning Oct. 1. The new budget is 9 percent more than last year

because of major terminal development projects aimed at keeping pace with forecasted cargo growth.

The budget sets aside \$418.1 million for capital projects including \$105.1 million for the Pier T container terminal. Also budgeted is \$31.5 million to partly pay for 12 ship-to-shore gantry cranes ordered for Pier T.

The budget includes \$121.1 million for the next phase of the “Pier S” project, a 160-acre container terminal being developed north of the former naval complex on Terminal Island.

The port budget next goes to the City Council for its concurrence. The council is expected to hold hearings on the various city budgets between mid-August and the end of September.

The Board of Harbor Commissioners has elected Carmen Ornelas Perez as the board’s president for the 2001-2002 year. It is the third time that Perez, a hospital administrator, has been elected president in her 10 years as a commission member.

In its annual rotation of officers, the commissioners voted **John W. Hancock** as vice president, **John R. Calhoun** as secretary and **Roy E. Hearrean** as assistant secretary of the five-member panel that governs the Port of Long Beach.

The other board member and immediate past president is **Dr. John Kashiwabara**. His position as the only board member without a special title did not go unnoticed by Perez who jokingly presented Kashiwabara with a T-shirt that simply said: “The Other Guy.”

What were the Port of Long Beach's top imports and exports? Its top trading partners? What were the highlights?

Find the answers in the port's newly published 2000 Annual Report. The free publication features a timeline celebrating the 90th anniversary of the port's founding. Articles outline the port's mega-terminals development program.

To order a copy, call (562) 590-4121, or send an e-mail to wong@polb.com.

Ocean Boulevard motorists can see that the foundations have been laid and the steel framework has gone up for the administration building and truck gatehouse at Hanjin’s new Pier T facility on Terminal Island.

By mid-August, contractor Pinner Construction of Anaheim expects to have a huge maintenance and repair complex popping out of the ground too. Pinner was awarded a \$50 million contract to construct the terminal’s 10 buildings.

Demolition of the last of the Naval Shipyard buildings should be completed within the next month. The container terminal project remains on schedule and on budget.

The July issue of the American Society of Civil Engineers' *Civil Engineering* magazine features a six-page article on the Pier T project.

Port Pier T program manager **Ari Steinberg** and design team project manager **Wade Watson** wrote the article. The feature includes several colorful photographs and maps.

The Long Beach Community Partnership Inc. recognized the Port of Long Beach last month as one of more than two dozen "Super Heroes." Fourteen individuals and 12 organizations and corporations were honored for their work to improve the community.

The Alameda Corridor Transportation Authority has agreed to build a \$105 million commuter bridge over the Alameda Corridor rail project at Pacific Coast Highway, if the project is funded by the state.

The bridge will eliminate a possible traffic nightmare for commuters driving along Pacific Coast Highway between Wilmington and Long Beach.

Wallenius Wilhelmsen Lines is now entering the final stages of launching a new shuttle service calling in Long Beach, San Diego and Manzanillo, Mexico.

The service will consist of two dedicated 650-TEU vessels. The ships will be self-sustained with their own cranes allowing discharge and loading at Mexican ports without the need for shore cranes. Barwell Agencies will be the agent for the new service.

Italia Line has changed terminals within the Port of Long Beach, moving to Stevedoring Services of America's C-60 container facility from California United Terminals.

On July 12, the container vessel *Hyundai Patriot* made its maiden call at California United Terminals.

The ***Patriot*** is the latest of five new 6,300-TEU Hyundai vessels added to the New World Alliance's service between East Asia and the U.S. West Coast.

Orient Overseas Container Line (OOCL) has ordered two more 7,400-TEU container ships. Samsung Heavy Industries in Korea will build the vessels at a cost of about \$160 million. OOCL's largest ships currently are its 5,700-TEU vessels.

The United Alliance of Hanjin Shipping and Senator Lines has shuffled the port rotation of its transpacific services.

On the China Asia Express (CAX) service, a westbound call at Pusan, South Korea, has been dropped, and a stop in Tokyo added. The CAX service, which deploys five 4,024-TEU ships, now calls at Xingang and Shanghai, China; Pusan; Long Beach, Oakland; Tokyo; and Kwangyang, South Korea.

Cal State Long Beach is offering a new Master of Arts degree in Global Logistics beginning this fall.

The 30-unit graduate program is offered through the university's Center for International Trade and Transportation to prepare logistics professionals to deal with the complexities of supplier relations, supplier selection, purchasing negotiations, operations, transportation, inventory, warehousing, third-party vendors, electronic commerce and customer relations. The course can be completed in less than two years.

For additional information, contact **Dr. Joseph Magaddino**, chair of the Department of Economics, at (562) 985-5061, or **Marianne Venieris**, executive director for the Center for International Trade and Transportation, at (562) 499-2160.

Capt. John Holmes, who heads the U.S. Coast Guard's marine safety office and group command for the Long Beach and Los Angeles Harbor, is seeking greater compliance from vessels on international marine pollution (MARPOL) requirements.

Specifically, in the areas of bilge water management, oil separation, and oily waste storage & discharge. Such problems can result in lengthy delays for offending vessels, which have been required to lay at anchor for a week or more for detailed surveys and inspections. For information about the MARPOL requirements, call the Coast Guard at (310) 732-8010.

The Foreign Trade Association's 29th Annual Golf Tournament will be held beginning at noon Aug. 16 at the Brookside Golf Course in Pasadena. For more information, call (213) 627-0634.

PORT PEOPLE

The former head of Compton Unified School District's Communications Department, Fausto D. Capobianco, has been appointed to head the Port of Long Beach's Communications Division.

The Pasadena resident succeeds **Yvonne (Avila) Smith**, who left the port last fall for a position with Cuesta College in San Luis Obispo.

As communications director, Capobianco will supervise the port's public relations and graphic design staff. He will oversee production of port publications, advertising and the port's media relations and community outreach efforts.

Chief Wharfinger Marva Stewart has been selected to serve a three-year term on the board of directors for the Marine Exchange of Los Angeles/Long Beach Harbors.

The Marine Exchange is a nonprofit, trade organization serving as Southern California's maritime information clearinghouse since 1923.

The organization's newly elected board officers for fiscal year 2001-2002 are President Capt. **Tom**

Jacobsen, president of Jacobsen Pilot Service; Vice President **Patrick W. Bixby**, vice president of contracts and sales at Marine Terminal Corp.; Treasurer **G. Michael Hubbard**, a district manager for General Steamship Corp. and vice president of California operations for Quay Cruise Agencies USA; and Secretary **William Stein**, director of administration for the Port of Los Angeles.

Yen Fei “Faye” Heller is the newest wharfinger to join the Trade and Maritime Services Division at the Port of Long Beach.

Heller has worked in the maritime industry for more than 10 years, including positions with Evergreen, OOCL, Steamline Shippers Association, and most recently TMM Lines. She received her B.A. from Shi-Cheng College (Taiwan), and she speaks fluent Mandarin Chinese.

Long Beach City Councilman Frank A. Colonna was elected chairman of the Alameda Corridor Transportation Authority (ACTA) Governing Board last month.

Colonna, who had served as vice chairman for the past year, succeeds **Rudy Svorinich Jr.** as chairman and will serve for the next year. A real estate broker and former director of environmental health for the City of Long Beach, Colonna was elected to the City Council in 1998.

ACTA oversees construction of a 20-mile railroad cargo expressway linking the ports of Long Beach and Los Angeles to transcontinental rail yards east of downtown Los Angeles.

Long Beach Harbor Commissioner **Roy Hearrean** and Port of Long Beach Executive Director **Richard Steinke** also are members of the ACTA governing board.

E-MAIL NEWS BULLETINS!

The port issues a free Internet version of Tie Lines and e-mail “news flashes” on breaking news.

To sign up, send a blank e-mail to [**polb-subscribe@yahoogroups.com**](mailto:polb-subscribe@yahoogroups.com)

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