

tie lines – January 2006

The Port of Long Beach's monthly newsletter

AROUND THE PORT . . .

With imports at peak-season-like levels, container cargo terminals at the Port of Long Beach reported that they moved a total of 610,644 twenty-foot equivalent (container) units (TEUs) in November, a 4.8 percent increase over a strong November 2004.

The Port surpassed last year's record-breaking yearly total in only 11 months, climbing 17.9 percent through November to more than 6.1 million TEUs.

With retailers showing confidence in after-Christmas sales, imports rose 3.2 percent to 305,065 TEUs, a small percentage increase only because November 2004 was the best month of that year. The peak holiday shipping season usually runs from August through October, but carried through November in 2004 because of congestion caused by labor shortages. With additional hiring and adequate labor, there was no congestion in 2005.

Exports rose 7.8 percent to 107,147 TEUs amid high demand for raw materials in Asia. The number of empty containers heading overseas to be re-filled with products climbed 5.9 percent to 198,432 TEUs.

The Port has scheduled two "scoping" meetings to gather public comments on a proposed project to modernize infrastructure and integrate "green" operations at its Middle Harbor container cargo terminals.

The meetings – 7 p.m. January 30 at Long Beach City Hall, 333 W. Ocean Blvd., and 7 p.m. February 6 at Cabrillo High School, 2001 Santa Fe Ave. – will gather input from interested parties for preparation of a draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS).

The Port's Middle Harbor terminals consist of the California United Terminals facility at Piers D and E, and the Long Beach Container Terminal at Pier F. The Middle Harbor Redevelopment Project proposes to reconfigure terminal land, water and upgrade equipment to achieve more efficient and environmentally friendly cargo operations as mandated in the Port's Green Port Policy.

The Middle Harbor Redevelopment Project's 50-page "Notice of Proposal" is available at the Port web site, www.polb.com, and the Port Administration Building, 925 Harbor Plaza, Long Beach, CA 90802.

Far exceeding its goal for increasing small business participation, the Port awarded more than 60 percent or \$17 million in construction and planning contracts to smaller businesses during the fiscal year through September 30.

Under a Small Business Enterprise/Very Small Business Enterprise Program launched in 2004, the Long Beach Board of Harbor Commissioners set a goal of 20 percent for Port engineering, construction and planning contracts to go to smaller businesses.

Given the 2005 success, the Board of Harbor Commissioners voted to raise the goal to 25 percent for the SBE/VSBE Program in the 2006 fiscal year, with a minimum of 5 percent of the eligible contracts to be awarded to very small business enterprises. (Because of differing state and federal laws, the SBE/VSBE Program does not apply to Port projects supported by federal highway funds.)

Harbor Commission President Doris Topsy-Elvord visited New Orleans in December to tour the city's hurricane-damaged port and distribute toys and school supplies to children affected by Hurricane Katrina.

Topsy-Elvord went to assess the damage at the Port of New Orleans, and meet with port officials to discuss how they managed the aftermath of the hurricane and ongoing recovery. Topsy-Elvord was accompanied by Gus Hein, Executive Officer to the Board, and Jim Grubbs, Director of Development for the South Bay-Long Beach Volunteer Center.

Representing the City of Long Beach, Topsy-Elvord, in conjunction with the South Bay-Long Beach Volunteer Center and *Operation Teddy Bear*, presented more than 8,000 toys, teddy bears, backpacks, school supplies and other items to New Orleans school children.

Offering discounted dockage rates and Green Flags, the Port is urging vessel operators to observe speed limits in a stepped up effort to increase compliance with the Voluntary Vessel Speed Reduction Program to improve air quality.

The Harbor Commission has approved a \$2.2 million-a-year Green Flag Incentive Program to recognize individual ships and to reward fleet operators for reducing vessel speed to reduce air pollution.

Beginning in 2006, vessels that observe a 12-knot speed limit within 20 miles of the Port during an entire year of voyages to and from Long Beach will be awarded a Green Flag to recognize their contributions to improved air quality.

The ocean carriers will qualify for a 15 percent discounted "Green Flag" dockage rate during the following 12 months if 90 percent of their vessels comply with the 12-knot speed limit for a year.

If all of the carriers qualify for Green Flag rates, the Port would make an estimated \$2.2 million investment through reduced dockage collections, and cut emissions of nitrogen oxide (NOx), a component of smog, by 550 tons a year.

The rival ports of Long Beach and Los Angeles, which face common air quality challenges, have tentatively agreed to a milestone accord to establish a coordinated air monitoring network.

If approved by the Long Beach and Los Angeles harbor commissions, the Memorandum of Agreement would call on the two ports to coordinate air monitoring from four existing stations in and around San Pedro and at least two stations under development in Long Beach.

The two ports, which developed separate air quality programs, also would share sampling data and analyses collected using regulatory-agency approved methods. With international trade booming, air pollution from the many ships, trucks and trains at the ports remains a major concern.

The California Air Resources Board (CARB) has approved regulations that will require ocean-going vessels and cargo-handling equipment to use cleaner-burning, low-sulfur fuels.

The new CARB rules, which are set take effect in 2007, will substantially reduce air pollutants that have been associated with an increased risk to public health.

Under the regulations, ships will be required to use cleaner-burning fuels in auxiliary engines while operating within 24 miles of the California coastline, including the time they are docked at terminals. The measure is expected to result in an estimated 75

percent reduction in diesel particulate matter, 80 percent reduction in sulfur oxide and 6 percent reduction in nitrogen oxide. Between 2007 and 2020, it is expected to reduce diesel PM emissions by more than 23,000 tons, NO_x by 15,000 tons, and SO_x by 200,000 tons.

In addition, cargo-handling equipment will be required to use cleaner-burning fuels and other emission-reduction technologies. CARB estimates that the rules will reduce diesel PM emissions by 690 tons and NO_x emissions by 19,000 tons between 2007 and 2020.

Port officials welcomed Sinotrans' new 2,700-TEU container ship, the Sinotrans Qingdao, during its maiden voyage to the Total Terminals International facility on Pier T.

The Qingdao is part of Sinotrans' weekly China America Service, which calls at Ningbo and Shanghai in China; then Busan, South Korea; Long Beach and back to Asia.

Two of Hanjin Shipping Co.'s new 8,000-TEU container ships are making their maiden calls to the Port at the TTI facility at Pier T.

Port officials welcomed the Hanjin Yantian on December 19. The Dallas is scheduled to make its maiden call to the Port on January 2.

The Yantian and Dallas are the fourth and fifth of five 8,000-TEU vessels deployed 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, Busan and back to Yantian.

The other new 8,000-TEU ships are the Hanjin Boston, Baltimore and Miami.

Carrying forest products from Canada, Saga Forest Carriers International's bulk ship, Saga Adventure, made its first call to the Port on December 20 at the Pier G bulk cargo facility.

The Adventure is the first of nine "Adventure Class," 46,627 deadweight-ton bulk ships that Norway-based Segma has ordered from Oshima Shipbuilding Co. Ltd. of Japan for delivery through 2008.

Mitsui O.S.K.'s car carrier, Eminent Ace, made its first call to the Port at Toyota's Pier B facility on December 29.

The Eminent Ace is one of 12 car carriers that Mitsui is taking delivery on through 2006. The vessels have a capacity of 6,400 units (standard passenger cars) and a 100-ton capacity ramp-way.

The new car carriers are designed with features to improve environmental friendliness, loading/discharging efficiency and safety. The Eminent Ace mainly serves North America, Europe and Australia.

The Taiwan-based ocean carrier, Wan Hai Lines, is launching a transpacific service that will begin calling in January at the TTI terminal.

Wan Hai is deploying a fleet of 4,250-TEU ships that will call weekly in Long Beach. The fixed-day service also will call at Xiamen and Yantian (China), Hong Kong, Kaohsiung (Taiwan), Long Beach and Oakland.

Wan Hai is a leading intra-Asia carrier that has expanded its transpacific operations in recent years.

This year's Maritime Industry Salute raised a record \$41,150 for the International Seafarers Center of Long Beach-Los Angeles.

A record 330 people attended the September event, which honored Capt. Manny Aschemeyer, executive director of the Marine Exchange.

The Seafarers Center, housed in facilities provided by the Port of Long Beach, serves visiting ships' crews with transportation, recreation, spiritual outreach, mail, Internet, telephone services and more.

The Center for International Trade and Transportation at Cal State Long Beach is offering Global Logistics Specialist classes on campus and online.

Module One of the Global Logistics Specialist series – an overview of global logistics and supply chain management – will be offered Jan. 11 online. Another online class, "World Trade and U.S. Customs: Regulations, Policies and Supply Chain Security Issues," will be offered January 11 through February 7.

An Introduction for Beginners in Global Logistics will be held 6:30 p.m. January 17 at the Cal State Long Beach campus. Also on campus, CITT will host a Master of Arts in Global Logistics information session at 6 p.m. January 19. Again on campus, CITT is offering Module One of the Global Logistics Specialist series at 6:30 p.m. January 24.

For more information, call (562) 296-1170 or email khipps@uces.csulb.edu.

Bruce Wargo, president and CEO of PierPASS Inc., will discuss the future of the OffPeak truck gate program at the Harbor Transportation Club dinner January 12 at the Reef Restaurant in Long Beach Harbor. For more information, call (562) 684-4236.

Port of Long Beach Executive Director Richard Steinke will be the speaker for the monthly luncheon of the Harbor Association of Industry and Commerce on January 13 at the Coast Long Beach Hotel. For more information, call (818) 951-6088.

The Harbor Transportation Club is hosting a golf tournament January 24 at the Rio Hondo Golf Club in Downey with an 11 a.m. shotgun start. For more information, call (562) 438-2355.

If you miss the HAIC luncheon, you can catch Richard Steinke, executive director of the Port of Long Beach, presenting his annual State of the Port at the January 27 luncheon meeting of the Chamber of Commerce's International Business Association.

The IBA meeting will be held aboard the Queen Mary. For more information, call (562) 432-8128.

The three-day Faster Freight/Cleaner Air Conference will be held January 30 through February 2 at the Long Beach Entertainment and Convention Center. The event will showcase innovative programs, policies and technologies being implemented at ports in Southern California and across the country.

For more information, call (310) 314-1934, ext. 8, or go to the conference website at www.ffca2006.com.

PORT PEOPLE. . .

Geraldine Knatz, managing director of development at the Port of Long Beach, has been selected executive director at the Port of Los Angeles.

Knatz has been with the Long Beach port for 24 years. Before that she worked for four years at the Port of Los Angeles.