



News Release

Commission Votes to Postpone Cargo Fee Board approves pro-business incentives, revises Clean Truck Fee

April 20, 2009

Acting to keep the Port of Long Beach competitive in the current economic downturn, the Board of Harbor Commissioners voted Monday, April 20, to postpone collection of an Infrastructure Cargo Fee, approved incentives to boost intermodal cargo, modified the Clean Truck Fee to encourage privately financed replacement trucks, and appointed a new managing director for trade relations.

To minimizing costs for Port customers, the Board voted to defer the Infrastructure Cargo Fee until at least July 1, 2010. In the meantime, Commissioners urged staff to seek supplementary federal stimulus funds. The ports of Long Beach and Los Angeles had planned to collect a \$6 per container unit as of July 1, 2009, cargo fee to fund critical highway and rail upgrades and repairs. The actual fee, when and if it is collected, will be based on the projects ready for construction.

Also in response to the current slide in trade, the Board approved a reduction in the Port's wharfage rate for intermodal container cargo. This is the amount paid to ship cargo across the docks. The 10 percent decrease is intended as an incentive for terminal operators to maintain or increase their "discretionary" cross-country cargo that could be shipped through any of several ports to reach inland destinations. The reduced rate, which could cost the Port as much as \$11 million, will apply beginning May 1, 2009, and continue for one year.

A second one-year incentive approved by the Board provides ocean carriers with a \$20 per twenty-foot container unit (TEU) reduction on wharfage or roughly a 10 percent discount to bring additional intermodal cargo through Long Beach, above the volumes from May 2008 through April 2009.

To incentivize private investment in clean trucks, and minimize shipping costs, the Board approved changes to the Clean Trucks Program, effective May 4,

2009, that:

- Eliminate the Clean Truck Fee and scrappage requirements for privately financed clean trucks.
- Eliminate the Clean Truck Fee and scrappage requirements for Port-funded liquefied natural gas (LNG)-fueled or alternative-fueled trucks.
- Eliminate the Clean Truck Fee for Gateway Cities-funded and the first 50 or so new trucks funded by the Clean Trucks Program.

Only container cargo moved by 2006 and older trucks and clean diesel trucks funded by Port after April 20 will pay the Clean Truck Fee of \$35 per 20-foot container and \$70 per larger container.

The changes also immediately reduce the "day pass" to \$30 per day for out-of-state and infrequent truckers.

The Board also approved the appointment of Alex H. Cherin, who has been executive officer to the Board of Harbor Commissioners, as the Port's Managing Director of Trade Relations and Port Operations. In his new position, Cherin will oversee the Port's Trade Relations and Port Operations Bureau, which includes the Communications, Trade Relations, Security and Maintenance divisions.

Contact: Art Wong, Port of Long Beach Assistant Director of Communications/Public Information Officer, (562) 590-4123, (562) 619-5665 (cell), or wong@polb.com.