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COMMISSIONERS APPROVE \$583.1 MILLION BUDGET

The Long Beach Board of Harbor Commissioners on Monday, July 10, voted unanimously to adopt a \$538.1 million budget for the 2000-2001 fiscal year beginning on Oct. 1. The spending plan is 9 percent more than last year's adopted budget, largely because of major terminal expansion projects aimed at keeping pace with cargo growth.

The budget sets aside \$361 million in capital outlays including \$160.2 million for the next phase of a 375-acre container terminal project at the former Long Beach naval complex on Terminal Island. The first phase of this "Pier T" terminal, to be leased to Hanjin Shipping Co., is to open in the spring of 2002.

The port also is developing a 160-acre container terminal north of the former naval complex on Terminal Island. The budget includes \$59 million for the next phase of this "Pier S" project, due to be completed in 2003.

Port operating revenues for 2000-2001 are expected to increase about 8 percent to \$217.4 million, with projected revenues from shipping terminals climbing about 9 percent to \$201.3 million. Operating expenditures are expected to decline 2 percent to \$160.6 million because of lower debt payments. The port's net income is expected to increase to \$70.8 million.

The port is run as a department of the City of Long Beach, but not supported by taxpayers. The port generates revenues for its operations and on-going development through leases and fees charged terminals and shipping lines. Terminal space at the port is much in demand. Last year, Long Beach led the nation in container cargo volume, with its terminals handling the equivalent of 4.4 million 20-foot-long container units.

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.