

Section 11 - Infrastructure Fee

Item 1100 - Definitions

For purposes of this section the following definitions shall apply:

“Ports” shall mean all waterfront property owned by the Ports of Los Angeles and Long Beach.

“Ports Rail System” shall mean: a Pier B Street Intermodal rail yard expansion, Terminal Island Wye Track Realignment, Pier B Street Realignment, Track Realignment at Ocean Boulevard/Harbor Scenic Drive, Pier F Support Yard, West Basin Rail Access Improvements, Grade Separation for Reeves Crossing, Closure of Reeves at-grade Crossing, Navy Mole Road Storage Rail Yard, Pier 400 Second Lead Track, Reconfiguration at CP Mole, Triple Track Badger Bridge, and Triple Track South of Thenard Jct.

“Highway Projects” shall mean the Gerald Desmond Bridge Replacement, the SR-47 Expressway (including replacement of the Heim Bridge), the Navy Way/Seaside Avenue Interchange, the South Wilmington grade separation, and the I-110 Connectors Program (which includes: I-110/SR-47/Harbor Boulevard interchange improvements, I-110/“C” Street interchange improvements, John S. Gibson intersection and I-110 ramp access improvements, and SR-47 on-ramp and off-ramp improvements at Front Street).

“Infrastructure Projects” shall include the Ports Rail System and Highway Projects.

“Approved Infrastructure Projects” shall mean all Infrastructure Projects which have been: (1) approved by the applicable lead agency as defined in Section 21067 of the California Public Resources Code; and (2) determined by the Boards of Harbor Commissioners of Los Angeles and Long Beach to be eligible for use of tidelands funds.

“Port Infrastructure Fund” shall mean a restricted fund to be used exclusively for payment of the Ports’ allocable share, using the Computation Methodology, of costs of Approved Infrastructure Projects that are incurred following the approval of the Approved Infrastructure Projects by the applicable lead agencies. The Port Infrastructure Fund shall be comprised of the monies collected from the Infrastructure Fee on Containers under Item 1105.

“Terminal” shall mean any facility in the Port of Long Beach used for the transfer of cargo from one mode to another, including all container terminals, break-bulk terminals, dry bulk terminals and rail yards.

“Terminal Operator” shall mean the entity with contractual authority from the Port of Long Beach to operate a Terminal.

“Computation Methodology” shall mean the methodology described in the document entitled Methodology for Determining Infrastructure Cargo Fee dated January 4, 2008, a copy of which is attached to Ordinance No. _____, the implementing ordinance for this section.

Item 1105 Infrastructure Fee on Containers

Beginning January 1, 2009 at 8:00 a.m., an Infrastructure Fee on Containers of Fifteen dollars (\$15.00) per twenty foot equivalent unit shall be assessed on containerized merchandise entering or leaving any Terminal in the Port of Long Beach. As Infrastructure Projects are approved by the applicable lead agencies, and from time to time thereafter, the Executive Directors of the Ports of Long Beach and Los Angeles (“Executive Directors”) shall have the Infrastructure Fee on Containers recomputed using the Computation Methodology and this tariff shall be amended to reflect the amount so computed. The Infrastructure Fee on Containers shall not be assessed on any containerized merchandise moved between two terminals within the Ports. The Infrastructure Fee on Containers shall no longer be collected after the share of Approved Infrastructure Project costs allocable to be recovered by the Port Infrastructure Fund have been paid in full, or the Executive Directors determine that the Infrastructure Fund balance is sufficient to pay all such costs, whichever occurs first.

Item 1110 Port Infrastructure Fund

The first Terminal Operator to handle containerized merchandise subject to the Infrastructure Fee on Containers shall collect and remit the Infrastructure Fee on Containers to the Port of Long Beach, to be held in the Port Infrastructure Fund and used exclusively for Approved Infrastructure Projects. If the share of Approved Infrastructure Projects costs allocable to be recovered from the Port Infrastructure Fund have been fully paid and funds remain in the Port Infrastructure Fund, these funds may be used for additional infrastructure projects of similar utility to the Approved Infrastructure Projects which are approved by the Board of Harbor Commissioners to be funded by the Port Infrastructure Fund.

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