



News Release

Cargo Fee for Transportation Projects Postponed

Levy delayed pending approval of bridge, road and rail improvements

December 1, 2008

The Long Beach Board of Harbor Commissioners voted Monday, December 1, to push back for at least six months the collection of a cargo-container fee intended to collect funds for road, rail and bridge improvements in the harbor area.

Scheduled to begin January 1, 2009, the "Infrastructure Cargo Fee" of \$15 per 20-foot-long shipping container (\$30 for a 40-footer) was established in January 2008 by harbor commissioners of the ports of Long Beach and Los Angeles. In the coming weeks, the Los Angeles Board of Harbor Commissioners is expected to approve a similar six-month delay.

In mid-year 2009, the Long Beach Board of Harbor Commissioners plans to re-examine the status of the projects, which include upgrades to the ports' rail network, replacement of the Gerald Desmond Bridge and other improvements that will facilitate traffic flow through the ports. The fee, collected by both ports, will generate \$1.4 billion. Along with matching funds from the statewide transportation measure Proposition 1B, about \$3 billion worth of transportation projects are planned for the harbor area.

"Because of the extra time needed to complete the planning and approval process for these many projects, the ports felt it was sensible to delay the implementation of the fee," said Port of Long Beach Deputy Executive Director J. Christopher Lytle. "We'll reassess the situation in six months to see if it makes sense to start the fee then."

The Infrastructure Cargo Fee is planned to last seven years, and each year the fee will fluctuate from about \$10 to \$18 per 20-foot container, depending on the construction costs expected to be incurred in that calendar year.

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