



Building the Port of the Future

Port of Long Beach Annual Report 2009



Port of
LONG BEACH
The Green Port



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Above, as through a fog, the aged Gerald Desmond Bridge rises, but perhaps not for long. A replacement bridge is planned. Center, cargo containers are stacked high in a year when declining volumes presented challenges throughout the goods movement industry.

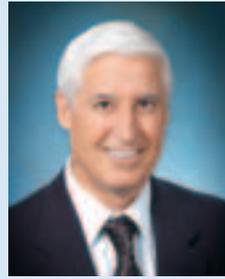
Our Vision

The Port of Long Beach is a world leader in goods movement, environmental stewardship and economic prosperity.

Our Mission

To be an innovative provider of premier seaport facilities that enhance economic vitality and improve quality of life and the environment.

Long Beach Board of Harbor Commissioners



Nick Sramek
President



Mario Cordero
Vice President



Dr. Mike Walter
Commissioner



Susan E. Anderson Wise
Commissioner



Thomas Fields
Commissioner



President's Message

At the Port of Long Beach, we look to the future with optimism, as international trade rebounds after an extremely severe recession. This is great news for our region and the nation.

Although economic recovery isn't expected to happen fast, based on cargo increases that started in late 2009 and continued into the first months of 2010, we believe we are seeing the beginning of an ongoing upward trend.

Throughout the downturn, the Port of Long Beach stayed committed to emerging from the recession more competitive than ever. We have done just that. Because of our strong financial planning in the good times, the Port has been able to make strategic investments now that will pay major dividends as we evolve into The Port of the Future.

We are committed to investing in improving our facilities and, at the same time, lending a hand to the economic recovery in this region. Even though cargo shipments have been slower, we have worked closely with our

stakeholders on infrastructure improvements that benefit our customers while providing new local jobs, stimulating the economy, protecting the environment and improving security.

To help our customers through these trying times, we approved several incentive packages in 2009. And, of course, we've continued to deliver top-notch customer service, allowing us to remain the port of choice for our clients.

Our goals for the Port of Long Beach revolve around four primary areas — jobs and the economy, environmental stewardship, our vital working relationships with our many stakeholders and, finally, making the ideal Port of the Future a reality.

The Port of Long Beach is a vital economic engine for Long Beach and the entire region. And despite the downturn in trade, the Port supports 30,000 jobs in the City of Long Beach — one in every eight jobs — and more than 300,000 jobs in Southern California. That's especially significant during tough economic times.



Above, from beneath the bow of a ship at LBCT, the downtown Long Beach skyline glows at dusk. Below right, a tug, ready to provide assistance, sails alongside an OOCL container ship at Pier F. Opposite page, an MSC ship is off-loaded at the SSA Terminal at Pier A.

With our ongoing construction projects, we generated 1,900 jobs in 2009, and we will generate more and more — as many as 50,000 new permanent and temporary jobs in the next decade.

The Port has made groundbreaking strides in environmental stewardship, leading the way for the world. With the Green Port Policy, the Clean Air Action Plan and the Water Resource Action Plan, we are at the forefront in reducing pollution from existing sources and committed to clean and green projects in the future. Our Clean Trucks Program is a stellar success.

In just a few short years, we have integrated a sustainability ethic into our day-to-day Port culture — making green operations a central part of who we are and how we operate. The Green Port Policy is the right thing to do for our industry and our community. Our Green Port initiatives allow us to meet the environmental requirements necessary to move ahead with major infrastructure improvements to accommodate more business.

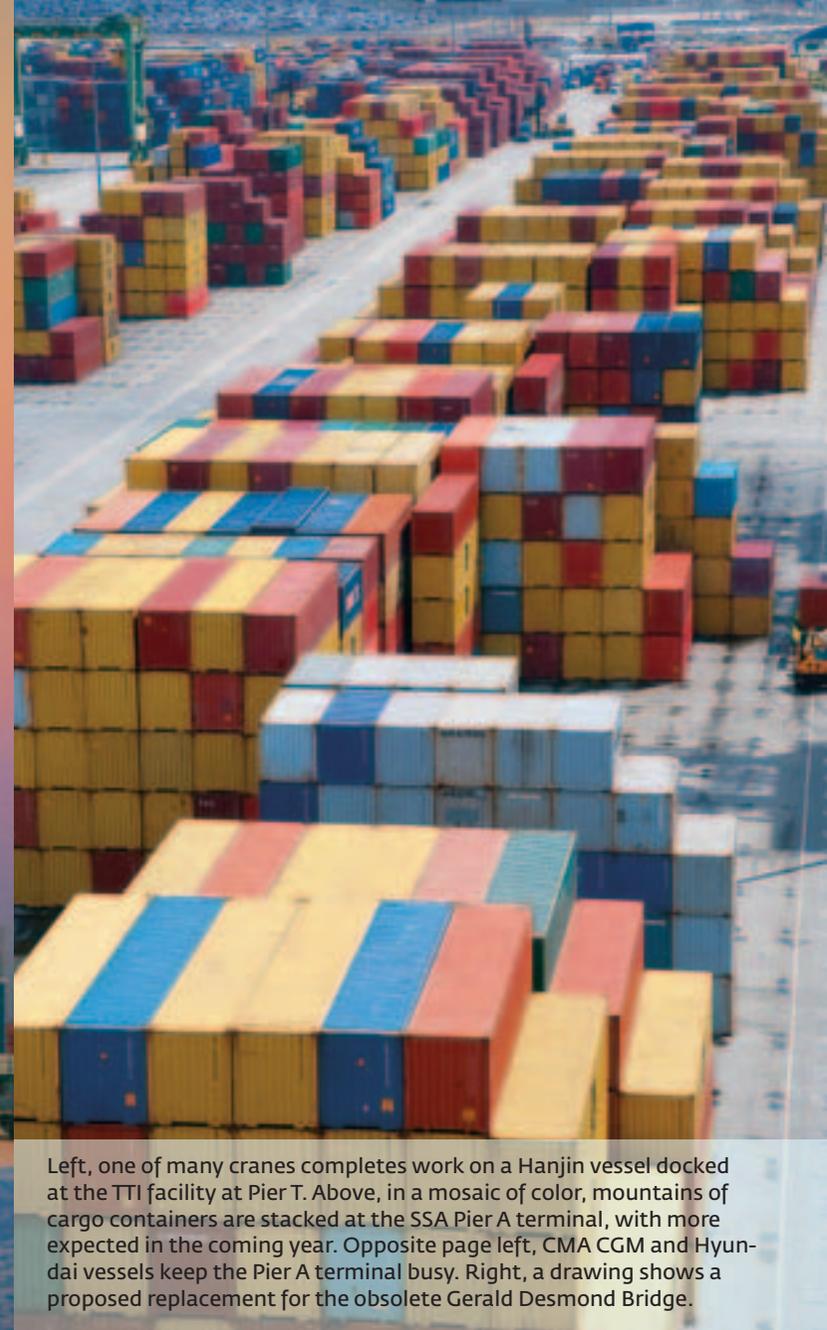
We are improving our working partnerships with both the community and our customers. With the tough economy and increased competition, communicating the Port's advantages and providing an avenue for feedback have become more important than ever.

Finally, to become the Port of the Future that we envision, we will continue to explore new, cutting-edge technologies and always challenge the status quo on how we move cargo from the ship, through the terminals and over the goods-movement infrastructure to consumers across America.

Nick Sramek

Harbor Commission President





Left, one of many cranes completes work on a Hanjin vessel docked at the TTI facility at Pier T. Above, in a mosaic of color, mountains of cargo containers are stacked at the SSA Pier A terminal, with more expected in the coming year. Opposite page left, CMA CGM and Hyundai vessels keep the Pier A terminal busy. Right, a drawing shows a proposed replacement for the obsolete Gerald Desmond Bridge.



Executive Director's Message



Richard D. Steinke
Executive Director

This has been a difficult and challenging time, as all of us in the maritime and international trade business have wrestled with the effects of a major global recession.

With the economic slowdown, container cargo shipments at our terminals dropped by 22 percent in 2009 compared to 2008, down 33 percent from the peak in 2007. Bulk cargo volumes also dropped significantly. Industry-related jobs were hit hard.

Although these declines are dramatic — and echoed at ports around the world — the Port of Long Beach remained one of the most powerful engines of the local, regional and national economy. We've continued to provide a competitive edge for our customers to quickly and efficiently move international cargo.

We moved more than \$120 billion in cargo last year — vital goods for retailers, consumers, manufacturers, farmers and businesses in nearly every sector of the economy.

We surged ahead in 2009 with long-planned improvement projects to maintain our competitiveness and our commitment to business, community and environmental interests. Our goal is to continue to move cargo more efficiently, more safely and with less negative impact on the environment.

Soon these projects will bring thousands of additional permanent jobs, and they are already supporting hundreds of temporary construction jobs, boosting local economic activity and positioning the Port to increase our business. In all, we are planning to invest \$3 billion in improvements in the coming decade.

These projects meet our business needs while also staying true to our trailblazing Green Port Policy.

We are immensely grateful for our customers' confidence and never take their business for granted. We understand the challenges they face and will help make it easier for them to grow their business here in Long Beach.

Our customers have learned to expect everything at the Port of Long Beach to be the best, most modern, most innovative, safest and most environmentally friendly. And that is what we will continue to deliver as we work to strengthen the economy and create new jobs.

We measure our success through the success of our customers and our many stakeholders. This success is achieved by a special brand of teamwork that strengthens each of us to meet the industry's challenges — and to welcome a prosperous future together.

Richard D. Steinke
Executive Director

Best of the Best

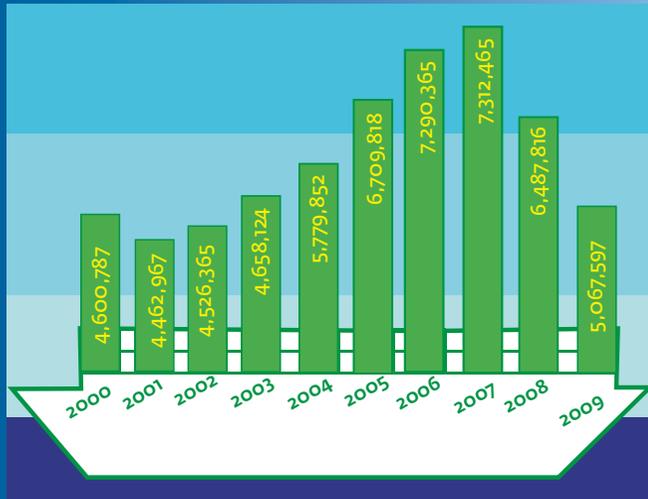
Again, Voted the Best Seaport in North America

In the Inner Harbor, with the Gerald Desmond Bridge in the foreground, tugs help turn and 'back' a Matson vessel into the SSA terminal at Pier C.



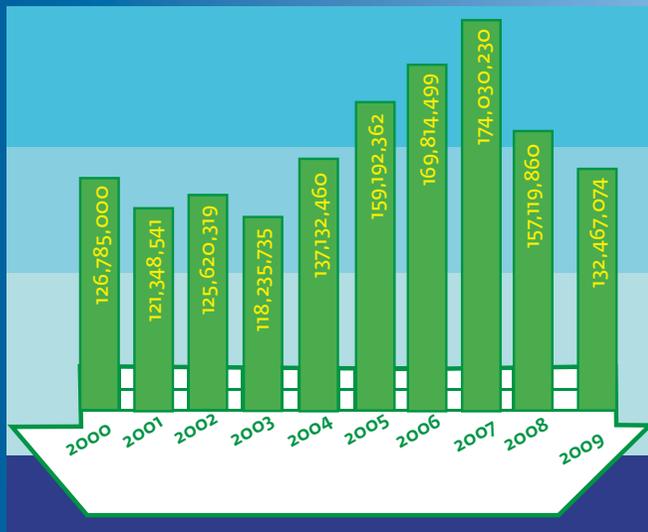


Trading Volume by the Box*



*Twenty-foot equivalent units (TEUs) equal to one twenty-foot-long cargo container.

Trading Volume by the Ton*



* Shown in metric revenue tons (MRTs) based on 1,000 kilograms or one cubic meter.

Recession Slows Trade

Import, Export Container Shipments Drop

While signs of economic recovery began appearing in late 2009, the global recession impacted ports around the world through most of the year. The Port of Long Beach was no exception, with 2009 shipments through the Port dropping 22 percent compared to 2008. Cargo volume in 2009 was down 33 percent compared to the peak in 2007.

Overall, container cargo movement at the Port of Long Beach in 2009 dropped to 5.1 million twenty-foot equivalent units (TEUs) from a peak of 7.3 million in 2007.

Imported containers, with such products as clothing, toys and electronics made in Asia, continued to slow through November. In December, the numbers showed an encouraging 8.7 percent increase over the prior year, the first increase in monthly cargo numbers in two years.

Exports, generally raw materials, dropped to 1.3 million TEUs in 2009 from nearly 1.7 million TEUs in 2008. But December's surge of 30.9 percent from the same month a year ago was a welcome end to an otherwise weak year for exports.



The number of empty to 1.2 million TEUs from empties are headed ov

The Port's container te Terminals, International Container Terminal, Pa International and SSA,

Trade in Bulk Car

The recession continu and other liquid bulk p industry continued to as cement and gypsun

There was a 29 percent revenue tons (MRTs) a 1.5 million MRTs. Petro bunker fuel, tallow an 31.7 million MRTs. Dry cement, gypsum, salt 7.3 million MRTs.

The Port's total trade l non-containerized car percent to 157.1 million

The Port's bulk shippin Toyota terminal and M ships steel and large m Petro Diamond and Te

Petroleum coke is ship & Minerals, and Koch C Commodities. Cement while gypsum is handl

Morton imports salt, a Terminals import steel lumber. Pacific Coast F imports various liquid

The number of empty containers moving across Port terminals dropped to 1.2 million TEUs from 1.6 million TEUs in 2008. Nearly all of the empties are headed overseas to be refilled with products.

The Port's container terminal operators are: California United Terminals, International Transportation Service, Long Beach Container Terminal, Pacific Container Terminal, SSAT, Total Terminals International and SSA/Matson.

Trade in Bulk Cargo Tumbles

The recession continued to depress bulk cargo shipments of petroleum and other liquid bulk products, and the weakened local construction industry continued to adversely affect trade for dry bulk products such as cement and gypsum.

There was a 29 percent decrease in lumber shipments to 248,000 metric revenue tons (MRTs) and a 35 percent decrease in steel shipments to 1.5 million MRTs. Petroleum and other liquid bulk shipments, such as bunker fuel, tallow and vegetable oil, declined in 2009 by 1 percent to 31.7

million MRTs. Dry bulk products, which include petroleum coke, cement, gypsum, salt and other materials, dropped nearly 9 percent to 7.3 million MRTs.

The Port's total trade by tonnage — including containerized cargo, non-containerized cargo, liquid bulk and dry bulk — dropped nearly 16 percent to 157.1 million MRTs.

The Port's bulk shipping includes automobiles at SSA/Matson, the Toyota terminal and Mercedes-Benz at Crescent Terminals (which also ships steel and large machinery). Petroleum is shipped at BP, Chemoil, Petro Diamond and Tesoro (formerly Shell) facilities.

Petroleum coke is shipped by Metropolitan Stevedores, Oxbow Carbon & Minerals, and Koch Carbon. Vegetable oil is supplied by Baker Commodities. Cement is imported by Cemex and Mitsubishi Cement, while gypsum is handled by National Gypsum and G-P Gypsum Corp.

Morton imports salt, and Cooper/T. Smith and California United Terminals import steel. Weyerhaeuser and Fremont Forest import lumber. Pacific Coast Recycling exports scrap metal. Dow Chemical imports various liquid bulk chemicals at Pier S.

Trade down, but votes up

In 2009, for the fifth consecutive year and the 13th time in the past 14 years, the Port of Long Beach had the honor of being named the best seaport in North America by the readers of *Cargonews Asia*.

Opposite page, Toyota vehicles are unloaded at the Japanese automaker's Pier B facility. This page, left, salt is loaded on to a truck at the Morton Salt facility on Pier F. Center, lumber is labeled at the Weyerhaeuser facility on Pier T. Right, an imported, shrink-wrapped commuter train is transferred to a rail car at Crescent Terminals on Pier F.





Financing the Port of the Future

Projects modernize terminals, cut air pollution

The \$881 million 2009-2010 budget for the Port of Long Beach is fiscally responsible, reflecting the state of world trade and reduced cargo revenue, but maintains the Port's aggressive investment in the economic vitality of the region and the country.

The fiscal-year budget, approved by the Board of Harbor Commissioners in June 2009, included \$369 million for capital projects to modernize terminals, cut air pollution and improve traffic flow on roads and railways.

More than \$96 million was designated for environmental programs, including electrification of berths on six piers so more ships can plug in and shut down their polluting diesel engines, incentives for vessels slowing down in the harbor to reduce pollution, the development of clean-air technology, Clean Air Action Plan projects and wetlands restoration at Colorado Lagoon and Los Cerritos Wetlands.

Responding to a request from the City Council, the Port transferred nearly \$16 million to the City of Long Beach's Tidelands Operating Fund, which helps to pay for city beach and marina services. This allocation brings the total moved to the tidelands fund from the Port since 1995 to \$146 million. As a state asset, the Port is allowed to transfer

surplus profits only to the city tidelands fund.

Given the decline in cargo throughout 2008-2009, the Port implemented mid-year reductions, including cuts to travel, overtime and hiring.

The Port remains in strong financial condition, thanks to fiscally responsible planning, cash reserves and high bond ratings. And although the Port is a public entity, it does not rely on taxes to operate.

The Port budget is supported mostly by income from terminal leases and existing reserves.

Where Port Revenue comes from



65% Shipping Terminals

16% Federal, State Grants

11% Investments

5% Miscellaneous

3% Special tariffs (Clean Truck Fee)

Where Port Revenue is used

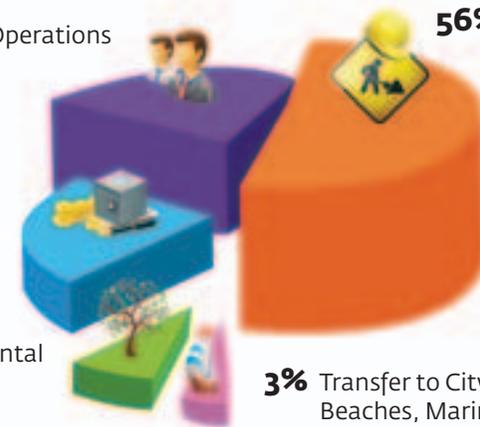
23% Port Operations

56% Port Improvement Projects

14% Debt Service

4% Environmental Projects

3% Transfer to City for Beaches, Marinas





Opposite page, on an unusually busy day, two 'K' Line ships call at the ITS terminal at Pier G as a COSCO vessel docks at the Pier J PCT facility. This page, redevelopment of the ITS terminal at Pier G includes wharf demolition (lower left), landfill (above), construction of new administration and maintenance buildings, lower right, and, soon, an expanded rail facility.



The Port of the Future — on the horizon

Year-end increases in both imports and exports, the first increases in monthly container cargo numbers in two years, signaled the hopeful beginning of an ongoing upward trend and economic recovery.

The Port of Long Beach will continue the forward-looking policies we began years ago to streamline operations and will stay competitive by improving our facilities and developing greener, more efficient infrastructure. We'll continue to challenge the status quo on how we move cargo from the ship, through the terminals and over the goods-movement infrastructure to consumers across America. We are building The Port of the Future.

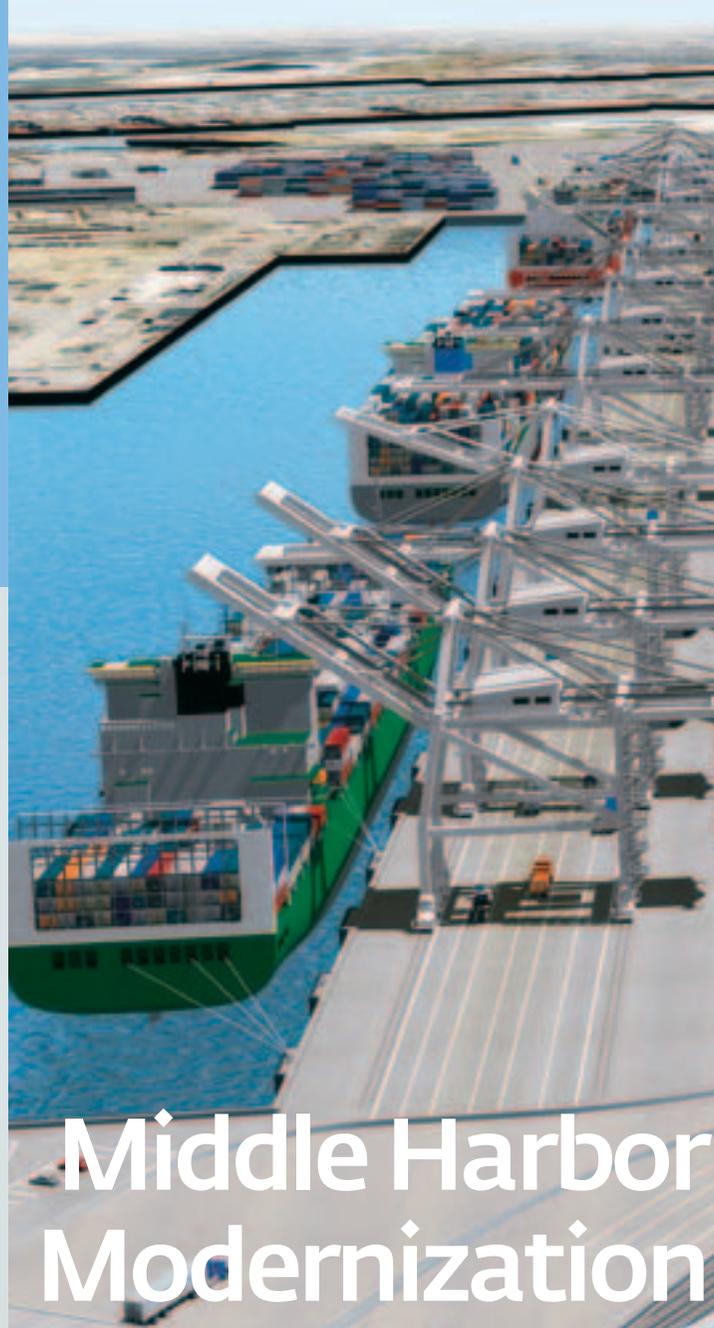
Infrastructure Upgrades

During the 2009 shipping slowdown, the Port took the opportunity to move forward quickly with long-planned infrastructure projects, all part of The Port of the Future plan.

Because of our careful financial planning, we have been able to invest in major improvement projects that are already supporting construction jobs, boosting local economic activity and positioning the Port to increase our business.

Port Projects

To stay competitive, the Port is planning more than \$3 billion in upgrades, including a new container terminal, improvements for an existing terminal, redevelopment and consolidation of two older terminals, the replacement of an obsolete bridge and upgraded rail infrastructure.



Middle Harbor Modernization



Pier G Improvements

From left, The Port of the Future will include consolidation of CUT and LBCT into the Middle Harbor terminal, an expanded and improved ITS



Pier S Development



Bridge Replacement

l, an expanded and improved ITS

terminal at Pier G, an all-new Pier S container terminal and a replacement for the Gerald Desmond Bridge.



Middle Harbor

Project

Topping the Port's development achievements in 2009 was the go-ahead in April for the Middle Harbor Project — a model for our Port of the Future. The long-planned \$1 billion project will redevelop two existing older terminals into a more efficient and environmentally friendly operation. The Middle Harbor redevelopment project will create a facility capable of handling twice as much cargo (up to 3.3 million TEUs a year) while cutting air pollution in half from current levels. This will be possible because ships will use shore power, and the facility will feature a greatly expanded rail yard, clean cargo-handling equipment and other advanced technologies under the Port's Green Port Policy and Clean Air Action Plan initiatives.

Progress

Construction is set to begin in late 2010.

Creating Jobs

The Middle Harbor project will create 14,000 new, permanent jobs in the five-county Southern California region and about 1,000 temporary construction jobs per year over the next 10 years.



Pier G Improvements

Project

An \$800 million project for International Transportation Service (ITS) is now underway at Pier G to improve facilities, clean the air and support thousands of jobs. Ocean carrier "K" Line and its subsidiary, ITS, now have a second deep-water berth so that newer, larger, cleaner vessels can dock there. The new berth provides shore power, allowing ships to plug into electricity at berth and shut down their diesel engines, cutting air pollution to zero. The "K" Line vessel *Long Beach Bridge* was the first ship in the Port of Long Beach to plug into shore power.

Progress

The first phase of the 10-year project was completed in late 2008, making way for the kickoff of new construction in 2009.

Creating Jobs

In 2009, the Port broke ground at Pier G for a green, energy-conserving and water-conserving ITS terminal administration and operations complex that is generating more than 200 temporary construction jobs during the next three years.



Pier S Development

Project

In 2009, the Port moved forward with plans to develop vacant property at Pier S into a modern, state-of-the-art shipping facility. The \$650 million Pier S terminal development project calls for a new 160-acre facility on an area of Terminal Island that was formerly an oil field. The project also proposes improvements to the Back Channel waterway to increase navigational safety. The soil has been cleaned up at Port expense, and now it is paved and ready for construction.

Progress

The Notice of Preparation “scoping” meetings to gather initial public input on the project are complete, and the Port is finalizing the draft Environmental Impact Report for release in 2010.

Creating Jobs

The new Pier S terminal would support about 35,000 new permanent jobs in the five-county Southern California region. During construction, the project would support more than 1,500 jobs a year.

Bridge Replacement

Project

The Port of Long Beach is proposing a \$1.1 billion project to replace the aging, obsolete Gerald Desmond Bridge with a new six-lane cable-stayed bridge to ease congestion and improve safety. This is important both for truckers and commuters on the bridge and the ships and people working below it. The Gerald Desmond Bridge is of national significance. Roughly 15 percent of the goods coming into this country move across it.

Progress

In 2009, the Port prepared the draft Environmental Impact Report for release in early 2010 with hearings scheduled to allow the public to comment on the report. Funding for the new bridge would come from a mix of Port funds, state bonds and federal funds.

Creating Jobs

Construction of a replacement bridge will provide a significant economic boost to the region — as much as \$2.8 billion — and it will support, on average, 4,000 jobs each year for the five years of construction.

Jobs, jobs and more jobs

We are planning about \$3 billion in improvement projects over the next decade. Together, these projects will generate nearly 50,000 new, permanent jobs in the Southern California region, as well as thousands of temporary construction jobs — about 1,900 construction jobs were created in 2009 alone.

Out with Old Trucks, in with Clean Trucks

The most recent diamond in the crown of the Port's award-winning Green Port Policy and Clean Air Action Plan is the remarkable success of the Clean Trucks Program, which has reduced truck pollution by 80 percent.

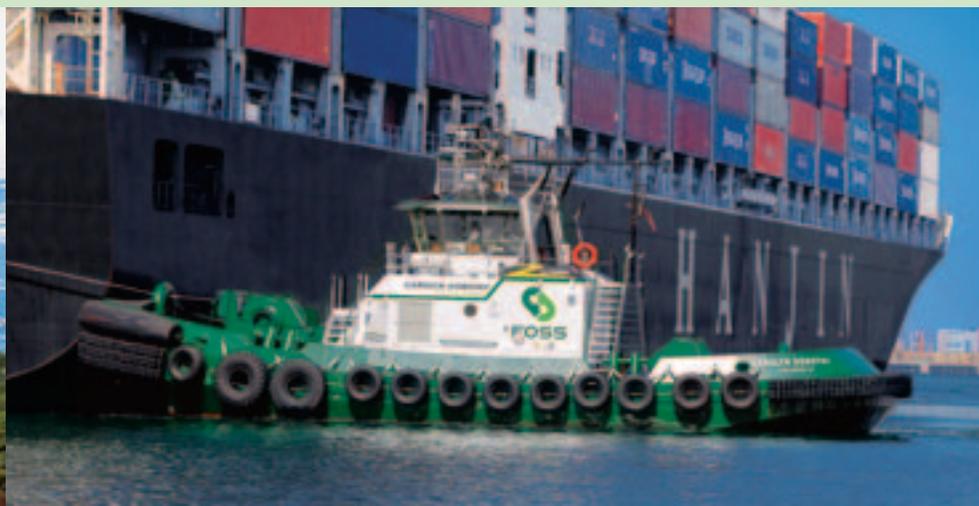
The Clean Trucks Program has transformed the trucking fleet, bringing these clean trucks to SSA/COSCO's Pier J terminal and throughout the Port, significantly improving air quality.







Port environmental programs are (clockwise from far right) supporting cleanup efforts at Colorado Lagoon, rewarding ships for slowing down, requiring plug-in shorepower at Pier A and all container terminals by 2014, turning tug boats into hybrids, protecting wildlife and subsidizing cleaner locomotives.



Green Port Policy: The Guiding Promise

The Port's guiding environmental ethic is the internationally recognized Green Port Policy, adopted in 2005, which sets a framework for enhancing wildlife habitat, improving air and water quality, cleaning soil and undersea sediments and creating a sustainable Port culture for the benefit of this and future generations. The Green Port Policy's guiding principles are:

- Protect the community from the harmful environmental impacts of Port operations.
- Distinguish the Port as a leader in environmental stewardship and compliance.
- Promote sustainability.
- Employ best available technology to avoid or reduce environmental impacts.
- Engage and educate the community.

The Port received the U.S. Environmental Protection Agency's highest honor, the Environmental Achievement Award, for the Green Port Policy in 2005.



Embedding
a culture of
sustainability
at the Port of
Long Beach
and setting the
standard for
goods movement
around the world





Clean Trucks Program: Delivering Cleaner Air, Ahead of Schedule

The Port of Long Beach Clean Trucks Program reached a major milestone as 2009 drew to a close, achieving dramatic air quality and road safety improvements well ahead of schedule.

Thanks to a quicker-than-expected turnover of the trucking fleet by private industry, the Port has met its goal of 80 percent reduction in air pollution from trucks nearly two years early.

The results are visible on the freeways around the Port as growing numbers of new, white, clean trucks appear — including several hundred liquefied natural gas (LNG) trucks — and far fewer of the old, polluting vehicles can be seen.

The program was launched in 2008 with a ban on about 2,000 of the oldest, dirtiest trucks in Port service. Another 8,000 older trucks were taken off the road as of January 1, 2010, when even tougher standards went into effect.

As a result of the January 1 milestone, more than 90 percent of all trucks in Port service now meet tough 2007 federal emissions standards and, by January 1, 2012, all trucks in Port service will meet or exceed the 2007 standards in a real victory for environmental responsibility.

In December, the Port was proud to accept the U.S. Environmental Protection Agency's Environmental Justice Achievement Award for the Clean Trucks Program — the nation's highest honor for reducing the impact of pollution on low-income and disadvantaged communities.

This page, new clean trucks have cut air pollution by 80 percent, attracting the attention of a news reporter (upper right). Right, a BP oil tanker is plugged in for shoreside electricity, eliminating air pollution. Far right, an array of solar panels cover the first car carrier using sunshine for part of its power needs.

Another Shore Power First: BP Tanker Goes Electric

In another historic first, the Port and BP America became the first team in the world to modify an oil shipping terminal, at Pier T on Terminal Island, so that it offers clean “shore power” to improve air quality. BP retrofitted two of its Alaska tankers to plug in for electricity.

The Port and BP received the South Coast Air Quality Management District’s prestigious “Clean Air Award” for the project, recognition of its significant contribution to cleaner air.

Plugging in an oil tanker during crude oil off-loading operations reduces air emissions

to zero and is the pollution-reduction equivalent of taking 187,000 cars off the road for a day.

A year earlier, “K” Line vessels became the first container ships at the Port to shut down diesel engines at berth and plug in to clean electrical power at a new Pier G deep-water berth at the International Transportation Service terminal. A new shore-side-power dock is also under construction at the SSA/ Matson Pier C terminal.



Solar Car Carrier — First of Its Kind

In July, the Port of Long Beach welcomed the *Auriga Leader*, the first car carrier partly powered by solar energy. The 656-foot, 60,000-ton vessel, which can carry up to 6,200 cars, is part of a solar demonstration project by Toyota Motor Corporation, a customer of the Port, and NYK Line, the ship’s owner and operator. The ship is outfitted with 328 solar panels that can generate up to 40 kilowatts, decreasing demand on the ship’s diesel-powered auxiliary engines for electricity, thus cutting air pollution.

Green Flag Participation 2006-2009



Almost hidden amid stacks of red containers, the CEMEX cement silos

Community Grant Program: Above and Beyond

To benefit the community's schoolchildren and the elderly at health-care facilities and senior centers, the Harbor Commission approved a Community Grant Program to offset the impacts of air pollution and cut greenhouse gases. This program is the first of its kind.

The program will be funded as development projects are approved to help mitigate the effects of air pollution in the surrounding communities. The program was developed in accordance with state Tidelands Law. The Harbor Commission approved the first \$15 million in funding in 2009 as part of the budget for the Middle Harbor Redevelopment Project.

An independent oversight panel was established to review the first applications, which will focus on air-quality improvements and noise reduction for schools.

More Strategies to Improve San Pedro Bay Water Quality

While water quality in the San Pedro Bay has improved dramatically in recent decades, the Port of Long Beach

Green Flag Program Continues Its Success

By simply slowing down, ships that call at the Port of Long Beach are dramatically reducing air pollution in the area. More than 90 percent did just that in 2009 by participating in the Port's Green Flag Speed Reduction Program, which began in 2006.

To earn a Green Flag, ships voluntarily slow to 12 knots within 20 nautical miles of Point Fermin throughout the year. They then qualify for discounted dockage fees the following year.

Beginning in 2009, the Port expanded the program, offering additional incentives to vessel operators who

slow down to 12 knots within 40 nautical miles off shore, for further pollution reduction. The program has proven so successful that the incentives will be doubled to \$6 million a year beginning in 2010.

The program eliminates hundreds of tons of smog-forming pollutants and diesel particulates each year. It also reduces greenhouse gas emissions and fuel consumption. The original program cut air pollution levels by 650 tons a year. In 2009, the drop in pollution reached about 2,000 tons a year, and in 2010, under the expanded program, levels could fall an additional 300 tons.



on the left, an old power plant in the middle and the Gerald Desmond Bridge on the right, a Hyundai ship is loaded at the CUT facility at Pier E.

agreed that a regional, science-based, coordinated approach could improve water and sediment quality in the harbor even further.

The Port of Long Beach teamed up with the neighboring Port of Los Angeles to create a water quality plan with input from multiple stakeholders, including regulatory agencies, the maritime industry and environmental groups. A draft of the plan, called the Water Resources Action Plan, or WRAP, was released for comment in April 2009 and approved by both Harbor Commissions in August.

With strategies designed to work in conjunction with regulations expected to be issued soon by the Los Angeles Regional Water Quality Control Board, WRAP identifies and targets the remaining sources of water and sediment pollution in the bay.

Changing the Future: Zero Emissions

In search of a concept that could change the future of goods movement, the Port of Long Beach and a panel of independent experts have begun to review ideas offered by seven companies for a zero-emission system to transport cargo containers.

The ports of Long Beach and Los Angeles and the Alameda Corridor Transportation Authority (ACTA) are seeking new, non-polluting technology to move containers between the marine terminals and an intermodal rail yard next to West Long Beach. In June, they issued a Request for Concepts and Solutions for a futuristic Zero Emission Container Mover System (ZECMS).

TAP Into Green Port Innovation

The Technology Advancement Program component of the Clean Air Action Plan, or TAP, funds promising emerging clean-air technology in the goods-movement industry. Under this forward-looking program, the Port contributed \$500,000 toward the development of the world's first hybrid tugboat at Foss Maritime. The *Carolyn Dorothy* made her debut in early 2009 and underwent six months of tests and evaluation before going to work in San Pedro Bay.

Foss developed the hybrid tug with an eye toward retrofitting existing tugboats with diesel-electric power. The hybrid technology is well-suited for tugboats, as it is able to provide the enormous diesel power the tug needs when working but can switch to low-emission electric mode for the times when it is cruising the harbor or idling.



Jacobsen's new pilot boat isn't just speedy — it features low-polluting engines.

New Pilot Boat Sets Green Standard

Pilot boats — the workhorse vessels that shuttle Port pilots to the massive cargo ships they guide through the harbor — are among the latest machines at the Port to get a “green” upgrade.

In 2009 Jacobsen Pilot Service custom-designed and implemented a new vessel that cuts air pollution by 80 percent or more. The only one of its kind, the new *Altair* is lighter, smaller, faster and propelled by cleaner-burning engines for dramatic air-quality improvements. Jacobsen's heavier vessels are needed during high winds and heavy seas, but the lighter *Altair* offers a cleaner alternative in calmer waters.

Jacobsen is a family-owned business that has been the Port's exclusive provider of pilot services since 1922.

Safe and Secure

Port's high-tech post-9/11 security initiatives lead the U.S. maritime industry

Nearing the 10-year anniversary of the 9/11 attacks, security measures continue to increase throughout the Port complex, including on the water, where officers aboard a Port Harbor Patrol boat monitor activities at TTI's Pier T container terminal.







This page left and above, Port security teams monitor activities beneath the water, on the water and on land. This page, lower right, every truck leaving the Port is examined at electronic portals for radioactive material. Opposite page, the newly opened Security Command and Control Center houses the latest communications technologies so law enforcement teams can monitor activities throughout the Port.

Command and Control Center: Bringing together law enforcement agencies

In the heart of the Port of Long Beach's new Security Command and Control Center, a bank of video screens dominates a room bristling with high-tech equipment.

From this location, the security technology analyst can select an image from screens displaying several live images from across the sprawling Port. With a tap of his keyboard, the analyst can select a view that instantly expands, creating a seamless, wall-to-wall picture provided by a dockside security camera — then effortlessly zoom in to examine a detail.

The high-tech video system represents the very idea behind the Port's new Command and Control Center — connectivity. The center brings together all of the latest security and communications technologies and the teams who use it to carry out the mission of protecting lives, trade and commerce at the Port of Long Beach.

The \$21 million facility is known in the security trade as a "domain awareness center" because it brings together all camera surveillance and detection systems throughout the port complex and provides an easy way for the many security agencies to cooperate — especially in a time of crisis or high threat.

When the three-story, 25,000-square-foot center on Pier F opened early in 2009, it marked a new era of security for the Port. While the center may be based on lessons and techniques learned in the wake of 9/11, it is forward-looking in its approach and design, fully adaptable and expandable as communications and security technology evolves.

The center, fast becoming a nationwide model, allows stakeholders and partner agencies to maximize their

resources in order to keep trade flowing through the Port of Long Beach in the event of a crisis. The Security Division has become a recognized leader in maritime security in the United States.

A new high-speed fiber-optic network is ready for installation in 2010. In September, the Port was awarded \$7.8 million under a federal economic stimulus program designed to fund security projects around the country while creating jobs. Of those funds, \$6.8 million is being directed to the new fiber-optic network.

The new security center is a regional asset in the harbor complex and is equipped to host personnel from the U.S. Coast Guard, Customs and Border Protection, the Port of Los Angeles, the Long Beach Police Department and more.

Underscoring the Port's commitment to the environment, the Security Center was constructed to silver-level LEED (Leadership in Energy and Environmental Design) standards, with the use of electricity-saving devices, recycled materials and drought-tolerant landscaping.

TWIC: Rolling Out Secure Access

In April, the Transportation Worker Identification Credential, or TWIC, became the official nationwide identification standard for maritime transportation workers or anyone who requires unescorted access to secure areas of Port facilities and vessels.

The Port of Long Beach worked closely with the U.S. Department of Homeland Security to develop and test the national identification system. In accordance with the Maritime Transportation Security Act of 2002 and the SAFE Port Act, the TWIC serves as a common identification credential for everyone who requires unescorted access.

'Domain awareness' depends on surveillance and detection systems at the Port's Command and Control Center



Vibrant Neighbor

The Port is engaged with the community at open houses, in the neighborhoods, in the classroom, in the news media – even in cyberspace. The discussion is often about the importance of Port operations to the economy, related jobs and the many initiatives underway to successfully improve the environment.







This page above left, visitors enjoy a Port boat tour, available during the summer and at Green Port Fest. Right, students help clean up Colorado Lagoon during a Port-organized service learning program. Below, cyclists of all ages tour the Port during a Green Port Fest bike tour. Opposite page, residents chat with Port staff at a "Let's Talk Port" community workshop.



Welcoming the Public — Green Port Fest and Boat Tours

More than 10,000 people filled the colorfully decorated roadway outside the Port of Long Beach administration building on Saturday, October 3, for the fifth annual Green Port Fest 2009. It was the largest attendance yet for the popular waterfront event.

Visitors enjoyed dozens of interactive exhibits, boat and train tours and other activities that gave the public a behind-the-scenes look at one of the world's busiest seaports and the pioneering environmental programs that will keep it sustainable for future generations. Dozens of booths provided visitors with information about Port operations, benefits of the Port and the Green Port Policy. Many Port customers and business partners shared their green programs and projects. Others displayed giant cargo-handling equipment. In partnership with LB Cyclists, the Port offered a free bicycle valet service during the event and guided tours of a proposed waterfront bike path.

The event also featured local musicians and an arts and crafts booth for children as part of the Greater Long Beach Arts Lab (GLOBAL), the inaugural citywide celebration of the National Arts and Humanities Month by the Arts Council for Long Beach.

Green Port Fest isn't the public's only chance to get a behind-the-scenes look at Port operations.

The Port's award-winning boat tours, which run from May through September, also set attendance records as nearly 2,500 guests took a close-up look at Port operations from the water. The free 90-minute tours, narrated by Port staff, explain how terminals import and export vital consumer products and bulk goods and how the Port's environmental efforts are improving air and water quality, wildlife habitat and more.

In the Classroom — International Trade Education

As a strong supporter of global trade education, the Port of Long Beach has established a variety of diverse programs for students of all ages, from tours and activities to curriculum development and scholarships. Tomorrow's Port leadership will grow from the fertile minds of today's students and sustain the industry as the world changes and the Port of Long Beach becomes The Port of the Future.

To this end, the Port awards more than \$60,000 each year to Long Beach-area students to assist with educational expenses. These annual scholarships are given to graduating high school seniors and college students majoring in international business or a trade field related to the maritime industry.

To help educate students about the economics of international trade, the Port, in partnership with the Long Beach Unified School District, developed a Port-related curriculum in 2008 and expanded it in 2009 to include math and science studies.

In the Media — Building Awareness

To build even closer ties to the community and further impress upon the public the Port's environmental and economic messages, the Port rolled out a colorful multimedia campaign in Long Beach in 2009.

Eye-catching advertising appeared in newspapers and magazines and on buses, street banners and signs. Every household in the city received the Port's award-winning quarterly Re:port newsletter. The Port's website, polb.com, was expanded to include weekly video updates and live web coverage of major speeches and events. A greater presence on Facebook, Twitter and YouTube moved the Port to the forefront in the new, exciting arena of social media.

Of the Port's many commitments, none is more important than its local pledges to the community.



Center for Global Trade

Port of Long Beach Cargo Statistics in MRTs*

A key center for international trade and the global economy, the Port of Long Beach is one of the world premier seaports.

What goes overseas

1. Petroleum coke	5,033,173
2. Petroleum products	4,315,274
3. Chemicals	4,086,531
4. Waste paper	3,990,890
5. Food	3,957,016
6. Scrap metal	2,426,914
7. Plastic	1,680,535
8. Electronics	1,048,498
9. Feeds	862,216
10. Machinery & parts	814,234

What comes into the Port

1. Crude oil	28,659,637
2. Electronics	11,606,425
3. Plastics	7,130,442
4. Furniture	5,880,700
5. Clothing	4,974,332
6. Machinery	3,378,323
7. Rubber	2,191,261
8. Food	1,558,572
9. Chemicals	1,340,946
10. Hardware	1,282,901



* Shown in metric revenue tons (MRTs) based on 1,000 kilograms or one cubic meter.

Top Import and Export Partners (% of total Port of Long Beach trade)



Top Import and Export Partners

1. China	51,420,778
2. South Korea	15,201,918
3. Hong Kong	6,056,063
4. Japan	4,309,584
5. Taiwan	2,843,669
6. Vietnam	2,619,182
7. Iraq	2,210,797
8. Australia	2,111,811
9. Ecuador	1,904,218
10. Indonesia	1,340,464

Top Import Partners

1. China	40,223,146
2. South Korea	4,004,286
3. Hong Kong	2,814,271
4. Japan	2,389,740
5. Iraq	2,210,188
6. Ecuador	1,885,199
7. Vietnam	1,699,338
8. Gulf of Mexico	1,213,824
9. Canada	1,186,985
10. Panama	1,163,063

Top Export Partners

1. China	11,197,632
2. Japan	4,111,218
3. South Korea	3,241,792
4. Taiwan	1,919,844
5. Hong Kong	1,676,156
6. Australia	1,591,345
7. Indonesia	941,343
8. Vietnam	903,917
9. Singapore	553,958
10. Philippines	464,714



Port Customers

Dry Bulk

Pier & Berths

B82
D32
D46
F208
F210
F211
G212-215

Tenant

New NGC, Inc.
Cemex USA
G-P Gypsum
Mitsubishi Cement Corp.
Morton Salt Co.
Koch Carbon
Metro Ports

Petroleum – Liquid Bulk

Pier & Berths

B76-80
B82-83
B84-87
D30-31
F209 & 211
S101
T121

Tenant

BP Pipelines North America Inc.
Petro Diamond Terminal Co.
Tesoro Refining and Marketing Co.
Baker Commodities, Inc.
Chemoil Marine Terminal
Vopak Terminal Long Beach, Inc.
BP Pipelines North America Inc.

Container

Pier & Berths

A88-96
C60-62
E24-26
F6-10
G226-230, G232-236

Tenant

SSAT - Long Beach Terminal, LLC
SSA Marine-Matson Terminal
California United Terminals
Long Beach Container Terminal Inc.
International Transportation Service Inc.
SSA Marine / Pacific Maritime Services
Total Terminals International, LLC

J243-247, J266-270
T132-140

Breakbulk/Neo-Bulk

Pier & Berths

B82-83
D28-31, D34
D50-54
F204-205
F206-207
T118
T122 (T115-116)
T122

Tenant

Toyota Logistics Services, Inc.
California United Terminals
Vacant
Cooper/T. Smith Stevedoring Co., Inc.
SSA Marine - Crescent Terminals
SA Recycling, LLC
Weyerhaeuser Co.
Fremont Forest Group Corp.

Container Cargo

Inbound	67,379,698
Outbound	25,036,688
Total	92,416,386

Petroleum - Liquid Bulk

Inbound	28,044,613
Outbound	4,007,889
Total	32,052,502

Dry Bulk

Inbound	484,161
Outbound	6,160,106
Total	6,644,267

Breakbulk/Neo-Bulk (including steel, vehicles, lumber)

Inbound	714,498
Outbound	639,421
Total	1,353,919

Total Cargo Tonnage

Inbound	96,622,970
Outbound	35,844,104
Total	132,467,074

Total Containers - (TEUs**)

Loaded inbound	2,534,897
Loaded outbound	1,352,053
Empties	1,180,647
Total	5,067,597

Total Vessels

Municipal wharves	2,236
Barge	1,225
Private wharves	38
Anchorage	1,247
Total	4,746

Ocean Carriers

Akmar Shipping
Alaska Tanker
American Heavy
APL Ltd.
BBC Chartering & Logistics
Beluga Shipping
Biko Kisen
BP Shipping
Brostrom Tankers
Carnival Cruise Lines
Ceres Hellenic Shipping
Chemikalien Seetransport
ChevronTexaco Shipping
Chilena Interoceanica
China Navigation
China Shipping Container Lines
Clipper Denmark
CMA CGM
Copenhagen Tankers
COSCO Container Lines
China Ocean Shipping Co.
Crowley Marine Services
CSL International
d'Amico
Diamlemos Shipping
Dowa Line

Eastern Car Liner
Eastern Mediterranean Maritime
Eletson/Sporades
Enterprises Shipping
Ership
Fair Ship Management
FESCO
First Marine Service
FLOPEC
Frontline Ltd.
Gearbulk Holding Limited
Generals Shipmanagement
Gold Star Line
Hachiuma Steamship
Hamburg Sud
Hanjin Shipping
Hapag-Lloyd
Holland America Line
Hyundai Merchant Marine
Jacob E
Kawasaki Kisen Kaisha
Konkar Shipping Agencies
Korea Line
Kristen Navigation
LauritzenCool
Link Marine

Liquimar Tankers Management
Maersk
Matson Navigation
Mediterranean Shipping Co.
Mitsui OSK Lines Ltd.
Miwa Kaiun
Nippon Yusen Kaisha
Nissan Prince Kaiun
Norasia CSAV
Norden
Norsk Pacific Steamship
Northern Marine Management
NT Marine
Oldendorff Carriers
OMI Marine Services
Orient Overseas Container Line
OSG Ship Management
PACC Ship Managers
Pacific International Lines
Patt Manfield
Philippines Micronesia Orient
Polar Tankers
Polynesia Line
Ravenscroft Shipping

Reefership
Sanko Steamship
Seabulk
SeaRiver Maritime
Shanghai Zhenhua Shipping
Shih Wei Navigation
SOVCOMFLOT
Star Shipping
Stena Bulk
STX Pan Ocean Co. Ltd.
Teekay Shipping Canada
Thoresen Bangkok
Toko Kaiun Kaisha Ltd.
Totem Ocean Trailer
Toyofuji Shipping
Trade Fortune
TS Lines
United Reefers Chartering
US Shipping
VEGA-Reederei
Wallenius Wilhelmsen Lines
Wan Hai Lines
Wing Tak Shipping
Yang Ming Line
Zim Integrated Shipping

* Shown in metric revenue tons (MRTs) based on 1,000 kilograms or one cubic meter.

** Twenty-foot equivalent units (TEUs) equal to one twenty-foot-long cargo container.

Port Staff

Richard D. Steinke
Executive Director

J. Christopher Lytle
Deputy Executive Director
and Chief Operating Officer

Douglas A. Thiessen, P.E.
Managing Director of Engineering

Robert Kanter, Ph.D.
Managing Director of Environmental
Affairs and Planning

Steven B. Rubin
Managing Director of Finance
and Administration

Vacant
Managing Director of Trade
Relations and Port Operations

Diane Jacobus
Acting Executive Officer to the
Board of Harbor Commissioners

Heather C. Morris
Director of Communications
and Community Relations

Al Moro, P.E.
Chief Harbor Engineer /
Assistant Managing Director

Gary J. Cardamone, P.E.
Director of Construction
Management

Neil D. Morrison, P.E.
Director of Engineering Design

Richard D. Cameron
Director of Environmental
Planning

Sam Joumbat, CPA
Chief Financial Officer

Samara Ashley
Director of Government Affairs

Stacey Lewis
Acting Director of Human Resources

Douglas L. Albrecht
Director of Information
Management

Randy J. Rich
Director of Maintenance

Larry Cottrill
Director of Master Planning

Douglas J. Sereno, P.E.
Director of Program Management

Karl Adamowicz
Director of Real Estate

Richard S. Baratta, ARM
Director of Risk Management

Cosmo Perrone
Director of Security

Donald B. Snyder
Director of Trade Relations

Eric C. Shen, P.E., PTP
Director of Transportation Planning

Overseas Representatives

Australia

John Ingster
ingster@polb.com

Europe

Lutz Ehrhardt
ehhardt@polb.com

Greater China: Hong Kong Office

Edward Yau
yau@polb.com

Japan

Norihiko Iwato
iwato@polb.com

Korea

S.H. Hong
shhong@polb.com



Above, a team of longshoremen unload and load ZIM cargo containers at SSA's Pier A terminal. Below, two 'K' Line ships dock at ITS' Pier G facility.

Sustainable Printing

The Port of Long Beach's Green Port Policy calls for all Port actions to consider environmental sustainability — the idea that by using resources more effectively to meet our needs today, we will not compromise the ability of future generations to meet their needs.

This year, the cover and inside pages of the Annual Report are printed on paper with a 100 percent postconsumer recycled fiber. The Annual Report was printed by Queen Beach Printers, a Forest Stewardship Council (FSC) certified printer. By using recycled paper for its entire paper order, the Port preserved more than 37 trees and prevented the creation of more than 3,542 pounds of greenhouse gases. We are proud that this is an environmentally friendly Annual Report.



Port of Long Beach

925 Harbor Plaza, Long Beach, CA 90802

www.POLB.com



