

CMANC

January 20, 2017



Port of Los Angeles Update

THE PORT
OF LOS ANGELES 



A detailed line-art sketch of a port scene, featuring several large gantry cranes, cargo ships, and a city skyline in the background. The sketch is rendered in a light gray tone, serving as a background for the slide.

PORT OVERVIEW & UPDATE

#1 Container Port in the Americas

Founded in 1907

Proprietary City Department

Mayoral-Appointed Board of 5

State Tidelands Trust Guidelines

Traditionally A "Landlord" Port Model

Container Volume

8.8 Million TEUs in 2016

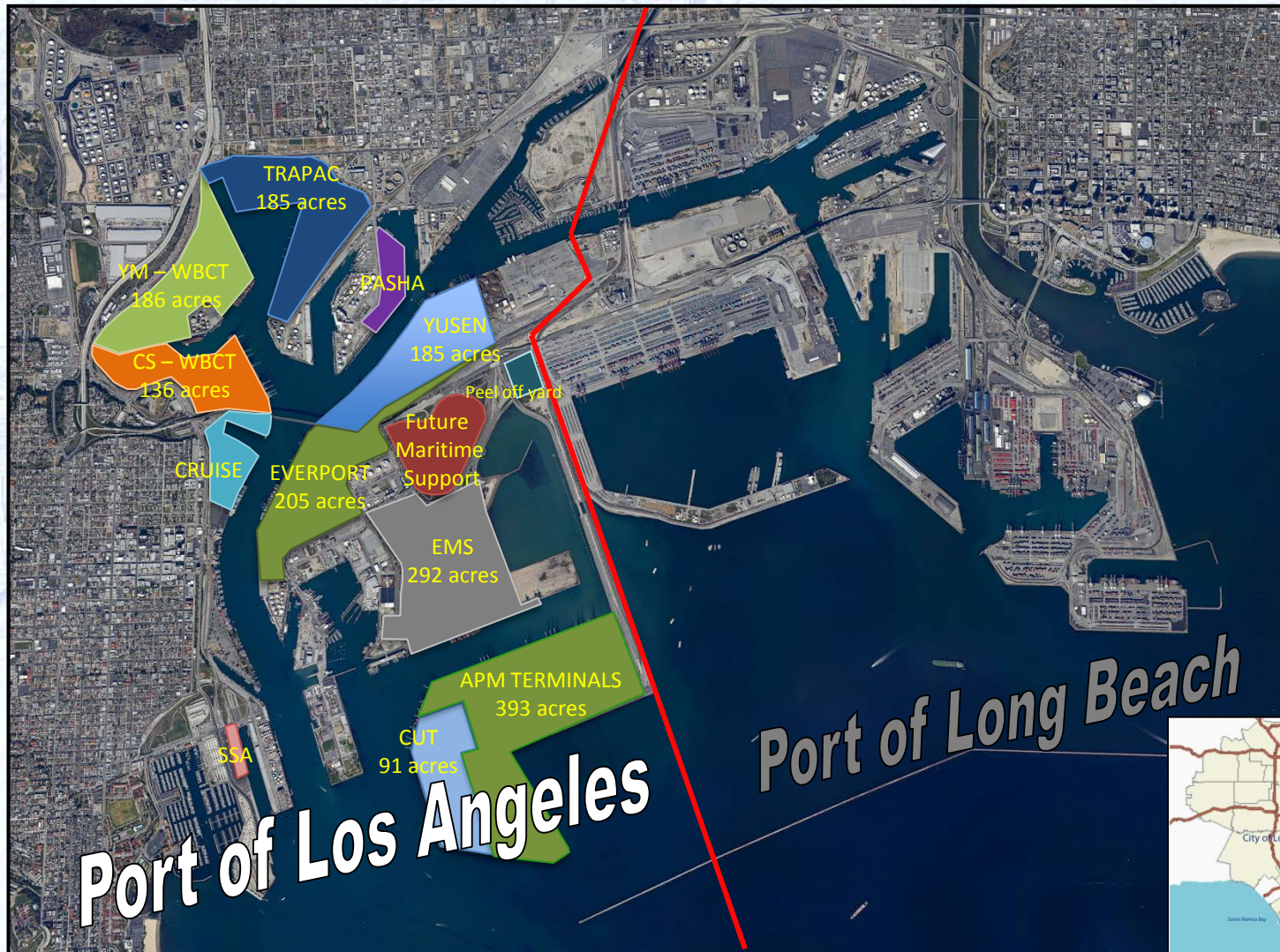
- Twenty-foot Equivalent Units (TEUs)
- 8.2 million TEUs in 2015
- 8.3 million TEUs in 2014
- 7.9 million TEUs in 2013
- 8.1 million TEUs in 2012
- 7.9 million TEUs in 2011
- 7.8 million TEUs in 2010
- 6.7 million TEUs in 2009
- 7.8 million TEUs in 2008
- 8.4 million TEUs in 2007
- 8.5 million TEUs in 2006 (best year)



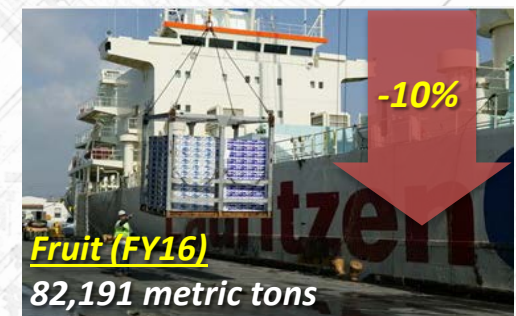
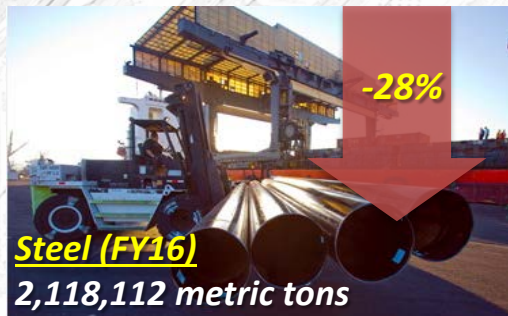
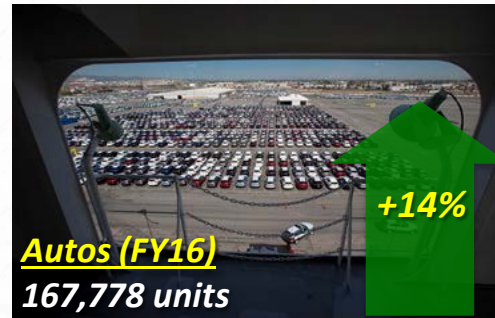
Ports of Long Beach/Los Angeles



San Pedro Bay Port Complex



Our Diverse Lines of Business



A “Full Service” Port



COMPETITIVE POSITION & MARKET OUTLOOK

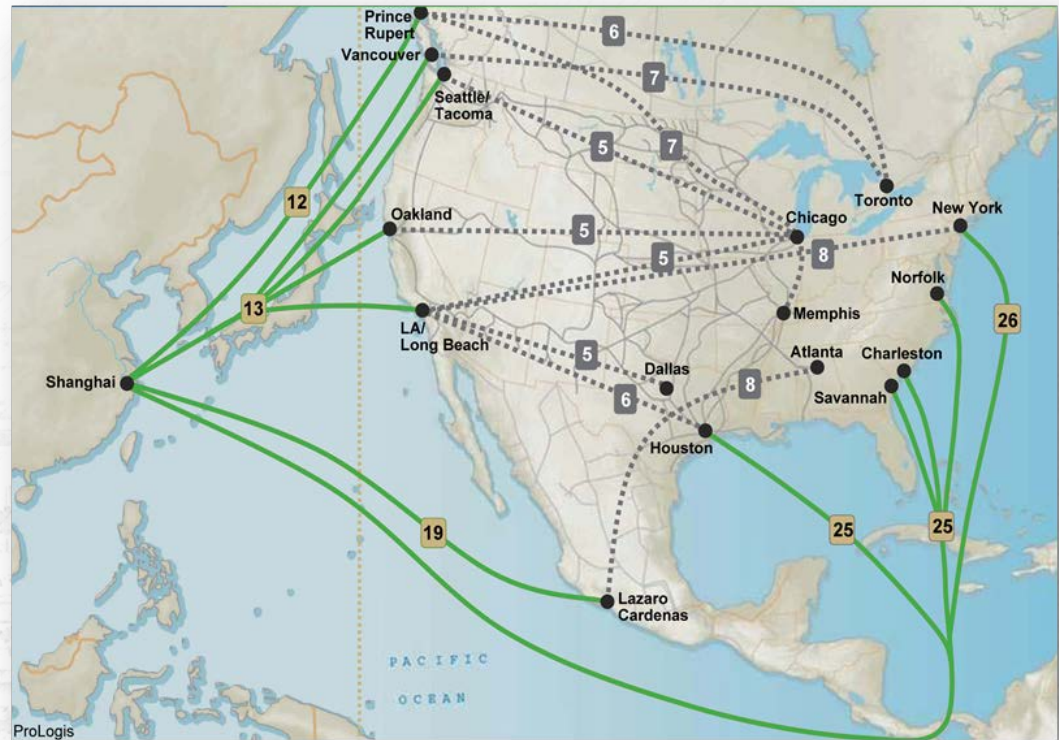
Key Strategic Advantages

- **Location**— Connecting manufacturing in Asia to the huge local market of 22 million people in Southern California, which is also a logistics hub with national reach
- **Deep water harbor** — 53-foot deep Main Channel can handle the largest container ships
- **Superior facilities** — 27 cargo terminals (8 container), 270 berths (24 with AMP capabilities) with 91 cranes
- **Customers** — Approximately 300 active leases
- **Extensive intermodal rail network** — Both into and out of San Pedro Bay
 - On-dock rail: All 8 container terminals have on-dock rail. TraPac is in the testing mode
 - Near- and off-dock rail: Capabilities to handle cargo which is unable to be loaded on-dock
- **Diverse lines of business** — in addition to container cargo, also handle: liquid bulk cargo to meet local and export demand for gasoline, diesel, and jet fuel; dry bulk and breakbulk cargo; automobiles; and cruise traffic with the Mexican Rivera
- **Workforce** — Over 14,000 highly skilled ILWU members
- **Secondary conveyance** — Access to approximately 14,000 truck drivers, 1.8 billion sq. ft. of warehouse and distribution center capacity within region

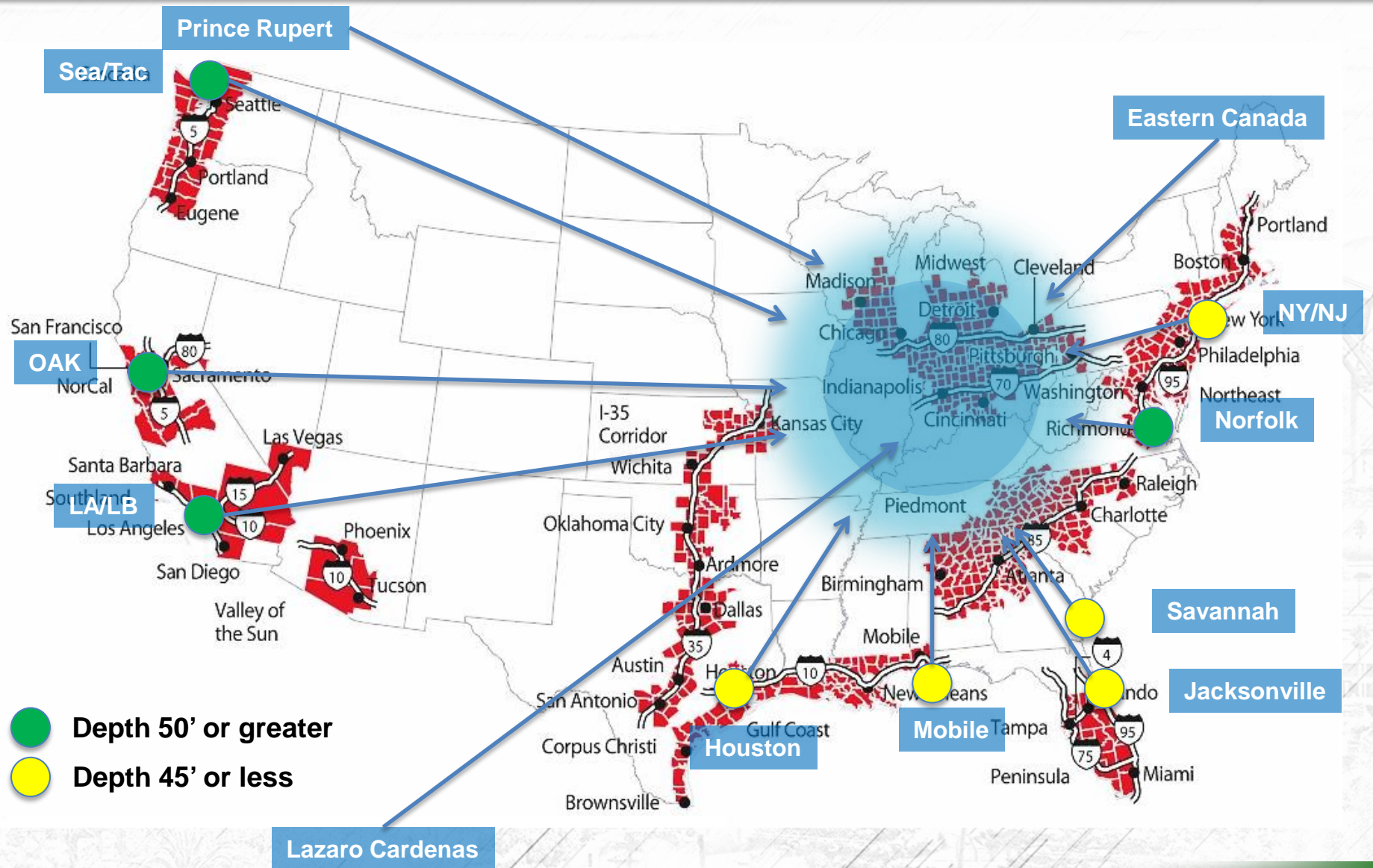
The L.A. Gateway of Connectivity

Superior Access to U.S. Markets

- Mega-region of **22 million consumers**
- **Good weather** year-round
- Alameda Corridor
- **100 Trains** daily through LA basin
- 2 Class-1 Carriers: Union Pacific & BNSF
- Access to **Major Freight Hubs**, including:
 - Chicago
 - Atlanta
 - Memphis
 - Houston
 - San Antonio
 - Kansas City
 - Dallas
 - New York



Competition for Discretionary Cargo is Strong



Top Trading Partners & Commodities

TOP 5 TRADING PARTNERS

In Cargo Value, FY 2016

1. China/Hong Kong
\$134 billion (50%)
2. Japan
\$39 billion (14%)
3. South Korea
\$15 billion (5%)
4. Taiwan
\$13 billion (5%)
5. Vietnam
\$12 billion (5%)

*Cargo value as a % of total in parenthesis

IMPORTS

Containerized, FY 2016

1. Machinery
759,426 TEUs (18%)
2. Furniture
551,098 TEUs (13%)
3. Plastics & Rubber
409,835 TEUs (10%)
4. Vehicles & Equip.
341,536 TEUs (8%)
5. Base Metals
276,224 TEUs (7%)

*TEUs as a % of total in parenthesis

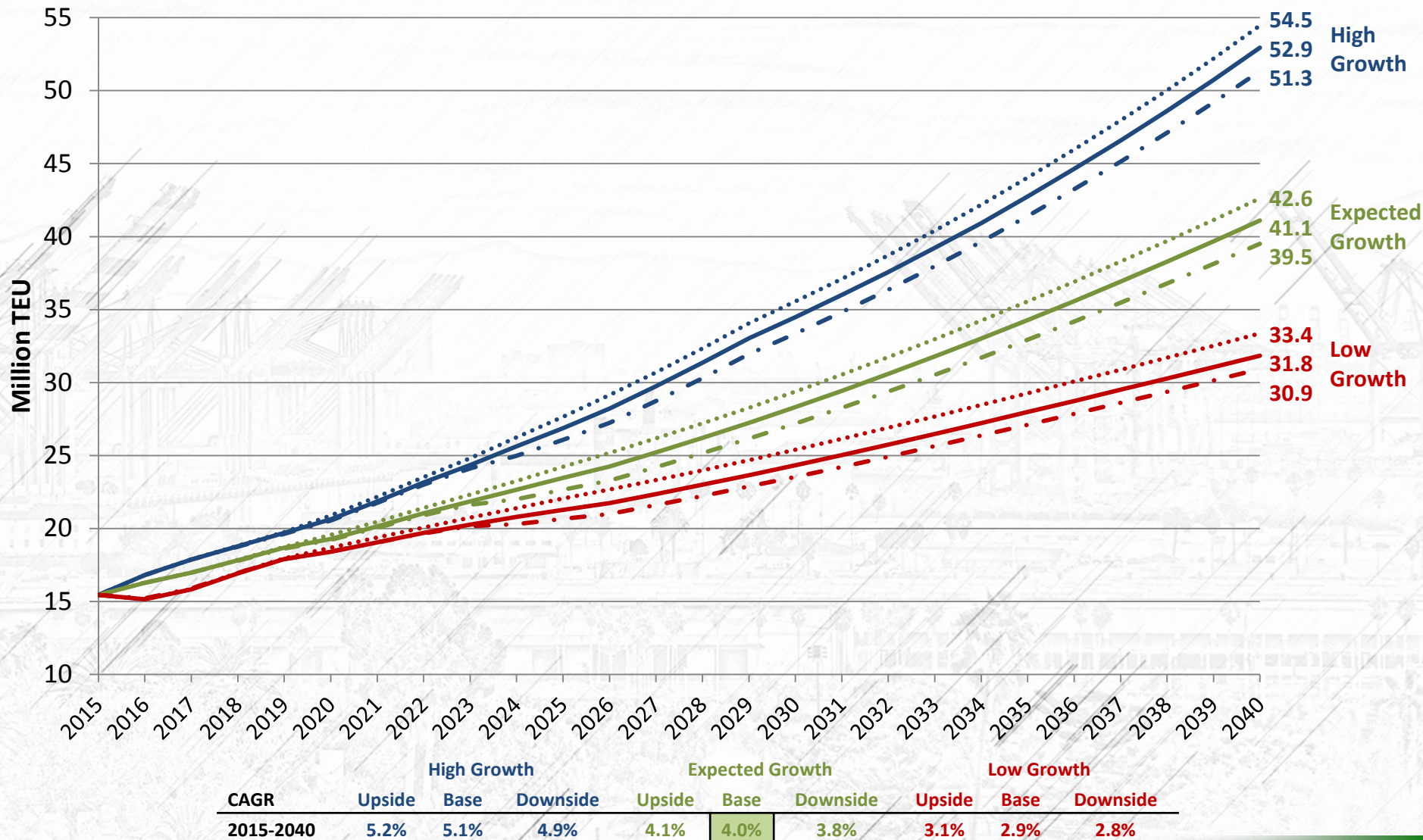
EXPORTS

Containerized, FY 2016

1. Wood Pulp
259,162 TEUs (17%)
2. Foodstuffs
171,539 TEUs (11%)
3. Oil Seeds
131,075 TEUs (9%)
4. Base Metals
120,349 TEUs (8%)
5. Plastics & Rubber
104,155 TEUs (7%)

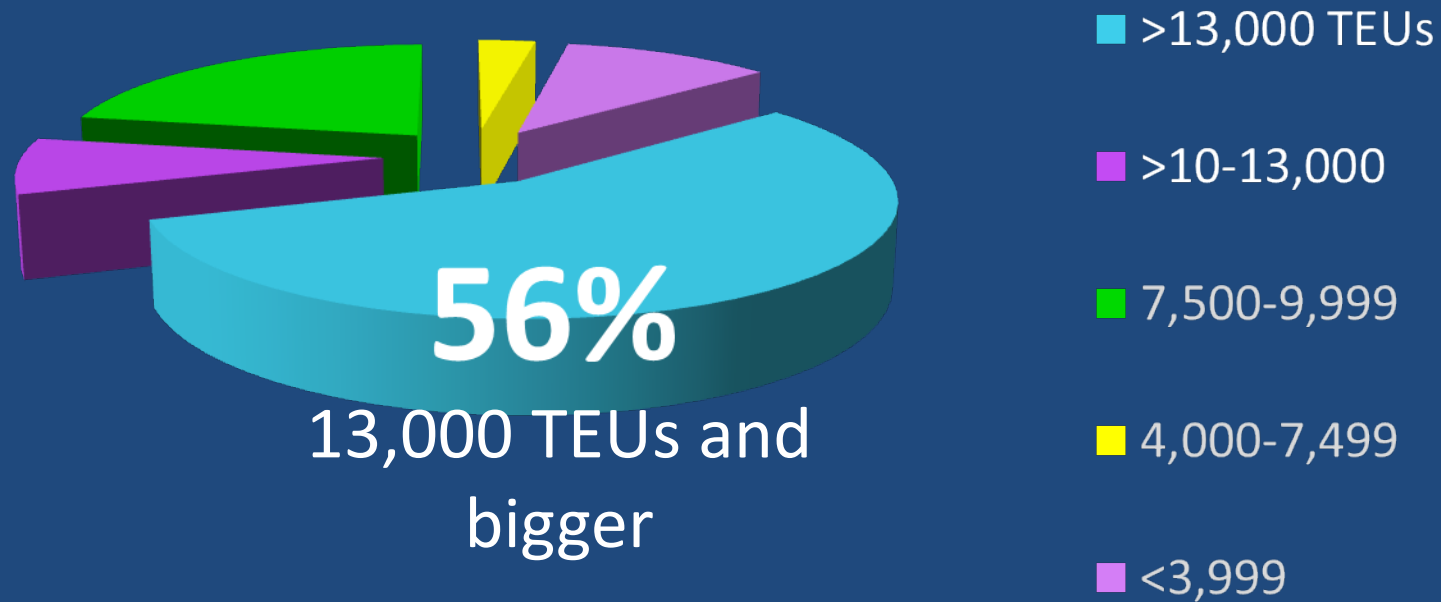
*TEUs as a % of total in parenthesis

25 Year Forecast of San Pedro Bay Container Volumes



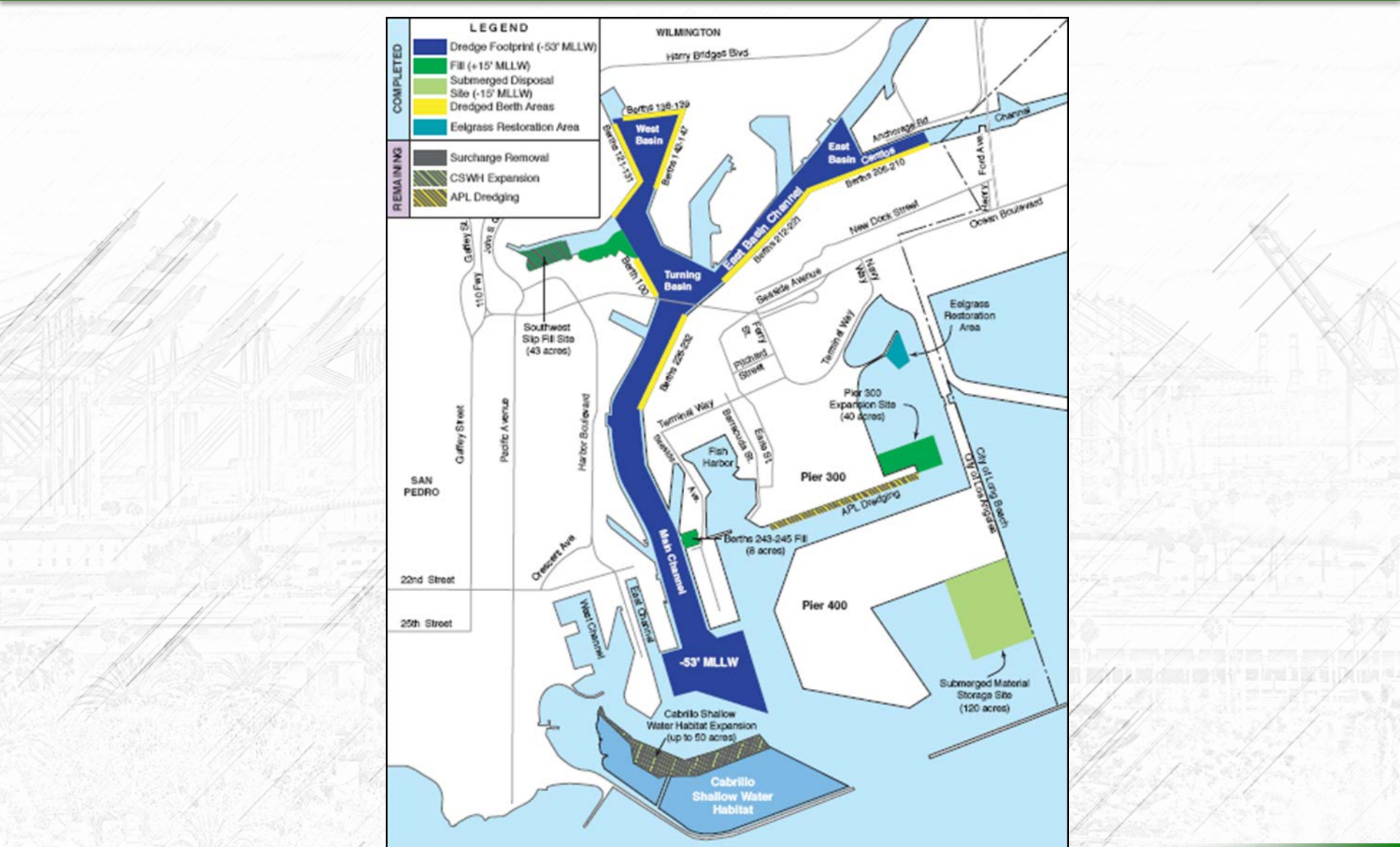
BIG SHIPS COMING

Of ships on order, more than half can't pass through expanded Panama Canal.



Source: Alphaliner, April 2015

Main Channel Deepening Project



Big Ship Ready





CAPITAL IMPROVEMENT PROGRAM

Key CIP Projects Support Growth



Terminal Projects

1. **TRAPAC:** Most advanced container terminal with advanced technology for new backland and rail yard ~\$510M
2. **Yang Ming:** Reconstruction of existing container berth and expansion of existing rail yard ~\$122M
3. **Everport:** Upgraded wharf and backland ~\$48M
4. **Cruise Terminal:** AMP system expansion ~\$16M
5. **YTI:** Upgraded wharf and expansion of TICTF ~\$69M
6. **EMS:** Multiple expansion elements for existing container terminal ~\$200M
7. **APMT:** Expanded rail support and loading tracks - TBD

Non-Terminal Projects

8. **AltaSea Development:** Urban marine research and innovation center ~\$58M committed
9. **LA Waterfront Development:** ~\$100M committed over the next five years

Transportation Projects

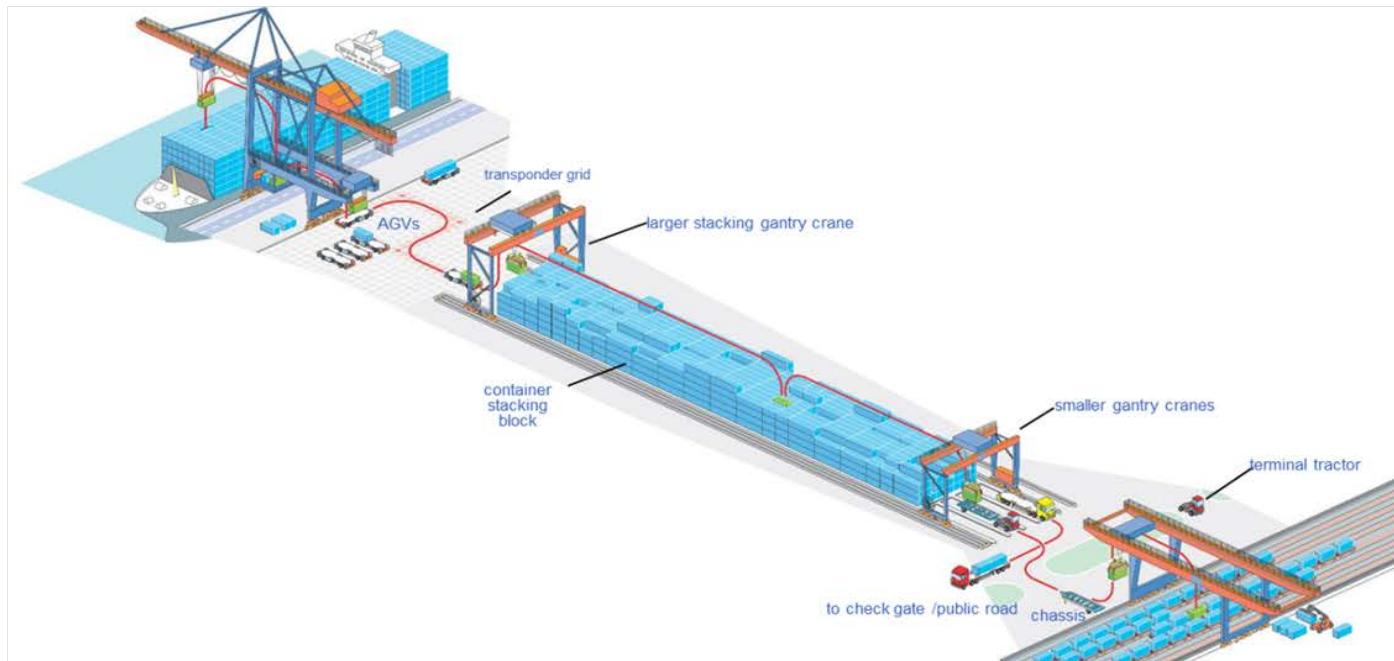
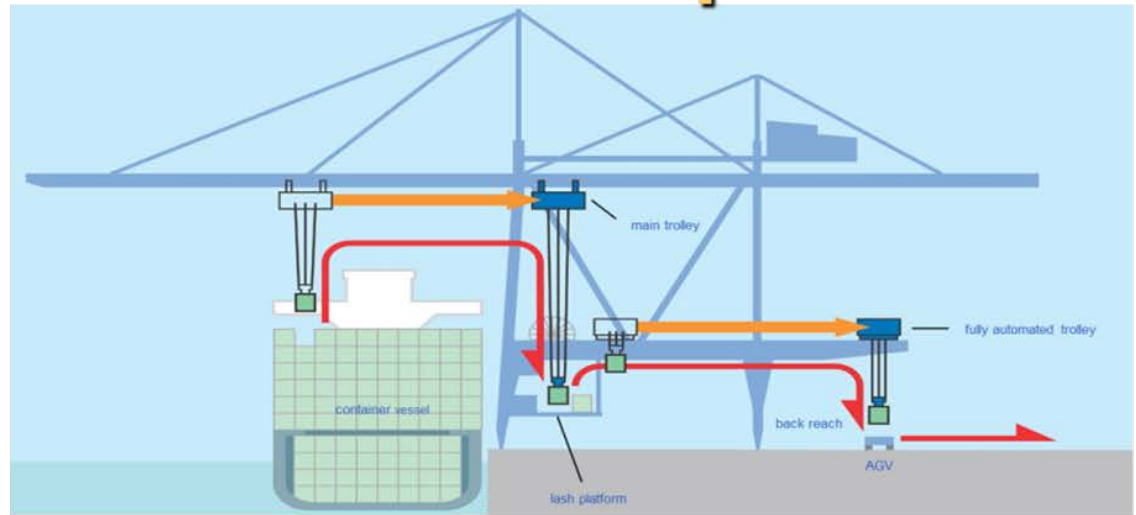
10. **I-110 Connector Improvement Projects:** ~\$104M

Various locations:

Marine Oil Terminal Engineering & Maintenance Standards Implementation: Liquid bulk wharves upgraded/replaced at various locations ~\$180M

* Note: CIP \$ reflect the total dollar cost of projects, and historical spending is included in these total costs

Automated Terminal Development



TraPac Automated Rail Yard



Public Access Investment Plan

LA Waterfront Projects

CIP Summary (\$M)

Project Elements	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	Total CIP Cost
Sampson Way & 7th St Intersection	\$1.9	\$6.6	\$5.0	\$0.1			\$13.6
Ports O'Call B. 80-83 Waterside Improvements	\$0.1	\$0.2	\$0.8	\$3.0	\$1.6		\$5.7
Town Square at 6th Street and Ports O'Call Promenade	\$1.0	\$1.0	\$4.5	\$17.2	\$8.9	\$0.3	\$32.9
Ports O'Call Demolition and Clean Up		\$0.1	\$0.6	\$2.0	\$1.0		\$3.7
Wilmington Waterfront Promenade and Catalina Freight Demo	\$0.3	\$1.1	\$2.4	\$18.2	\$24.1	\$6.6	\$52.7
Wilmington Pedestrian Bridge		\$0.5	\$0.5	\$9.7	\$4.1	\$0.1	\$14.9
CIP Yearly Expenditures	\$3.3	\$9.4	\$13.8	\$50.2	\$39.8	\$7.0	\$123.5

6-Yr Average = \$20.58 M

Total CIP		\$123.5
------------------	--	----------------

DRAFT FOR DISCUSSION PURPOSES ONLY

Wilmington Waterfront



Wilmington Waterfront Pedestrian Bridge



San Pedro Waterfront



San Pedro Public Market



AltaSea Marine Research Center





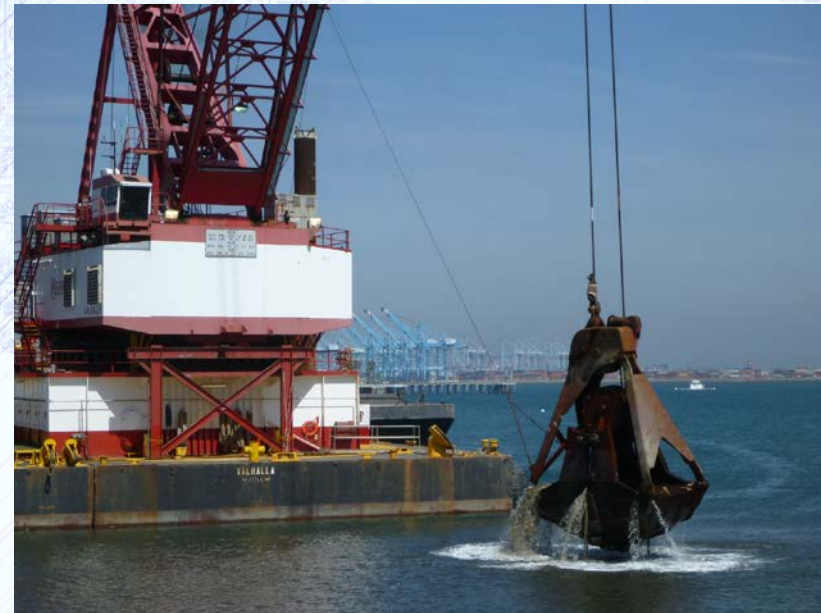
Maintenance Dredging

FY 16/17

Berths 195-200 \$1M

Berths 210-211 \$0.5M

Berths 401-406 \$2.2 M



New Dredge Disposal Sites

RB 240 ?

Fish Harbor ?

Seaplane Lagoon ?

Thank You!



Port of Los Angeles
425 South Palos Verdes Street
San Pedro, CA 90731
Phone: (310) 732-3840
www.portoflosangeles.org