



The Port of
LONG BEACH

November 8, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file report on the status of a Project Labor Agreement associated with the Gerald Desmond Bridge.

DISCUSSION

At the September 20, 2011, regular City Council meeting, Councilmembers Patrick O'Donnell, Robert Garcia, Dee Andrews and Steven Neal requested a status on discussions of a Project Labor Agreement for the Gerald Desmond Bridge project (Agenda Item #15).

BACKGROUND

The Gerald Desmond Bridge has become a vital part of the nation's infrastructure system, with nearly 15 percent of the nation's waterborne cargo trucked across the bridge. It is a critical access route for the Port of Long Beach (Port), downtown Long Beach and surrounding communities. The Gerald Desmond Bridge, which opened in 1968, is nearing the end of its intended lifespan and was not designed to handle today's traffic volumes. As a result, the California Department of Transportation (Caltrans) and the Port of Long Beach have begun a project to replace the Gerald Desmond Bridge.

The \$950 million project is a joint effort of Caltrans and the Port, with funding also from the U.S. Department of Transportation and the Los Angeles County Metropolitan Transportation Authority (Metro). The new, cable-stayed bridge will be high enough to accommodate the newest generation of the most-efficient cargo ships. And with three lanes in each direction plus safety lanes, it will be wider and better able to serve the thousands of cars and trucks that use the bridge each day.

The Gerald Desmond Bridge has been designated as a National Highway System Intermodal Connector Route and part of the Federal Strategic Highway Network. It

HONORABLE MAYOR AND CITY COUNCIL

November 8, 2011

Page 2

is a critical structure serving the ports of Long Beach and Los Angeles, the cities of Long Beach, Los Angeles and Orange County and the nation.

Construction of the new bridge will provide significant economic benefit to Long Beach and the region. The nearly \$1 billion in spending is estimated to generate economic activity of more than \$2 billion in Southern California. The project will support on average, 4,000 jobs a year for five years and will help meet the region's transportation and cargo-movement needs for many years to come.

The Board of Harbor Commissioners, Department staff and Caltrans are reviewing the probability of incorporating a Project Labor Agreement (PLA) with the Gerald Desmond Bridge Replacement project. As background, the Board of Harbor Commissioners adopted a PLA as part of the Port-funded Middle Harbor Redevelopment Project, a project which has created numerous jobs for Long Beach residents. Due to State tidelands regulations, the Middle Harbor project PLA does not include a local hiring preference. As it relates to projects like the Gerald Desmond Bridge, that are funded by federal appropriations and State of California tidelands revenues, hiring preferences for Long Beach residents are not permitted. Although local hiring preferences are not permitted, the Port anticipates that the jobs created by the Bridge project will significantly benefit Long Beach residents as well as those in surrounding cities.

FISCAL IMPACT

Funding for all costs associated with the Gerald Desmond Bridge Replacement project are from the Port of Long Beach, U.S. Department of Transportation, California Department of Transportation and Los Angeles County Metropolitan Transportation Authority.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



RICHARD D. STEINKE
EXECUTIVE DIRECTOR