



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: OCTOBER 11, 2017

FROM: ENVIRONMENTAL MANAGEMENT

**SUBJECT: RESOLUTION NO. _____ - FINAL ENVIRONMENTAL
IMPACT REPORT FOR THE BERTHS 226-236 EVERPORT CONTAINER
TERMINAL IMPROVEMENTS PROJECT (APP NO. 131015-136; SCH
NO. 2014101050)**

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) certify the Final Environmental Impact Report (EIR) for the Berths 226-236 Everport Container Terminal Improvements Project prepared in accordance with the California Environmental Quality Act (CEQA), and approve Alternative 5 as identified in the EIR for the proposed Everport terminal modifications. Staff has chosen to recommend adoption of this alternative, as opposed to the proposed Project in the EIR, as it would offer greater on-dock rail potential while meeting the project objectives and supporting the goals of the Clean Air Action Plan. Like the proposed Project, Alternative 5 also requires federal permits from the United States Army Corps of Engineers (USACE). As a result, the document was prepared as a joint Environmental Impact Statement (EIS)/EIR per the requirements of CEQA and the National Environmental Policy Act (NEPA). The USACE will consider approval of the EIS in their decision to grant permits for Alternative 5 in a separate action.

Alternative 5 is similar to the proposed Project in that it would improve marine shipping and commerce at the existing Everport Container Terminal located at Berths 226-236 on Terminal Island to accommodate larger container vessels (up to 16,000 twenty-foot equivalent units (TEUs)) that are anticipated to call at the Everport Container Terminal through the proposed lease extension through December 31, 2038 under Permit 888. Accordingly, Alternative 5 would consist of deepening two existing berths (Berths 226-229 and Berths 230-232), adding five new 100-foot gauge A-frame over-water gantry (wharf) cranes, raising up to five existing operational cranes, adding five alternative maritime power (AMP) vaults, and constructing backland improvements. Unlike the proposed Project, however, Alternative 5 would also increase the capacity of the Terminal Island Container Transfer Facility (TICTF) by adding track in order to process more containers at this on-dock facility. Though the overall throughput increase for the facility would be the same under Alternative 5 as for the proposed Project due to space limitations of the container yard backland area, Alternative 5 has the potential to cause fewer containers to be moved offsite by truck than the proposed Project thereby

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potentially reducing environmental impacts. As a result, identical to the proposed Project, Alternative 5 would increase the capacity of the Everport Container Terminal from 1,818,000 TEUs annually to 2,379,525 TEUs annually by 2038, which is an increase of 561,525 TEUs.

In this action, the Board will need to independently review and consider the Final EIR and, if deemed adequate under CEQA, certify the EIR, adopt specific Findings of Fact (FOF) regarding the significant environmental impacts of Alternative 5 and mitigation measures to reduce or avoid such impacts, adopt a Statement of Overriding Considerations (SOC), and adopt a Mitigation Monitoring and Reporting Program (MMRP). Similar to the proposed Project, with the application of mitigation measures and lease measures, significant and unavoidable impacts from Alternative 5 would remain related to the following impact areas: air quality, biological resources, cultural resources, and greenhouse gas emissions. Aside from mitigation and lease measures that are the responsibility of the tenant as outlined in the MMRP, the construction of Alternative 5 is the financial responsibility of the City of Los Angeles Harbor Department (Harbor Department).

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Certify the Final Environmental Impact Report for the Berths 226-236 Everport Container Terminal Improvements Project (a) has been completed in compliance with the California Environmental Quality Act (Public Resources Code §21000 et seq.), with the California Environmental Quality Act Guidelines (14 Cal. Code Regs. §15000 et. seq.), and the City of Los Angeles California Environmental Quality Act Guidelines; (b) was presented to the Board of Harbor Commissioners for review and the Board of Harbor Commissioners considered the information contained in the Final Environmental Impact Report prior to approving Alternative 5 of the Berth 226-236 Everport Container Terminal Improvements Project; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department, and that all required procedures have been completed;
2. Adopt the Findings of Fact and Statement of Overriding Considerations;
3. Find that, in accordance with the information contained in the Final Environmental Impact Report, Alternative 5 of the Berths 226-236 Everport Container Terminal Improvements Project will have significant environmental effects on air quality and meteorology, biological resources, cultural resources, and greenhouse gas emissions as defined by Public Resources Code Sections 21068 and 21082.2, and the State California Environmental Quality Act Guidelines, Sections 15064, 15064.4, 15064.5, and 15382;

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4. Find that, in accordance with the provisions of the California Environmental Quality Act Guidelines Section 15091(a)(1), changes or alterations have been required in, or incorporated into, the Berths 226-236 Everport Terminal Improvements Project, including the selection of Alternative 5, which substantially lessens or avoids one or more of the significant adverse environmental impacts identified in the Final Environmental Impact Report;
5. Find that, in accordance with the provisions of the California Environmental Quality Act Guidelines Section 15091(a)(3), specific economic, legal, social, technological, or other considerations, make infeasible certain mitigation measures such that some environmental impacts remain significant and unavoidable;
6. Find that, all information added to the Final Environmental Impact Report after public notice of the availability of the Draft Environmental Impact Report for public review but before certification, merely clarifies, amplifies, or makes insignificant modifications in an adequate Environmental Impact Report and recirculation is not necessary;
7. Find that, in accordance with Public Resources Code Section 21081(b) and California Environmental Quality Act Guidelines Section 15093, the benefits of creating a more efficient facility at Berths 226-236 outweigh the significant and unavoidable environmental impacts, and adopt the Findings of Fact and Statement of Overriding Considerations;
8. Adopt the Mitigation Monitoring and Reporting Program as required by Public Resources Code, Section 21081.6. The Mitigation Monitoring and Reporting Program is designed to ensure compliance with the mitigation measures, lease measures, and standard conditions adopted to avoid or lessen significant effects on the environment, pursuant to and identifies the responsibilities of the City of Los Angeles Harbor Department, as lead agency, to monitor and verify project compliance with those mitigation measures and lease measures;
9. Approve Alternative 5 of the Berths 226-236 Everport Container Terminal Improvements Project identified in the Environmental Impact Report including all feasible mitigation measures and lease measures with consideration of the Findings of Fact and Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program;
10. Direct the Cargo and Industrial Real Estate Division to incorporate by reference the Environmental Impact Report, mitigation measures, lease measures, and Mitigation Monitoring and Reporting Program into any and all lease agreements or assignments encompassed in the approved Project;

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11. Authorize the Environmental Management Division to file the Notice of Determination with the Los Angeles County Clerk, the Los Angeles City Clerk, and the State Secretary of Resources; and

12. Adopt Resolution No. _____.

DISCUSSION:

Background/Context – The fleet mix of vessels calling at the Port of Los Angeles (Port) is trending toward larger vessels as shipping lines continue to increase the size of the vessels they are building. As many terminal berths and cranes within the Port and across the country were not designed to handle vessels of the size that are projected to enter the fleet mix over time, modifications to these facilities are necessary to allow for the efficient servicing of these vessels. The fleet mix of the Everport Container Terminal is expected to include vessels of up to 16,000 TEUs through the end of the terminal's proposed lease extension of December 31, 2038. For these reasons, Everport has proposed terminal modifications that would help the facility be able to service newer and larger ships in the next few decades.

To accomplish Everport's objectives, the Notice of Intent/Notice of Preparation for an EIS/EIR proposed to analyze a Project that would optimize its container yard backland area, deepen its berths, increase the number and size of its ship to shore cranes, and optimize its operations in anticipation of a changing fleet mix expected to be calling at the terminal over the next few decades.

In accordance with CEQA and NEPA, five project alternatives were analyzed in the environmental document to consider if potential environmental impacts of the proposed Project could otherwise be reduced. These alternatives included: (i) No Project at all, (ii) No Federal Action, (iii) Reduced Wharf, (iv) No Backland Expansion, and (v) Expanded On-Dock Rail. After receiving comments on the Draft EIS/EIR, staff has decided to recommend that the Board of Harbor Commissioners approve Alternative 5 – Expanded On-Dock Rail, instead of the proposed Project, for the Everport Container Terminal. Alternative 5 not only contains the same project components originally proposed but also expands on-dock rail capacity with the addition of one rail track at the TICTF. This would allow Alternative 5 to achieve the efficiency and expansion objectives of the originally proposed Project while diverting more containers off local streets and freeways.

Multiple comments were received on the Draft EIR, including three that recommended Alternative 5 be selected as the Project. In addition, the 2017 Draft Clean Air Action Plan (CAAP) was released subsequent to the release of the Draft EIR that also contains a goal of expanding the use of on-dock rail. Alternative 5 is, therefore, consistent with the CAAP and addresses comments raised and achieves the objectives of the Project.

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Project Objectives - The primary objectives of the proposed Project are:

- Optimize the use of existing facility and associated waterways in a manner that is consistent with the Harbor Department's public trust obligations;
- Provide sufficient depth to accommodate larger vessels anticipated to call at the terminal;
- Provide new cranes and raise existing cranes to efficiently service the larger container ships anticipated to call at the terminal;
- Improve the container terminal and container handling facilities to accommodate more efficient loading/unloading of the larger and increased number of ships anticipated to call at the terminal;
- Improve the container terminal backland capacity;
- Add an additional rail track to promote more container transport off-site via rail rather than truck;
- Maximize container land use and operations at the Everport Container Terminal consistent with the Port Master Plan; and
- Promote the long-term development and growth of the Port.

Project Description – Elements of Alternative 5 would be constructed over an approximately 24-month schedule. Construction would be performed in a manner that maintains ongoing terminal operations with one berth shut down at a time to allow for operations to continue. Under the proposed lease amendment, operation of the proposed facility after modification would now continue until December 31, 2038. The proposed modifications include improvements to and expansion of the existing Everport Container Terminal currently in operation at Berths 226-236. The primary components include the following:

- Dredging and installing king piles and sheet piles at Berths 226-229 and Berths 230-232;
- Disposal of dredged materials (30,000 cubic yards from Berths 226-229 and 8,000 cubic yards from Berths 230-232) at an ocean disposal site (i.e., LA-2), an approved upland disposal facility, or a combination of the two;

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- Addition of five new 100-foot gauge A-frame over-water gantry (wharf) cranes and raising up to five of the existing cranes;
- Addition of five AMP vaults at Berths 226- 232;
- Construction of one additional rail track at the TICTF to increase the capacity of the Everport portion of the on-dock railyard;
- Development of approximately 1.5 acres of vacant land as new backlands and development of approximately 22 acres as new backlands with the relocation of the main gate. The development of the 22 acres would require closure (vacation) of streets within this backlands expansion area and demolition of existing structures; and
- Lease extension by 10 years for continued operations from December 31, 2028, to December 31, 2038.

ENVIRONMENTAL ASSESSMENT:

CEQA Responsibilities - The Harbor Department is the CEQA lead agency for the proposed Project. As such, the Board is responsible for reviewing and considering the Final EIR (Transmittal 1) and, at its discretion, certifying that the Final EIR has been completed in accordance with CEQA, the State CEQA Guidelines, and the Los Angeles City CEQA Guidelines; has been presented to the Board for review and the Board considered the information contained in the Final EIR, and that it reflects the independent judgment and analysis of the Harbor Department. Certification of the Final EIR must precede the project approval. Project approval requires that the Board first independently review and certify the Final EIR as adequate; then adopt the FOF for Alternative 5 (Transmittal 2) on the significant environmental effects and the feasibility of mitigation measures and alternatives; adopt a SOC for Alternative 5 (included in Transmittal 2); and adopt a MMRP (Transmittal 3).

Scope and Content of Environmental Document - The Draft EIR, released April 20, 2017, incorporates, as appropriate, information received on the Notice of Preparation (NOP) for the proposed Project, assesses environmental impacts of the proposed Project, and analyzes alternatives and mitigation measures to reduce or avoid significant environmental effects. The Final EIR clarifies and amplifies the Draft EIR, incorporates modifications and corrections, contains responses to all public comments made on the Draft EIR, and contains records of the public process.

Intended Uses of the EIR - The EIR informs public agency decision-makers and the general public of the significant environmental effects of the proposed Project, recommends mitigation measures to minimize the significant effects, and describes a

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reasonable range of potentially feasible alternatives to the proposed Project, including Alternative 5 which is being recommended for adoption in lieu of the originally proposed Project. The EIR assesses the potential impacts, including unavoidable adverse impacts and cumulative impacts, related to the originally proposed Project and its alternatives, including Alternative 5. The analysis in the EIR supports future potential discretionary actions of the Board and the permitting/approval process of all agencies whose discretionary approvals must be obtained for particular elements of the Project. For the Harbor Department, these actions include but are not limited to: issuance of coastal development permits, issuance of engineering permits, and approval of lease amendments.

Environmental Documentation Process and Public Involvement - The proposed Project was subject to the required environmental documentation process that included public disclosure as required by CEQA. The procedural steps of the process are described below.

1. Notice of Preparation (NOP). In accordance with the Los Angeles City CEQA Guidelines, Article VI, Section 1.5 and the State CEQA Guidelines, Section 15082, the responsible agencies, participating City agencies, and other concerned parties were consulted through an NOP released in October 2014 and public scoping meeting held on November 13, 2014 in the Board Room. No comments were received during the scoping meeting and a total of ten written comment letters were received from various agencies and the public during the comment period, which closed on November 24, 2014.

Copies of the NOP were available for review online at www.portoflosangeles.org, at the City of Los Angeles Harbor Department Environmental Management Division office, and at the Los Angeles San Pedro Branch and Wilmington Branch Libraries.

2. Draft EIR. The Draft EIR was released for public review on April 20, 2017. It was made available on the Port of Los Angeles website, at local libraries, and mailed directly to over 100 interested parties. The 45-day comment period closed on June 5, 2017.

Public notices of availability stating that the Draft EIR was available for review were published in six newspapers: Los Angeles Times, Torrance Daily Breeze, Long Beach Press Telegram, Random Lengths, Metropolitan News Enterprise and HOY.

A public hearing was held on May 10, 2017, in the Board Room to present the findings of the environmental analysis and accept oral comments. Four oral comments were received at the public hearing. A total of 21 written comments were received from various agencies and the public during the 45-day public comment period.

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3. Responses to Comments. As required by Public Resources Code Section 21092.5, all public responsible and trustee agencies who commented on environmental issues in the Draft EIR were provided with proposed responses to those comments 10 days prior to the Final EIR being submitted to the Board for certification.
4. Final EIR. In accordance with the Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines, Section 15088, comments received on the Draft EIR were evaluated. The comment letters and responses to comments, along with minor modifications to the Draft EIR are presented in the Final EIR. The Final EIR was completed in early September 2017.

Findings and Conclusions - The Final EIR, FOF and SOC, transmitted herewith, identify major findings and conclusions, including a recommendation that Alternative 5 be approved in lieu of the originally proposed Project, a discussion of areas of environmental concern, feasible mitigation measures, and unavoidable impacts. The discussion below summarizes the proposed Findings of Facts for the Board's consideration.

1. Areas of Environmental Concern. Through the public environmental review process, the following areas of environmental concern were identified. These potential impacts and others were assessed in the Final EIR. The impacts associated with the proposed Project are discussed in detail, by resource area. The Final EIR concluded that the following environmental resources would remain significant and unavoidable: air quality, biological resources, cultural resources, and greenhouse gas emissions. These conclusions do not change with the selection of Alternative 5 as the Project.
2. Alternatives. A total of five alternatives to the proposed Project were considered during preparation of the EIR. Alternative 5 is highlighted below as it has been recommended for approval instead of the originally proposed project.
 - a) Project with Expanded On-Dock Railyard Alternative (Alternative 5). The Expanded On-Dock Rail Alternative includes improving Berths 226-229, Berths 230-232, backland improvements and an additional on-dock rail track at the TICTF. Under this alternative, there would be two operating berths after construction, the same as the proposed Project. This alternative would require the same dredging as the proposed Project and is expected to operate at its maximum capacity of approximately 2,379,525 TEUs by 2038, the same as the proposed Project. Under this alternative, 208 vessels would call on the terminal by 2038, the same as the proposed Project.
3. Environmentally Superior Alternative. CEQA requires identification of the Environmentally Superior Alternative. The environmentally superior alternative was determined based on a ranking system that assigned numerical scores comparing the impacts under each resource area for each alternative relative to the proposed Project

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for CEQA. Chapter 6 of the Draft EIR presents a comparison of the proposed Project and each alternative by resource area with significant and unavoidable impacts.

The No Project Alternative is identified as having the fewest impacts because no proposed project-related actions would occur. However, the CEQA Guidelines, Section 15126.6(e) requires that in cases where the No Project Alternative is determined to be the environmentally superior alternative, another alternative must be identified as environmentally superior.

As such, the Reduced Project: No Backland Improvements Alternative is identified as environmentally superior because it would not result in impacts related to cultural resources (historic and archaeological), and would not increase the throughput capacity of the terminal which would have been achieved by allowing larger ships to visit the terminal. Therefore, in accordance with CEQA, Alternative 4 is deemed to be environmentally superior. However, it would not achieve the same level of operational efficiency achieved by Alternative 5. While Alternative 4 would somewhat reduce the impacts related to air pollution and greenhouse gas emissions, adoption of Alternative 5 would accomplish the proposed Project goals and objectives associated with optimizing the use of existing land at the Everport Container Terminal, improving backland capacity, and maximizing container land use and operations. Alternative 5 achieves the same objectives of the proposed Project although construction impacts would be slightly higher and the overall cost of the project would be a little bit more than with the proposed Project, while reducing the overall operational air quality and traffic impacts to the region.

For the reasons discussed above and in the attached FOF, staff recommends that the Board: 1) find that Alternatives 1 through 4 do not fully meet Project objectives and/or do not result in reduction or avoidance of environmental effects relative to the Project; and 2) approve Alternative 5 as described in the Final EIR. Alternative 5 meets all of the Project objectives while reducing on-road truck trips through the incorporation of an additional rail track at the TICTF.

4. Proposed Mitigation Measures. In accordance with the provisions of the Los Angeles City CEQA Guidelines, Article I, the State CEQA Guidelines Section 15091, and the information contained in the EIR, changes or alterations have been required in, or incorporated into the project as recommended for approval (Alternative 5) in the form of feasible mitigation which substantially lessen or avoid significant adverse environmental impacts identified in the EIR. Further, certain mitigation measures were modified/strengthened or added based on public comments received on the Draft EIR.

Mitigation measures contained in the EIR would be incorporated as appropriate in permits, such as, engineering specifications, engineering construction permits, real estate entitlements, and/or coastal development permits for the proposed Project. All

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mitigation measures, lease measures and any standard conditions of approval can be found in the MMRP.

5. Unavoidable Significant Adverse Impacts. Significant impacts of Alternative 5 that could not be reduced below a level of significance are described in the FOF with findings for each impact. The following impact areas could not be mitigated to a level of insignificance under CEQA:

- Air Quality
- Biological Resources
- Cultural Resources
- Greenhouse Gases

Cumulative Impacts. Alternative 5 was analyzed in conjunction with other related projects in the area for its potential to contribute to significant cumulative impacts. Alternative 5 would result in cumulatively considerable contributions to significant cumulative impacts related to aesthetics, air quality and meteorology, biological resources, greenhouse gas emissions, and noise under CEQA after mitigation.

Environmental Justice. Although not required pursuant to CEQA, the EIR includes an environmental justice analysis pursuant to NEPA, which assesses the potential for actions to have disproportionately high and adverse environmental and health impacts on minority and low-income populations. Significant impacts related to air quality would result in disproportionately high and adverse effects on minority and low-income populations.

6. Overriding Considerations. Pursuant to Public Resources Code Section 21081(b), no public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects unless the agency makes the specific findings discussed above with respect to each significant impact and finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects. The Statement of Overriding Considerations must identify the substantial adverse environmental impacts that cannot be mitigated or avoided; make recommendations, that the project or alternatives be approved as proposed; and the reasons why, if in the opinion of the decision-making body, the project warrants approval despite such consequences or recommendations.

The Draft FOF and SOC recommended by staff is transmitted for Board consideration and adoption. Staff, in recommending the proposed Project for approval, has identified specific environmental, economic, legal, social, technological and other Project benefits. In summary, Alternative 5 provides the following benefits:

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- **Fulfills Harbor Department's legal mandates and objectives.** Alternative 5 would fulfill the Harbor Department's legal mandate under the Port of Los Angeles Tidelands Trust (Los Angeles City Charter, Article VI, Sec. 601; California Tidelands Trust Act of 1911) to promote and develop commerce, navigation and fisheries, and other uses of statewide interest and benefit including industrial and transportation uses and the California Coastal Act (PRC Division 20, Section 30700, et seq.), which identifies the Port and its facilities as a primary economic/coastal resource of the state and an essential element of the national maritime industry and obligates the Harbor Department to modernize and construct necessary facilities to accommodate deep-draft vessels and to accommodate the demands of foreign and domestic waterborne commerce and other traditional and water-dependent and related facilities in order to preclude the necessity for developing new ports elsewhere in the state. Further, the California Coastal Act provides that the Harbor Department should give highest priority to the use of existing land space within harbors for port purposes, including, but not limited to navigational facilities, shipping industries and necessary support and access facilities. The proposed Project would also meet the Harbor Department's strategic green growth objectives by maximizing the efficiency and the capacity of facilities while applying mitigation measures that adhere to and/or exceed the San Pedro Bay Clean Air Action Plan (CAAP) requirements and raise environmental standards.
- **Optimizes land use.** Alternative 5 would maximize the utilization of Port lands by increasing the cargo handling efficiency of an existing container terminal to accommodate the demands of foreign and domestic waterborne commerce.
- **Accommodate projected changes to cargo ship fleet mix.** Alternative 5 would upgrade an existing facility to accommodate the servicing of larger container ships which are projected to enter the fleet mix calling at the Port in the future.
- **Fosters economic growth.** Alternative 5 would augment local employment and business opportunities by directly supporting numerous short-term construction and long-term operational jobs and a variety of indirect jobs related to both the construction and operational phases.

In summary, Alternative 5 would allow the Harbor Department to meet its legal mandates to accommodate growing international commerce, while maintaining compliance with important environmental programs and policies. The Board hereby finds that the benefits of the proposed Project described above outweigh the significant and unavoidable environmental effects and are therefore considered acceptable.

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7. Areas of Controversy on Draft EIR. It is important for the Board to be informed as to the areas of controversy associated with the EIR. The areas of controversy have been identified through oral and written comments received on the proposed Project as part of the environmental review and planning processes. The discussion below provides a general overview of the areas of concern identified that staff believes remain controversial. Specific details on issues raised by commenters and the responses to those comments are included in the Final EIR.

During the public review period, comments were raised over the proposed Project's significant air quality impacts, potential impacts to environmental justice communities, the lack of inclusion of the electric dredge for use during construction, the lack of inclusion of an analysis of potential energy consumption impacts, etc. These comments also apply to Alternative 5. Additional mitigation measures were suggested related to locomotives, financial incentives, increased compliance with the Vessel Speed Reduction Program (VSRP), and use of cleaner-tiered vessels. However, additional mitigation measures in these areas proved to be technologically and economically infeasible as detailed in the Final EIR with the exception of the electric dredge which has now been included if available. The inclusion of the electric dredge also applies to Alternative 5 as the MMRP will not change as a result of recommending a project alternative.

8. EIR Certification and Project Approval. In light of these findings and conclusions, staff recommends certification of the Final EIR as being prepared in accordance with CEQA and implementing guidelines, and recommends approval of Alternative 5 and adoption of all feasible mitigation measures and lease measures.
9. Implementation of Mitigation. When making the CEQA findings required by Public Resources Code Section 21081(a), a public agency shall adopt a reporting or monitoring program in accordance with Public Resources Code Section 21081.6 for changes to the proposed Project which it has adopted or made a condition of Project approval in order to mitigate or avoid significant effects on the environment. A MMRP is transmitted for Board consideration and adoption. In addition, should the Board elect to approve the proposed Project or an alternative other than Alternative 5, the mitigation measures contained in the EIR would be incorporated as appropriate in permits, such as, engineering specifications, engineering construction permits, real estate entitlements, and/or coastal development permits for the proposed Project (Recommendation 12). The proposed Findings of Fact and Statement of Overriding Considerations would also need to be revised.
10. Record of Proceedings. When making CEQA findings required by Public Resources Code Section 21081(a), a public agency shall specify the location and custodian of the documents or other material which constitute the record of proceedings upon which its decision is based. These records are in the care of the Director of

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Environmental Management, City of Los Angeles Harbor Department, 222 W. 6th Street, San Pedro, California 90731.

11. Notice of Determination. In accordance with Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines Section 15094, a Notice of Determination will be filed with the County and City Clerk's Office after project approval. Public Resources Code Section 21167(c) provides that any action or proceeding alleging that an EIR does not comply with the provisions of CEQA shall be commenced within 30 days after filing the Notice of Determination.

FINANCIAL IMPACT:

Certification of the Final EIR and approval of Alternative 5 is an administrative action that would pave the path forward for implementation of the Project. This Board action does not authorize any expenditures related to the project nor does it commit the Harbor Department to complete the project as ultimately approved, if any. Award of any capital construction contract related to the project, as will any approval of a lease extension with Everport under its existing Permit No. 888, would require Board approval under separate future actions. Consultant costs to complete the Everport EIR is estimated at \$2,426,461.87 (not including Harbor Department staff time and materials). A total of \$58,179,775 is programmed in the Port's 10-year Capital Improvement Program for Everport improvements which also includes the cost to complete the EIR/EIS. The Harbor Department's financial return on the project will be fully detailed in any future Board actions requesting approval of capital expenditures and/or lease extension under Permit No. 888. However, preliminary financial analysis indicates the undertaking of Alternative 5 would likely conform to the Harbor Department's Board adopted rate of return policy. Aside from mitigation and lease measures that are the responsibility of the tenant as outlined in the MMRP, the project, as ultimately approved, is the financial responsibility of the Harbor Department.

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CITY ATTORNEY:

Based upon the information presented to the City Attorney's Office, the Board may certify that the EIR for the Berths 226-236 Everport Container Terminal Improvements Project have been completed in accordance with CEQA.

TRANSMITTALS:

1. Final Environmental Impact Report (FEIR)
2. Findings of Fact and Statement of Overriding Considerations (FOF and SOC)
3. Mitigation Monitoring and Reporting Program (MMRP)

FIS Approval: *MB* (initials)
CA Approval: *CPB* (initials)

Lisa Ochsmen for

CHRISTOPHER CANNON
Director of Environmental Management

Michael DiBernardo

MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

Mark Bleavin
FOR

EUGENE D. SEROKA
Executive Director

CC:yo
AUTHOR: T. Tsipulos
APP No.: 160420-056

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