



THE PORT  
OF LOS ANGELES  
Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE:** MARCH 6, 2024

**FROM:** WATERFRONT COMMERCIAL REAL ESTATE DIVISION

**SUBJECT:** RESOLUTION NO. \_\_\_\_\_ - ORDER DIRECTING  
KINDER MORGAN TANK STORAGE TERMINALS LLC, PARAMOUNT  
PETROLEUM CORPORATION, AND ULTRAMAR INC. TO RELOCATE  
PIPELINES

**SUMMARY:**

Staff requests approval of the Orders directing various City of Los Angeles Harbor Department (Harbor Department) tenants to relocate pipelines to increase utility of the parcels where the pipelines currently exist and to provide improved access to the relocated pipelines. The proposed Orders will serve as notice to impacted Harbor Department pipeline tenants, in accordance with each pipeline tenant's permit to remove or relocate the affected pipelines. The costs associated with the removal or relocation of affected pipelines will be the financial responsibility of the respective tenants.

**RECOMMENDATION:**

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

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the Order directing Kinder Morgan Tank Storage Terminals LLC to change the route or location of its pipelines pursuant to Section 8(j) of Permit No. 708;
3. Approve the Order directing Paramount Petroleum Corporation to change the route or location of its pipelines pursuant to Section 9(b) of Revocable Permit No. 07-18;
4. Approve the Order directing Ultramar Inc./Valero Oil Company to change the route or location of its pipelines pursuant to Section 6(i) of Permit No. 306;
5. Authorize the Board Secretary to attest to the Orders directing the aforementioned Harbor Department tenants to relocate their pipelines; and
6. Adopt Resolution No. \_\_\_\_\_ and Order Nos. \_\_\_\_\_.

SUBJECT: PIPELINE RELOCATION – LADWP PROPERTY EXCHANGE PROJECT

**DISCUSSION:**

Background - The Chief Harbor Engineer has identified a need to relocate existing oil pipelines on certain parcels identified as Parcels K, L, N, P S, T and U (collectively the "Y Parcels") (Transmittal 1). These pipelines were originally installed along railroad and street right of ways, as is customary. However, these right of ways are no longer in use and relocation of the pipelines is now required to increase utility of the Y Parcels and to provide improved access to the relocated pipelines. The proposed relocation of the pipelines will be to the TraPac administration building parking lot where they will coexist with several other existing oil lines that already cross this parking lot location. The relocation of the existing oil pipelines on the Y Parcels will provide increased utility of the Y Parcels for harbor development.

The Board of Harbor Commissioners (Board) has the right to make any changes in the route or location of pipelines pursuant to the terms and conditions of each of the following Harbor Department Permits:

Kinder Morgan Tank Storage Terminals LLC: Permit No. 708, Section 8(j)  
Paramount Petroleum Corporation: Revocable Permit No. 07-18, Section 9(b)  
Ultramar Inc: Permit No. 306, Section 6(i)

The aforementioned permits specify that the "Board shall have the right to make any such change in the route or location of any pipeline constructed or maintained on the premises by Tenant pursuant to the authority of this Agreement as may be required or made necessary for the progress of harbor development or the performance of any work or improvement within the jurisdiction of Board. If the Board shall determine that any such change or relocation is necessary, the Board shall give at least ninety (90) days written notice to Tenant, and the work of removal and relocation shall be completed within such time after said ninety (90) days as shall be fixed in said notice. The cost of any such removal and relocation shall be borne by Tenant."

Prior to any work commencing, a Harbor Engineer's Permit will be required for any surface and/or subsurface pipeline work.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of the Orders directing various Harbor Department tenants to relocate their pipelines, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines. Future removal, relocation, or protection in place of these pipelines are subject to further CEQA review and will be considered separately from this item.

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**FINANCIAL IMPACT:**

Costs associated with the removal and relocation of the affected pipelines will be borne by the tenants. Removal and relocation of pipelines are expected to be revenue-neutral since compensation will continue to be collected during the pipeline rerouting process.

**CITY ATTORNEY:**

The Orders have been prepared and approved as to form and legality by the Office of the City Attorney.

**TRANSMITTALS:**

1. Orders
2. Site Map

FIS Approval: MB  
CA Approval: MB

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