



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: FEBRUARY 13, 2013

FROM: PLANNING & ECONOMIC DEVELOPMENT

SUBJECT: RESOLUTION NO. _____ – ISSUANCE OF A LEVEL III COASTAL DEVELOPMENT PERMIT (NO. 13-01) TO RAISE EIGHT CRANES AN ADDITIONAL 26 FEET AT THE WEST BASIN CONTAINER TERMINAL (BERTHS 100-102)

SUMMARY:

The West Basin Container Terminal (China Shipping) is proposing to raise eight cranes 26 feet, in order to service larger ships at Berths 100-102. Currently, the cranes are only able to service 9,500 TEU vessels due to the limited height of the cranes. Raising the cranes will allow China Shipping to accommodate up to 12,000 TEU vessels by accessing containers on the top of the stacks on the deck of the vessel. Staff is recommending the Board of Harbor Commissioners (Board) approve Coastal Development Permit (CDP) No. 13-01, a Level III, non-appealable permit for the proposed project.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Hold a public hearing for the proposed Level III, non-appealable Coastal Development Permit No. 13-01;
2. Find that the proposed project conforms with the Port Master Plan and the California Coastal Act of 1976, as amended, and find that this project will have no significant adverse environmental impacts as provided in the California Environmental Quality Act;
3. Upon closure of the public hearing, resolve to approve the issuance of Level III, non-appealable Coastal Development Permit No. 13-01 to raise eight cranes 26 feet at Berths 100-102, subject to the standard conditions set forth in the permit, and direct the Director of Planning and Economic Development to issue said permit; and
4. Adopt Resolution No. _____.

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DISCUSSION:

Background/Context – China Shipping is located at Berths 100-102 (Transmittal 1). In April 2011, China Shipping completed a \$47.6 million expansion project that included adding a new 925-foot section of wharf, 18 additional acres of backland, and four container cranes. The terminal now has 2,125 feet of wharf length and eight Super Post Panamax cranes. To further support this expansion project, China Shipping is proposing to raise the cranes to service larger vessels.

Project Scope of Work – China Shipping is proposing to raise the eight container cranes an additional 26 feet in height. The proposed project will increase the height of the crane apex from 243 feet to 269 feet and the height of the boom when it is stowed from 306 feet to 332 feet. For each crane, the existing main frame legs will be cut and four 26 foot extensions will be inserted. Diagonal braces will be added to each of the main frame legs. Currently, the cranes are capable of servicing 9,500 TEU vessels which are capable of stacking containers six high on deck. Raising the cranes an additional 26 feet will allow the cranes to service fully loaded 12,000 TEU vessels which can stack containers seven high on deck thereby allowing the loading and offloading of containers on the top of the container stacks on deck. Because of the competitive nature of the shipping industry, larger vessels are being built to accommodate more containers per ship resulting in lower container shipping costs. Terminal operators need to accommodate the larger vessels with higher container stacks on deck. Transmittal 2 shows the heights of the existing cranes and drawing of the modification work to be performed.

The estimated project cost is \$6 million and China Shipping will fund the project. No public funds will be used to pay for the proposed project. Construction is expected to start in March 2013 and is scheduled for completion in October 2013.

Coastal Permit Requirements – The proposed project, which is located in Master Planning Area 3, is a Level III, non-appealable project in accordance with the definitions set forth in the *Guidelines for Implementation of the Port of Los Angeles Certified Port Master Plan*. A Level III permit is one of three levels of permits that the Board can issue (Transmittal 3). Level III permits are required for developments that involve large capital expenditures, have a risk of substantial adverse environmental impacts that can be mitigated, involve the potential for unavoidable adverse impacts that cannot be mitigated, or result in major changes in land and/or water uses.

The proposed project has been found to be consistent with the Port Master Plan, as the proposed development is a General Cargo use, which is an allowable use in Master Planning Area 3. The proposed project has also been found to be consistent with Chapter 8 policies of the California Coastal Act of 1976, as amended. Specifically, the

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container cranes are consistent with Section 30708 that requires port-related development be given highest priority for the use of existing land within harbors for port purposes, including shipping industries.

On February 6, 2013, the public notice to raise the eight cranes 26 feet to service larger ships at the West Basin Container Terminal (Berths 100-102) was published (Transmittal 4).

ENVIRONMENTAL ASSESSMENT:

The proposed action is the issuance of a CDP to increase the height of eight existing cranes at the China Shipping Terminal to accommodate larger vessels which would not increase terminal throughput. Environmental impacts previously analyzed in the certified Environmental Impact Report and adopted mitigation measures would not change as a result of the proposed action. The proposed modifications to the cranes would be consistent with the existing visual character and would not detract from the adjacent Vincent Thomas Bridge, a scenic resource. There would be no new impacts or increase in severity of impacts related to air quality or other resource areas. As such, the Director of Environmental Management has determined that the proposed action, involving modification of mechanical equipment which are accessory to the use of existing facilities and involve negligible expansion of use, is exempt under Article III, Class 1(32) of the City of Los Angeles CEQA Guidelines.

ECONOMIC BENEFITS:

Approval of the proposed CDP will have no employment impact for the five-county region. The proposed project associated with this CDP is anticipated to support 54 direct one-year equivalent construction jobs for the region.

FINANCIAL IMPACT:

Issuance of the proposed Level III CDP will not have a financial impact upon the Harbor Department. China Shipping will fully bear the \$6,000,000 cost to raise the eight cranes.

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AT THE WEST BASIN CONTAINER TERMINAL (BERTHS 100-102)

CITY ATTORNEY:

The Office of the City Attorney has determined that this Board Report raises no legal issues at this time.

TRANSMITTALS:

1. Site Map
2. Crane Photo/Drawing
3. CDP No. 13-01
4. Public Notice

FIS Approval: ldp (initials)
CA Approval: me (initials)


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APPROVED:


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