



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: MAY 3, 2018**

**FROM: CARGO AND INDUSTRIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVE AGREEMENT WITH  
WEST BASIN CONTAINER TERMINAL**

**SUMMARY:**

Staff requests approval of an agreement with West Basin Container Terminal (WBCT) to provide security services on a City of Los Angeles Harbor Department (Harbor Department) owned roadway (formerly Wilmington-San Pedro Road) following the August 16, 2017 security breach in which a police pursuit resulted in the driver illegally entering that roadway. The roadway provides access to the China Shipping/COSCO container terminal, operated by WBCT. The Executive Director of the Harbor Department directed these actions to address exigent public safety concerns relative to the health and welfare of all individuals in and around the area of that roadway, and to adjacent public and terminal infrastructure.

Following the incident, WBCT installed new security infrastructure on the roadway to prevent future breaches and mitigate the need for future security personnel. The cost to WBCT for security infrastructure and security personnel from August 16, 2017 to February 2, 2018, at which time the new security infrastructure was installed for \$364,283.18. WBCT is seeking reimbursement from the Harbor Department for expenses incurred at the Executive Director's request.

**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 Environment Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the Agreement with West Basin Container Terminal;
3. Authorize the Executive Director to execute and the Board Secretary to attest to the Agreement; and
4. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background – WBCT operates two terminals between Berths 100 and 131 for permit holders China Shipping/COSCO and Yang Ming Lines (Transmittal 1). There is a Harbor Department owned roadway that separates both terminals and provides access to the Kinder Morgan oil terminal and WBCT employee parking lot. To access this roadway, one needs to enter a private access road. On August 16, 2017, a police pursuit ensued from San Bernardino to San Pedro in which the driver, without authorization, entered the private access road adjacent to Yang Ming terminal and then entered the Harbor Department owned roadway (formerly known as Wilmington-San Pedro Road). Through this roadway, the driver was able to illegally access the China Shipping/COSCO terminal. Following the incident, the Executive Director of the Harbor Department requested that WBCT furnish guards until such time the necessary security infrastructure was installed to prevent any further breaches. Reimbursement for the additional security expenses is being requested through an Agreement with WBCT (Transmittal 2).

WBCT normally hires guard service from American Corporate Security, Inc. An extra guard was needed to protect the roadway 24 hours a day, 7 days a week. In February 2018, WBCT hired Strategic Service Solutions, Inc. to perform the installation of metal spike strips in the westbound direction of the Harbor Department's roadway and a remote controlled security gate in the eastbound direction to allow access on the roadway (Transmittal 3). The total cost for these improvements was \$50,880.55 and was paid by WBCT. WBCT utilized funding through the Port Security Grant Program (PSGP) sponsored by FEMA, of which 75 percent, or \$38,160.41, was reimbursed to WBCT. The remaining 25 percent, or \$12,720.14, was the out of pocket cost to WBCT. Along with the added costs for extra security personnel, the total cost to WBCT was \$364,283.18. WBCT is seeking reimbursement from the Harbor Department for these expenses.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of an agreement (Transmittal 1) with WBCT to provide security services on a Harbor Department owned roadway (Transmittal 2), which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of this agreement with WBCT authorizes a total one-time payment of \$364,283.18 in Fiscal Year (FY) 2017/18 for the following: \$12,720.14 for security infrastructure and \$351,563.04 for security guard services.

Funding in the amount of \$364,283.18 is available in the FY 2017/18 Budget in Account 54290 (Miscellaneous Professional Services), Division 0424 (Cargo & Industrial Real Estate), Program 000.

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**CITY ATTORNEY:**


The Agreement has been reviewed and approved as to form and legality by the Office of the City Attorney.

**TRANSMITTALS:**

1. Site map
2. Agreement
3. Photos

FIS Approval: *MB*  
CA Approval: *MB*

  
JACK HEDGE  
Director of Cargo and Industrial Real Estate

  
MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:

  
EUGENE D. SEROKA  
Executive Director

ES:MD:JH:raw  
Author: Mike DiBernardo  
BL726raw WBCT Agr