



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

Board of Harbor Commissioners

DATE: MAY 7, 2019

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - FIRST AMENDMENT TO AGREEMENT NO. E6967 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND PIERPASS, LLC TO PROVIDE TRUCKING GATE MOVE DATA

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) approve the First Amendment to Agreement No. E6967 between PierPass, LLC (PierPass), located in Long Beach, California, and the City of Los Angeles Harbor Department (Harbor Department). This Amendment extends the term by one year and gives the Harbor Department the option to renew for an additional year. The data provided by PierPass is trucking gate move data collected from electronic gate management equipment at the seven major container terminals in order to support the Clean Truck Program (CTP) and the annual Port of Los Angeles (Port) emissions inventories. In accordance with the Shipping Act, this Amendment will be filed with the Federal Maritime Commission (FMC). Annual compensation, pending approval of the First Amendment, will remain unchanged at \$48,000 and is the responsibility of the Harbor Department.

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 First Amendment to Agreement No. E6967 with PierPass, LLC to extend the term by one year with an option to renew for one more additional year with annual compensation remaining at the same rate of \$48,000;

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3. Authorize the Executive Director to execute and Board Secretary to attest to said First Amendment for and on behalf of the Board of Harbor Commissioners;
4. Delegate authority to the Executive Director to execute the extension of the agreement with PierPass, LLC for a second year option, if it is determined that it is in the best interest of the City of Los Angeles Harbor Department; and
5. Adopt Resolution No. _____.

DISCUSSION:

Background and Context – Since the inception of the CTP in 2008, the Harbor Department has used truck move data from the marine terminal operator’s (MTO) gates to confirm CTP compliance. This information is important because it also assists in generating the Port’s Annual Emissions Inventories and monthly metrics, supports CTP policy decision-making, and provides the public with drayage truck moves analysis. PierPass transmits the following truck move data to the Harbor Department on a weekly basis: Radio Frequency Identification Number, license plate number, truck gate move date and time, gate in or out, full or empty container, Licensed Motor Carrier and Standard Carrier Alpha Code, terminal identification, container identification and container length. In exchange for the services provided by PierPass, the Harbor Department compensates PierPass \$4,000 per month, for the annual cost of \$48,000. In accordance with the Shipping Act, Agreement No. E6967 was filed with the FMC.

Proposed First Amendment – Staff recommends approval of the First Amendment to Agreement No. E6967 that extends the term of the Agreement by one year and gives the Harbor Department the option to renew for an additional year. The current Agreement will expire on June 10, 2019. The cost for services will remain at \$4,000 per month for an annual cost of \$48,000. Approval of the First Amendment will extend the Agreement to June 10, 2020, with the option to approve another extension to June 10, 2021. Agreement No. E6967 includes a clause that allows the Harbor Department to terminate said agreement within 30 days of written notice. If approved by the Board, the option to renew for an additional year will be delegated to the Executive Director to determine whether the option to extend is in the best interest of the Harbor Department, and to execute the option. This First Amendment will also be filed with the FMC.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of the First Amendment to Agreement No. E6967 with PierPass, LLC to extend the term by one year with an option to renew for one more additional year with annual compensation remaining at the same rate of \$48,000, which

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is an administratively exempt 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 the First Amendment would extend the term of Agreement No. E6967 by one year, with an additional one-year option to renew. The compensation to PierPass is \$4,000 per month, or \$48,000 annually. In FY 2018, the Harbor Department collected \$2,185,519 in CTP fee revenues, and these revenues subsequently offset CTP costs such as those associated with the First Amendment.

It is anticipated that funds under the Agreement would be expended as follows:

FY2019/2020	\$ 4,000
FY2020/2021	\$48,000
FY2021/2020	\$44,000

Funds in the FY 2019 are available in Account 59967 (Clean Truck Program - Admin. Costs), Center 0330 (Environmental Management), Program 000 (Base Budget). Funds of \$48,000 have been proposed for inclusion with the Environmental Management Division's Account 59967 FY2020 budget, pending Board approval. Funding in future fiscal years will be requested through the annual budget adoption process upon Board approval.

CITY ATTORNEY:

The Office of the City Attorney has reviewed the First Amendment and approved it as to form and legality.

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TRANSMITTAL:

1. First Amendment to Agreement No. E6967 with PierPass, LLC

FIS Approval: 
CA Approval: 



CHRISTOPHER CANNON
Director of Environmental Management



MICHAEL DiBERNARDO
Marketing and Customer Relations

APPROVED:


FOR

EUGENE D. SEROKA
Executive Director

CC/YO
AUTHOR: T. PISANO

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