

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 1
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

BOARD OF HARBOR COMMISSIONERS
President S. David Freeman
Vice President Jerilyn López Mendoza
Commissioner Kaylynn L. Kim
Commissioner Douglas P. Krause
Commissioner Joseph R. Radisich

(ROLL CALL)

A. OPENING STATEMENT – AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THIS BOARD

PERSONS IN THE AUDIENCE MAY ADDRESS THIS BOARD IN CONNECTION WITH ANY AGENDA ITEM OR DURING THE PUBLIC COMMENT PERIOD.

AS PROVIDED BY THE BROWN ACT, THE BOARD HAS LIMITED EACH INDIVIDUAL'S SPEAKING TIME TO THREE MINUTES. ANYONE DESIRING TO SPEAK DURING THE PUBLIC COMMENT PERIOD MUST COMPLETE A SPEAKER CARD AND SUBMIT IT TO THE COMMISSION SECRETARY, VIA THE SERGEANT AT ARMS, PRIOR TO THE START OF THE MEETING.

Commission actions, except actions which are subject to appeal or review by the Council pursuant to other provisions of the Charter, ordinance or other applicable law, are not final until the expiration of the next five meeting days of the City Council during which the Council has convened in regular session. If the Council asserts jurisdiction during this five meeting day period the Council has 21 calendar days thereafter in which to act on the matter.

Please note that this agenda is subject to revision in accordance with the Brown Act. In the event the agenda is revised prior to the meeting, Port staff will endeavor to post the revised agenda on the Port's web site (<http://www.portoflosangeles.org>). Updated agendas also will be available in hard copy at the meeting.

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities.

Sign language interpreters, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72-hours prior to the meeting you wish to attend. For additional information, please contact: Commission office, Harbor Department, tel./TDD (310) 732-3444.

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 2
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

B. COMMENTS FROM THE PUBLIC

C. MISCELLANEOUS REPORTS

1. Report of the Executive Director
2. Report of Commissioners

D. SPECIAL PRESENTATION

1. John Froines, Ph.D, Director UCLA Center for
Occupational and Environmental Sciences

"Health Effects of Ultrafine Particles"

**E. DISCUSSION AND APPROVAL OF MINUTES OF PREVIOUS
MEETINGS**

Minutes of the regular meeting of July 5, 2006 and special meeting of July 19, 2006 for approval.

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 3
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
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425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

F. SPECIAL ORDER OF THE DAY

PUBLIC HEARING

1a. TEFRA HEARING

Public hearing to receive comments pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, Board of Harbor Commissioners of the Harbor Department of the City of Los Angeles for the refinancing of certain projects with proceeds from the sale of tax-exempt bonds.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 4
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

F. REPORTS OF THE EXECUTIVE DIRECTOR

Treasury Management

1b. Re: DEBT ISSUANCE TO CONVERT COMMERCIAL PAPER NOTES TO LONG TERM FIXED RATE DEBT

SUMMARY: On June 21, 2006 the Board approved Resolution No. 6436 which authorized the refunding of the Department's outstanding Commercial Paper Notes with Harbor Revenue Bonds in an aggregate amount not to exceed \$120,000,000. The Board is now requested to approve the necessary bond documents and hold a public hearing in accordance with the Tax Equity and Fiscal Responsibility Act (TEFRA) to provide for the refunding of all or a portion of Department's currently outstanding Commercial Paper Notes.

Recommendation: Board resolve that (1) a required Tax Equity and Fiscal Responsibility Act (TEFRA) hearing be conducted prior to the final approval and issuance of the Bond transaction described below; (2) the Resolution be adopted, that, among other things: (a) authorizes the Department to issue not-to-exceed \$120,000,000 aggregate principal amount of Bonds, potentially to be issued in two series, if practical, at an interest rate not-to-exceed 5.50%, in order to refund all or a portion of the Department's currently outstanding variable rate Commercial Paper Notes subject to the parameters set forth in the Resolution; (b) delegates to the Chief Financial Officer of the Department the ability to determine the date of competitive sale of the Bonds during the week beginning on August 14, 2006 and the authority to award the sale of the Bonds to the bidder or bidders submitting the bid or bids with the lowest true interest cost, subject to the parameters set forth in the Resolution; (c) approves the principal financing documents related to the Bonds, which include the Preliminary Official Statement, Indenture of Trust, Official Notice Inviting Bids, and Continuing Disclosure Certificate; (d) authorizes the Chief Financial Officer of the Department to purchase a reserve fund surety bond in connection with the issuance of the Bonds; and (e) ratifies

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 5
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

1b. (Continued)

actions taken by officers, employees, and agents of the Department prior to the date the Resolution becomes final, including but not limited to the publication of the Official Notice Inviting Bids, and the Notice of Intention to Sell, and printing and distribution of the Preliminary Official Statement.

CONSENT ITEMS (2-5)

Port Pilots

**2. Re: TEMPORARY ORDER INCREASING AND AMENDING
PORT OF LOS ANGELES TARIFF NO. 4, SECTION
THREE – PILOTAGE**

SUMMARY: The proposed changes to Port of Los Angeles Tariff No. 4 include increasing, on a temporary basis, pilotage rates approximately seven percent overall; as well as increasing the pilot cancellation and stand-by fee and the assistance charge for a second pilot; increasing the minimum charge pilotage fee; adding a \$52 per move surcharge; and changing the term "municipal" pilots to port pilots.

The temporary order will be in effect for 90 days. A permanent order was approved by the Board of Harbor Commissioners at its meeting on May 17, 2006, by Order No. 6875, and is currently pending City Council approval.

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 6
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

2. (Continued)

Recommendation: Board resolve that (1) the temporary Board Order amending the Port of Los Angeles Tariff No. 4, revising Item 330, Parts (a) – (f), which set forth rates and charges for services of the Los Angeles Pilot Service for a period not to exceed 90 days pursuant to City Charter 653(b) be adopted; (2) the Port of Los Angeles Tariff No. 4, be amended by adding Item 330 (g), a \$52.00 per move surcharge to be assessed for capital improvements and maintenance; (3) the Port of Los Angeles Tariff No. 4, be amended by revising Item 305 Title and Parts (a) – (f); Item 310, Parts (d) and (h); Item 330, Part (b), Exception I and 2, Part (c), changing the term “Municipal” Pilots to Los Angeles Port Pilots; (4) the Port of Los Angeles Tariff No. 4, be amended by changing reference to the term “Municipal” Pilots in Table of Contents, Page 4, Section 3 – Pilotage, to Los Angeles Port Pilots; and (5) the Board Secretary be authorized to execute the temporary Board Order and transmit it to the Chief Wharfinger for implementation.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 7
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Contracts & Purchasing

3. Re: AWARD OF CONTRACT NO. 39353 FOR THE PURCHASE AND DELIVERY OF UNLEADED GASOLINE, BID F-511, TO SOUTHERN COUNTIES OIL CO.

SUMMARY: Award of annual contract to Southern Counties Oil Co., located at 1800 W. Katella Ave. #400, Orange, CA 92867, for the purchase and delivery of unleaded gasoline to fuel Harbor Department vehicles.

Recommendation: Board resolve that (1) approval be granted for awarding of Contract No. 39353 for the purchase and delivery of unleaded gasoline, to Southern Counties Oil Co., 1800 W. Katella Ave, #400, Orange, CA 92867, in the total amount of \$400,000, and authorize the Executive Director to execute it on behalf of the Board; (2) the Executive Director be authorized to execute one-year renewal options, in accordance with City of Los Angeles Department of General Services Contract #58601, if it is so desired. Funds in the amount of \$400,000 are available in the Contracts & Purchasing (Warehouse) Fiscal Year 2006/2007 budget, Account 11420, Division 7001, Program 0001.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 8
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Real Estate

4. Re: BRIDGE AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND THE YWCA OF THE HARBOR AREA TO OPERATE THE WORLDTOTS LA CHILD CARE CENTER
- SUMMARY: Staff recommends approval of a bridge agreement with the YWCA of the Harbor Area to continue operation of the WorldTots LA Child Care Center for an additional 90 days beginning August 10, 2006, during which time a successor multi-year agreement will be brought before the Board and the City Council for approval.*
- Recommendation:** Resolve that (1) the Board find that, in accordance with Charter Section 1022, it is more feasible for this work to be done by an independent contractor than by City employees; (2) the bridge agreement with the YWCA of the Harbor Area, effective August 10, 2006, for no more than 90 days and in an amount not to exceed \$25,000 be approved; and (3) the Executive Director and Board Secretary be authorized to execute and attest the agreement. Sufficient funds are available in the current FY 2006/2007 budget under Account No. 54290, Center No. 0530, Program 000, to fund this Agreement.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 9
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Public Relations

5. Re: APPROVAL OF AGREEMENT WITH HAMON & ASSOCIATES, INC. FOR ADVERTISING SERVICES

SUMMARY: The agreement with Hamon & Associates, Inc. (H & A), 1805 Colorado Avenue, Santa Monica, CA 90404, provides for the services of an advertising agency to assist in promotion of the Port of Los Angeles through the creation of awareness-building advertising initiatives concentrated on the greater Los Angeles metropolitan area. The firm's expertise will provide an added level of knowledge and sophistication in advertising and marketing which will help the Port to maximize its promotional efforts across an expanded regional market. In addition, H & A will assist in the promotion of the Port to the cruise and tourism markets (consumer and cruise trade) as well as to the international maritime community. The contract is a three-year agreement for a not-to-exceed amount of \$200,000 per year, with funds approved by Port staff for specific tasks. This is not a retainer-based contract, nor is it guaranteed that all funding will be expended.

Recommendation: Resolve that (1) the Board find that the scope of work to be completed is of a temporary and occasional nature and is best completed by an outside contractor on an interim basis; (2) the proposed agreement with Hamon & Associates, Inc. for a three-year term at a not-to-exceed amount of \$200,000 per year be approved; and (3) the Executive Director and the Board Secretary be authorized to execute and attest to the proposed agreement.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 10
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

REGULAR ITEMS (6-9)

Environmental Management

6. Re: STAFF RESPONSE TO PORT OF LOS ANGELES
COMMUNITY ADVISORY COMMITTEE RECOMMEND-
ATION #58 – BASELINE TRANSPORTATION STUDY

SUMMARY: This Board Report provides staff response to the Port Community Advisory Committee (PCAC) Recommendation No. 58, which requests that the Board of Harbor Commissioners reconsider the PCAC Motion No. 29 (A through C) and act upon the Motion as originally written and passed. PCAC Motion No. 29 recommends that the Port complete an analysis of long-term growth, including an assessment of basic policy alternatives (Item C); include capacity analyses in EIR preparation (Item B), and that the Board not endorse cargo throughput projections included in the Baseline Transportation Study (Item A). Staff recommends denial of Item A and approval of the intent of Items B and C.

Recommendations: Board resolve that (1) the Port Community Advisory Committee Recommendation No. 58 (A) be considered and denied; (2) PCAC Recommendation No. 58 (B and C) as provided in this Board Report be considered and approved; (3) the reasons and findings set forth in the following Board Report discussion be adopted; and (4) Port staff be directed to continue work on the Port Strategic and Master Planning efforts and to include in such efforts, policy discussions related to future Port growth.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 11
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

7. Re: STAFF RESPONSE TO PORT OF LOS ANGELES
COMMUNITY ADVISORY COMMITTEE RECOMMENDATION #61 - SOUTHERN CALIFORNIA INTERNATIONAL GATEWAY (SCIG) MITIGATION MEASURES

SUMMARY: This Board Report responds to Port Community Advisory Committee (PCAC) Recommendation #61, which recommends that the Board of Harbor Commissioners (BOHC) require similar pollution control measures to the control measures used for heavy-duty trucks for all "line-haul" locomotives utilized by the Southern California International Gateway Project (SCIG). Application of such emission reductions is consistent with the Environmental Impact Report (EIR) Notice of Preparation (NOP) for SCIG, and consistent with the Environmental Directive of the Port Leasing Policy. In addition, the San Pedro Bay Ports Clean Air Action Plan will include the evaluation of clean technologies for containerized cargo transport. Staff concurs with the intent of PCAC Recommendation #61 but recommends that the motion be modified to direct staff to evaluate all air pollution control measures for line-haul locomotives and include applicable measures in the SCIG EIR.

Recommendations: Board resolve that (1) PCAC recommendation #61 as set forth in the Board Report be considered and concurred; (2) the reasons and findings set forth in the following Board report discussion be adopted; (3) staff be directed to evaluate all air pollution control measures for line haul locomotives and include applicable measure in the SCIG EIR.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 12
WEDNESDAY, AUGUST 2, 2006, AT 6:00 P.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Engineering

8. Re: STAFF RESPONSE TO PORT OF LOS ANGELES COMMUNITY ADVISORY COMMITTEE RECOMMENDATION #63 – REDIRECT MISALIGNED CONTAINER FLOOD LIGHTS

SUMMARY: This staff report provides staff response to the Port of Los Angeles Community Advisory Committee (PCAC) Recommendation No. 63 which requests that Port staff move forward to redirect misaligned container flood lights, away from residential areas, to reduce unnecessary glare, within 30 days after being submitted to the Board of Harbor Commissioners. Safety and security will not be compromised. Staff concurs with the recommendation and has completed the requested work.

Recommendation: Resolve that (1) PCAC motion #63 specific to floodlights at the Yang Ming Terminal, Berths 121-131 be approved; (2) the Board find that the Port's Construction and Maintenance Division has re-aligned flood lights during the month of April 2006 in response to requests of the PCAC's Light, Aesthetic, and Noise subcommittee; and (3) staff be directed to continue identifying and correcting misaligned flood lights without compromising safety or security.

G. CLOSED SESSION

1. Discussion of pending litigation entitled: The United States of America ex rel. State of California ex rel. Stanley D. Mosler v. City of Los Angeles, et al., United States District Court Case No. 02-02278-LBG, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
2. Discussion of pending litigation entitled: Natural Resources Defense Council, Inc., et al. v. City of Los Angeles, et al., Los Angeles Superior Court Case No. BS070017, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.