



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

Board of Harbor Commissioners

DATE: FEBRUARY 7, 2017

FROM: ENVIRONMENTAL MANAGEMENT

**SUBJECT: RESOLUTION NO. _____ - CHINA SHIPPING PORT
COMMUNITY AESTHETIC MITIGATION PROJECT – FIRST
AMENDMENT TO AGREEMENT NO. 13-3195 WITH THE LOS
ANGELES MARITIME INSTITUTE TO FUND YOUTH SAILING
PROGRAMS**

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) approve the First Amendment to Agreement No. 13-3195 to allow the Los Angeles Maritime Institute (LAMI) to provide sailing days to the youth of Wilmington on their existing vessels and to extend the term of the Agreement to August 2018 (an additional 17 months). In November 2013, the City of Los Angeles Harbor Department (Harbor Department) entered into Agreement No. 13-3195 with LAMI to fund the restoration of their tall ship, *Swift of Ipswich (Swift)*, and to provide 40 days of sailing for Wilmington youth on the *Swift (Project)*. LAMI is committed to completing the restoration of the *Swift*, but the restoration is taking more time than expected and the vessel will not be returning to service in the near future. As the current Agreement is written, LAMI is required to conduct sailing trips on the *Swift*. As an alternative, LAMI proposes to fulfill the 40 days of youth sailing on their existing vessels, the *Exy Johnson* and the *Irving Johnson*. Additionally, since Agreement No. 13-3195 will expire in March 2017, LAMI is requesting an extension of 17 months, which will provide the necessary time to complete the 40 days of sailing for Wilmington youth. No additional funding for this project is requested for this Amendment.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve the First Amendment to Agreement No. 13-3195 with the Los Angeles Maritime Institute;

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3. Direct the Board Secretary to transmit proposed First Amendment to the Los Angeles City Council for approval pursuant to Section 373 of the Charter of the City of Los Angeles and Section 10.5(a) of the Los Angeles Administrative Code;
4. Authorize the Executive Director to execute and the Board Secretary to attest to said First Amendment; and
5. Adopt Resolution No. _____.

DISCUSSION:

Aesthetic Program Background/Context - The Harbor Department created a five-year Community Aesthetic Mitigation Program in 2003. Funding and program requirements were established through the China Shipping Settlement Agreement, which was approved in March 2003, and later amended in June 2004. The program mandated that the aesthetic mitigation funds under the Amended Stipulated Judgment (ASJ) be expended for improvements that would reduce aesthetic mitigation impacts resulting from Port of Los Angeles operations. The money was divided between the San Pedro and Wilmington communities.

Project Selection Process - This Project was proposed during the January 2009 solicitation for projects for the Wilmington community and was recommended by a working group from Wilmington and the Port Community Advisory Committee. The Board approved and allocated \$771,000 in China Shipping Community Aesthetic Mitigation funding (Aesthetic Funding) for the Project in July 2009, of which \$686,000 was allocated for vessel restoration, and \$85,000 was allocated for 40 days of youth sailing programming.

Project Background/Context – LAMI was founded in 1992 and operates the TopSail Youth Program which uses sail training to challenge youth to develop team-building, problem-solving, and decision-making skills. The *Swift* is a seventy-year-old wooden square topsail schooner owned by LAMI that has been used in the TopSail Youth Program since 1992. The *Swift* was taken out of service for repair in 2006. In July 2010, LAMI entered into Agreement No. 10-2889 with the Harbor Department for a term of three years in an amount not-to-exceed \$771,000. LAMI was unable to complete the restoration of the vessel during the term of the Agreement. In November 2013, LAMI entered into Agreement No. 13-3195 in an amount not-to-exceed \$142,208, the balance of the previous contract. Of this funding, \$57,209 was allocated for restoration, and \$85,000 was allocated for 40 days of youth sailing programming. When LAMI was awarded Aesthetic Funding to restore the vessel, LAMI believed that the restoration was nearly complete and the vessel could be returned to service fairly quickly. The process to receive United States Coast Guard approval, however, became more stringent and the vessel required an extensive amount of re-design and re-build in order to properly

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ballast the vessel to meet the newer Coast Guard requirements. LAMI continues to renovate the *Swift*. The *Swift* is currently in Chula Vista, but will be moved to San Pedro and used by LAMI as an instructional vessel in LAMI's boat building and repair classes being developed with the Port of Los Angeles High School. Rather than keep the \$85,000 on hold until *Swift* is complete, LAMI proposed using the funding on their existing vessels and fulfilling the 40 days of youth programming as originally intended. LAMI's proposal was made and well received by members of the San Pedro and Peninsula Homeowners Coalition and the Wilmington Neighborhood Council.

Cost and Term of Agreement - Staff recommends amending Agreement No. 13-3195 to allow LAMI to use the remaining funding to offer youth sailing on their existing vessels, the *Exy Johnson* and the *Irving Johnson*. Additionally, staff recommends extending the contract an additional two years, so that the money can be used as initially intended: 40 days of sailing programs for Wilmington students for TopSail and Dockside programs.

Payments will be made in accordance with Exhibit A of the proposed Amendment (Transmittal 1). LAMI is required to submit written verification detailing the days of programming on a regular basis. The programming will be conducted by LAMI members who are volunteers. The volunteers will not financially benefit from this grant.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an amendment to an agreement with LAMI to fund the completion of the restoration of the *Swift of Ipswich* and an associated youth sailing program, which was previously approved under the Community Aesthetic Mitigation Program. The term of the original three-year agreement expired before the Project could be completed. The amendment is for the remaining unspent amount from the original agreement. Therefore, as an administrative activity, the Director of Environmental Management has determined that the proposed action is 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:

The proposed Board item requests approval of the First Amendment to Agreement No. 13-3195.

There is a current balance of \$85,000. No additional funds are requested. It is anticipated that \$42,500 will be spent in Fiscal Year 16/17 and \$42,500 will be spent in Fiscal Year 17/18. Funds for this Project are available in Account No. 21952, Community Aesthetics Mitigation, Center 7000, and Program 000.

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CITY ATTORNEY:

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


TRANSMITTAL:

1. First Amendment to Agreement No. 13-3195 with the Los Angeles Maritime Institute



CHRISTOPHER CANNON
Director of Environmental Management

FIS Approval: MB (initials)
CA Approval: MB (initials)



FOR MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

Mark Blewett
FOR

EUGENE D. SEROKA
Executive Director

CC:LW:TJD:TGP
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