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Chapter 1 Introduction

3 This chapter presents background and introductory information for the proposed
4 Berth 97-109 (China Shipping) Container Terminal Improvements Project (proposed
5 Project), located in the southwest portion of the West Basin in the Port of Los Angeles
6 (Port). This chapter presents the authorities of the Lead Agencies (United States Army
7 Corps of Engineers [USACE] and the Los Angeles Harbor Department [LAHD])
8 preparing this Recirculated Draft Environmental Impact Statement/Environmental Impact
9 Report (EIS/EIR), the scope and content of the EIS/EIR, and the public outreach for the
10 proposed Project.

11 This Recirculated Draft EIS/EIR has been prepared in accordance with the requirements
12 of the National Environmental Policy Act (NEPA) (42 United States Code [U.S.C.] 4341
13 *et seq.*), and in conformance with the Council for Environmental Quality (CEQ)
14 Guidelines and the USACE NEPA Implementing Regulations. The document also
15 fulfills the requirements of the California Environmental Quality Act (CEQA) (Public
16 Resources Code [PRC] 21000 *et seq.*) and the State CEQA Guidelines (14 California
17 Code of Regulations [CCR] Section 1500 *et seq.*). The USACE is the NEPA lead agency
18 for this proposed Project, and the LAHD is the CEQA lead agency. This initial Draft
19 EIS/EIR for the proposed Project originally was circulated in August 2006. The
20 document was retracted and amended and is being recirculated in its entirety.

21 This Recirculated Draft EIS/EIR describes the affected resources and evaluates the
22 potential impacts to those resources as a result of building and operating the proposed
23 Project and alternatives. In this document, the CEQA term “Proposed Project” is used in
24 the same way as the NEPA term “Proposed Action”; however, the CEQA “Proposed
25 Project” includes all Project elements described in Section 2.4.2 of this document;
26 whereas, the NEPA “Proposed Action” (or “Federal Project”) includes only those
27 elements that require federal approval, as described in Section 2.4.3 of this document.
28 The proposed Project and alternatives are described in detail in Chapter 2. This
29 Recirculated Draft EIS/EIR will be used to inform decisionmakers and the public about
30 the environmental effects of the proposed waterside, terminal, and transportation
31 improvements to Berths 97-109, which constitute the proposed Project.

32 **1.1 Background**

33 **1.1.1 Project Location and Brief Project Overview**

34 The LAHD operates the Port of Los Angeles under the legal mandates of the Port of
35 Los Angeles Tidelands Trust (Los Angeles City Charter, Article VI, Section 601;
36 California Tidelands Trust Act of 1911) and the California Coastal Act (PRC Division 20

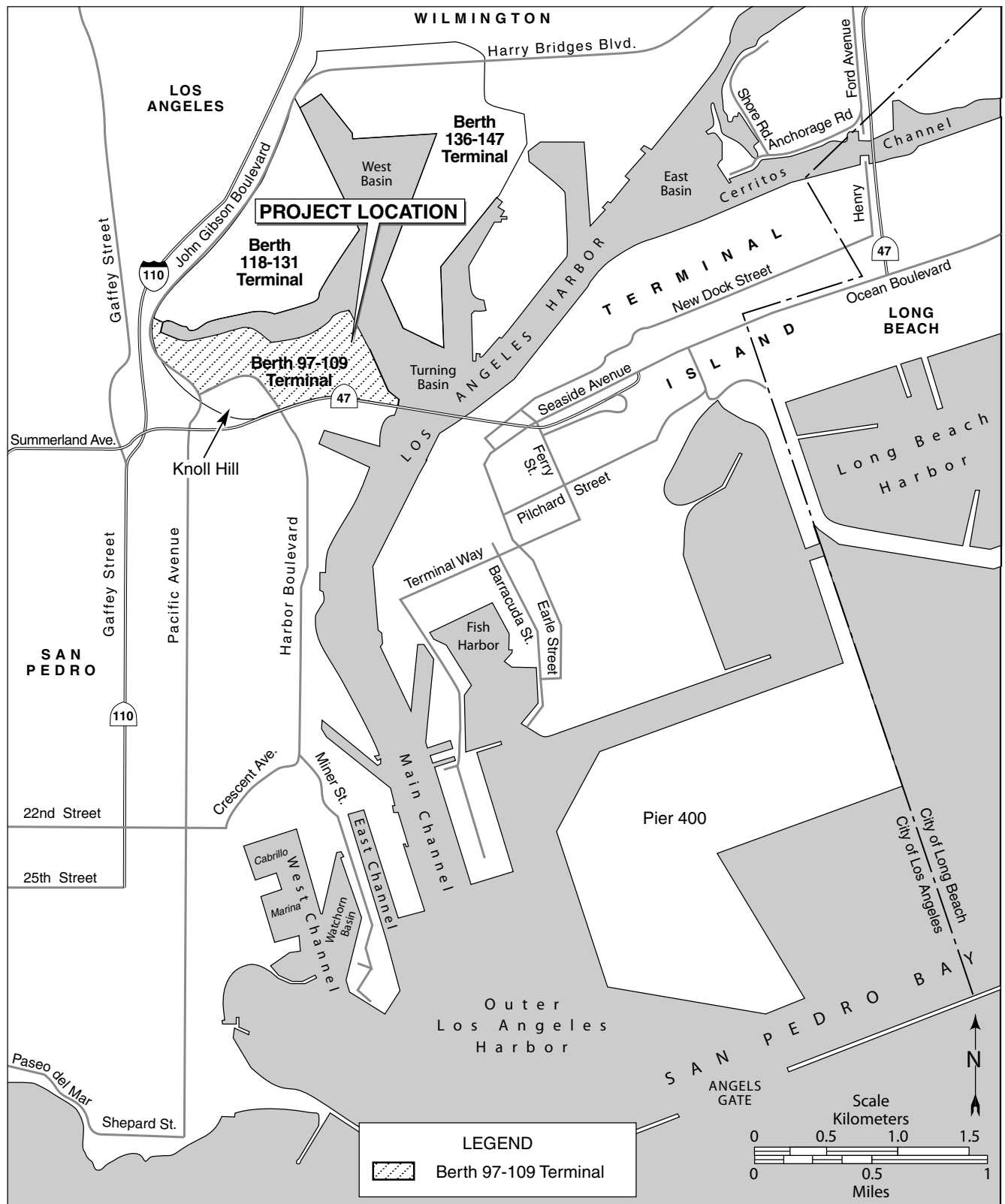
1 Section 30700 *et seq.*), which identify the Port and its facilities as a primary economic
2 and coastal resource of the State of California and an essential element of the national
3 maritime industry for promotion of commerce, navigation, fisheries, and Harbor
4 operations. Activities should be water dependent and give highest priority to navigation,
5 shipping, and necessary support and access facilities to accommodate the demands of
6 foreign and domestic waterborne commerce. The LAHD is chartered to develop and
7 operate the Port to benefit maritime uses, and it functions as a landlord by leasing Port
8 properties to more than 300 tenants

9 The location of the proposed Project is shown in Figure 1-1. The Berth 97-109 Container
10 Terminal is located in the southwest portion of the West Basin of the Port and is bounded
11 by the Main Channel and Turning Basin on the east; Knoll Hill, Front Street, and the
12 Vincent Thomas Bridge to the south; the Southwest Slip on the north; and John S. Gibson
13 Boulevard to the southwest and west.

14 The proposed Project involves development of a marine container terminal on vacant
15 land previously used by Chevron USA and Todd Shipyard. Prior to 2001, the adjacent
16 Yang Ming Lines Container Terminal to the north was permitted to use a portion of the
17 undeveloped Project site as overflow container backlands. In March 2001, the Port
18 issued a permit to construct the Berth 97-109 Container Terminal and entered into a lease
19 for the China Shipping Line Company to occupy the terminal. In June 2001, opponents
20 of the China Shipping Terminal project filed suit in both state and federal courts alleging
21 that LAHD did not comply with, among other things, NEPA or CEQA in approving a
22 permit and lease. On October 30, 2002, the State of California Second District Court of
23 Appeals ordered a partial halt to ongoing construction and operation and ordered the
24 preparation of a project-specific EIR to evaluate the entire proposed Project, including
25 elements that already had been built and were in operation. Since 2002, the Project site
26 has been partially developed as a container terminal and is operated by China Shipping,
27 as allowed under the court order and as described in Section 1.4.3 of this document.
28 Operational testing of the China Shipping Terminal began on May 17, 2004, and
29 operations officially began on June 21, 2004 (see Section 1.4.3). In 2006 (the last full
30 year of operational data), the Berth 97-109 Container Terminal site occupied 72 acres and
31 maintained a throughput of 520,248 twenty-foot equivalent units (TEUs) and 88 annual
32 ship calls. A description of the proposed Project construction phases is presented in
33 Section 2.4.4 of Chapter 2.

34 The proposed Project constitutes the expansion, redevelopment, and construction of
35 marine container terminal facilities on 142 acres of backlands. Development of the
36 proposed Project includes construction of wharves to accommodate large container
37 vessels, development of onsite container backlands, and installation of A-frame cranes
38 and accessory buildings. Major elements of the proposed Project evaluated in this
39 EIS/EIR include:

- 40 + Dredging (41,000 cubic yards [yd^3] of sediments) and disposal of that material at the
41 upland Port Anchorage Road Disposal Site, new wharf construction at Berths 100
42 and 102, and backland creation, including terminal buildings, on 142 acres
- 43 + Installation of 10 new A-frame cranes at Berths 100 and 102
- 44 + Transportation infrastructure improvements in the vicinity of the existing terminal
45 entrance (shared by the Berth 97-109 terminal and the Berth 121-131 terminal)
- 46 + Two new bridge structures connecting Berth 97-109 terminal and Berth 121-131
47 terminal across the Southwest Slip



Source: POLA, 2003

Figure 1-1
Project Site and Vicinity
 Berth 97-109 Container
 Terminal Project EIS/EIR

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- 1 + Relocating Catalina Terminal to south of the Vincent Thomas Bridge at Berth 95
- 2 + A 40-year lease (2005 to 2045) to China Shipping Lines to operate the Berth 97-109
- 3 Container Terminal

4 **1.1.2 General Description of Container Terminal**

5 **Operations**

6 A modern container terminal is a facility that integrates several different physical
7 components and operational processes to load and unload oceangoing vessels and to
8 move the cargo through the terminal to and from trucks and trains as cost-effectively as
9 possible. The physical components consist of marine container vessels, berths/wharves
10 (docks), cranes, backland storage areas (container yard), entrance and exit gates, rail
11 facilities (usually), and maintenance and administrative buildings (shown in Figure 1-2).
12 The operational processes include shipping, stevedoring (loading/unloading ships),
13 container storage and management, in-terminal drayage (hauling), on-dock rail operations,
14 and trucking to offsite locations such as warehouses and rail yards.

15 The goods movement chain is a coordinated process of moving goods from the point of
16 production to the ultimate consumer. This chain includes the shipping line, third-party
17 logistics providers, stevedoring company, terminal operators, labor, truckers, railroads,
18 and distribution centers. Manufacturers, retailers, or third party logistics firms often
19 contract with shipping lines to move goods from origin and destination. Stevedores are
20 responsible for loading and unloading ships; whereas, the terminal operator manages
21 sorting the containers, as well as providing the facilities for container pick-up and drop-
22 off at the Port. At the Port, stevedores and terminal operators are, for the most part, the
23 same company, and shipping lines often have a direct relationship with a terminal
24 operator (the shipping line is often the parent company under which the terminal operator
25 functions). Terminal operators also could contract with invitee shipping lines to fill extra
26 berth space. These “third-party invitee” shipping lines traditionally look for longer-term
27 terminal and stevedoring agreements to secure their positions in the market place for at
28 least 5 years. The invitee shipping lines might make agreements with the terminal
29 operator for as little as 6 months because terminal operators are not always able to offer
30 longer-term agreements due to requirements to serve parent company core businesses.

31 Shipping lines own and lease container equipment. Shipping lines, the manufacturer, the
32 retailer, or a combination of all three arrange contracts with trucking companies to move
33 loaded containers to and from the Port complex. Railroad agreements for international
34 cargo usually are handled by the shipping lines. Shipping lines also hold contracts with
35 the tug companies. The terminal operator orders longshore labor (International
36 Longshore and Warehouse Union [ILWU]) through the Pacific Maritime Association
37 (PMA), the employer. The PMA and ILWU longshore labor negotiate conditions on a
38 periodic basis. The existing contract is a 6-year agreement. Pacific Harbor Line (PHL) is
39 a rail-switching company that is responsible for building the trains that the main line rail
40 companies will transport outside the Port complex. PHL has a contract with the railroads.

41 At the Port of Los Angeles, the Port develops and owns major terminal infrastructure
42 (wharves, container storage yard, and buildings), and leases a terminal to a terminal
43 operator and/or shipping company for operation. As part of the proposed Project, the
44 Berth 97-109 Container Terminal would be leased to the China Shipping Container Lines
45 (the shipping line) and operated by West Basin Container Terminals (WBCT) (the
46 stevedore and terminal operator) under the China Shipping lease. WBCT would own and

1 operate all the terminal equipment (such as yard tractors, toppicks, and sidepicks);
2 however, China Shipping would own the wharf gantry cranes (shown in Figure 1-3),
3 which directly affect terminal productivity and require regular maintenance. For
4 maximum efficiency, Berths 97-109 and Berths 121-131 would employ the same terminal
5 operator, WBCT, which potentially could operate the two terminals cooperatively. As
6 discussed in Sections ES5.1 and 1.4.3, an Amended Stipulated Judgment (ASJ)
7 associated with this proposed Project requires an evaluation of all project-specific and
8 cumulative impacts from the China Shipping Project (at Berths 97-109) alone and not as
9 part of any larger West Basin or other project.

10 Operationally, imported containers arrive at, and exported containers depart from, the
11 Port via container ships. Container ships average between 700 feet to over 1,000 feet
12 long and have capacities between a few thousand to over 10,000 TEUs. A TEU is a
13 measure of containerized cargo capacity equal to one standard 20-foot (length) by 8-foot
14 (width) by 8-foot 6-inch (height) container. Because most maritime containers are
15 actually 40 or 45 feet long, one container, on average, is equivalent to approximately
16 1.8 TEUs. When a container ship arrives at the Port, two tugboats (one in front and one
17 behind) assist the ship through the main channel to its berth at the container terminal as
18 shown in Figure 1-2. Once at berth, the off-loading/loading process begins as shown in
19 Figure 1-3. The ships typically “hotel” or stay at the terminal for approximately 36 hours,
20 or 1.5 days, but the largest ships might stay as long as 3 days. While at berth, the main
21 propulsion engine of the ship is shut down, but large diesel auxiliary engines run
22 continuously to provide electrical power for ship functions, including supplying power to
23 refrigerated containers. Smaller boiler engines heating the fuel for the ship also run while
24 the ship is at berth to ensure fuel is kept at a constant viscosity.

25 When the vessel arrives, most of the export cargo to be loaded already is stacked in the
26 yard. Gangs (groups) of longshore workers, contracted by WBCT, work night shifts and
27 day shifts to unload and load the ship. Dockside crane operators lift cargo containers to
28 and from the ships on and off specialized trailers pulled by yard tractors. Typically, cranes
29 can transfer 25 to 40 containers per hour. The cranes have specialized equipment
30 including anti-sway devices, lighting, and adjustable “spreaders” (cargo hooks) that allow
31 attachment to the various container sizes. The number of cranes operating simultaneously
32 on one ship can vary from 1 to 10, depending upon the size of the ship, the number of
33 vessels at berth, crane gauge (distance between crane legs), and the availability of cranes.

34 Once containers have been off-loaded from the ship or received through the gates on
35 trucks and trains, the containers are stored and moved around the backlands area of the
36 terminal (the storage yards) using one of three systems: 1) a grounded or “stacked”
37 system (where containers are stacked); 2) a chassis or “wheeled” system (where the
38 containers are stored on one chassis, not stacked); 3) or, more usually, a combination
39 grounded/chassis system.

40 Export containers from local areas typically arrive at the gate on chassis (trailers) pulled
41 by street-legal tractors (i.e., semi-trucks) a day to a week prior to the scheduled departure
42 of the ship on which the containers are booked to travel. The containers are stored in the
43 terminal until loaded onto the ship.

44 Export cargo from more distant locations typically arrives at the terminal via rail. Cargo
45 might arrive directly at the on-dock rail yard inside the terminal (at Berths 121-131) or at
46 another local rail yard from which the cargo is trucked to the terminal gate for receiving.
47 Cargo containers are transferred by toppicks or rubber-tired gantry (RTG) cranes from

1 the rail cars to chassis hauled by yard tractors. The tractors then drive to preplanned
 2 locations in the yard where the cargo is lifted to grounded locations by toppicks or RTGs.

3 As shown in Figure 1-4, the import cargo is shifted to stacks or to wheeled trailer
 4 locations in the container yard (backlands). Some import containers are shifted to stacks
 5 near the on-dock rail yard to be loaded onto departing trains. Others are delivered to
 6 trucks that arrive to pick up the cargo. Cargo containers loaded on trucks are then
 7 processed out of the terminal at the exit gate, shown in Figure 1-5.



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Figure 1-2. Container Ship Docking at Container Terminal



Figure 1-3. Unloading/Loading Container Ship at Terminal



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Figure 1-4. Containers Unloaded to Backlands Area



Figure 1-5. Containers Unloaded to Trucks Proceeding to Exit Gate

29 Import cargo that leaves the terminal by truck can be transferred to local rail yards, such
 30 as the Intermodal Container Transfer Facility (ICTF), Burlington Northern-Santa Fe, or
 31 Union Pacific rail yards, to transloading warehouses, or cargo can be transferred directly
 32 to its final destination, such as a distribution warehouse. The transloading warehouses
 33 unpack and reload containers that are then sent on to other locations. The proposed

Berth 97-109 Container Terminal operator would have access to the on-dock rail yards at Berths 121-131.

The number of containers that passes through a terminal is called its throughput. Each container terminal has an annual “throughput capacity,” i.e., the maximum number of containers the terminal can handle in a year. As described in Section 1.1.3, the maximum capacity of a terminal is based on site-specific physical and operational parameters. That number is a function of terminal configuration, berth length, backland area, the ratio of berth length to backland area, and the number and types of equipment in use. Achieving the maximum throughput capacity of terminals, which is the high end of a realistic operating range, requires that none of the various components of a terminal constrain the movement of cargo through the terminal. The pipeline analogy shown in Figure 1-6 demonstrates that a terminal designed with equal-capacity components makes the most efficient use of its land and resources.

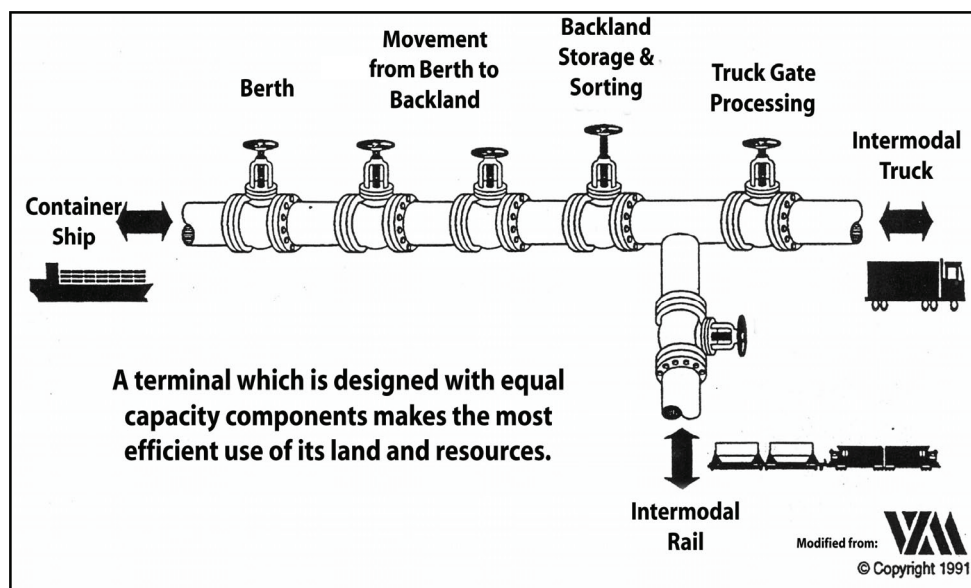


Figure 1-6. Pipeline Analogy of Terminal with Equal-Capacity Components

Historically, not all terminals at the Port were designed to provide maximum capacity. Accordingly, most terminals are limited by one or more of their components, such as the amount of berth space available to accommodate the newest/largest ships in the fleet, the number and size of cranes used to load and unload the ships, the amount and shape of backland adjacent to the berth, adequate gate facilities for trucks, or access to on-dock rail yards. As a simplified example, a terminal of 500 acres and only one berth would be constrained by the berth (berth constrained), while a terminal with five long berths but only 50 acres of backland would be constrained by the amount of cargo that could be handled by the backlands (backland constrained). Even when designed for maximum capacity, Port terminals become wharf or backland constrained at some point in the future. As discussed further in Section 1.1.3, because shipping contracts with manufacturers are dynamic and third-party accounts that use berth space can increase the throughput rates, terminal planning is based more on maximum-capacity rates, long-term supply, and demand forecasts rather than on individual shipping company business plans.

1.1.3 Growth in Containerized Cargo

Since 1970, containerized shipping through West Coast ports has increased twentyfold, driven by increasing United States (U.S.) trade with Asian economies. In 2000, the value of waterborne trade through West Coast ports reached \$309 billion, a 400 percent increase since 1980 (Dickerson and Iritani, 2002). Major West Coast ports, particularly the ports of Los Angeles, Long Beach, and Oakland, have continued to invest billions of dollars optimizing facilities to accommodate increases in containerized shipping. These ports have deepened their harbors to accommodate large, deep-draft container ships; demolished existing facilities and built new container terminals in their place; and created new land to provide space for additional container terminal backlands. The terminal operators have purchased high-speed cranes, modernized transportation equipment, and installed automation to move containers more rapidly between ships and trucks or trains.

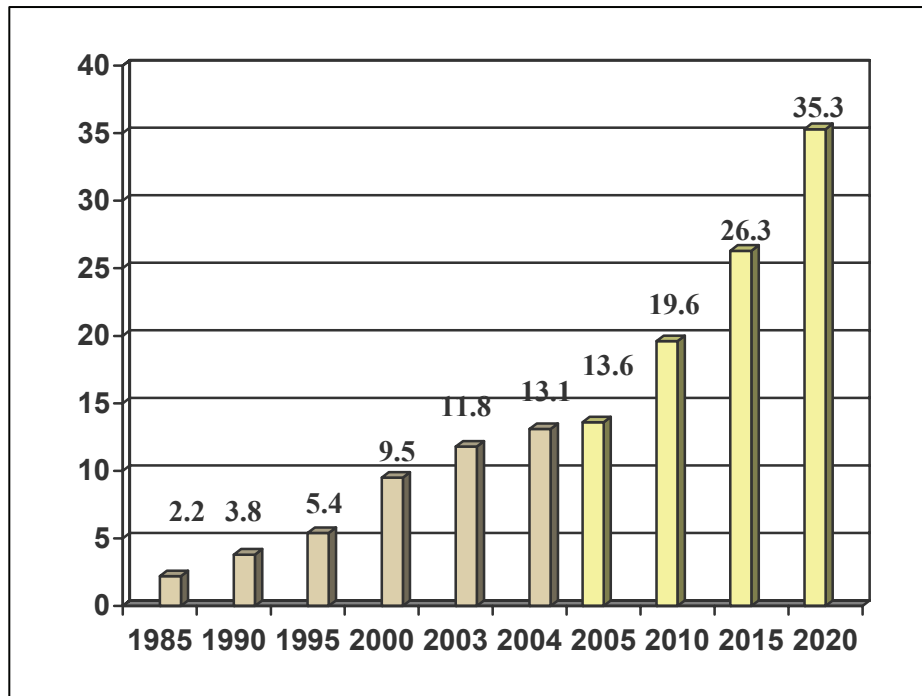
The importance of this cargo- and port-related expansion to the nation, as well as the economic benefits of navigation improvements, has been supported not only by project authorizations but also financial authorizations from the U.S. Congress, notably through the Water Resources Development Act. These authorizations include: Resolution of the Senate Committee on Public Works (1967), Resolution of the House Committee on Public Works (1968), Water Resources Development Act of 1986 Public Law 99-662 (1986), Water Resources Development Act (1988), Water Resources Development Act (2000), and Energy and Water Appropriation Bill (2004).

Anticipating the continued importance of containerized shipping, the ports of Los Angeles and Long Beach (San Pedro Bay Ports) along with the USACE conducted a series of studies to forecast cargo volumes through the year 2020 and to evaluate the capacity of the San Pedro Bay Ports to accommodate those cargo volumes (LAHD et al., 1985; WEFA, 1987, 1989, and 1991). The cargo forecasts predicted significant increases in containerized cargo from Pacific Rim countries to the Pacific West Coast and the San Pedro Bay Ports. These forecasts were used as a basis for development of an Operations, Facilities, and Infrastructure (OFI) Study (VZM, 1988). That study concluded that the ports needed to provide substantial additional physical facilities and make operational improvements to provide the necessary capacity.

The resulting San Pedro Bay 2020 Plan included the construction of new land for new container terminals and the optimization of existing terminals at both ports (Wharton Econometric Forecasting Associates [WEFA], 1991). At the Port of Los Angeles, this resulted in the construction of Pier 300 container terminal operated by American President Lines (APL), Pier 400 (a 562-acre supporting the container terminal operated by APM Terminals), construction of the Alameda Corridor, and construction projects to modernize existing terminals and improve the transportation infrastructure at the Port (USACE, 1992; USACE and LAHD, 1992). Now, the Port of Los Angeles is deepening its main channels to accommodate newer-generation container ships at existing container terminals in the Inner Los Angeles Harbor (USACE and LAHD, 2000; USACE, 2000).

Since the early 1990s, actual volumes of containerized cargo passing through the two San Pedro Bay Ports have greatly exceeded the WEFA forecasts and subsequent projections. A more recent, market-based forecast (Mercer, 2001) re-evaluated the previous cargo projections through the year 2020 and concluded that growth would continue in containerized cargo through the San Pedro Bay Ports (illustrated in Figure 1-7).

1 The Mercer study anticipated that the annual volume of containers would increase from
 2 9.5 million TEUs in 2000 to approximately 35 million TEUs in the year 2020. Based on
 3 the past performance of the two ports, the gross acreage in container terminals, and future
 4 development plans, Port planners expect that this cargo would be approximately evenly
 5 split between the two ports. Therefore, the Port of Los Angeles anticipates that
 6 approximately 17.6 million TEUs (about one-half of the projected TEUs from both ports)
 7 could come through the Port of Los Angeles in the year 2020.



8 **Figure 1-7.** Actual (through 2004) and Forecasted (2005 through 2020) Cargo
 9 Volume Throughput for the San Pedro Bay Ports, in Millions of TEUs

10 The original Mercer 2001 cargo forecast projected growth to the year 2020. By assuming
 11 a continuing annualized growth rate of 6 percent per year (as used in the out-years by
 12 Mercer) for 10 additional years, a reasonable forecast for the year 2030 can be derived.
 13 Assuming this annual growth rate, the number of TEUs at the Port would be expected to
 14 grow to 23.6 million TEUs in 2025 and to 31.6 million TEUs in 2030 (Appendix I). The
 15 unconstrained demand level of 31.6 million TEUs does not account for the increasing
 16 trade imbalance that has occurred since the Mercer study, which could drive this number
 17 up due to increases in the export shipment of empty containers from the San Pedro Bay
 18 Ports, nor does that level account for possible cargo diversion through Mexico ports, or
 19 through the Suez or Panama Canals, which could result in a reduced forecast. Absent
 20 implementation of new operational technology beyond what is already assumed in the
 21 cargo projections, Port container facilities are expected to be constrained by the physical
 22 capacity of the terminals at approximately 22.4 million TEUs in the year 2030. Therefore,
 23 the 2030 maximum capacity is assumed to continue past 2030.

1 Because the cargo forecast provided by Mercer is a demand forecast that does not
2 account for practical constraints on the ability of individual terminals in Los Angeles and
3 Long Beach to accommodate the projected cargo, the Port of Los Angeles, with support
4 from experts in container terminal operation (JWD Group, 2005) and input from its
5 terminal operators, developed a methodology to determine the actual physical/operational
6 capacity of each terminal (Appendix I). By making realistic assumptions regarding
7 different physical improvements (e.g., increasing the length of a berth or adding more
8 container yard) and operating parameters (e.g., increasing the number of hours worked
9 per day or crane productivity, decreasing the amount of time containers are allowed to
10 remain in the terminal), modeling the future operating capacity of a terminal is possible.
11 The methodology uses a combination of two capacity models, one that analyzes backland
12 capacity and one that analyzes berth capacity, to project the maximum capacity of each
13 terminal through the year 2030.

14 As mentioned in Section 1.1.2, a terminal could be berth constrained or backlands
15 constrained, or evenly balanced between the two. In addition, some terminals could have
16 a calculated throughput capacity that exceeds their cargo demand; whereas, others could
17 lack sufficient capacity to satisfy demand. The Port methodology is to select the cargo
18 volume that allows growth to occur until the terminal reaches the constraining factor as
19 the reasonably foreseeable estimate of cargo throughput. The Port has confirmed its
20 estimates by comparing actual throughput numbers with model projections in
21 “hindcasting” sensitivity analyses and through discussions with individual terminal
22 operators (throughput analysis is found in Appendix I).

23 The methodology for throughput projection was carried out for the seven existing
24 container terminals at the Port (Appendix I). Although Berths 97-109 and
25 Berths 121-131 are separate terminals, the terminals were combined because the two
26 terminals share one gate. For each terminal, reasonable assumptions were made
27 concerning necessary construction projects and operational improvements to optimize
28 capacity. Accordingly, the capacities shown in Figure 1-8 do not reflect existing terminal
29 configurations and operating practices but rather reflect additional improvements that,
30 while not yet necessarily proposed, are (hypothetically) possible in the future. These
31 capacities reflect the assumption that the Port will be able to build improvements and the
32 terminal operators will be able to institute operational changes.

33 The results of the capacity modeling show that even with the expansion and
34 modernization of terminals that were assumed, throughput at the Port will be constrained
35 at 22.4 million TEUs starting approximately in 2030. A comparison of Figure 1-7 and
36 Figure 1-8 shows that between now and 2030, all terminals will need to function at
37 maximum capacity to accommodate the cargo volumes coming to the Port. Overall, this
38 represents a projected throughput of approximately 10,000 TEUs per acre, compared to
39 the throughput of existing terminals of between 5,000 and 7,000 TEUs per acre. The
40 projected throughput of 10,000 TEUs per acre is an aggressive assumption for a
41 nontransshipment port. A transshipment port, such as exists in Asia, is one that receives
42 cargo from barges or other ships for transshipment to another port; whereas, at the Port,
43 all import and export cargo comes/goes to/from inland destinations.

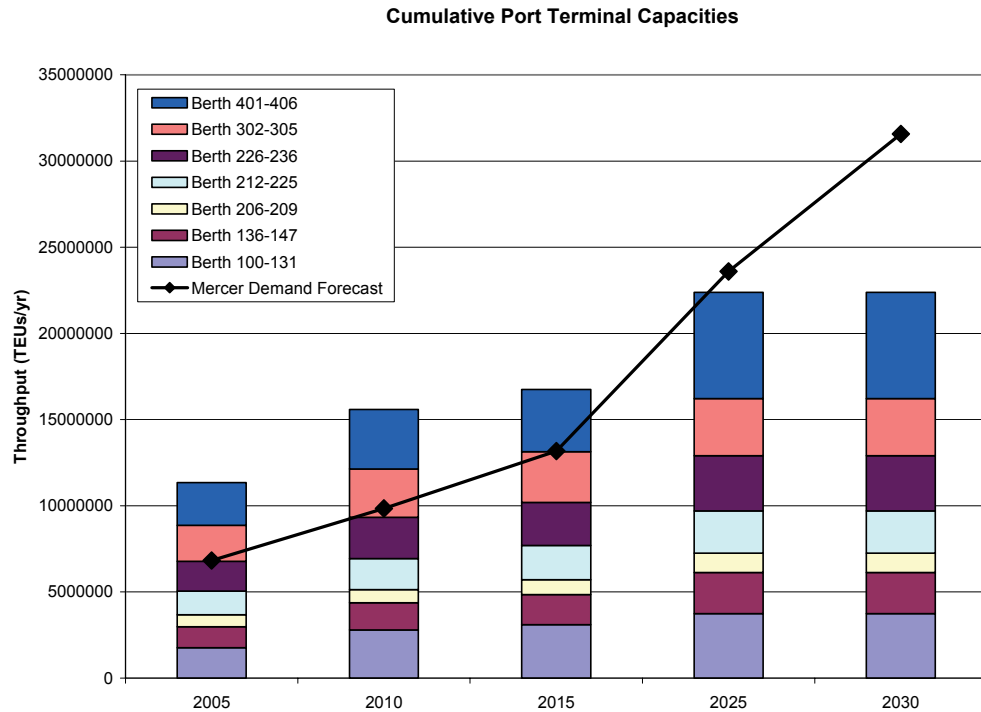


Figure 1-8. Projected Throughput of Port of Los Angeles Container Terminals

Operational improvements possibly could increase the capacity of Port container terminals beyond 22.4 million TEUs; however, at present, such improvements are speculative for technical, economic, or social reasons. However, should new feasible technology become available that would increase Port capacity beyond that anticipated, improvements to implement the technology would require discretionary actions and environmental evaluation in accordance with CEQA to evaluate potential environmental effects. The Project evaluated in this Recirculated Draft EIS/EIR represents part of a continuing effort to achieve the goals and objectives of the joint federal, state, and local planning process initiated by the 2020 Plan and the Deep Draft Navigation Improvement Project EIS/EIR (USACE, 1992) and continued in the West Basin Transportation Improvements Program EIR (LAHD, 1997) and the Channel Deepening SEIS/SEIR (USACE and LAHD, 1992).

1.2 Purpose of an EIS/EIR

This section provides an overview of NEPA and CEQA, which respectively require the preparation of an EIS or an EIR for projects that could significantly affect the environment.

1.2.1 NEPA and the Purpose of an EIS

The National Environmental Protection Act was enacted by Congress in 1969 and requires federal agency decisionmakers to document and consider the environmental implications of their actions or decisions, with the intent of helping public officials to make decisions that are based on an understanding of environmental consequences and to take actions that protect, restore, and enhance the environment. When a federal agency determines that a proposed project could result in significant environmental effects, an EIS is prepared, which must provide full and fair discussion of anticipated significant environmental impacts. The EIS informs decisionmakers and the public of the reasonable alternatives that would avoid or minimize significant impacts or enhance the quality of the human environment. An EIS is not only a disclosure document but also a decisionmaking aid that is used by federal officials in conjunction with other relevant material to plan actions and make decisions.

1.2.2 CEQA and the Purpose of an EIR

The California Environmental Quality Act was enacted by the California Legislature in 1970 and requires public agency decisionmakers to consider the environmental effects of their actions. When a state or local agency determines that a proposed project has the potential to significantly affect the environment, an EIR is prepared. The purpose of an EIR is to identify significant effects of a proposed project on the environment, to identify alternatives to the project, and to indicate the manner in which those significant effects can be mitigated or avoided. A public agency must mitigate or avoid significant environmental impacts of projects it carries out or approves whenever feasible. In instances where significant impacts cannot be avoided or mitigated, the project could nonetheless be carried out or approved if the approving agency finds that economic, legal, social, technological, or other benefits outweigh the unavoidable significant environmental effects. Like an EIS, an EIR is both a disclosure document and a decisionmaking tool.

1.3 Lead, Responsible, and Trustee Agencies

The USACE and LAHD are the Lead Agencies for evaluating potential impacts and proposing mitigation measures under the federal NEPA and state CEQA laws, respectively. The USACE and LAHD are preparing this joint EIS/EIR in the interest of efficiency and to avoid duplication of effort.

Several other agencies have special roles with respect to the proposed Project and will use this EIS/EIR as the basis for their decisions to issue any approvals and/or permits that might be required. Section 15381 of the CEQA Guidelines defines a “responsible agency” as:

...a public agency which proposes to carry out or approve a project, for which a lead agency is preparing or has prepared an EIR or negative declaration. For the purposes of CEQA, the term “responsible agency” includes all public agencies other than the lead agency which have discretionary approval power over the project.

1 Additionally, Section 15386 of the CEQA Guidelines defines a “trustee agency” as:

2 *...a state agency having jurisdiction by law over natural resources*
3 *affected by a project which are held in trust for the people of the State of*
4 *California.*

5 Table 1-1 lists the lead, responsible, and trustee federal, state, and local agencies that
6 could rely on this Recirculated Draft EIS/EIR in a review capacity or as a basis for
7 issuance of a permit for the proposed Project or for related actions.

8 **1.4 Scope and Content of the Recirculated Draft** 9 **EIS/EIR**

10 The scope of this Recirculated Draft EIS/EIR was established based on the Initial Study
11 prepared pursuant to CEQA, the Environmental Assessment Checklist prepared pursuant
12 to NEPA (see Appendix A), comments received during the Notice of Intent (NOI)/Notice
13 of Preparation (NOP) review process, and the Amended Stipulated Judgment (ASJ).

14 **1.4.1 Scope of Analysis**

15 This Recirculated Draft EIS/EIR has been prepared in conformance with NEPA
16 (42 U.S.C. Section 4321 *et seq.*), the USACE NEPA Implementing Regulations; the CEQ
17 Guidelines; CEQA (PRC Section 21000 *et seq.*); the State CEQA Guidelines (14 CCR
18 Section 15000 *et seq.*); and Port Guidelines for the Implementation of CEQA. This
19 document includes all of the sections required by NEPA and CEQA.

20 The criteria for determining the significance of environmental impacts in this
21 Recirculated Draft EIS/EIR analysis are described in the section titled “Significance
22 Criteria” under each resource topic in Chapter 3. The threshold of significance for a
23 given environmental effect is the level at which the LAHD or USACE finds a potential
24 effect of the proposed Project or alternative to be significant.

25 “Threshold of significance” can be defined as a “quantitative or qualitative standard, or
26 set of criteria, pursuant to which significance of a given environmental effect could be
27 determined” (CEQA Guidelines, Section 15064.7 [a]). Except as noted in particular
28 sections of the document, the Port of Los Angeles has adopted the City of Los Angeles
29 *CEQA Thresholds Guide* (City of Los Angeles, 2006) for purposes of this Recirculated
30 Draft EIS/EIR. The USACE has adopted the City of Los Angeles *CEQA Thresholds*
31 *Guide* for purposes of this Recirculated Draft EIS/EIR to achieve its NEPA
32 responsibilities, unless otherwise noted in particular sections of the document.

Table 1-1. Agencies Expected to Use This EIS/EIR

Agency	Responsibilities, Permits, and Approvals
Federal Agencies	
USACE	Lead federal agency for implementation of NEPA. Responsible for navigational improvements in waters of the U.S., and permitting authority for work and structures in navigable waters and the discharge of dredged or fill material in waters of the U.S. A USACE permit pursuant to Section 404 of the Clean Water Act (CWA) and Section 10 of the River and Harbor Act (RHA) would be required for the proposed Project.
National Oceanographic and Atmospheric Agency (NOAA) Fisheries/National Marine Fisheries Service	Reviews and submits recommendations to USACE related to federal construction actions and issuance of permits in accordance with the Fish and Wildlife Coordination Act. Also responsible for Essential Fish Habitat (EFH) under the Magnuson-Stevens Fishery Conservation and Management Act. Provides EFH information, reviews potential effects of federal action on EFH, and provides conservation recommendations to USACE through consultation.
U.S. Coast Guard (USCG)	Has jurisdiction over marine facilities, bridges, and vessel transportation in harbor waters. Responsible for ensuring safe navigation and for preventing and responding to oil or hazardous materials releases in the marine environment.
U.S. Environmental Protection Agency (USEPA)	Has primary responsibility for implementing the Clean Air Act (CAA) and works with other federal agencies to implement conformity requirements. Reviews and submits recommendations for Spill Prevention Control and Countermeasure (SPCC) Plans for nontransportation-related onshore and offshore facilities engaged in storing, processing, refining, transferring, distributing, or consuming oil and gas products. Regulatory authority for determining suitability of dredged sediments for ocean disposal in accordance with Section 103 of the Maritime Protection, Research, and Sanctuaries Act (MPRSA). Reviews and submits recommendations to the USACE related to federal construction actions and issuance of permits.
U.S. Federal Railroad Administration	Reviews and approves changes in rail trackage, connections, signage, and bridges.
U.S. Fish and Wildlife Service	Reviews and submits recommendations to USACE related to federal construction actions and issuance of permits in accordance with the Fish and Wildlife Coordination Act and consultations pursuant to Section 7 of the Endangered Species Act (ESA).
State Agencies	
California Coastal Commission (CCC)	Reviews the environmental document (EIR) to ensure compliance with the Coastal Zone Management Act (CZMA) and consistency with the California Coastal Act; performs a Federal Consistency Determination; reviews and must approve Port of Los Angeles Master Plan amendments.
California Department of Fish and Game (CDFG)	Reviews and submits recommendations in accordance with CEQA. Consultation in accordance with the Fish and Wildlife Coordination Act.
California Department of Transportation (Caltrans)	Permitting authority for highway improvements and rail trackage, connections, and signage during construction operations.
California Office of Historic Preservation	Consultation under Section 106 of the National Historic Preservation Act (NHPA) regarding impacts on cultural resources (e.g., demolition of buildings and structures) that are listed or eligible for listing on the National Register of Historic Places.

Table 1-1. Agencies Expected to Use This EIS/EIR

Agency	Responsibilities, Permits, and Approvals
California Public Utilities Commission (CPUC)	Permitting authority for rail trackage, connections, crossings, and signage during construction operations.
California Waste Management Board	Statutory and regulatory authority to control the handling and disposal of solid, nonhazardous waste in a manner that protects public safety, health, and the environment. State law assigns responsibility for solid waste management to local governments. Solid waste requiring disposal will be generated from the demolition of existing wharves.
Regional Water Quality Control Board, Los Angeles Region (LARWQCB)	Permitting authority for CWA Section 401 Water Quality Certifications; permitting authority for California Waste Discharge Requirements pursuant to the state Porter-Cologne Water Quality Control Act; and responsible for issuance of both construction and industrial National Pollutant Discharge Elimination System (NPDES) stormwater permits.
California State Lands Commission (CSLC)	Dredging and dredge material disposal activities in state tidelands. The CSLC has oversight responsibility for tidal and submerged lands legislatively granted in trust to local jurisdictions, and has adopted regulations for the inspection and monitoring of marine terminals. The CSLC inspects and monitors all marine facilities for effects on public health, safety, and the environment.
Toxic Substances Control Division of the California Environmental Protection Agency (CalEPA)	Regulatory jurisdiction over underground storage tanks (UST) containing hazardous material and implements groundwater monitoring provision of the Resource Conservation and Recovery Act (RCRA). Responsible for general site cleanup outside USTs (such as state Superfund sites).
Regional Agencies	
Los Angeles County Fire Department	Licensing and inspection authority for all hazardous waste generation in the City of Los Angeles. Provides regulation and oversight of site remediation projects involving hazardous waste generators, where surface and subsurface soils are contaminated with hazardous substances.
South Coast Air Quality Management District (SCAQMD)	Permitting authority for construction of landfill and operation of pump stations, storage tanks, and terminal facilities; activities involving hydrocarbon-containing soils (Rule 1166); and new or modified sources of air emissions (New Source Review).
Southern California Association of Governments (SCAG)	Responsible for developing regional plans for transportation and federal conformity, as well as developing growth factors used in forecasting air emissions in the South Coast Air Basin.

Table 1-1. Agencies Expected to Use This EIS/EIR

Agency	Responsibilities, Permits, and Approvals
Local Agencies	
City of Los Angeles Harbor Department	<p>The City of Los Angeles, through its Harbor Department, is the Lead Agency for CEQA and the California Coastal Act (via the certified Port Master Plan for the Port). Other City departments have various approval and permitting responsibilities, however, and are listed separately below for the sake of clarity.</p> <p>Pursuant to its authority, the LAHD could issue permits and other approvals (e.g., coastal development permits, leases for occupancy of Port of Los Angeles land, approval of operating, and joint venture or other types of agreements for the operation of facilities) for the projects evaluated in this Recirculated Draft EIS/EIR. LAHD has leasing authority for Port land. Permitting authority for engineering construction. Responsible for general regulatory compliance. Master Plan amendment and map change (if required). Responsible for activities of other City of Los Angeles departments for the projects evaluated in this EIS/EIR.</p>
City of Los Angeles Building and Safety Department	Permitting authority for building and grading permits.
City of Los Angeles Bureau of Engineering	Permitting authority for storm drain connections, permit for discharges of stormwater, permits for water discharges to the wastewater collection system, and approval of street vacations.
City of Los Angeles Bureau of Sanitation	Permitting authority for Industrial Waste Permit for discharges of industrial wastewater to the City sewer system.
City of Los Angeles Fire Department	Approval of Business Plan and Risk Management and Prevention Program. Reviews and submits recommendations regarding design for building permit.
City of Los Angeles Transportation Department	Reviews and approves changes in City street design, construction, signalization, signage, and traffic counts.
City of Los Angeles Planning Department	Zone changes or amendments.

1

1 The NEPA NOI was published in the *Federal Register* (July 1, 2003) and the original
2 CEQA NOP was mailed on July 1, 2003. A public scoping hearing was conducted on
3 July 10, 2003. The comment period ended August 1, 2003. The scope of analysis and
4 technical work plans developed as part of preparing this Recirculated Draft EIS/EIR were
5 designed to ensure that the comments received from regulatory agencies and the public
6 during the NOI/NOP review process would be addressed.

7 The scope of the federal review is normally defined by 33 *Code of Federal Regulations*
8 (CFR) Part 325, Appendix B, which states:

9 *...the district engineer should establish the scope of the NEPA document*
10 *to address the impacts of the specific activity regarding the Department*
11 *of the Army (DA) permit and those portions of the entire project over*
12 *which the district engineer has sufficient control and responsibility to*
13 *warrant Federal review.*

14 USACE regulations require the USACE to determine if their “scope of review” or “scope
15 of analysis” should be expanded to account for indirect and/or cumulative effects of the
16 issuance of a permit (Appendix B in 33 CFR 325). Typical factors considered in
17 determining “sufficient control and responsibility” include:

- 18 + Whether or not the activity constitutes merely a link in a corridor-type project
- 19 + Whether aspects of the upland facility in the immediate vicinity of the regulated
20 activity affect the location and configuration of the regulated activity
- 21 + Extent to which the entire project will fall within USACE jurisdiction
- 22 + Extent of federal cumulative control and responsibility

23 Based on 33 CFR Part 325, Appendix B, the appropriate scope of analysis for the federal
24 review of the selected action consists of both permanent and temporary impact to waters
25 of the U.S. associated with the construction of new wharves and bridges, construction-
26 related activities such as temporary access occurring in uplands within 100 feet of
27 proposed wharves required to complete in-water work and structures, and 12 of the
28 25 acres associated with the south extension of Berth 100.

29 Based on the Environmental Assessment Checklist, the USACE has identified potentially
30 significant indirect and cumulative effects within the scope of federal control in uplands
31 that could occur as a result of the proposed Project (directly traceable to the construction
32 of wharves). While operational impacts in the uplands are outside the jurisdiction of the
33 USACE, NEPA requires the USACE to fully disclose potentially significant indirect and
34 cumulative impacts occurring as a result of a proposed permit action. Therefore, the
35 USACE is preparing an EIS for the proposed action and its alternatives.

36 Normally, any ultimate permit decision would focus on direct impacts to the aquatic
37 environment, as well as indirect and cumulative impacts in the uplands determined to be
38 within the scope of federal control and responsibility as part of the required public
39 interest review. These incremental impacts typically are defined by comparing the
40 proposed Project to the NEPA baseline, which details the work and impacts that could
41 occur without a permit from the USACE. The NEPA baseline is equivalent to the No
42 Federal Action alternative.

1 Additionally, United States Environmental Protection Agency (USEPA) Section 404(b)(1)
 2 Guidelines require the USACE to issue a permit only for the least environmentally
 3 damaging practicable alternative (LEDPA), which is the most practicable alternative that
 4 has the least damage to aquatic resources. The factors that influence whether an
 5 alternative is practicable include cost, logistics, technology, and the ability of the
 6 alternative to achieve the overall project purpose. The Section 404(b)(1) Guidelines
 7 focus on the impacts to the aquatic environment of discharges of dredged or fill material
 8 in waters of the U.S. As such, the scope of the Section 404(b)(1) analysis is typically
 9 narrower than that of the NEPA analysis and could reach different conclusions regarding
 10 the practicability of an alternative.

11 The Section 404(b)(1) Guidelines (40 CFR 230) state that no discharge of dredged or fill
 12 material shall be permitted if there is a practicable alternative to the proposed discharge
 13 that would have less significant impact on the aquatic ecosystem, so long as the
 14 alternative does not have other significant environmental consequences (40 CFR
 15 230.10[a]). A Section 404(b)(1) evaluation typically includes the following type of
 16 analysis:

- 17 + Factual determinations (e.g., on the physical substrate, water circulation, fluctuation,
 18 and salinity, suspended particulates/turbidity, contaminants, aquatic ecosystem and
 19 organisms, proposed disposal sites, and cumulative effects on the aquatic ecosystem)
- 20 + Findings of compliance or noncompliance with restrictions on discharge, including
 21 evaluation of the availability of practicable alternatives that would have a less
 22 significant impact on the aquatic ecosystem, and compliance with a variety of
 23 regulations (e.g., applicable state water quality standards, toxic effluent standards or
 24 prohibitions under Section 307 of the Clean Water Act [CWA], the federal
 25 Endangered Species Act [ESA], and the Marine Protection, Research and Sanctuaries
 26 Act [MPRSA])
- 27 + Identification of practical steps taken to minimize potential significant impacts of the
 28 discharge on the aquatic ecosystem
- 29 + Conclusion about the compliance of the proposed Project with the Section 404(b)(1)
 30 Guidelines

31 The information presented in this Recirculated Draft EIS/EIR specific to impacts to the
 32 aquatic environment would be used by USACE as part of any proposed permit action
 33 subject to Section 404 of the CWA and Section 10 of the Rivers and Harbors Act (RHA).

34 The following issues have been determined to be potentially significant and, therefore,
 35 are evaluated in this Recirculated Draft EIS/EIR.

- | | |
|-------------------------------------|---|
| + Aesthetics and Visual Resources | + Air Quality and Meteorology |
| + Biological Resources | + Cultural Resources |
| + Geology | + Groundwater and Soils |
| + Hazards and Hazardous Materials | + Land Use |
| + Marine Transportation | + Noise |
| + Ground Transportation/Circulation | + Utilities and Public Services |
| + Recreation | + Water Quality, Sediments, and
Oceanography |

1 No agricultural soils or resources are in the area, so agricultural resources are not
2 evaluated in this Recirculated Draft EIS/EIR. Mineral resources are evaluated in
3 Section 3.5, Geology, and population impacts are evaluated in Chapter 5, Environmental
4 Justice. Chapter 3 discusses each of the resources that could be significantly affected by
5 the proposed Project or alternatives. Mitigation measures to reduce impacts to a less than
6 significant level are proposed whenever feasible.

7 This Recirculated Draft EIS/EIR has been prepared by CH2M HILL under contract to the
8 Port and has been reviewed independently by USACE and Port staff. The scope of the
9 document, methods of analysis, and conclusions represent the independent judgments of
10 the USACE and the Port. Staff members from the USACE, the Port, and CH2M HILL
11 who helped prepare this Recirculated Draft EIS/EIR are identified in Chapter 11, List of
12 Preparers and Contributors.

13 **1.4.2 Intended Uses of This Recirculated Draft EIS/EIR**

14 This Recirculated Draft EIS/EIR has been prepared in accordance with applicable federal
15 and state environmental regulations, policy, and law to inform federal, state, and local
16 decisionmakers about the potential environmental impacts of the proposed Project and
17 alternatives. As an informational document, an EIS/EIR does not recommend approval
18 or denial of a project. The Recirculated Draft EIS/EIR is being provided to the public for
19 review, comment, and participation in the planning process. After public review and
20 comment, a Final EIS/EIR will be prepared, including responses to comments on the
21 Recirculated Draft EIS/EIR received from agencies, organizations, and individuals. The
22 Final EIS/EIR will be distributed to provide the basis for decisionmaking by the NEPA
23 and CEQA lead agencies and other concerned agencies.

24 **1.4.2.1 USACE Use**

25 The USACE has jurisdictional authority over the proposed Project pursuant to
26 Section 404 of the CWA and Section 10 of the RHA. The USACE will consider this
27 document in permit actions that the LAHD might undertake to implement the proposed
28 Project or alternative. This document does not serve as a public notice of application for
29 any Department of the Army (DA) permits at this time. Rather, such public notice of any
30 permit application is being published separately from and concurrently with the public
31 review period for this Recirculated Draft EIS/EIR.

32 The USACE Record of Decision (ROD) will document the decision of USACE on the
33 proposed action, including issuance of any permit pursuant to Section 404 of the CWA
34 and Section 10 of the RHA, as well as any required environmental mitigation
35 commitments.

36 **1.4.2.2 LAHD Use**

37 The LAHD has jurisdictional authority over the proposed Project primarily pursuant to
38 the Tidelands Trust, California Coastal Act, and the Los Angeles City Charter. This
39 EIS/EIR will be used by LAHD, as the lead agency under CEQA, in making a decision
40 regarding the construction and operation of the proposed Project or alternative and in
41 informing agencies considering permit applications and other actions required to
42 construct, lease, and operate the proposed Project or alternative. The LAHD certification
43 of the EIR, Notice of Completion, Findings of Fact, and Statement of Overriding
44 Considerations (if necessary) would document the LAHD decision as to the adequacy of

1 the EIR and inform subsequent decisions by the LAHD whether to approve and construct
2 the proposed Project or alternative and whether to lease the Berth 97-109 terminal to
3 China Shipping for a 40-year period and grant the necessary operating permits.

4 LAHD would also use this Recirculated Draft EIS/EIR to seek California Coastal
5 Commission (CCC) approvals to amend the Port Master Plan (PMP) to redesignate land
6 areas to accommodate expansion of container terminal operations. The PMP amendment
7 also would allow container terminal operations on the 8-acre landfill previously
8 constructed in the Southwest Slip.

9 Other agencies (federal, state, regional, and local) that have jurisdiction over some part of
10 the proposed Project or a resource area affected by the proposed Project are expected to
11 use this EIS/EIR as part of their approval or permit process as set forth in Table 1-1.
12 Specific approvals that could be required for this proposed Project include, but are not
13 limited to: Coastal Development Permit, USACE Permit (pursuant to Section 404 of the
14 CWA and Section 10 of the RHA), building and safety permits, PMP Amendments, water
15 quality permits (CWA Section 401 Water Quality Certification, National Pollution
16 Discharge Elimination System [NPDES] permits), and approval of a lease and
17 construction contracts by the Port and Los Angeles City Council.

18 Actions that could be undertaken by the LAHD following preparation of the Final EIR
19 include: certification of the EIR, approval of the proposed Project, lease approval, PMP
20 amendments as required, issuance of a Coastal Development Permit, completion of final
21 design, approval of engineering permits, obtaining other agency permits and approvals
22 (e.g., dredge and fill, grading, construction, occupancy, and fire safety), and approval of
23 construction contracts.

24 **1.4.3 Actions Leading to Reconsideration of the** 25 **Proposed Project and Alternatives**

26 This Recirculated Draft EIS/EIR presents an analysis of the impacts associated with the
27 proposed Project and alternatives as required by court actions related to a previous
28 analysis that adopted a programmatic approach.

29 **1.4.3.1 West Basin Transportation Improvements Program EIR** 30 **Lawsuit and Stipulated Judgment**

31 The Port previously prepared and certified the West Basin Transportation Improvements
32 Program (WBTIP) EIR that assessed the proposed construction and operation of terminal
33 and infrastructure improvements in the West Basin of the Port (LAHD, 1997). The
34 document programmatically analyzed the impacts of the development of three separate
35 container terminals in the West Basin: the China Shipping Terminal, the Yang Ming
36 Terminal, and the TraPac Terminal.

37 In March 2001, the Port issued a permit approving not only the lease of Berths 97-109
38 (China Shipping Container Terminal) but also the construction based on the WBTIP EIR
39 and the Channel Deepening EIR/EIS. In June 2001, opponents of the China Shipping
40 Terminal project, as described in the WBTIP EIR, filed suit in both state and federal
41 courts alleging that LAHD did not comply with, among other things, NEPA or CEQA in
42 approving a permit to construct the China Shipping Terminal or to lease the terminal to
43 the China Shipping Company. On October 30, 2002, the State of California Second
44 District Court of Appeals ordered a partial halt to ongoing construction and operation of

1 Phase I of the Berth 97-109 China Shipping Container Terminal project component (the
2 proposed Project assessed in this document) of the WBTIP EIR. The court ordered the
3 preparation of a project-specific EIR to evaluate all three phases of the proposed Project.

4 Afterward, LAHD and the litigants negotiated an agreement to settle both the state and
5 the federal proceedings. On March 6, 2003, the Superior Court of the State of California,
6 Los Angeles District, approved a Stipulated Judgment memorializing the Settlement
7 Agreement between the Project opponents and LAHD to settle the state case. On that
8 same date, the United States District Court for the Central District of California approved
9 a stipulation for compromise settlement among the Project opponents, USACE, and
10 LAHD. Subsequently, the Port and China Shipping negotiated with the litigants to
11 amend the Stipulated Judgment. A compromise in the form of an ASJ was reached in
12 March 2004 (see Appendix B). This Recirculated Draft EIS/EIR has been prepared
13 pursuant to the terms of the ASJ and the obligations of the Port under CEQA.

14 Although the China Shipping Container Terminal and Yang Ming Container Terminal
15 share one gate complex, both the federal Settlement Agreement and the state court ASJ
16 require the preparation of a project-specific environmental analysis of all three phases of
17 the proposed Project alone, not as part of any larger West Basin project or other project.
18 The federal Settlement Agreement also provided that the revised Environmental
19 Assessment (EA) and permit prepared by USACE would remain in place until USACE
20 reconsiders the permit terms and conditions upon completion of the EIS/EIR.

21 The ASJ, in consideration of additional mitigation measures and other requirements,
22 allowed the Port to complete construction and commence operation of Phase I of the
23 China Shipping Project. Specifically, Phase I China Shipping operations are operational
24 while the Project-specific China Shipping EIR is under preparation. Phase I China
25 Shipping construction was completed in 2003, and operations officially began on June 21,
26 2004.

27 In addition to requiring LAHD to prepare a project-specific EIR for the proposed Project
28 in compliance with the requirements of CEQA, the ASJ identified specific requirements
29 to be included in the EIR. These requirements are outlined as follows.

- 30 + LAHD shall prepare a Project-specific EIR evaluating the impacts of construction
31 and operation of the three phases of the proposed Berth 97-109 Container Terminal
32 improvements. The EIR specifically will:
- 33 Evaluate all Project-specific and cumulative impacts from the proposed Project
34 alone, and not as part of any larger West Basin project or other projects
 - 35 Assess mitigation measures to reduce those identified impacts
 - 36 Consider alternatives to the China Shipping Project with reduced environmental
37 impacts, including alternative "Port-related uses" other than a shipping terminal
38 at the China Shipping Project site and alternatives to the size, magnitude, and
39 configuration of the proposed China Shipping Project
- 40 + Aesthetic impacts, on and off the Port lands, from the terminal and its activities at
41 Berths 97-109 including, but not limited to, the cranes at those berths (including
42 cumulative aesthetics impacts off Port lands) shall be evaluated.

- 1 + LAHD shall prepare and distribute a new NOP, conduct and complete a new scoping
2 process, circulate a new Draft EIR for public and agency review, and complete and
3 certify the EIR addressing Berth 97-109 improvements.
- 4 + The baseline condition on which changes to the environment would be evaluated will
5 assume no improvements historically onsite (zero) or conditions prior to approval of
6 the lease in March 2001.
- 7 + The EIR shall contain an evaluation of impacts in the various resource categories to
8 the Port, the surrounding communities of San Pedro and Wilmington, as well as the
9 South Coast Air Basin. The EIR will set forth mitigation measures for any impacts
10 that are potentially significant in the following categories.
- 11 Geology, seismicity, and topography
 - 12 Groundwater, soils, and sediments
 - 13 Meteorology and air quality
 - 14 Toxic emissions and risk
 - 15 Hydrology, water quality, and oceanography
 - 16 Biota and habitats
 - 17 Ground transportation and circulation
 - 18 Marine vessel transportation
 - 19 Noise
 - 20 Public health and safety
 - 21 Public services
 - 22 Energy
 - 23 Utilities
 - 24 Land use
 - 25 Aesthetics, visual resources, and light and glare
 - 26 Recreation
 - 27 Cultural resources
 - 28 Environmental justice
- 29 Table 1-2 lists the corresponding EIS/EIR section that contains the applicable
30 evaluations.
- 31 + LAHD shall require, as mitigation, all topicks and sidepicks (shoreside loading
32 equipment) employed at the Berth 97-109 Container Terminal to use emulsified
33 diesel fuel and diesel oxidation catalysts if these fuels are found to be technically
34 feasible as specified in the ASJ and can be safely implemented.
- 35 + LAHD shall require, as mitigation, the terminal operator to phase-in the use of
36 alternative-fuel tractors such that by September 30, 2004, all tractors would be
37 alternative-fuel tractors, unless these tractors are not technically feasible in
38 accordance with the terms of the ASJ.

Table 1-2. Required Amended Stipulated Judgment Sections

Required Section	Corresponding EIS/EIR Section
Geology, Seismicity, and Topography	Section 3.5: Geology
Groundwater, Soils, and Sediments	Section 3.7: Groundwater and Soils; and Section 3.14: Water Quality, Sediments, and Oceanography
Meteorology and Air Quality	Section 3.2: Air Quality and Meteorology
Toxic Emissions and Risk	Section 3.2: Air Quality and Meteorology
Hydrology, Water Quality, and Oceanography	Section 3.14: Water Quality, Sediments, and Oceanography
Biota and Habitats	Section 3.3: Biological Resources
Ground Transportation and Circulation	Section 3.6: Ground Transportation and Circulation
Marine Vessel Transportation	Section 3.10: Marine Transportation
Noise	Section 3.11: Noise
Public Health and Safety	Section 3.8: Hazards and Hazardous Materials
Public Services	Section 3.13: Utilities and Public Services
Energy	Section 3.13: Utilities and Public Services
Utilities	Section 3.13: Utilities and Public Services
Land Uses	Section 3.9: Land Use
Aesthetics, Visual Impacts, and Light and Glare	Section 3.1: Aesthetics and Visual Resources
Recreation	Section 3.12: Recreation
Cultural Resources	Section 3.4: Cultural Resources
Environmental Justice	Chapter 5.0: Environmental Justice

Source: LAHD, 2004

- 1
- 2 + LAHD shall install two low-profile cranes at Berth 102 to be employed if Berth 102
- 3 is constructed and if feasible in accordance with the terms of the ASJ. If additional
- 4 cranes are required, they also will be low-profile cranes, as feasible in accordance
- 5 with the terms of the ASJ.
- 6 + LAHD shall install, as mitigation, necessary electrical infrastructure to provide
- 7 shoreside power for ship hoteling (Alternative Maritime Power [AMP]) and cause the
- 8 retrofitting of China Shipping marine container ships to accommodate the use of
- 9 AMP while hoteling.

- 1 + LAHD shall require, as mitigation, that two China Shipping container ships be
 2 retrofitted to accept shoreside electrical power by August 2004, three ships be
 3 retrofitted for AMP by January 2005, and four ships retrofitted for AMP by March 31,
 4 2005. In addition, LAHD shall require that 30 percent of ships docking at
 5 Berths 97-109 use shoreside electric power for hoteling from August 1, 2004, to
 6 January 1, 2005, 60 percent from January 1, 2005, through July 1, 2005, and
 7 70 percent after July 1, 2005.
- 8 + LAHD shall complete a traffic study by May 2003 and implement needed mitigation
 9 within 30 days after the study is complete. LAHD also shall prepare and implement
 10 a Traffic Mitigation Plan for San Pedro and Wilmington within 3 months of
 11 completing the ongoing Portwide traffic study.
- 12 + LAHD shall fund additional air quality and community aesthetic mitigation, totaling
 13 \$50 million (in five annual installments of \$10 million), to mitigate environmental
 14 and other effects of Port operations.

15 In addition, the ASJ does not prevent the Port from preparing and certifying EIRs for
 16 other projects, including, but not limited to, a proposal to develop a project that combines
 17 operation of the China Shipping Project with Berths 121-131 (Yang Ming Terminal) and
 18 a possible EIR that addresses other terminals in the West Basin and/or the West Basin as
 19 a whole, including Berths 97-109. Regardless of the preparation of any such EIR, the
 20 Port is obligated to complete and certify the China Shipping EIR in compliance with
 21 CEQA and the ASJ, and to adopt mitigation measures identified in the China Shipping
 22 EIR for the China Shipping Project. The ASJ also requires the Port to certify the China
 23 Shipping EIR prior to or at the same time that it certifies any other EIR evaluating the
 24 Berth 97-109 site as part of its proposed project. Furthermore, the ASJ states that if
 25 LAHD prepares a separate EIR for a combined China Shipping/Yang Ming Terminal,
 26 LAHD will consider the same alternatives for the use of Berths 97-109 in that EIR, and it
 27 will consider the combined terminal as an alternative in the China Shipping EIR.

28 **1.4.3.2 USACE Settlement Agreement**

29 On March 6, 2003, USACE settled its case with plaintiffs in the China Shipping Case.
 30 The USACE Settlement Agreement requires USACE to prepare a project-specific EIS for
 31 China Shipping Phases I through III and to revisit the conditions of the permit originally
 32 issued for construction of Berth 100. This document serves as the Project-specific EIS
 33 called for in the judgment, and it provides environmental analysis required for USACE to
 34 revisit the Berth 100 decision.

35 **1.4.4 Recirculated Draft EIS/EIR Organization**

36 Table 1-3 contains a list of sections required under NEPA and CEQA and references the
 37 specific chapter in this document where the specific information is located. To easily
 38 obtain information about the proposed Project and alternatives, including specific impacts,
 39 this Recirculated Draft EIS/EIR is organized into the chapters described in Table 1-3.
 40 Note that for the sake of efficiency Chapter 3, the analysis of impacts, considers impacts
 41 under CEQA first, then impacts under NEPA, rather than the more traditional format of
 42 NEPA then CEQA. This format supports the broader scope of the CEQA impact analysis,
 43 so that presenting the CEQA analysis first allows a more efficient presentation of the
 44 NEPA impact analysis.

Table 1-3. Organization and Contents of the Recirculated Draft EIS/EIR

Recirculated Draft EIS/EIR Section	Description
Executive Summary	Summary of the proposed Project and alternatives, potential significant impacts and mitigation measures, the environmentally preferred alternative (in accordance with CEQA) and the Preferred Alternative (in accordance with NEPA), public comments and concerns, and unresolved issues and areas of controversy.
Chapter 1, Introduction	Describes the intended uses of the document and authorizing actions, the relationship to previous CEQA and NEPA documents, relationship to existing plans and policies, the scope and content of the document, and the organization of the document.
Chapter 2, Proposed Project Description	Describes the proposed Project, the purpose and need and the objectives of the proposed Project, alternatives initially considered but eliminated from further consideration, and alternatives evaluated in the document.
Chapter 3, Affected Environment and Environmental Analysis	Describes the baseline conditions for each environmental resource area, criteria for judging significance of an impact, impact assessment methodology, impacts that would result from the proposed Project and each proposed Project alternative, applicable mitigation measures that would eliminate or reduce significant impacts, and the mitigation monitoring program.
Chapter 4, Cumulative Analysis	Provides a summary of significant cumulative impacts and whether or not the proposed Project makes a cumulatively considerable contribution to that significant impact.
Chapter 5, Environmental Justice	Addresses the possible effects of the proposed Project on minority populations and low-income communities adjacent to the proposed Project site.
Chapter 6, Comparison of Alternatives	Compares the significant environmental impacts of the proposed Project and proposed Project alternatives and identifies the Environmentally Preferred and Superior Alternatives.
Chapter 7, Socio-Economic Analysis	Identifies the socioeconomic impacts of the proposed Project.
Chapter 8, Growth-Inducing Impacts	Presents whether or not the proposed Project would result in growth-inducing impacts.
Chapter 9, Significant Irreversible Changes	Describes the significant irreversible changes to the environment associated with the proposed Project.
Chapter 10, References	Identifies the documents consulted in preparing this Recirculated Draft EIS/EIR.
Chapter 11, List of Preparers and Contributors	Lists the individuals involved in preparing this Recirculated Draft EIS/EIR.
Chapter 12, Acronyms and Abbreviations	Provides the full names for acronyms and abbreviations used in this document.
Appendixes	Present additional background information and technical detail for several of the resource areas.

1.5 Key Principles Guiding Preparation of this Recirculated Draft EIS/EIR

1.5.1 Emphasis on Significant Environmental Effects

This Recirculated Draft EIS/EIR focuses on the significant environmental effects of the proposed Project and alternatives, and on their relevance to the decision-making process. NEPA requires the lead federal agency to rely on a “scientific and analytical basis for the comparison of alternatives” (40 CFR 1502.16) in making its decisions. Commonly, when preparing a joint document, the lead federal agency will adopt the CEQA significance thresholds as its scientific basis, unless otherwise noted.

“Environmental impacts,” as defined by CEQA, include physical effects on the environment. In this document, the term is used synonymously with the term “environmental effects” under NEPA. The CEQA Guidelines (Section 15360) define the “environment” as follows:

The physical conditions which exist within the area which will be affected by a proposed project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance.

This definition does not include strictly economic impacts (e.g., changes in property values) or social impacts (e.g., a particular group of persons moving into an area). The CEQA Guidelines (Section 15131[a]) state that “economic or social effects of a project shall not be treated as significant effects on the environment.” However, economic or social effects are relevant to physical effects in two situations. In the first, according to Section 15131(a) of the CEQA Guidelines: “An EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes... to physical changes caused in turn by the economic or social changes.” In other words, if an economic or social impact leads to a physical impact, this ultimate physical impact must be evaluated in the EIR. In the second instance, according to Section 15131(b) of the CEQA Guidelines: “Economic or social effects of a project may be used to determine the significance of physical changes caused by the project.” For example, the closure and demolition of a fully occupied commercial building could be considered more significant than the demolition of a similar vacant building, even though the physical effects are the same.

As with economic or social impacts, psychological impacts are outside the definition of the term “environmental.” While not specifically discussed in the CEQA Guidelines, the exclusion of psychological impacts was specifically affirmed in the 1999 court decision, *National Parks and Conservation Association v. County of Riverside* 71 Cal. App. 4th 1341 and 1364, 1999.

In view of these legal precedents, the LAHD is not required to treat economic, social, or psychological impacts as significant environmental impacts absent a related physical effect on the environment. Therefore, such impacts are discussed only to the extent necessary to determine the significance of the physical impacts of the proposed Project and alternatives. Additionally, this EIS/EIR addresses Environmental Justice in Chapter 5 and Socioeconomics in Chapter 7.

1.5.2 Forecasting

In this Recirculated Draft EIS/EIR, LAHD and its consultants have made their best efforts to predict and evaluate the reasonable, foreseeable, direct, indirect, and cumulative environmental impacts of the proposed Project and alternatives. NEPA and CEQA do not require the USACE and LAHD to engage in speculation about impacts that are not reasonably foreseeable (Guideline Sections 15144 and 15145). In these instances, CEQA does not require a worst-case analysis. Similarly, NEPA does not require a worst-case analysis when confronted with incomplete or unavailable information (40 CFR Section 1502.22).

1.5.3 Reliance on Environmental Thresholds and Substantial Evidence

The identification of impacts as “significant” or “less than significant” is one of the important functions of an EIS/EIR. While impacts determined to be “less than significant” need only be acknowledged as such, an EIR must identify mitigation measures for any impact identified as “significant.” In preparing this document, the LAHD has based its conclusions about the significance of environmental impacts on identifiable thresholds and has supported these conclusions with substantial scientific evidence. The USACE has adopted the City of Los Angeles CEQA Thresholds to meet its NEPA responsibilities, unless otherwise noted in particular sections of this document for the NEPA analysis.

The criteria for determining the significance of environmental impacts in this analysis are described in each resource section in Chapter 3. The “threshold of significance” under CEQA for a given environmental effect is the level at which LAHD finds a potential effect of the proposed Project or alternative to be significant. “Threshold of significance” can be defined as a “quantitative or qualitative standard, or set of criteria, pursuant to which significance of a given environmental effect may be determined” (CEQA Guidelines, Section 15064.7 [a]).

1.5.4 Disagreement Among Experts

During preparation of the Recirculated Draft EIS/EIR, it is possible that evidence that might raise disagreements will be presented during the public review of the Recirculated Draft EIS/EIR. Such disagreements will be noted and will be considered by the decisionmakers during the public hearing process. However, to be adequate under CEQA and NEPA, the Recirculated Draft EIS/EIR need not resolve all such disagreements.

In accordance with the provisions of the CEQA Guidelines, conflict of evidence and expert opinions on an issue concerning the environmental impacts of the proposed Project—when LAHD is aware of these controversies—has been identified in this Recirculated Draft EIS/EIR. The Recirculated Draft EIS/EIR has summarized the conflicting opinions and has included sufficient information to allow the public and decisionmakers to take intelligent account of the environmental consequences of their actions.

In rendering a decision on a project where a disagreement exists among experts, the decisionmakers are not obligated to select the most conservative, environmentally protective, or liberal viewpoint. Decisionmakers might give more weight to the views of

1 one expert than to those of another and need not resolve a dispute among experts. In their
2 proceedings, the decisionmakers must consider the comments received and address any
3 objections, but need not follow said comments or objections so long as the
4 decisionmakers state the basis for their decision supported by substantial evidence.

5 **1.5.5 CEQA and NEPA Baselines**

6 **1.5.5.1 CEQA Baseline**

7 Section 15125 of the CEQA Guidelines requires EIRs to include a description of the
8 physical environmental conditions in the vicinity of the proposed Project that exists at the
9 time of the NOP. The conditions existing at the time that the NOP was circulated for
10 review (2003) are described in Chapter 3 and include completion of Phase I construction
11 of the China Shipping Terminal. These environmental conditions normally would
12 constitute the baseline physical conditions against which the CEQA lead agency
13 determines if an impact is significant. However, for purposes of this Recirculated Draft
14 EIS/EIR, the CEQA baseline for determining the significance of potential impacts caused
15 by the proposed Project is the physical condition of the terminal prior to March 28, 2001,
16 pursuant to the ASJ as described.

17 Prior to March 28, 2001, Yang Ming used portions of the backland at Berths 97-109 to
18 supplement Berth 121-131 container storage under a series of space assignments. From
19 April 2000 through March 2001, Yang Ming was permitted to use approximately
20 between 8 and 11 acres at Berths 97-109. Average throughput for this time period was
21 45,135 TEUs. CEQA baseline conditions are explained in further detail in Section 2.6.1
22 and Appendix H.

23 The CEQA baseline represents the setting at a fixed point in time, with no projected
24 growth over time, and differs from the No Project Alternative (discussed in Section 2.6)
25 in that the No Project Alternative addresses what is likely to happen at the site over time,
26 starting from the existing conditions, if the proposed Project is not approved. The No
27 Project Alternative allows for growth at the proposed Project site that would occur
28 without approval of the proposed Project.

29 **1.5.5.2 NEPA Baseline**

30 In analyzing a proposed project in a joint CEQA/NEPA format, USACE must distinguish
31 the scientific and analytical basis for its decisions separately from the CEQA lead agency
32 decision. Fundamental to this analysis is establishing the NEPA baseline. On this project,
33 the NEPA baseline for determining significance of impacts is the set of conditions
34 defined by examining the full range of construction and operational activities the
35 applicant could implement and is likely to implement absent a permit from the USACE
36 (e.g., air emissions and traffic likely to occur without issuance of a permit to modify
37 wharves or dredge). The determination is based on direct statements and empirical data
38 from the applicant, as well as on the judgment and experience of the USACE.

39 Unlike the CEQA baseline, which is defined by conditions at a point in time, the NEPA
40 baseline is not bound by statute to a “flat” or “no-growth” scenario; therefore, the NEPA
41 baseline could include upland terminal construction and increases in upland operations
42 over the life of a project, which do not require federal action or approval. Normally, any
43 ultimate permit decision would focus on direct impacts to the aquatic environment, as
44 well as on indirect and cumulative impacts in the uplands determined to be within the

1 scope of federal control and responsibility. The significance of impacts associated with
2 implementation of the proposed Project or alternative is defined by comparison to
3 impacts that would occur under NEPA baseline conditions (i.e., the increment).

4 **1.5.6 Duty to Mitigate**

5 Under NEPA, 40 CFR 1505.3 requires:

6 *...mitigation and other conditions established in the environmental*
7 *impact statement or during its review and committed as part of the*
8 *decision shall be implemented by the lead agency or other appropriate*
9 *consenting agency.*

10 While the USACE could identify and analyze impacts outside its jurisdiction, the
11 USACE limits the placement of special conditions in USACE permits (requirements for
12 mitigation) to areas within USACE jurisdiction (i.e., areas directly subject to its
13 permitting authority under Section 404 of the CWA, Section 10 of the RHA, and
14 Section 103 of the Marine Protection, Research, and Sanctuaries Act). The USACE
15 cannot constrain operations outside its jurisdiction where, absent a USACE permit for
16 construction in waters of the U.S., the federal government has no authority over
17 operations that could otherwise occur. Therefore, while an increment might exist of
18 upland indirect and/or cumulative effects within the USACE scope of review (i.e.,
19 traceable to the issuance of a permit), the USACE would not place special conditions on
20 those upland impacts because activities in the uplands are not within the USACE
21 jurisdiction, and some portion of those impacts would occur without a USACE permit.

22 According to CEQA Guidelines, Section 15126.4(a), each significant impact identified in
23 an EIR must include a discussion of feasible mitigation measures that would avoid or
24 substantially reduce the significant environmental effect. To reduce significant effects,
25 mitigation measures must avoid, minimize, rectify, reduce, eliminate, or compensate for a
26 given impact of the proposed Project.

27 Mitigation measures must satisfy certain requirements to be considered adequate.
28 Mitigation should be specific, define feasible actions that would actually improve
29 significant environmental conditions, and be measurable to allow monitoring of their
30 implementation. Mitigation measures that merely require further studies or consultation
31 with regulatory agencies and are not tied to a specific action that would directly reduce
32 impacts, or that defer mitigation until some future time, should be avoided. Effective
33 mitigation measures clearly explain objectives and indicate how a given measure should
34 be implemented, who is responsible for its implementation, and where and when the
35 mitigation will occur. Finally, mitigation measures must be enforceable, meaning that
36 the lead agency must ensure that the measures will be imposed through appropriate
37 permit conditions, agreements, or other legally binding instruments.

38 CEQA Guidelines, Section 15041, grants public agencies the authority to require feasible
39 changes (mitigation) that would substantially lessen or avoid a significant effect on the
40 environment associated with activities involved in a project. Public agencies, however,
41 do not have unlimited authority to impose mitigation. A public agency might exercise
42 only those express or implied powers provided by law, aside from those provided by
43 CEQA. However, where another law grants discretionary powers to a public agency,
44 CEQA authorizes use of discretionary powers (CEQA Guidelines, Section 15040).

45 In addition to limitations imposed by CEQA, the U.S. Constitution limits the authority of
46 regulatory agencies. The Constitution limits the authority of a public agency to impose

1 conditions to those situations where a clear and direct connection (“nexus,” in legal terms)
2 exists between a project impact and the mitigation measure. Finally, a proportional
3 balance must exist between the impact caused by the proposed project and the mitigation
4 measure imposed upon the project applicant. A project applicant cannot be forced to pay
5 more than its fair share of the mitigation, which should be roughly proportional to the
6 impact(s) caused by the proposed project.

7 **1.5.7 Requirements to Evaluate Alternatives**

8 According to NEPA and CEQA regulations, the alternatives section of an EIS/EIR is
9 required to:

- 10 + Rigorously explore and objectively evaluate a range of reasonable alternatives
- 11 + Include reasonable alternatives not within the jurisdiction or congressional mandate
12 of the lead agency, if applicable
- 13 + Include No Project (CEQA) and No Federal Action (NEPA)
- 14 + Develop substantial treatment of each alternative, including the proposed action, so
15 that reviewers could evaluate their comparative merits
- 16 + Identify the Preferred Alternative of the lead agency
- 17 + Include appropriate mitigation measures (when not already part of the proposed
18 action or alternatives)
- 19 + Present the alternatives that were eliminated from detailed study and briefly discuss
20 the reason(s) for elimination

21 NEPA (40 CFR 1502.14[a]) and CEQA Guidelines (Section 15126.6) require that an EIS
22 and an EIR, respectively, describe a range of reasonable alternatives to a proposed project,
23 or to the location of a proposed project that could feasibly attain most of the basic
24 objectives of the proposed project but would avoid or substantially lessen any significant
25 environmental impacts. According to CEQA Guidelines, the EIR should compare merits
26 of the alternatives and determine an environmentally superior alternative. Section 2.5 of
27 this Recirculated Draft EIS/EIR sets forth potential alternatives to the proposed Project
28 and evaluates their suitability, as required by CEQA Guidelines (Section 15126.6).

29 Alternatives for an EIS and EIR usually take the form of No Project, No Federal Action
30 (no federal permits), reduced project size, different project design, or suitable alternative
31 project sites (40 CFR 1502.14[c]). The range of alternatives discussed in an EIS need not
32 be beyond a reasonable range (40 CFR 1502.14[a]), and an EIR is governed by the “rule
33 of reason” that requires the identification of only those alternatives necessary to permit a
34 reasoned choice between the alternatives and the proposed project. An EIS and an EIR
35 need not consider an alternative that would be infeasible. CEQA Guidelines
36 Section 15126.6 explains that the evaluation of project alternative feasibility can consider
37 “site suitability, economic viability, availability of infrastructure, general plan
38 consistency, other plans or regulatory limitations, jurisdictional boundaries, and whether
39 the proponent can reasonably acquire, control or otherwise have access to the alternative
40 site.” The EIR is not required to evaluate an alternative whose effects could not be
41 reasonably identified, or whose implementation is remote, speculative, or would not
42 achieve the basic purposes of the proposed Project.

1 To comply with the Section 404(b)(1) Guidelines (40 CFR 230), the USACE typically
 2 analyzes alternatives that reduce impacts to aquatic resources through alternative
 3 configurations, locations, construction methods, sizes, and so forth. Pursuant to the
 4 Section 404(b)(1) Guidelines and USACE regulations (33 CFR 320-330), the USACE
 5 can issue a permit only for a project that is the least environmentally damaging
 6 practicable alternative (LEDPA) (focusing primarily on impacts to aquatic resources) and
 7 is not contrary to the public interest.

8 **1.6 Port of Los Angeles Environmental Initiatives**

9 The Environmental Management Policy of the Port, as described in this section, was
 10 approved by the Los Angeles Board of Harbor Commissioners on April 27, 2003. The
 11 purpose of the Environmental Management Policy is to provide an introspective,
 12 organized approach to environmental management; further incorporate environmental
 13 considerations into day-to-day Port operations; and achieve continual environmental
 14 improvement.

15 The Environmental Management Policy includes existing environmental initiatives for
 16 the Port and its customers, such as the voluntary Vessel Speed Reduction Program
 17 (VSRP), Source Control Program, Least Tern Nesting Site Agreement, Hazardous
 18 Materials Management Policy, and the Clean Engines and Fuels Policy. In addition, the
 19 Policy will encompass new initiatives such as the development of an Environmental
 20 Management System (EMS) with the Construction and Maintenance Division of the Port,
 21 and a Clean Marina Program. These programs are Portwide initiatives to reduce
 22 environmental pollution. Many of the programs relate to the proposed Project. The
 23 following discussion includes details on a number of the programs and their goals.

24 **1.6.1 Port Environmental Policy**

25 The Port is committed to managing resources and conducting Port developments and
 26 operations in an environmentally and fiscally responsible manner. The Port strives to
 27 improve the quality of life and minimize the impacts of its development and operations
 28 on the environment and surrounding communities. This is done through the continuous
 29 improvement of its environmental performance and the implementation of pollution-
 30 prevention measures, in a feasible and cost-effective manner that is consistent with the
 31 overall mission and goals of the Port and with those of its customers and the community.

32 To ensure this policy is successfully implemented, the Port will develop and maintain an
 33 Environmental Management Program that will:

- 34 + Ensure that environmental policy is communicated to Port staff, its customers, and
 35 the community
- 36 + Ensure compliance with all applicable environmental laws and regulations
- 37 + Ensure that environmental considerations include feasible and cost-effective options
 38 for exceeding applicable regulatory requirements
- 39 + Define and establish environmental objectives, targets, and best management
 40 practices (BMPs), and monitor performance
- 41 + Ensure the Port maintains a Customer Outreach Program to address common
 42 environmental issues

- + Fulfill the responsibilities of each generation as trustee of the environment for succeeding generations through environmental awareness and communication with employees, customers, regulatory agencies, and neighboring communities

The Port is committed to the spirit and intent of this policy and the laws, rules, and regulations, which give it foundation.

1.6.2 Environmental Plans and Programs

The Port has implemented a variety of plans and programs to reduce the environmental effects associated with operations at the Port. These programs include the San Pedro Bay Ports Clean Air Action Plan (CAAP), deepening the channels of the Port to accommodate larger and more efficient ships, and converting to electric and alternative-fuel vehicles. All of these efforts ultimately reduce environmental effects.

1.6.2.1 Clean Air Action Plan

On November 26, 2006, the LAHD Board of Harbor Commissioners, in conjunction with the Port of Long Beach Harbor Commissioners, approved the San Pedro Bay Ports CAAP, a comprehensive strategy to cut air pollution and reduce health risks from Port-related air emissions. Through the CAAP, the San Pedro Bay Ports have established uniform air quality standards for the San Pedro Bay. To attain such standards, the San Pedro Bay Ports will leverage a number of implementation mechanisms including, but not limited to, lease requirements, tariff changes, CEQA mitigation, and incentives. Specific strategies to significantly reduce the health risks posed by air pollution from Port-related sources include:

- + Aggressive milestones with measurable goals for air quality improvements
- + Specific standards for individual source categories
- + Recommendations to eliminate emissions of ultrafine particulates
- + Technology advancement programs to reduce greenhouse gases
- + Public participation processes with environmental organizations and the business communities

The CAAP is expected to eliminate more than 47 percent of diesel particulate matter (PM) emissions, 45 percent of smog-forming nitrogen oxide (NO_x) emissions, and 52 percent of sulfur oxides (SO_x) from Port-related sources within the next 5 years.

The Port of Los Angeles has had a Clean Air Program (CAP) in place since 2001 and began monitoring and measuring air quality in surrounding communities in 2004. Through the 2001 Air Emissions Inventory, the Port has been able to identify emission sources and relative contributions to develop effective emissions-reduction strategies. The Port CAP has included progressive programs such as AMP, diesel oxidation catalysts (DOCs) in yard equipment, alternative fuel testing, and the VSRP.

In 2004, the Port developed a plan to reduce air emissions through a number of near-term measures. The measures were focused primarily on decreasing not only NO_x but also PM and SO_x. In August 2004, a policy shift occurred, and Mayor James K. Hahn established the No Net Increase Task Force to develop a plan that would achieve the goal of No Net Increase (NNI) in air emissions at the Port of Los Angeles relative to 2001 levels. The NNI plan identified 68 measures to be applied over the next 25 years that

1 would reduce PM and NO_x emissions to the baseline year of 2001. The 68 measures
2 included near-term measures; local, state, and federal regulatory efforts; technological
3 innovations; and longer-term measures that are still in development. Appendix C
4 contains a document that identifies and analyzes all of the NNI measures in terms of
5 proposed Project applicability.

6 In 2006, in response to a new Mayor and Board of Harbor Commissioners, the Port of
7 Los Angeles, along with the Port of Long Beach and in conjunction with the Air Quality
8 Management District (AQMD), California Air Resources Board (CARB), and USEPA
9 began work on the CAAP. The goal of the CAAP was to expand upon existing emissions
10 reductions strategies and to develop new ones. The Draft CAAP was released as a draft
11 plan for public review on June 28, 2006, and it was approved at a joint meeting of the
12 Los Angeles and Long Beach Boards of Harbor Commissioners on November 26, 2006.
13 The CAAP focuses primarily on reducing diesel particulate matter (DPM), along with
14 NO_x and SO_x, with two main goals: (1) to reduce Port-related air emissions in the
15 interest of public health, and (2) to disconnect cargo growth from emissions increases.
16 The CAAP includes project-specific measures (such as AMP and new yard equipment)
17 implemented mainly through the CEQA/NEPA process and included in new leases at
18 both ports, and Portwide measures (such as a truck program and measures for rail and
19 tugs) implemented through tariffs, Memorandums of Understanding (MOUs) and direct
20 Port programs. This Recirculated Draft EIS/EIR analysis assumes compliance with the
21 CAAP. Proposed Project-specific mitigation measures applied to reduce air emissions
22 and public health impacts are consistent with, and in some cases exceed, the emission-
23 reduction strategies of the CAAP.

24 1.6.2.2 Environmental Management System

25 In December 2003, the Port was selected by USEPA, American Association of Port
26 Authorities (AAPA), and the Global Environment and Technology Foundation to
27 participate in the Port EMS Assistance Project. One of only 11 ports in the U.S. to be
28 selected, the Port is the first California seaport to incorporate the program into its
29 operations.

30 An EMS is a set of processes and practices that enables an organization to reduce
31 environmental impacts and increases operational efficiency. Participating ports are
32 selected on the basis of existing environmental programs, diverse maritime facilities, and
33 management resources. An EMS weaves environmental decisionmaking into the fabric
34 of overall business practices of an organization with a goal of systematically improving
35 environmental performance. An EMS follows the "Plan-Do-Check-Act" model of
36 continual improvement. LAHD has implemented the EMS within its Construction and
37 Maintenance Division and facilities, with the goal of expanding the EMS to additional
38 functions over the course of the next several years. The current EMS of the Port received
39 official ISO 14001:2004 certification in September 2007.

40 1.6.2.3 Other Environmental Programs

41 Air Quality

- 42 + **Alternative Maritime Power.** AMP reduces emissions from container vessels
43 docked at the Port. Normally, ships shut off their propulsion engines when at berth,
44 but use auxiliary diesel generators to power electrical needs such as lights, pumps,
45 and refrigerator units. These generators emit an array of pollutants, primarily NO_x,

- 1 SO_x, and small particulate matter (PM₁₀ and PM_{2.5}). The Port is beginning to provide
2 shore-based electricity as an alternative to running the generators (a process also
3 referred to as cold ironing). The AMP program allows ships to “plug-in” to shoreside
4 electrical power while at dock instead of using on-board generators, a practice that
5 will dramatically reduce emissions. Before being used at the Port, AMP was used
6 commercially only by the cruise ship industry in Juneau, Alaska. Now, AMP
7 facilities have been installed and are currently in use at China Shipping and the
8 Yusen Terminals with plans for additional facilities at the Evergreen Terminal,
9 TraPac Terminal, and Cruise Ship Terminal, among others. AMP has been
10 incorporated into the CAAP as a project-specific measure.
- 11 + **Off-Peak Program.** Extending cargo terminal operations by five night and weekend
12 work shifts, the Off-Peak Program, managed by PierPASS (an organization created
13 by marine terminal operators) has been successful in increasing cargo movement,
14 reducing the waiting time for trucks inside port terminals, and reducing truck traffic
15 during peak daytime commuting periods.
- 16 + **On-Dock Rail and the Alameda Corridor.** Use of rail for long-haul cargo is
17 acknowledged as an air quality benefit. Four on-dock rail yards at the Port of
18 Los Angeles significantly reduce the number of short-distance truck trips (the trips
19 that normally would convey containers to and from offsite rail yards). Combined,
20 these intermodal facilities eliminate an estimated 1.4 million truck trips per year, and
21 the emissions and traffic congestion that go along with them. A partner in the
22 Alameda Corridor project, the Port of Los Angeles is using the corridor to transport
23 cargo to downtown rail yards at 10 to 15 miles per hour faster. Use of the Alameda
24 Corridor allows cargo to travel the 20 miles to downtown Los Angeles at a faster
25 pace and promotes the use of rail versus truck. In addition, the Alameda Corridor
26 eliminates 200 rail/street crossings and emissions produced by cars with engines
27 idling while the trains pass.
- 28 + **Tugboat Retrofit Project.** The engines of several tugboats in the Port of
29 Los Angeles were replaced with ultra-low-emission diesel engines. This was the first
30 time such technology had been applied to such a large engine. Emissions testing
31 showed a reduction of more than 80 tons of NO_x per year, nearly three times better
32 than initial estimates. Under the Carl Moyer Program, the majority of tugboats
33 operating in the Los Angeles/Long Beach Port Complex have been retrofitted.
- 34 + **Electric and Alternative Fuel Vehicles.** The Port has converted more than
35 35 percent of its fleet to electric or alternative-fuel vehicles. These include
36 heavy-duty vehicles and passenger vehicles. The Port proactively has embarked on
37 the use of emulsified fuels that are verified by CARB to reduce diesel particulates by
38 more than 60 percent compared to diesel-powered equipment.
- 39 + **Electrified Terminal Operating Equipment.** The 57 ship-loading cranes currently
40 in use at the Port operate under electric power. In addition, numerous other terminal
41 operations equipment has been fitted with electric motors.
- 42 + **Yard Equipment Retrofit Program.** Over the past 5 years, DOCs have been
43 applied to nearly all yard tractors at the Port. This program has been carried out with
44 Port funds and funding from the Carl Moyer Program.

- 1 + **Vessel Speed Reduction Program.** Under this voluntary program, oceangoing
2 vessels slow to 12 knots when within 20 miles of the entrance to Los Angeles Harbor,
3 thus reducing emissions from main propulsion engines. Currently, approximately
4 70 percent of ships comply with the voluntary program.
- 5 + **Greenhouse Gas Reduction.** Under a December 2007 agreement with the Attorney
6 General's office, the Port will conduct a comprehensive inventory of port-related
7 greenhouse gas (GHG), tracking these emissions from their foreign sources to
8 domestic distribution points throughout the United States. The Port will report this
9 data annually to the California Climate Action Registry. The annual report will
10 include emissions of all ships bound to and from the Port of Los Angeles terminals,
11 encompassing points of origin and destination; emissions of all rail transit to and
12 from Port terminals, encompassing major rail cargo destination and distribution
13 points in the United States; and emissions of all truck transit to and from Port
14 terminals, encompassing major truck destinations and distribution points. The port-
15 wide inventory will be conducted annually until AB 32 regulations become effective.
16 Under the agreement, the Port will also construct a 10-megawatt photovoltaic solar
17 system to offset approximately 17,000 metric tons of carbon dioxide equivalent
18 annually. In addition to the recent agreement with the Attorney General, many of the
19 environmental programs described in this section such as the Green Terminal
20 Program, the Recycling Program, the Green Ports Program, and all of the air quality
21 improvement programs described above, will serve to reduce GHG emissions.

22

Water Quality

- 23 + **Clean Marinas Program.** To help protect water and air quality in the Harbor, the
24 Port of Los Angeles is developing a Clean Marinas Program. The program advocates
25 that marina operators and boaters use BMPs—environmentally friendly alternatives
26 to some common boating activities that could cause pollution or contaminate the
27 environment. The program also includes several innovative clean water measures
28 unique to the Port. The Clean Marinas Program features voluntary components and
29 measures required through Port leases, CEQA mitigation requirements, or established
30 federal, state, and local regulations.
- 31 + **Water Quality Monitoring.** The Port has been monitoring water quality at
32 31 established stations in San Pedro Bay since 1967, and the water quality today at
33 the Port of Los Angeles is among the best of any industrialized port in the world.
34 Samples are tested on a monthly basis for dissolved oxygen (DO), biological oxygen
35 demand (BOD), and temperature. Other observations are noted, such as odor and
36 color, as well as the presence of oil, grease, and floating solids. The overall results of
37 this long-term monitoring initiative show the tremendous improvement in Harbor
38 water quality that has occurred over the last four decades.
- 39 + **Cabrillo Beach Water Quality Improvements.** The Port of Los Angeles is one of
40 the few industrial ports in the world to have a swimming beach. Inner Cabrillo
41 Beach provides quiet water for families with small children. However, in recent
42 years, upland runoff has resulted in high levels of bacteria in shoreline waters. The
43 Port has invested hundreds of thousands of dollars in water circulation/quality models
44 and studies to investigate the problem. Recently, the Port repaired storm drains and
45 sewer lines and replaced poor quality beach sand in this area as part of its
46 commitment to make sure that Cabrillo Beach continues to be an important regional
47 recreational asset.

Habitat Management and Endangered Species

- + **California Least Tern Site Management.** The federal- and State-endangered California least tern (a species of small sea bird) nests from April through August on Pier 400 in the Port of Los Angeles adjacent to the Pier 400 container terminal. Through an interagency nesting site agreement, the Port maintains, monitors, and protects the 15-acre nesting site on Pier 400.
- + **Interagency Biomitigation Team.** As part the development of mitigation for the Deep-Draft Navigation Improvements, including the Pier 400 Landfill, the San Pedro Bay Ports helped establish an interagency mitigation team to evaluate and provide solutions for impacts of landfill and terminal construction on marine resources in the ports. The primary agencies involved include the USACE, U.S. Fish and Wildlife Service, and the California Department of Fish and Game. A number of mitigation agreements have been established through this coordination, and it continues to meet as necessary to address environmental issues associated with Port development and operations.

General Port Environmental Programs

- + **Green Ports Program and Pacific Rim Ports Conference.** The Ports of Los Angeles and Shanghai have signed an agreement to share technology aimed at improving air quality, improving water quality, and mitigating environmental impacts on the operations of the two ports. As a result of this collaboration, the Ports have now conducted staff exchanges and are co-founders of the Pacific Rim Ports Conference. The first of these conferences was held in Los Angeles in 2006 and hosted over 20 Pacific Rim Ports.
- + **Green Building Policy.** In August 2007, the Port adopted a Green Building Policy, which outlines the environmental goals for newly constructed and existing buildings, dictates the incorporation of solar power and technologies that are efficient with respect to the use of energy and water, dedicates staffing for the advancement and refinement of sustainable building practices, and maintains communication with other City Departments for the benefit of the community. The policy incorporates sustainable building design and construction guidelines based on the United States Green Building Council - Leadership in Energy and Environmental Design (USGBC - LEED) Green Building Rating System.
- + **Recycling.** The Port of Los Angeles incorporates a variety of innovative environmental ideas into its construction projects. For example, when building an on-dock rail facility, the Port saved nearly \$1 million and thousands of cubic yards of landfill space by recycling existing asphalt pavement instead of purchasing new pavement. The Port also maintains an annual contract to crush and recycle broken concrete and asphalt. In addition, the Port successfully has used recycled plastic products, such as fender piles and protective front-row piles, in many wharf construction projects.

1.6.3 Port of Los Angeles Leasing Policy

On February 1, 2006, the Board of Harbor Commissioners approved a comprehensive Leasing Policy for the Port of Los Angeles that not only establishes a formalized,

1 transparent process for tenant selection but also includes environmental requirements as a
2 provision in Port leases.

3 Specific emission-reducing provisions contained in the Leasing Policy are:

- 4 + Compliance with VSRPs
- 5 + Use of clean AMP or cold-ironing technology, plugging into shoreside electric power
6 while at dock, where appropriate
- 7 + Use of low-sulfur fuel in main and auxiliary engines while sailing within the
8 boundaries of the South Coast Air Basin
- 9 + Use of clean, low-emission trucks within terminal facilities

10 **1.6.4 Port of Los Angeles Sustainable Construction** 11 **Guidelines**

12 The Port adopted the Port of Los Angeles Sustainable Construction Guidelines in
13 February 2008. The guidelines will be used to establish air emission criteria for inclusion
14 in bid specifications for construction. The guidelines will reinforce and require
15 sustainability measures during performance of the contracts, balancing the need to protect
16 the environment, be socially responsible, and provide for the economic development of
17 the Port. Future resolutions are anticipated to expand the guidelines to cover other
18 aspects of construction, as well as planning and design. These guidelines support the
19 forthcoming Port Sustainability Program.

20 The intent of the Guidelines is to facilitate the integration of sustainable concepts and
21 practices into all capital projects at the Port and to phase in the implementation of these
22 procedures in a practical, yet aggressive, manner. These guidelines will be made a part of
23 all construction specifications advertised for bids.

24 Significant features of these Guidelines include, but are not limited to:

- 25 + All ships and barges used primarily to deliver construction-related materials for
26 LAHD construction contracts shall comply with the Vessel Speed Reduction
27 Program and use low-sulfur fuel within 40 nautical miles of Point Fermin.
- 28 + Harbor craft shall meet USEPA Tier-2 engine emission standards, and the
29 requirement will be raised to USEPA Tier-3 engine emission standards by
30 January 1, 2011.
- 31 + All dredging equipment shall be electric.
- 32 + On-road heavy-duty trucks shall comply with EPA 2004 on-road emission standards
33 for PM₁₀ and NO_x and shall be equipped with a CARB-verified Level 3 device.
34 Emission standards will be raised to EPA 2007 on-road emission standards for PM₁₀
35 and NO_x by January 1, 2012.
- 36 + Construction equipment (excluding on-road trucks, derrick barges, and harbor craft)
37 shall meet Tier 2 emission off-road standards. The requirement will be raised to
38 Tier 3 by January 1, 2012, and to Tier 4 by January 1, 2015. In addition, construction
39 equipment shall be retrofitted with a CARB-certified Level 3 diesel emissions control
40 device.

- 1 + Comply with SCAQMD Rule 403 regarding fugitive dust, and other fugitive dust
- 2 control measures.
- 3 + Additional Best Management Practices, based largely on Best Available Control
- 4 Technology (BACT), will be required on construction equipment (including on-road
- 5 trucks) to reduce air emissions further.

6 **1.6.5 Aesthetic Mitigation Projects**

7 For years 2003 through 2007, the Port is depositing \$4 million per year into a community
 8 aesthetic mitigation account to mitigate the aesthetic impacts of Port operations on the
 9 neighboring communities of San Pedro and Wilmington. All projects funded under this
 10 program will comply with all applicable laws, rules, and regulations; will be Port-related
 11 projects on Port land; or will be projects not on Port land that have a demonstrable nexus
 12 or connection to the environmental, aesthetic, and/or public health impacts of Port
 13 operations and facilities. Proposed projects to receive funding will be prioritized as
 14 follows in the following categories.

- 15 + Open space and parks
- 16 + Landscaping and beautification
- 17 + Educational, arts, and athletic facilities

18 Proposed projects funded under this program shall be divided as evenly as possible
 19 between the San Pedro and Wilmington communities. Proposed projects must:

- 20 + Mitigate existing or future impacts of Port operations on surrounding communities
- 21 + Be consistent with the State Tidelands Trust and the public trust doctrine
- 22 + Be consistent with the Los Angeles City Charter
- 23 + Be consistent with the California Coastal Act, and consistent with any other
- 24 applicable laws and regulations

25 **1.6.6 Port Community Advisory Committee**

26 The Port Community Advisory Committee (PCAC) was established in 2001 as a standing
 27 committee of the Port of Los Angeles Board of Harbor Commissioners (Board). The
 28 purposes of the PCAC are to:

- 29 + Assess the impacts of Port developments on the Harbor area communities and
- 30 recommend suitable mitigation measures to the Board for such impacts
- 31 + Review past, present, and future environmental documents in an open public process
- 32 and make recommendations to the Board to ensure that impacts to the communities
- 33 are mitigated appropriately in accordance with federal and California law
- 34 + Provide a public forum and make recommendations to the Board to assist the Port in
- 35 taking a leadership role in creating balanced communities in Wilmington, Harbor
- 36 City, and San Pedro so that the quality of life is maintained and enhanced by the
- 37 presence of the Port

38 The role of the PCAC in Port environmental documents is described in Appendix C.

1.7 Availability of the Recirculated Draft EIS/EIR

The Recirculated Draft EIS/EIR for the proposed Project is being distributed directly to agencies, organizations, and interested groups and persons for comment during the 45-day formal review period in accordance with Section 15087 of the state CEQA Guidelines and 40 CFR Section 1506.10 of the CEQ NEPA Regulations. Due to the size and complexity of this Draft EIS/EIR, the 45-day comment period has been extended to 60 days. During the 60-day public review period, which begins on April 30, 2008, and ends on June 30, 2008, the Recirculated Draft EIS/EIR is available for general public review at the following locations:

LAHD
Environmental Management Division
425 South Palos Verdes Street
San Pedro, California 90731

Los Angeles Public Library
Central Branch
630 West 5th Street
Los Angeles, California 90071

Los Angeles Public Library
San Pedro Branch
921 South Gaffey Street
San Pedro, California 90731

Los Angeles Public Library
Wilmington Branch
1300 North Avalon Boulevard
Wilmington, California 90744

Long Beach Public Library
Main Branch
101 Pacific Avenue
Long Beach, California 90822

In addition to printed copies of the Recirculated Draft EIS/EIR, electronic versions are available. Due to the size of the document, the electronic versions have been prepared as a series of PDF files to facilitate downloading and printing. Members of the public can request a CD containing this document. The Recirculated Draft EIS/EIR is available in its entirety on the Port Web site at: www.portoflosangeles.org/environment/publicnotice.htm.

The Executive Summary has been translated into Spanish and is available to the public. To request the Executive Summary in Spanish, or a copy of the CD mentioned above, please call the Environmental Management Division at (310) 732-3675.

1 Interested parties may provide written comments on the Recirculated Draft EIS/EIR,
2 which must be postmarked by June 30, 2008. Please address comments to:

3 Commander, U.S. Army Corps of Engineers,
4 Los Angeles District, Regulatory Division
5 c/o Dr. Spencer D. MacNeil
6 P.O. Box 532711
7 Los Angeles, California 90053-2325

8 and to

9 Dr. Ralph Appy
10 Director of Environmental Management
11 Port of Los Angeles
12 425 South Palos Verdes Street
13 P.O. Box 151
14 San Pedro, California 90733-0151