

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 1
THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

**BOARD OF HARBOR COMMISSIONERS
President Cindy Miscikowski
Vice President Jerilyn López Mendoza
Commissioner Kaylynn L. Kim
Commissioner Douglas P. Krause
Commissioner Joseph R. Radisich**

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

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

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

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

Please note that this agenda is subject to revision in accordance with the Brown Act. In the event the agenda is revised prior to the meeting, Port staff will endeavor to post the revised agenda on the Port's web site (<http://www.portoflosangeles.org>). Updated agendas also will be available in hard copy at the meeting. Live Board meetings can also be heard at: (213) 621-City (Metro), (818) 904-9450 (Valley), (310) 471-City (Westside) and (310) 547-City (Harbor).

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

Sign language interpreters, assistive listening devices, and translation services may be provided. To ensure availability, 72-hour advance notice is required. Contact the Commission office at (310) 732-3444.

Interpretes de señas, sistemas auditivos y servicios de traducciones están disponibles. Para asegurar disponibilidad, se requiere solicitarlos con 72 horas de anticipación. Para hacer la solicitud, llame a la oficina de la Comisión al (310) 732-3444.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 2
THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

B. COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

C. EXECUTIVE DIRECTOR REMARKS

D. REPORT OF THE COMMISSIONERS

E. BOARD COMMITTEE REPORTS

F. PRESENTATIONS

Lena Maun-DeSantis
Joe Canetti

G. BOARD REPORTS OF THE EXECUTIVE DIRECTOR

CONSENT ITEMS (1 - 6)

Corporate Communications

1. Re: RESOLUTION NO. _____ – APPROVAL OF AGREEMENT
WITH INTERNATIONAL LOBSTER FESTIVALS, INC.

SUMMARY: *The City of Los Angeles Harbor Department (Harbor Department) is proposing to enter into an agreement with International Lobster Festivals, Inc., 1072 Via Cordova, San Pedro, California 90732, to act as promoter and organizer of the Annual Port of Los Angeles Lobster Festival held in September of each year. The agreement begins with the 2010 event and continues for two additional years with a commitment of \$35,000 per year, which provides the Port of Los Angeles with title sponsorship.*

Recommendation: Board resolve to (1) find that the work is of a specialized and temporary nature which can be performed more feasibly by an outside contractor; (2) find that the proposed event sponsorship is consistent with the criteria of the Board-approved Sponsorship/Hosting Policy; (3) authorize the Executive Director to execute and the Board Secretary to attest to the agreement with International Lobster Festivals, Inc. for a three-year term at a not-to-exceed amount of \$105,000 for the term of the agreement; and (4) adopt Resolution No. _____.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 3
THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
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425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Finance Division

2. Re: RESOLUTION NO. _____ TO APPROVE THE REVOLVING LOAN AGREEMENT THAT ESTABLISHES A REVOLVING CREDIT FACILITY FROM UNION BANK IN AN AMOUNT NOT-TO- EXCEED \$60 MILLION FOR A PERIOD OF TWO YEARS

SUMMARY: On May 4, 2009, the Los Angeles Board of Harbor Commissioners (Harbor Commission) approved Resolution No. 09-6740, which granted the Executive Director or designee the authority to negotiate the terms of Union Bank's Revolving Credit Facility, subject to final approval by the Harbor Commission and City Council. This revolving credit facility, in an amount not-to-exceed \$60 million for a period of two years, provides another option to meet the Harbor Department's borrowing needs. Staff has completed negotiations with Union Bank and is now seeking final Harbor Commission approval.

Recommendation: Board resolve to (1) approve the terms and conditions of Union Bank's Revolving Loan Agreement, as attached in Transmittal 1; (2) direct the Board Secretary to transmit the Agreement with Union Bank establishing a revolving credit facility to the Los Angeles City Council for approval, pursuant to Section 609 of the Los Angeles City Charter; (3) authorize the Executive Director or designee to execute the Agreement upon approval by the City Council, and the Board Secretary to attest to the Agreement; and (4) adopt Resolution No. _____.

Information Technology

3. Re: RESOLUTION NO. _____ - AGREEMENT WITH NEUDESIC, LLC FOR MICROSOFT OFFICE SHAREPOINT SERVER IMPLEMENTATION

SUMMARY: The City of Los Angeles Harbor Department (Harbor Department) is requesting approval to enter into an agreement with Neudesic, LLC to implement Microsoft Office SharePoint Server (SharePoint), which will provide enterprise content and records management, business process automation, business intelligence, electronic collaboration, and other features for the Harbor Department's needs. The recommendation to select Neudesic, LLC is based on a competitive Request for Proposals (RFP) process performed by the Harbor Department. The proposed agreement requires a 20% small business participation level. The term of the proposed agreement is three (3) years at a not-to-exceed amount of \$900,000. Neudesic, LLC is based in Irvine, California.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 4
THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

3. (Continued)

Recommendation: Board resolve to (1) find that in accordance with the Los Angeles City Charter Section 1022, it is more feasible for outside contractors to perform this work than City employees; (2) approve the agreement with Neudesic, LLC at an amount not-to-exceed \$900,000 and a term of three years; (3) authorize the Executive Director to execute the agreement and authorize the Board Secretary to attest to said agreement; and (4) adopt Resolution No. _____.

Real Estate

4. Re: RESOLUTION NO. _____ SIX AMENDMENTS TO CONTAINER TERMINAL PERMITS ASSOCIATED WITH THE CITY OF LOS ANGELES HARBOR DEPARTMENT 2010 CONTAINER CUSTOMER INITIATIVES

SUMMARY: On December 10, 2009, the Board of Harbor Commissioners (Board) approved the 2010 Container Customer Initiatives under Resolution No. 09-6861, which provides an empty container discount, trans-shipment discount, and a one-time credit to container terminal tenants. The six proposed container terminal permit amendments described below for China Shipping Holding Corporation Ltd. (China Shipping), Yang Ming Marine Transport Corporation (Yang Ming), Yusen Terminals Inc. (Yusen), Evergreen Marine Corporation (Evergreen), TraPac Inc. (TraPac), and Maersk Pacific, Ltd. (Maersk) implement the 2010 Container Customer Initiatives.

The six proposed permit amendments would cumulatively result in a reduction of total City of Los Angeles Harbor Department (Harbor Department) operating revenue by approximately \$18,345,483 for Fiscal Years 2008/2009 and 2009/2010 and approximately \$5,165,917 annually thereafter until the empty container and trans-shipment discounts are terminated by the Board.

Recommendation: Board resolve to (1) approve the Third Amendment to Permit No. 999 with China Shipping; the Second Amendment to Permit No. 787 with Yang Ming; the Ninth Amendment to Permit No. 692 with Yusen; the Third Amendment to Permit No. 888 with Evergreen; the First Amendment to Permit No. 881 with TraPac; and the Amendment to Permit No. 827 with Maersk; (2) direct the Board Secretary to transmit the six permit amendments to the City Council for approval pursuant to Section 606 of the City Charter; (3) authorize the Executive Director to execute and the Board Secretary to attest to the permit amendments upon approval by City Council; and (4) adopt Resolution No. _____.

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 5
THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

5. Re: RESOLUTION NO. _____ - FOURTH AMENDMENT TO PERMIT NO. 733 WITH EAGLE MARINE SERVICES, LTD., - CITY OF LOS ANGELES HARBOR DEPARTMENT 2010 CONTAINER CUSTOMER INITIATIVES

SUMMARY: *On December 10, 2009, the Board of Harbor Commissioners (Board) approved the 2010 Container Customer Initiatives under Resolution No. 09-6861, which provides an empty container discount, trans-shipment discount, and a one-time credit to container terminal tenants. The proposed container terminal permit amendment described below for Eagle Marine Services Ltd. (Eagle Marine) implements the 2010 Container Customer Initiatives.*

The proposed permit amendment would result in a reduction of total City of Los Angeles Harbor Department (Harbor Department) operating revenue by approximately \$3,537,543 for Fiscal Years 2008/2009 and 2009/2010.

Recommendation: Board resolve to (1) approve the Fourth Amendment to Permit No. 733 with Eagle Marine; (2) direct the Board Secretary to transmit the Fourth Amendment to the City Council for approval pursuant to Section 606 of the City Charter; (3) authorize the Executive Director to execute and the Board Secretary to attest to the Fourth Amendment upon approval by City Council; and (4) adopt Resolution No. _____.

6. Re: ORDER NOS. _____ - DIRECTING VARIOUS CITY OF LOS ANGELES HARBOR DEPARTMENT TENANTS TO REMOVE / RELOCATE PIPELINES INTERFERING WITH THE TRAPAC ADMINISTRATION BUILDING & MAIN GATE PROJECT

SUMMARY: *The City of Los Angeles Harbor Department (Harbor Department) is currently coordinating the construction of an administration building, main gate, and parking lot for TraPac, Inc. (TraPac) to accommodate the expansion of TraPac's container terminal operations at Berths 136-147. The TraPac administration building, main gate, and parking lot are proposed to be located in a 4-acre lot south of Harry Bridges Boulevard, between Lagoon Avenue and Bay View Avenue, in Wilmington (see Transmittal 2). Additionally, it has recently been decided that an approximately 1 acre overflow parking lot will be constructed south of Harry Bridges Boulevard, east and west of Lagoon Avenue. Based on the design of the TraPac Administration Building & Main Gate Project, existing private oil and gas utilities will be impacted (see Transmittal 2).*

AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 6
THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

6. (Continued)

In order to complete the TraPac Administration Building & Main Gate Project, several underground and above-ground pipelines operated by various Harbor Department tenants must first be removed or relocated. The proposed Orders will serve as notice to impacted Harbor Department tenants, in accordance with each tenant's permit, to remove and relocate the affected pipelines.

Recommendation: Board resolve to (1) approve the Orders directing Ultramar Inc., Kinder Morgan Tank Storage Terminals, and Paramount Petroleum Corporation to remove or relocate certain pipelines; (2) authorize the Board Secretary to attest to the Orders directing the aforementioned Harbor Department tenants to remove or relocate pipelines; and (3) adopt Order Nos. _____.

REGULAR ITEM (7)

Port Police

7. Re: RESOLUTION NO. _____ - AWARD OF TWO CONTRACTS TO MODERN BUILDING SYSTEMS, INC. FOR PURCHASE AND INSTALLATION OF PERMANENT MODULAR BUILDINGS FOR THE MARITIME LAW ENFORCEMENT TRAINING CENTER

SUMMARY: *The City of Los Angeles Harbor Department (Harbor Department) is proposing to enter into two contracts with Modern Building Systems, Inc. (MBS) in Folsom, California, for the purchase and installation of three modular buildings at the Maritime Law Enforcement Training Center (MLETC) currently under construction at Berth 195. The buildings will house the Maritime Law Enforcement Training Program's (Program) primary state-of-the-art classroom and two locker room and shower facilities for personnel and participants assigned to the Program. Staff is recommending the Board of Harbor Commissioners (Board) approve Contract 39517 for classroom and Contract 39513 for locker room and shower facilities, in the amounts of \$334,251 and \$224,584, respectively. Purchase of the modular buildings is fully reimbursable under the State of California, Proposition 1B, Fiscal Year (FY) 2008 Grant Program. Funds under this Grant require expenditure by June 30, 2010.*

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 7
THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
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7. (Continued)

Recommendation: Board resolve to (1) approve Contract 39513 for \$224,584 and Contract 39517 for \$334,251, for a total amount of \$555,835, between the Harbor Department and MBS, and authorize said expenditure; (2) authorize the Executive Director to execute and the Board Secretary to attest to the subject contracts; and (3) adopt Resolution No. _____.

H. CLOSED SESSION

**1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(Subdivision (b) of Government Code Section 54956.9)**

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 regarding subject matter of mediation with Gambol Industries, Inc.

**2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code Section 54956.8)**

Provide instructions to its real estate negotiators with respect to lease negotiations with APM Terminals Pacific Ltd. concerning Permit No. 827:

Property: Berths 401-406, Pier 400, Terminals Island

City Negotiator: Kathryn McDermott

Tenant Negotiator: Alan McCorkle

Negotiating Parties: City and APM Terminals Pacific Ltd.

Under Negotiation: Price and Terms

**AGENDA OF THE REGULAR MEETING OF THE
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THURSDAY, FEBRUARY 18, 2010 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

H. **CLOSED SESSION** (Continued)

3. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
(Subdivision (a) of Government Code Section 54956.9)

**American Trucking Associations, Inc. v. City of Los Angeles,
et al., United States District Court Case No. 08-04920-CAS,
and United States Court of Appeals for the Ninth Circuit Case
No. 08-56503**

4. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
(Subdivision (a) of Government Code Section 54956.9)

**City of Riverside v. City of Los Angeles, et al., Orange County
Superior Court Case No. 30-2009-00123216**