



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

Board of Harbor Commissioners

DATE: JUNE 3, 2021

FROM: CARGO AND INDUSTRIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVAL OF TEMPORARY ENTRY AND USE PERMIT NO. 1780 WITH TESORO REFINING & MARKETING COMPANY LLC

SUMMARY:

Staff requests approval of Temporary Entry and Use Permit No. 1780 (TEUP 1780) with Tesoro Refining & Marketing Company LLC (Tesoro) for five temporary monitoring wells located in the Classification Yard north of Pacific Coast Highway in Wilmington.

The proposed TEUP 1780 will entitle Tesoro to install, operate, and maintain five monitoring wells at the site for a term of five years. Further, annual compensation under TEUP 1780 will be \$2,000 per year, subject to annual Consumer Price Index (CPI) adjustments.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) of the Los Angeles City CEQA Guidelines;
2. Approve Temporary Entry and Use Permit No. 1780 with Tesoro Refining & Marketing Company LLC;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Temporary Entry and Use Permit No. 1780; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background – Under TEUP 1780, Tesoro (Assignee) proposes to install, operate, and maintain five temporary groundwater monitoring wells in shallow, inter and deep zone water tables for environmental testing on land totaling 5,000 square feet initially during construction, and reduced to 20 square feet during non-testing periods at the

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Classification Yard in Wilmington (Transmittal 1). Tesoro was required by the Los Angeles Regional Water Quality Control Board (LARWQCB) to install the temporary wells to monitor the ground water for potential contamination that may migrate from adjacent facilities operated by Assignee. The proposed TEUP will enable the Assignee to meet its obligations with LARWQCB.

A TEUP is the appropriate real estate entitlement for this use, as it provides the City of Los Angeles Harbor Department (Harbor Department) the greatest flexibility and control over the use of the property by limiting the rights conveyed to the Assignee to that of a license.

Summary of the TEUP 1780 (Transmittal 2) terms:

<u>Provisions</u>	<u>Description</u>
Real Estate Entitlement	Temporary Entry and Use Permit
Permitted Use	The non-exclusive right to install and maintain five groundwater monitoring wells for water quality testing and monitoring.
Term	Five years
Termination	Subject to termination by Executive Director with 15 days' written notice.
Premises	Approximately 5,000 square feet of land during construction, 750 square feet during monitoring and sampling, and 20 square feet when idle during non-inspection periods, as depicted on Transmittal 1.
Compensation ¹	\$2,000 per year
Security Deposit	\$2,000
Adjustments	1. Annual adjustment the greater of two percent or CPI 2. Adjust compensation to market rates upon 30 days' written notice to Assignee.
Maintenance and Restoration	Assignee, at its sole cost, will keep and maintain the permit areas and facilities and restore the premises.
Insurance	All standard insurance requirements apply.
Notes: ¹ Rates are consistent with market rates for comparable facilities.	

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ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a TEUP with Tesoro for the installation, operation, and maintenance of five groundwater monitoring wells, which is an activity for which the underlying project has been previously assessed by the Los Angeles Regional Water Quality Control Board in a letter dated November 30, 2020. Therefore, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA in accordance with Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed TEUP 1780 would enable Tesoro to install and maintain five groundwater monitoring wells for water quality testing and monitoring. The Harbor Department would receive annual compensation of \$2,000 in Year 1, which will increase by the greater of 2 percent or CPI thereafter.

CITY ATTORNEY:

Temporary Entry and Use Permit No. 1780 has been reviewed and approved as to form and legality by the Office of the City Attorney.

TRANSMITTALS:

1. Site Map
2. Temporary Entry and Use Permit No. 1780

FIS Approval: MB
CA Approval: SO

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