



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

Board of Harbor Commissioners

DATE: AUGUST 9, 2012

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - ADOPTION OF FINAL INITIAL STUDY/MITIGATED NEGATIVE DECLARATION FOR BERTHS 195-200A, WWL VEHICLE SERVICES AMERICAS, INC. PROJECT (LOS ANGELES HARBOR DEPARTMENT APPLICATION FOR DISCRETIONARY PROJECT NO. 110315-033; SCH NO. 2012051056)

SUMMARY:

Staff recommends that the Board of Harbor Commissioners (Board) adopt the Final Initial Study/Mitigated Negative Declaration (IS/MND) for the proposed Berths 195-200A, WWL Vehicle Services Americas, Inc. (WWL) Project (Project), along with the comments and responses to comments; approve the Project described in the Final IS/MND; make specific findings regarding the environmental impacts of the Project and mitigation measures to reduce or avoid such impacts; and adopt a Mitigation Monitoring and Reporting Program.

The Project includes improvements to the WWL vehicle processing terminal, including maintenance and rehabilitation of the existing wharf infrastructure, construction of additional railroad loading tracks, and adjustments to the facility's leased area in response to the Berth 200 Rail Yard Project. The Project also provides for a lease extension of up to 15 years. Approval of this lease extension will be brought before the Board in a separate future action.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that, based on the information contained in this report and the Final Initial Study/Mitigated Negative Declaration for the Berths 195-200A, WWL Vehicle Services Americas, Inc. Project, and with incorporation of mitigation measures contained in the Initial Study/Mitigated Negative Declaration, that the project would not have a significant effect on the environment pursuant to Public Resources Code § 21080 and the State California Environmental Quality Act (CEQA) Guidelines § 15070;

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2. Adopt, pursuant to State CEQA Guidelines § 15074, the Final Initial Study/Mitigated Negative Declaration for the Berths 195-200A, WWL Vehicle Services Americas, Inc. Project which (a) has been completed in compliance with the CEQA, with the State CEQA Guidelines, and the Los Angeles City CEQA Guidelines; (b) was presented to the Board for review and the Board reviewed and considered the information contained in the Final Initial Study/Mitigated Negative Declaration prior to approving the project; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department as the CEQA Lead Agency;
3. Find that all information added to the Final Initial Study/Mitigated Negative Declaration after the public review period, but before adoption, merely clarifies, amplifies, or makes insignificant modifications, and recirculation is not necessary;
4. Adopt the Mitigation Monitoring and Reporting Program contained in the Final Initial Study/Mitigated Negative Declaration as required by Public Resources Code Section 21081.6 and State CEQA Guidelines Section 15074. The Mitigation Monitoring and Reporting Program is designed to ensure compliance with the mitigation measures adopted to mitigate or avoid significant effects on the environment, and identifies the responsibilities of the City of Los Angeles Harbor Department as lead agency and other applicable entities, to monitor and verify project compliance with those mitigation measures and conditions of project approval;
5. In consideration of the Final Initial Study/Mitigated Negative Declaration, together with the comment letters received and the response to comments, approve the Berths 195-200A, WWL Vehicle Services Americas, Inc. Project;
6. Direct the Real Estate Division to incorporate by reference the Final Initial Study/Mitigated Negative Declaration, mitigation measures, lease measures, and the Mitigation Monitoring Reporting Program contained in the Final Initial Study/Mitigated Negative Declaration into any and all permits, lease agreements, or assignments encompassed in the approved Project;
7. Authorize the Environmental Management Division to file the Notice of Determination for the subject project with the Los Angeles City and County Clerks; and
8. Adopt Resolution No. _____.

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DISCUSSION:

Project Background – WWL is an operating vehicle-processing terminal that accepts new automobiles shipped from overseas, and undertakes necessary final preparations to those automobiles such that they can be tracked, distributed, and sold in the U.S. The facility encompasses approximately 88 acres and is composed of Berths 195-200A and backlands. Physical improvements on the Project site include offices, warehouses, repair shops, vehicle accessories assembly and installation areas, a car wash, and a fueling station. The facility loads and unloads vehicles using roll-on roll-off, or 'roro', operations. The current terminal features five berths with a storage capacity of up to 8,000 vehicles and a rail yard for loading and unloading of vehicles. In 2010, this facility handled approximately 150,233 vehicles. WWL projects that the facility will process approximately 220,000 vehicles per year in coming years.

Project Objectives – The primary objectives of the Project are facility improvements to accommodate current and projected needs of WWL's operations, adjustments to the facility's leased area as a result of encroachment by the Berth 200 Rail Yard Project, and the issuance of a 15-year lease renewal.

Project Description – The Project would provide necessary maintenance and rehabilitation of four existing berths located at Berths 196-199. Based on the City of Los Angeles Harbor Department's (Harbor Department) engineering inspections, approximately 84 timber piles and approximately 107 joists would undergo repair or in-kind replacement. In addition, concrete wharf repairs would be performed and entail the replacement of 120,230 square feet of asphalt concrete. Additionally, the Project would construct two additional railroad-loading tracks. The construction of the new tracks would increase the maximum number of railcars per train from 39 to 50. These improvements would take approximately one year to complete and are expected to occur from 2013 to 2014.

The Berth 200 Rail Yard Project would result in relocation of perimeter fences in two locations to allow adequate clearance for a proposed roadway on the northwestern portion of the Project boundary that would connect to Avalon Boulevard. The Project includes an adjustment in the existing leased boundary area. The existing WWL facility is approximately 88 acres. The new WWL lease area would be approximately 91 acres for the remaining term of the lease.

Operations of the Project would occur through 2028 based on a lease renewal starting in 2013 that includes an extension of 10 years with an option to renew for five years (15 years total). The Project would not result in an increase in berth throughput capacity as the number of berths and loading/unloading capabilities would remain the same. However, the number of vehicles processed at the facility would increase from

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approximately 150,233 vehicles in 2010 to approximately 220,000 vehicles per year in coming years. Increases in vehicle throughput would increase annual rail trips from 876 to 1,294 and annual truck trips from 5,008 to 7,400. No changes to vessel calls are expected to occur as a result of Project implementation.

ENVIRONMENTAL ASSESSMENT:

CEQA Documentation and Public Involvement – The Harbor Department is the CEQA Lead Agency and has prepared an IS/MND for the Project which contains a description of the Project and location, a proposed finding that the Project, with mitigation, will not have a significant effect on the environment, the environmental analysis to support the finding, and a Mitigation Monitoring and Reporting Program to avoid potentially significant effects (Transmittal 1).

The Draft IS/MND, dated May 15, 2012 was circulated for public review and comment for a period of 30 days beginning on May 21 and ending on June 20, 2012. In accordance with State CEQA Guidelines § 15072, a Notice of Intent (NOI) to adopt the MND was released on May 21, 2012. Approximately 250 notices were mailed to agencies, stakeholders, and other interested parties. The notice and accompanying Draft IS/MND was made available for public review on the Port of Los Angeles website at: <http://www.portoflosangeles.org>; at the City of Los Angeles Harbor Department Environmental Management Division at 222 West 6th Street, San Pedro, CA 90731; at the Los Angeles City Library, San Pedro Branch at 931 S. Gaffey Street, San Pedro, CA 90731; and the Los Angeles City Library, Wilmington Branch at 1300 North Avalon, Wilmington, CA 90744. Notice of the comment period was also advertised in six newspapers: Los Angeles Times, Long Beach Press Telegram, Torrance Daily Breeze, Metropolitan News Enterprise, Hoy, and Random Lengths.

Pursuant to State CEQA Guidelines § 15073, the Draft IS/MND was submitted to the State Clearinghouse for review by state agencies. A public hearing was not conducted during the public review period for the Draft IS/MND and is not required pursuant to State CEQA Guidelines § 15202.

Public Comments Received and Response to Comments - A total of four comment letters were received during the public review period of the Draft IS/MND. Comments were received from the Port of Los Angeles Community Advisory Committee, the State of California Native American Heritage Commission, the State of California Department of Toxic Substances Control (DTSC), and the Wilmington Chamber of Commerce.

Issues raised by commentators were related to noise from train horns at at-grade rail crossings, archaeological resources, and hazardous materials. The Response to

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Comments in the Final IS/MND details changes made to the Project and contains copies of the comment letters and staff responses.

Based on the comments provided, staff has identified no new environmental effects that are not assessed and mitigated to a level of less than significant. Changes added to the Final IS/MND after the public review period, merely clarify, amplify, or make insignificant modifications. None of the issues raised during the comment period trigger the need to re-circulate the IS/MND pursuant to the requirements of State CEQA Guidelines § 15073.5.

Areas of Controversy - In making its determinations, it is important for the Board to be informed as to the areas of controversy associated with the Project. No known areas of controversy were identified during the environmental review process.

Finding and Conclusions - The Final IS/MND includes a discussion of the Project's effects on the existing environment, including the identification of mitigation measures to reduce potential impacts. No significant effects that could not be mitigated to a less than significant level were identified. Potential significant environmental effects prior to mitigation include temporary construction impacts related to the following environmental resource areas: Air Quality, Biology, Cultural Resources, and Noise. With incorporation of mitigation measures AQ-1 through AQ-5, BIO-1, BIO-2, CUL-1, and NOI-1 as described in the Final IS/MND, impacts would be reduced to a less than significant level. The Project was not found to have significant cumulative impacts or unavoidable adverse impacts. No known areas of controversy were identified during the environmental review process.

Record of Proceedings - When adopting an MND as required by State CEQA Guidelines § 15074, the public agency shall specify the location and custodian of the documents or other material, which constitute the record of proceedings upon which its decision is based. These records are in the care of the Director of Environmental Management, Los Angeles Harbor Department, 222 West 6th Street, San Pedro, California 90731.

Notice of Determination - In accordance with Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines § 15075, a Notice of Determination will be filed with the Los Angeles City and County Clerks after the project is approved. The filing of the Notice of Determination starts a 30-day statute of limitations on court challenges to the approval under CEQA.

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ECONOMIC BENEFITS:

The Project is anticipated to support significant jobs related to construction in the five-county region. Staff will be able to evaluate economic benefit when the Project is brought before the Board with the cost associated with the construction. According to WWL, the Project is anticipated to support a total of 40 long-term jobs related to operations.

FINANCIAL IMPACT:

Costs associated with the preparation of the IS/MND amounted to approximately \$170,000 and were borne by the Harbor Department. Award of the capital construction contract will be brought before the Board in a separate future action; the current estimated capital cost is approximately \$5,200,000 through FY 14/15. Approval of the lease extension will be brought before the Board in a separate future action. Conformance to the Harbor Department's Board-adopted rate-of-return policy ensures that its investments in facilities are appropriately recovered.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed this resolution and approves it as to form and legality.

TRANSMITTAL:

1. Final Initial Study/Mitigated Negative Declaration

FIS Approval: deh (initials)

CA Approval: CB (initials)



CHRISTOPHER CANNON
Director of Environmental Management



For MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.
Executive Director

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BOARD MEETING: 8/16/2012

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