

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 1
THURSDAY, FEBRUARY 1, 2007, AT 8:30 A.M.
BOARD HEARING ROOM, SECOND FLOOR
425 S. PALOS VERDES STREET
SAN PEDRO, CALIFORNIA**

BOARD OF HARBOR COMMISSIONERS

President S. David Freeman

Vice President Jerilyn López Mendoza

Commissioner Kaylynn L. Kim

Commissioner Douglas P. Krause

Commissioner Joseph R. Radisich

(ROLL CALL)

**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 MUST 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, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72-hours prior to the meeting you wish to attend. For additional information, please contact: Commission office, Harbor Department, tel./TDD (310) 732-3444.

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B. COMMENTS FROM THE PUBLIC

C. MISCELLANEOUS REPORTS

1. Report of the Executive Director

**The State of Port Security
John M. Holmes, Director of Operations**

2. Report of Commissioners

D. PRESENTATIONS

**1. California Petroleum Issues
Gordon Schremp, Transportation Energy Division,
California Energy Commission**

**2. Discussion of Proposed Non-Profit Policy for Use of
Surplus Land and Buildings
Molly Campbell, Director Finance & Administration**

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E. REPORTS OF THE EXECUTIVE DIRECTOR

Consent Items (1-6)

Commission Office

1. Re: **RESOLUTION ESTABLISHING THE PORT ELECTRIFICATION COMMITTEE AND APPOINTING TWO BOARD MEMBERS TO THE COMMITTEE**
Recommendation: Adoption of the subject Resolution.

Real Estate

2. Re: **PROPOSED ORDER RESETTING COMPENSATION TO PERMIT 750 GRANTED TO SIMS HUGO NEU**
SUMMARY: Permit 750 grants Sims Hugo Neu (formerly Hugo Neu Proler) 25.46 acres at Berths 210-211 for processing and exporting steel scrap and other metals. Permit 750 is a 30-year permit expiring on August 30, 2024. The proposed Order Resetting Compensation resets the compensation for the five-year period commencing August 31, 2004 through August 30, 2009.
Recommendation: Adoption of the Order resetting compensation to Permit 750 for the five-year period of August 31, 2004 through August 30, 2009, in the amount of \$147,890 per month.

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**3. Re: PROPOSED PERMIT NO. 872 TO THE DOW CHEMICAL
COMPANY FOR PIPELINE RIGHT-OF-WAY ON
TERMINAL ISLAND**

SUMMARY: *Permit 834 was a permit that granted the Dow Chemical Company (Dow) the right to use certain subsurface pipeline right-of-way on property owned by the Port of Los Angeles at the rear of Berth 217, near New Dock Street and Henry Ford Avenue, on Terminal Island for the operation and maintenance of pipelines for transporting styrene. Permit 834 expired on July 26, 2006. The pipelines are currently idle, but Dow would like to be issued a new permit, No. 872, to facilitate placing the pipelines back in service at some future date.*

Recommendation: Adoption of the Order approving and authorizing the execution of Permit 872 with Dow Chemical Company, based on the terms and conditions as set forth in the Board report.

**4. Re: PROPOSED ORDER RESETTING COMPENSATION TO
PERMIT 692 GRANTED TO YUSEN TERMINALS, INC.**

SUMMARY: *Permit 692 grants Yusen Terminals, Inc. (YTI) preferential use of the container terminal at Berths 212-224, measuring 191.09 acres and approximately 6,300 l.f. of wharf. Permit 692 is a 25-year permit expiring on September 20, 2016, with one ten-year option, and a provision for the renegotiation of compensation for each five-year period. It is now necessary to reset compensation for the five-year period of October 1, 2006 to September 20, 2011.*

Recommendation: Adoption of the Order Resetting Compensation to Permit 692 with Yusen Terminals, Inc., based on the terms and conditions as set forth in the Board report.

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Planning & Research

**5. Re: TIME EXTENSION OF COASTAL DEVELOPMENT
PERMIT NO. 05-01 TO THE PORT OF LONG BEACH
FOR THE CONSTRUCTION OF A FIRE STATION**

SUMMARY: The Port of Long Beach was issued Coastal Development Permit No. 05-01 for the construction of a 6,264 square foot fire station at the northwest corner of Pier S Avenue (formerly Henry Ford Avenue) and Ocean Boulevard on March 7, 2005. Under the Port Master Plan guidelines, construction must begin within two years of the permit's issuance. The permit will expire next month and construction has not yet begun. The Port of Long Beach is therefore requesting a one year extension as permitted under the Port Master Plan guidelines.

Recommendation: Board resolve that the extension of Level I Coastal Development Permit No. 05-01 (CDP No. 05-01) for a period of one year, be approved and granted subject to the standard conditions set forth in the permit, and the Director of Planning and Research be directed to issue said permit.

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Public Relations and Legislative Affairs

- 6. Re: APPROVAL OF AGREEMENT WITH CAVAROCCHI, RUSCIO, DENNIS ASSOCIATES, L.L.C., FOR FEDERAL GOVERNMENT ADVOCACY REPRESENTATION IN WASHINGTON, D.C.**

SUMMARY: The agreement with Cavarocchi, Ruscio, Dennis Associates, L.L.C., 316 Pennsylvania Avenue, SE, Suite 403, Washington, D.C. 20003, provides for federal government advocacy representation for the Port of Los Angeles. The proposed agreement is for a three-year term with a not-to-exceed the amount of \$180,000 per year.

Recommendation: Resolve that (1) the Board find that the scope of work to be completed is of a temporary and occasional nature and is best completed by an outside contractor; (2) the proposed agreement with Cavarocchi, Ruscio, Dennis Associates, L.L.C., 316 Pennsylvania Avenue, SE, Suite 403, Washington, D.C. 20003, for a three-year term at a not-to-exceed amount of \$180,000 per year be approved; and (3) the Executive Director and the Board Secretary be authorized to execute and attest to, the proposed agreement.

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Regular Items (7-11)

Environmental

7. Re: **PROPOSED AMENDMENTS TO AGREEMENT NOS. 2273, AND 2297, BETWEEN CH2M HILL, INC.; SCIENCE APPLICATIONS INTERNATIONAL CORPORATION (SAIC); AND THE CITY OF LOS ANGELES FOR CEQA/NEPA AS NEEDED SERVICES**

SUMMARY: *Staff recommends approval of amendments to existing consulting agreements with CH2M Hill, Inc., and Science Applications International Corporation (SAIC). These continuing services are for the completion of existing Port Environmental Impact Statements/Environmental Impact Reports (EIS/EIRs). This Board action will increase the respective not-to-exceed amounts of these agreements by a total of \$3,000,000.*

Recommendation: Resolve that (1) the Board find that in accordance with the City Charter Section 1022, work under the subject agreements can be performed more feasibly by independent consultants rather than by City employees; (2) the two amendments to increase the not-to-exceed amounts in the agreements amounts be approved as follows: a) Agreement 2273 with CH2M Hill, Inc from \$5,000,000 to \$6,000,000 (increase of \$1,000,000); and b) Agreement 2297 with SAIC, Inc. from \$5,500,000 to \$7,500,000 (increase of \$2,000,000); (3) the Executive Director and the Board Secretary be authorized to execute and attest to said Agreement amendments; and (3) the Executive Director be authorized to execute all future Project Directives under these Agreements for and on behalf of the Board up to the limit of the total contract as provided in Recommendation No. 2.

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- 8. Re: PROPOSED AGREEMENTS BETWEEN JONES & STOKES, INC., CAMP DRESSER & MCKEE, INC., ENVIRONMENTAL SCIENCE ASSOCIATES, AND ESSENTIA MANAGEMENT SERVICES, LLC; AND THE CITY OF LOS ANGELES FOR CEQA/NEPA AS NEEDED SERVICES**

SUMMARY: Staff recommends approval of agreements with Jones & Stokes, Inc., Camp Dresser & McKee Inc. (CDM), Environmental Science Associates (ESA), and Essentia Management Services, LLC for as-needed California Environmental Quality Act/National Environmental Policy Act (CEQA/NEPA) services. These services are to provide as-needed environmental services including preparation of CEQA and/or NEPA documentation and preparation of special environmental studies. Each contract would be for a term of three years. Three of the contracts would be for a not-to-exceed amount of \$4 million, while one of the contracts would be for a not-to-exceed amount of \$2 million

Recommendation: Resolve that (1) the Board find that in accordance with the City Charter Section 1022, work under the subject agreements can be performed more feasibly by independent consultants rather than by City employees; (2) the total amount not-to-exceed \$14,000,000.00 for the subject Agreements, for three years from the date of execution be approved as follows: a) Agreement with Jones & Stokes, Inc. for \$4 Million; b) Agreement with CDM, Inc. for \$4 Million; c) Agreement with ESA for \$4 Million; d) Agreement with Essentia Management Services, LLC for \$2 Million; (3) the Executive Director and the Board Secretary be authorized to execute and attest to said Agreements for and on behalf of the Board; and (4) the Executive Director be authorized to execute all future Project Directives for and on behalf of the Board up to the limit of the total contract as provided in Recommendation No. 2.

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**9. Re: STAFF RESPONSE TO PORT OF LOS ANGELES
COMMUNITY ADVISORY COMMITTEE RECOMMEND-
ATION NO. 50**

SUMMARY: This is the staff response to the Port Community Advisory Committee (PCAC) Recommendation No. 50. The motion recommends that the Board instruct Port staff to acquire land or to rehabilitate Port land adjacent to the harbor communities of San Pedro and Wilmington, to create and maintain green, landscaped open space in acreage equal to that created by China Shipping landfill and Pier 400's current and planned future landfill. While the Port is working to create green/open space adjacent to San Pedro and Wilmington, staff is recommending denial of Recommendation No. 50 due to the scope and associated costs of the request.

Recommendations: Board resolve that (1) PCAC Recommendation Number 50 be considered and denied; and (2) the reasons, findings, and staff recommendations set forth in the following Board report discussion be adopted.

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**10. Re: STAFF RESPONSE TO PORT OF LOS ANGELES
COMMUNITY ADVISORY COMMITTEE RECOMMEND-
ATIONS NOS. 23 AND 67**

SUMMARY: This Board Letter is the staff response to the Port Community Advisory Committee (PCAC) Recommendations Nos. 23 and 67 which requests that the Port mitigate any increases in diesel emissions from Port projects down to zero and that the Port approve only those EIRs that mitigate any significant air quality impacts to a level of insignificance, respectively. While the Port is committed through its approved Clean Air Action Plan (CAAP) to significantly reduce levels of diesel particulate matter (PM) from Port operations, staff is recommending denial of Recommendations No. 23 and No. 67 as infeasible and/or in potential conflict with the Board's discretionary authority under the California Environmental Quality Act.

Recommendations: Board resolve that (1) PCAC Recommendations No. 23 and No. 67 be considered and denied; and (2) the reasons, findings, and staff recommendations set forth in the following Board report discussion be adopted.

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Contracts and Purchasing

**11. Re: IMPLEMENTATION OF A SMALL BUSINESS
DEVELOPMENT PROGRAM FOR THE PORT OF LOS
ANGELES**

SUMMARY: The proposed action implements a Small Business Development Program for all Port construction and personal services contract awards. Size standards and the designation as a small business will be consistent with U.S. Small Business Administration standards. Specified participation levels will be determined for each proposed contract based on the number of small businesses available to perform the type of work being sought. Staff will continue and expand its outreach efforts to identify all qualified businesses available to perform on Port contracts. A renewed emphasis will be placed on educating small businesses on the City selection process and identifying resources to enhance the success and development of small business owners.

Recommendation: Board resolve that (1) the Board Resolution implementing the Port Small Business Development Program be adopted; (2) the Executive Director be authorized to set an appropriate goal for small business participation in Port contracts; (3) the Director of Contracts and Purchasing be designated as the Small Business Development Program Administrator; and (4) staff be directed to provide quarterly updates to the Board regarding the implementation and program effectiveness of the Program.

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F. CLOSED SESSION

- 1. Discussion of pending litigation entitled: Westcon Microtunneling, Inc. v. City of Los Angeles, United States District Court Case No. CV-05-7305, pursuant to subdivision (a) of Section 54956.9 of the California Government Code and retention of litigation expert.**
- 2. Discussion with legal counsel concerning significant exposure to litigation (one case) pursuant to subdivision (b)(1) of Section 54956.9 of the California Government Code.**