



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: AUGUST 9, 2018

FROM: CARGO MARKETING

SUBJECT: RESOLUTION NO. _____ - APPROVING PERMANENT ORDER AMENDING PORT OF LOS ANGELES TARIFF NO. 4, SECTION TWO, ITEM NO. 255 – “FURNISHING REQUIRED DOCUMENTS” IN SUPPORT OF THE PORT’S COMMON USER DATA PORTAL

SUMMARY:

Staff requests approval of a Permanent Order to amend Port of Los Angeles (Port) Tariff No. 4 (Tariff), Section Two, Item No. 255 “Furnishing Required Documents”, adding a requirement that Marine Terminal Operators electronically transmit to the City of Los Angeles Harbor Department (Harbor Department) specific information on containers handled at the Port. Marine Terminal Operators would have until September 30, 2018 to electronically transmit data to the Harbor Department.

This Tariff amendment supports the Harbor Department’s first-of-its-kind common user Portal development by providing a single information window to support enhanced maritime supply chain performance. Since the Portal pilot program was launched, it has become clear that there is a lack of industry standardization in how electronic data messages are created. This Tariff amendment, if approved, will define the scope of data needs and format.

This Board of Harbor Commissioners (Board) action does not result in additional costs to the Harbor Department.

RECOMMENDATIONS:

It is recommended that the Board of Harbor Commissioners:

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the City of Los Angeles CEQA Guidelines;
2. Approve the amendment to Port of Los Angeles Tariff No. 4 revising Section Two, Item No. 255 “Furnishing Required Documents”, subject to the California Association of Port Authorities’ review and approval, and authorize the Executive Director to work with California Association of Port Authorities to secure this approval or process to take independent action in accordance with California Association of Port

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3. Authorities procedure;
4. Adopt Permanent Order No. _____ to amend Section Two of the Port of Los Angeles Tariff No. 4, Item No. 255, "Furnishing Required Documents";
5. Direct the Board Secretary to transmit to the City Council for approval the Permanent Order and the Ordinance approving and authorizing the amendment to Port of Los Angeles Tariff No. 4 pursuant to City Charter 653(a);
6. Authorize the Board Secretary to execute the Permanent Order and Ordinance amending Port of Los Angeles Tariff No. 4 as stated above, and upon its publication, transmit the Orders and Ordinance to the Executive Director or his nominee for implementation and posting to the City of Los Angeles Harbor Department website; and
7. Adopt Resolution No. _____.

DISCUSSION:

Background and Context – On November 3, 2016, the Board approved Agreement No. 16-3425 with General Electric Transportation (GET) to develop a first-of-its-kind common user Portal that, once implemented, provides early visibility to cargo containers arriving and departing on vessels scheduled to call at Port container terminals. This early visibility allows for improved planning and subsequent cargo velocity through the Port. The agreement with GET was amended on August 17, 2017, to expand the pilot program into a first-of-its-kind information window to support enhanced maritime supply chain performance across the San Pedro Bay Ports. In addition, the Board approved Revenue Allocation Agreement No. 17-3518 between the Harbor Department and General Electric Company for the data portal project.

The agreements with GET are the basis for the project now called the Port Optimizer. In working on the expansion of the portal project, collecting data in a consistent format has become challenging in part due to the lack of standardization in the way the maritime industry collects and processes data.

The Tariff provides a vehicle to drive data flow standardization, and thus an amendment to the Tariff is recommended (Transmittals 1 and 2), which will create a standard set of data points and timelines needed to ensure the portal is effective.

Reasonable technical delays in providing this electronic information by this date shall be excused upon written request and a showing of good cause, in a manner and for a period of time determined in the sole and absolute discretion of the Executive Director.

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The proposed Permanent Order will add requirements for the marine terminals to electronically deliver the container status and specified activities within a maximum of 30 minutes, depending on the activity, of such events taking place within their respective terminals.

A separate action recommends Board adoption of a Temporary Order within its Los Angeles City Charter authority to approve changes to Tariff No. 4, to be effective for a period not to exceed 90 days. This action for Board and City Council adoption of a Permanent Order and Ordinance are required under the Charter to make changes to Tariff No. 4 beyond the Temporary Order's 90-day effective period.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of a Permanent Order to amend Item No. 255 in the Port of Los Angeles Tariff No. 4, Section Two, "Furnishing Required Documents," which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Staff does not anticipate any financial impact to the Harbor Department due to approval of this resolution. As part of the FY 2019 budget adoption process, funds have been allocated to the GET Port Optimizer project, and this funding incorporates costs borne by the Harbor Department associated with data collection. This proposed Board action does not result in additional costs to the Harbor Department related to data collection associated with the GET Port Optimizer project.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the proposed Permanent Order and Ordinance as to form and legality.

TRANSMITTALS:

1. Permanent Order
2. Ordinance
3. Amended Tariff No. 4, Section Two, Item No. 255

FIS Approval: MB
CA Approval: EC



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Director of Cargo Marketing



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APPROVED:



EUGENE D. SEROKA
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