



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

Board of Harbor Commissioners

DATE: MARCH 14, 2019

FROM: LABOR RELATIONS & WORKFORCE DEVELOPMENT

SUBJECT: RESOLUTION NO. _____ - AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND THE PACIFIC MARITIME ASSOCIATION ON USE OF PORT PROPERTY FOR JOINT TRAINING PROGRAM

SUMMARY:

Staff requests approval to enter into an agreement (Agreement) with the Pacific Maritime Association (PMA) which will enable the use of City of Los Angeles Harbor Department (Harbor Department) equipment on PMA property as part of a pilot training program jointly-developed by the Harbor Department, PMA and International Longshore and Warehouse Union (ILWU). The pilot program will train entry-level longshore workers how to lash containers in a controlled environment, using new and innovative training curriculum and practices.

Using funding provided through the High Road Training Partnership (H RTP) grant program, the Harbor Department purchased lashing poles and equipment as well as fabricated a two-story, modular walkway which will be used as part of the pilot program in order to best simulate the environment and conditions trainees will encounter on an actual ship. The proposed Agreement will cover use, maintenance, warranties and indemnification of the lashing equipment and walkway as well as indemnification of the Harbor Department as it relates to the program.

The Harbor Department will be financially responsible for maintenance costs associated with the lashing equipment and walkway if the proposed Agreement is approved.

RECOMMENDATION:

It is recommended that the Board:

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 Los Angeles City CEQA Guidelines;
2. Approve the agreement with the Pacific Maritime Association regarding use of Harbor Department equipment for a jointly developed training program;
3. Authorize the Executive Director/designee to execute and the Board Secretary to attest to the Agreement with an effective date of March 18, 2019; and
4. Adopt Resolution No. _____

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DISCUSSION:

Background

The Port of Los Angeles (Port) is America's largest container port by volume, handling a record 9.4 million twenty-foot equivalents (TEUs, an industry standard measure of container cargo) in 2018. In 2018, staff estimates the cargo throughput at the Port of Los Angeles is related to more than 147,000 jobs (about one in 13 jobs) in the City of Los Angeles and 526,000 jobs (or one in 17 jobs) in the five-county Southern California region, and 1.6 million jobs nationally.

Maintaining the Port's role as an economic and job creation engine, while navigating a rapidly changing maritime shipping industry, is the key to the future of the Port and the region. Investment in human capital is a key component of this effort. In support of this role, the Harbor Department is committed to developing new and innovative ways to develop a workforce training environment at the Port that supports workforce development in the San Pedro Bay community and across the entire goods movement sector in the greater Los Angeles area.

As a first step in creating this environment, the Harbor Department is working in partnership with the ILWU and PMA, along with oversight by the Office of the Mayor, to develop a pilot for a joint ILWU-PMA training program. This pilot program is hopefully the first of many innovative training programs that the Harbor Department seeks to develop to promote workforce training in skills and occupations around the Port and through the goods movement sector.

To support these efforts, the Harbor Department received two grants totaling \$600,000 from the High Road Training Partnership grant program administered by the California Workforce Development Board (CWDB) and the California Employment Development Department (EDD). In May 2017, CWDB and EDD awarded the grants to the Department, and in October 2017, the Board approved receipt of the first part of the grant award for \$500,000. Then, in January 2018, the Department was awarded a subsequent \$100,000 grant from the same grant program, which the Board approved receipt of in June 2018.

Harbor Department Equipment

In consultation with the workforce training consultant, PMA, ILWU, and the Harbor Department developed a pilot training program to test out innovative techniques on how to train entry-level longshore workers on how to lash containers. The innovation for this pilot program comes through the curriculum that all parties are developing for training in a classroom setting and for training with lashing equipment commonly used in the industry today and in spatial conditions similar to a containership.

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Lashing Gear

Through the City of Los Angeles procurement process, the Harbor Department is using grant funds to purchase lashing gear and equipment that is currently in active use aboard the various containerships that visit the San Pedro Bay Port complex. The purchase of commonly used lashing gear will allow the instructors to train the entry-level longshore workers on the types of equipment found on ships today and also allows the instructors to teach various lashing techniques that are often required depending on the layout of the containers aboard a ship. The Department will seek reimbursement for the total cost of the lashing gear.

Walkway

As discussed above, one aspect of this pilot program that makes it innovative is that it creates an environment that simulates the conditions onboard a containership. As the walkway and deck of a containership are not commercially available products, C&M designed and fabricated a walkway to replicate the spatial conditions on a container ship. The walkway is roughly 10 feet high and nearly 64 feet across. The walkway is only 30 inches wide, the same width as a walkway on a containership. C&M is also building the walkway as eight modular units, which allows for later relocation, if needed. Once completed, the walkway would have stacks of containers on each side. Both stacks would be eight containers across and four containers high. The pilot program intends to train participants on how to lash across a large stack of containers on both the ground and a narrow walkway that the longshore worker would commonly find on the deck of a ship. C&M is currently in the final stages of assembling the walkway, and estimates of the total cost of the walkway are approximately \$166,000. There is approximately \$200,000 of HRTP grant money available to reimburse the Harbor Department for labor and construction of the walkway.

Agreement

The effective date of the Agreement will be March 18, 2019, the anticipated start date for the pilot program. This Agreement would provide both parties with guidance on the use of the lashing gear and the walkway as both sets of equipment will be located at the PMA training site located in Wilmington, California, for use in this jointly developed training program pursuant to the HRTP grant. The agreement also contains terms regarding warranties and indemnification regarding the equipment.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an agreement with the Pacific Maritime Association regarding use of Port property for jointly developed training program, 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.

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FINANCIAL IMPACT:

Based upon the current curriculum associated with the program, staff does not anticipate needing to purchase additional general liability insurance if the proposed Agreement is approved.

If the proposed Agreement is approved, the Harbor Department will be responsible for maintenance costs associated with the lashing equipment and walkway. Labor costs associated with maintenance activities will be covered by in-house salaries.

In the event that lashing equipment needs to be replaced over the one-year term of the proposed Agreement, \$10,000 has been requested to be included within the FY 2020 Proposed Budget, Account 55110 (Operating Materials & Supplies), Center 0280, Program 000, pending Board approval.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved this Agreement as to form and legality.

TRANSMITTAL(S):

1. Agreement between the Harbor Department and the Pacific Maritime Association.

AVIN SHARMA
Director of Labor Relations &
Workforce Development

FIS Approval: MB (initials)
CA Approval: SD (initials)

FOR DAVID J. LIBATIQUE
Deputy Executive Director
Stakeholder Engagement

APPROVED:

EUGENE D. SEROKA
Executive Director

EDS:DJL:APS:mn