



Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: NOVEMBER 19, 2014**

**FROM: REAL ESTATE**

**SUBJECT: ORDER NO. \_\_\_\_\_ - DIRECTING  
EXXONMOBIL OIL CORPORATION TO REMOVE OR RELOCATE  
PIPELINES INTERFERING WITH THE BERTHS 212-224 (YTI)  
CONTAINER TERMINAL IMPROVEMENTS PROJECT**

**SUMMARY:**

On February 21, 2013, the Board of Harbor Commissioners (Board) adopted Resolution Nos. 13-7445 and 13-7450 initiating the development planning process at the Yusen Terminal, Inc. (YTI) terminal. The development would improve YTI's marine shipping and commerce by allowing YTI to accommodate larger container vessels (up to 13,000 TEUs (Twenty-foot Equivalent Units) and increase terminal capacity from 1,692,000 TEUs to 1,913,000 TEUs annually.

The proposed project consists of: deepening Berths 214-216 to -53 feet and Berths 217-220 to -47 feet; extension of 110 feet gauge crane rail at Berths 217-220; construction of a single loading rail track to the Terminal Island Container Transfer Facility; and construction of backland improvements consisting of pavement repair and new concrete runways. Two Harbor Department-owned cranes will be relocated and two YTI cranes will be realigned; up to four new cranes will be installed and six YTI cranes will be raised and extended. To accommodate the Berths 212-224 (YTI) Container Terminal Improvements Project (YTI Container Improvements Project), several underground pipelines from ExxonMobil Oil Corporation (ExxonMobil) under Permit No. 418 must be removed, relocated, and/or protected in place.

The proposed Order will serve as a notice to ExxonMobil, in accordance with tenant's permit, to remove, relocate, and/or protect in place the affected pipelines, which is the financial responsibility of the tenant.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Approve the Order directing ExxonMobil Oil Corporation to remove, relocate, and/or protect in place, the pipelines interfering with the YTI Container Improvements Project;
2. Authorize the Board Secretary to attest to the Order directing ExxonMobil to remove, relocate, and/or protect in place, the pipelines which interfere with the YTI Container Improvements Project; and
3. Adopt Order No. \_\_\_\_\_.

**SUBJECT: ORDER DIRECTING EXXONMOBIL TO RELOCATE PIPELINES**

**DISCUSSION:**

Background/Context – The redevelopment of YTI’s facilities (Transmittal 1) necessitates ExxonMobil to remove, relocate, and/or protect in place the affected pipelines.

YTI Container Improvements Project – The proposed project consists of: deepening Berths 214-216 to -53 feet and Berths 217-220 to -47 feet; extension of 110 feet gauge crane rail at Berths 217-220; construction of a single loading rail track to the Terminal Island Container Transfer Facility; and construction of backland improvements consisting of pavement repair and new concrete runways. Two Harbor Department-owned cranes will be relocated and two YTI cranes will be realigned; up to four new cranes will be installed and six YTI cranes will be raised and extended.

Affected Tenant – During the design process, ExxonMobil Oil Corporation was identified as having affected pipelines.

Permit Terms – Pursuant to the terms and conditions of the ExxonMobil permit affected by the YTI Container Improvements Project, the Board has the right to make any change in route or location of the pipeline:

ExxonMobil Oil Corporation: Permit No. 418, Section 11(u)

The aforementioned permit specifies that the “Board shall have the right to make any change in the route or location of any pipeline constructed on the premises by the tenant as may be required or made necessary by the progress of harbor development or the performance of any work within the jurisdiction of the Board. If the Board determines that any such change or relocation is necessary, the Board shall give at least 90 days’ notice to the tenant. The cost of pipeline removal or relocation is borne by the tenant.”

Prior to any work commencing, engineering permits will be required for any surface and/or subsurface pipeline work.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of an Order directing to remove, relocate, or protect in place pipelines that are in conflict with the YTI Container Improvements Project. Pipeline removal, relocation, and protection was assessed in the Berths 212-224 [YTI] Container Terminal Improvements Project Final Environmental Impact Statement/Final Environmental Impact Report (EIS/EIR) (SCH #2013041017, APP #130204-020), which was certified by the Board on November 7, 2014. Therefore, as an activity for which the underlying project has been previously evaluated for environmental significance and processed according to the requirements of CEQA, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

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**ECONOMIC BENEFITS:**

The projects associated with the proposed Order will generate positive job impacts. However, the economic benefits cannot be evaluated at present.

**FINANCIAL IMPACT:**

Costs associated with the removal/relocation of the affected pipelines will be borne by the tenant. Removal and relocation of pipelines is expected to be revenue neutral, since compensation will continue to be collected during the pipeline rerouting process.

The removal and relocation of pipelines referenced herein paves the way for the redevelopment of the YTI Terminal.

**CITY ATTORNEY:**

The Board Order (Transmittal 2) has been approved as to form and legality by the Office of the City Attorney.

**TRANSMITTALS:**

- 1. Site Map
- 2. Board Order

FIS Approval: JKP (initials)  
 CA Approval: JKP (initials)



JACK C. HEDGE  
 Director of Real Estate



DAVID L. MATHEWSON  
 Interim Deputy Executive Director

**APPROVED:**



EUGENE D. SEROKA  
 Executive Director