



Executive Director's
Report to the

Board of Harbor Commissioners

DATE: NOVEMBER 7, 2017

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - SECOND AMENDMENT TO AGREEMENT NO. 12-3049 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND THE CITY OF LONG BEACH HARBOR DEPARTMENT FOR HOSTING THE PORTS' DRAYAGE TRUCK REGISTRY

SUMMARY:

Staff requests the Board of Harbor Commissioners (Board) to approve the proposed Second Amendment to Agreement No. 12-3049 (Agreement) with the City of Long Beach Harbor Department (Long Beach Harbor Department) to host and maintain the Ports' Drayage Truck Registry (PDTR). The proposed Second Amendment will extend the term of the Agreement three years to December 31, 2020. No additional funding authority will be added to the Agreement.

In order to support the Clean Truck Programs for the Ports of Los Angeles and Long Beach (Ports), the City of Los Angeles Harbor Department (Harbor Department) entered into the Agreement in January 2012 with the Long Beach Harbor Department to host and maintain the PDTR, an extensive database containing critical information on all trucking companies and drayage trucks servicing the Ports' terminals. In December 2014, the Agreement was amended to extend the term three additional years to December 31, 2017. The Long Beach Harbor Department has been successfully providing ongoing PDTR hosting and maintenance services for the Ports since September 2009. The Harbor Department and Long Beach Harbor Department share the cost for these services equally. A remaining authority of \$145,500 under the Agreement is sufficient to cover the Harbor Department's \$102,000 share for the three-year additional term of the Second Amendment.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines;

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2. Accept and approve the proposed Second Amendment to extend the term of Agreement No. 12-3049 between the City of Los Angeles Harbor Department and the City of Long Beach Harbor Department for maintenance and hosting the Port Drayage Truck Registry through December 31, 2020;
3. Authorize the Executive Director to execute and Board Secretary to attest to said Second Amendment for and behalf of the Board; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background/Context - On November 20, 2006, the City of Los Angeles and City of Long Beach Boards of Harbor Commissioners approved the Clean Air Action Plan (CAAP). A key component of the CAAP is the implementation of a Clean Truck Program (CTP), which required all drayage trucks serving the Ports to meet U.S. Environmental Protection Agency (EPA) 2007 emissions standards (clean trucks) by January 1, 2012. Currently, there are approximately 1,200 trucking companies dispatching over 16,000 clean trucks to serve the Port.

PDTR History - In order to ensure success of the CTP, the Harbor Department and the Long Beach Harbor Department recognized the need to develop their own database system which would determine licensed motor carriers' and trucks' compliance with clean truck access requirements as well as assist in the collection of registration and truck fees. The main goal was to create a permanent system similar to the California Air Resources Board (CARB) state-wide drayage truck registry in order to facilitate future data transfer as needed. This required design and development activities by a software development consultant. Once the permanent PDTR was developed, the Harbor Department and Long Beach Harbor Department decided that the Long Beach Harbor Department would host the PDTR on a Long Beach Harbor Department server rather than contracting the service to an outside vendor. This decision was based mainly on expensive cost estimates received from outside vendors and Long Beach Harbor Department's already established server capability. The Long Beach Harbor Department was able to provide the services at a fraction of the cost. The Long Beach Harbor Department took responsibility for various services including the PDTR hosting, routine operation, scheduled maintenance, and disaster recovery efforts. The Long Beach Harbor Department has been hosting the PDTR since 2009 and has not encountered any major issues. The Long Beach Harbor Department does perform occasional testing and has made several upgrades to the security infrastructure, but the PDTR systems have not required significant personnel time. Overall, this has been an extremely economically favorable arrangement for both parties compared to proposed costs for similar outside services. The Harbor Department

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is interested in continuing this cost sharing arrangement going forward. The Chief Information Officers from the Ports have been involved in these decisions.

On December 18, 2015, the Board approved Amendment No. 1 to the Agreement which extended the Agreement by three years to December 31, 2017, and added \$102,000, increasing the total Agreement authority to \$246,190. To date, the total amount paid from the Agreement is \$100,690 leaving a remaining authority of \$145,500

Second Amendment - Staff recommends the approval of the proposed Second Amendment to extend the term of the Agreement for three years for maintenance costs to host the PDTR in support of the CTP (Transmittal 1). The proposed cost to the Harbor Department for three years is a maximum not-to-exceed amount of \$102,000. No additional funding authority will be added to the Agreement since it has a remaining authority of \$145,500, which will be sufficient to fund the proposed extension.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a Second Amendment to a cost share agreement with the Long Beach Harbor Department for reimbursement of 50% of the costs associated with the PDTR maintenance and hosting services. As an administrative activity, the Director of Environmental Management has determined that the proposed action is administratively exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The proposed Second Amendment extends the Agreement by three years through December 31, 2020.

The Harbor Department and City of Long Beach Harbor Department will cost share the expenditures equally (50%):

| | Cost Share Breakdown – 3 years January 2018 – December 2020 | | |
|----------------------------------|--|-------------------|--------------------|
| | Total Cost | Long Beach | Los Angeles |
| Projected Monthly Cost (\$1,500) | \$54,000 | \$27,000 | \$27,000 |
| Contingency Costs | \$150,000 | \$75,000 | \$75,000 |
| TOTAL | \$204,000 | \$102,000 | \$102,000 |

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It is anticipated that the Harbor Department's 50% cost share will be expended as follows:

| Fiscal Year | Amount |
|--------------------|------------------|
| 2017/2018 | \$ 0 |
| 2018/2019 | \$34,000 |
| 2019/2020 | \$34,000 |
| 2020/2021 | \$34,000 |
| TOTAL | \$102,000 |

Future year funds will be requested to be budgeted through the Harbor Department's annual budgeting process in Account 59967 (Clean Truck Program), Center 0330 (Environmental Management Division), Program 000 (Base Budget).

The Harbor Department's financial obligations for future fiscal years are contingent upon Board appropriation of funds. If any subsequent fiscal year funds are not appropriated by the Board for the work required by the cost share agreement, the agreement would be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred.

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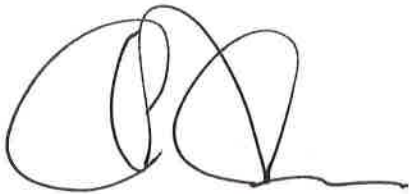
CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Second Amendment as to form and legality.

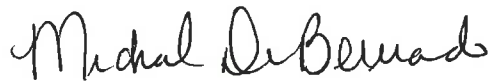
TRANSMITTAL:

1. Second Amendment to Agreement No. 12-3049 between the City of Los Angeles and the City of Long Beach

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



CHRISTOPHER CANNON
Director of Environmental Management



MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

 FOR

EUGENE D. SEROKA
Executive Director

CC/yo
AUTHOR: T. PISANO

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