



# LOS ANGELES BOARD OF HARBOR COMMISSIONERS

Harbor Administration Building  
425 S. Palos Verdes Street  
San Pedro, California 90731

## REGULAR MEETING AGENDA THURSDAY, OCTOBER 4, 2018 AT 8:30 A.M.

### Board of Harbor Commissioners

President Jaime L. Lee  
Vice President David Arian  
Commissioner Lucia Moreno-Linares  
Commissioner Anthony Pirozzi, Jr.  
Commissioner Edward R. Renwick

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**BOARD MEETINGS** - The Board's Regular Meetings are the first and third Thursday of each month at 8:30 A.M. at the Harbor Administration Building Boardroom or as scheduled on the Port's website at [www.portoflosangeles.org](http://www.portoflosangeles.org). A quorum of three of five Commissioners is required to transact business and three Aye votes are required to carry a motion. 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 post the revised agenda on the Port's web site (<http://www.portoflosangeles.org>). Updated agendas will also be available at the meeting. Live Board meetings can also be heard at: (213) 621-2489 (Metro), (818) 904-9450 (Valley), (310) 471-2489 (Westside) and (310) 547-2489 (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, and translation services may be provided. To ensure availability, 72-hour advance notice is required. Contact the Commission Office at (310) 732-3444.

Interpretes de señas, sistemas auditivos y servicios de traducciones están disponibles. Para asegurar disponibilidad, se requiere solicitarlos con 72 horas de anticipación. Para hacer la solicitud, llame a la oficina de la Comisión al (310) 732-3444.

**OPPORTUNITIES FOR THE PUBLIC TO ADDRESS THE BOARD** - Before reaching those portions of the agenda where Board action is requested, members of the public will be given an opportunity to address the Board on items of interest within the subject matter jurisdiction of the Board (general public comment). Thereafter, members of the public will be given an opportunity to address the Board on any item on the consent or regular agendas prior to or during the Board's consideration of that item. The same opportunity will be given in open session regarding the closed session agenda prior to commencement of closed session. Members of the public who wish to speak during general public comment are to complete a speaker card so indicating. Members of the public who wish to speak regarding a particular agenda item(s) are to complete a speaker card(s) for each such item. Agendas for special meetings will permit the public to address particular agenda items even where the agenda does not include general public comment. Each speaker is allowed to speak up to 3 minutes per agenda item. The Presiding Officer shall, however, exercise discretion to determine whether such period of time should be reduced or extended based upon such factors as the length of the agenda or substance of the agenda items, the number of public comment speaker cards submitted, the need for the Board to conclude its business as expeditiously as is practicable, and whether the Board is at risk of losing a quorum, among other factors. Upon request, non-English speakers will be granted additional speaking time for translation assistance.

If you request to distribute documents to the full Commission, please present the Board Secretary with twelve (12) copies. Otherwise, your materials will simply be added to the official meeting record. Requests to distribute literature to the general public attendees of the meeting shall be placed on a literature table outside the Boardroom during and until 30 minutes after the Board meeting.

**REGULAR MEETING AGENDA  
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**ORDER OF BUSINESS**

**OPEN SESSION**

- A. **Roll Call**
  
- B. **Executive Director Remarks**
  
- C. **Comments from the Public on Non-Agenda Items**
  
- D. **Report from the Neighborhood Council Representatives** – An opportunity for a Neighborhood Council to present a Resolution or Motion filed with the Los Angeles Harbor Department to be presented to the Board as it relates to any agenda item being considered or under the purview of the Harbor Department.
  
- E. **Reports of the Commissioners**
  
- F. **Board Committee Reports**
  
- G. **Approval of the Minutes**  

Regular Meeting of September 20, 2018
  
- H. **Presentation**
  
- I. **Level I Coastal Development Permit**

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**J. Board Reports of the Executive Director**

**Consent Items (1 – 3)**

Cargo Marketing

1. RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF FOREIGN-TRADE ZONE GENERAL PURPOSE OPERATING AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND BEE IMAGINE LLC, FTZ 202 SITE 54

Summary: Staff requests approval of the Foreign-Trade Zone (FTZ) Operating Agreement between the City of Los Angeles Harbor Department (Harbor Department) and Bee Imagine LLC, (Bee Imagine) to operate its warehouses within FTZ 202 Site 54, located at 4832 and 4910 Azusa Canyon Road, Irwindale, California 91706. On August 1, 2018, the FTZ Board approved a minor boundary modification of FTZ 202 under the alternative framework to establish a usage-driven Site 54 for the use of Bee Imagine. The Harbor Department, as the FTZ grantee, establishes General Purpose Operating Agreements with FTZ site operators to oversee their FTZ operations. Site 54 consists of office space and two warehouses totaling approximately 122,735 square feet on 2.82 acres located approximately 40 miles from the Port of Los Angeles. Bee Imagine will be operating its warehouses under FTZ procedures as a multi-usage site. The proposed FTZ Operating Agreement (Agreement) is for a term of five years with three, five-year renewal options. If the proposed Agreement is approved, the Harbor Department will receive \$7,750 annually from Bee Imagine (per FTZ Tariff No. 2)

Recommendation: Board resolve to (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 proposed Foreign-Trade Zone Operating Agreement between the City of Los Angeles Harbor Department and Bee Imagine, LLC; (3) direct the Board Secretary to transmit the proposed Foreign-Trade Zone Operating Agreement to the Los Angeles City Council for approval pursuant to Section 373 of the Charter of the City of Los Angeles and Section 10.5 of the Los Angeles Administrative Code; (4) authorize the Executive Director to execute and the Board Secretary to attest to the proposed Foreign-Trade Zone Operating Agreement; and (5) adopt Resolution No. \_\_\_\_\_.

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Cargo & Industrial Real Estate

2. RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF PERMIT NO. 923 WITH EQUILON ENTERPRISES LLC DBA SHELL OIL PRODUCTS US

Summary: Staff requests approval of Permit No. 923 between the City of Los Angeles Harbor Department (Harbor Department) and Equilon Enterprises LLC dba Shell Oil Products US, a Delaware Limited Liability Company (Equilon) for a term of five years. The premises consists of 36,160 square feet of subsurface area and 500 square feet of surface pipelines located north of Sepulveda Boulevard along the Intermodal Container Transfer Facility, and another 686 square feet located near Drumm Avenue and "Q" Street in Wilmington. The premises will be used for the continuing operations of existing pipeline facilities. Equilon will pay annual compensation of \$56,766 (\$4,730.50 monthly), plus annual Consumer Price Index (CPI) adjustments during the five-year term based on an estimated land market value of \$30 per square foot, with a 50 percent discount for subsurface rights. Equilon will be responsible for all costs associated with maintenance and operation of the premises.

Recommendation: Board resolve to (1) find that the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 1(14) of the Los Angeles City CEQA Guidelines; (2) approve Permit No. 923 with Equilon Enterprises LLC dba Shell Oil Products US; (3) authorize the Executive Director to execute and the Board Secretary to attest to Permit No. 923; and (4) adopt Resolution No. \_\_\_\_\_.

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Waterfront & Commercial Real Estate

3. RESOLUTION NO. \_\_\_\_\_ - PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS REGARDING THE PURCHASE OF REAL PROPERTY LOCATED AT 115 NORTH AVALON BOULEVARD, WILMINGTON, CA

Summary: Staff requests approval for the City of Los Angeles Harbor Department (Harbor Department) to purchase privately-owned property (Avalon Property) located within the Wilmington Waterfront Avalon Gateway Project (Wilmington Waterfront Project) boundaries for the purchase price of \$760,000 from the Lucy Jao Trust (Seller). Consisting of 12,360 square feet (s.f.) of land and 5,578 s.f. of improvements, the Avalon Property is required by the Harbor Department to ensure that the optimum contiguous land area is available for the planned design and construction of the Wilmington Waterfront Project. The Wilmington Waterfront Project is intended to provide waterfront access, recreational activities, and commercial and economic development opportunities to the Wilmington community. Payment of the \$760,000 purchase price as well as associated transaction, remediation and demolition costs is the financial responsibility of the Harbor Department. The total cost of the purchase, fees and remediation costs equal \$849,700.

Recommendation: Board resolve to (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(i) of the Los Angeles City CEQA Guidelines; (2) find that the purchase of the property is in the best interest of the Harbor Department as its acquisition removes potential impediments to the design and construction of the Wilmington Waterfront Avalon Gateway Project; (3) find that the public interest allows for the purchase of the parcel at 115 North Avalon Boulevard, Wilmington to assure the benefit to the community and the completion of the Wilmington Waterfront Avalon Gateway Project; (4) approve the Purchase and Sale Agreement and Escrow Instructions with the Lucy Jao Trust for the price of \$760,000. In addition, approve the Harbor Department's expenditure for costs associated with the sale, including all escrow, title insurance fees and any incidental costs associated with the agreement; (5) authorize the Executive Director to execute and the Board Secretary to attest to the Purchase and Sale Agreement and Escrow Instructions, and The Certificate of Acceptance of a Grant Deed from the Lucy Jao Trust; (6) authorize the release and transfer of Seven Hundred Sixty Thousand Dollars (\$760,000), plus costs, to the Chicago Title and Escrow Account No. 92541-TG3 from the Land and Acquisition Account, Center 1800, Account 13010, for the purchase of said property; and (7) adopt Resolution No. \_\_\_\_\_.

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**Regular Items (4 – 6)**

Environmental Management

4. RESOLUTION NO. \_\_\_\_\_ - ADOPTION OF THE FINAL INITIAL STUDY/NEGATIVE DECLARATION AND APPROVAL OF THE CONSTRUCTION AND MAINTENANCE DIVISION RENOVATION PROJECT AT 801 SOUTH FRIES AVENUE (LOS ANGELES HARBOR DEPARTMENT APPLICATION FOR PORT PERMIT NO. 170912-124; STATE CLEARINGHOUSE NO. 2018071049)

Summary: Staff requests that the Board of Harbor Commissioners (Board) adopt the Final Initial Study/Negative Declaration (IS/ND) for the proposed Construction and Maintenance Division (C&M) Renovation Project at 801 South Fries Avenue (Project) along with comments and responses to comments, and approve the proposed Project as described in the Final IS/ND. The proposed Project includes building renovations and various site improvements at the current C&M Maintenance yard. Payment of the costs associated with the proposed Project, including those associated with the Final IS/ND is the responsibility of the City of Los Angeles Harbor Department (Harbor Department).

Recommendation: Board resolve to (1) find that, pursuant to the State California Environmental Quality Act (CEQA) Guidelines Section 15074, the Final Initial Study/Negative Declaration for the proposed Construction and Maintenance Division Renovation Project at 801 South Fries Avenue, (a) has been completed in compliance with the State CEQA Guidelines and the Los Angeles City CEQA Guidelines; (b) was presented to the Board for review and was reviewed and considered by the Board prior to approving the proposed Project; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department as the Lead Agency; (2) find that, based on the whole record before it, including (a) the information contained in this report and (b) the Final Initial Study/Negative Declaration for the Construction and Maintenance Division Renovation Project at 801 South Fries Avenue, the proposed Project would not have a significant effect on the environment pursuant to Public Resources Code Section 21080 and State California Environmental Quality Guidelines Section 15070; (3) find that all information added to the Final Initial Study/Negative Declaration after the public review period, but before adoption, merely clarifies, amplifies, or makes insignificant modifications, and that recirculation is not necessary; (4) adopt the Final Initial Study/Negative Declaration for the Construction and Maintenance Division Renovation Project at 801 South Fries Avenue; (5) in consideration of the Final Initial Study/Negative Declaration, together with the comment letters received and the responses to comments, approve the Construction and Maintenance Division Renovation Project at 801 South Fries Avenue; (6) authorize the City of Los Angeles Harbor Department to file the Notice of Determination for the Construction and Maintenance Division Renovation Project at 801 South Fries Avenue with the Los Angeles City and County Clerks; (7) approve the Construction and Maintenance Division Renovation Project; and (8) adopt Resolution No. \_\_\_\_\_.

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Environmental Management

5. RESOLUTION NO. \_\_\_\_\_ - ADOPTION OF THE FINAL INITIAL STUDY/MITIGATED NEGATIVE DECLARATION FOR THE TERMINAL ISLAND RAILYARD ENHANCEMENT PROJECT (LOS ANGELES HARBOR DEPARTMENT APPLICATION FOR PORT PERMIT NO. 171106-154; STATE CLEARINGHOUSE NO. 2018081086)

Summary: Staff requests that the Board of Harbor Commissioners (Board) adopt the Final Initial Study/Mitigated Negative Declaration (IS/MND) for the proposed Terminal Island Railyard Enhancement Project (Project) along with comments and responses to comments, and approve the proposed Project as described in the Final IS/MND. The proposed Project involves shifting cargo movement modes to maximize on-dock rail use, thereby reducing truck trips and miles traveled within the Port of Los Angeles (Port) and on adjacent roadways and freeways. The proposed Project will increase the capacity and use of the on-dock railyards by up to 525,000 twenty-foot equivalent units (TEUs) per year thereby increasing efficiency and reducing emissions. The Harbor Department is part of a multi-party funding agreement with the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans), and the Harbor Department is the Master Agreement Administering agency. Pending approval of the proposed Project, the Harbor Department would be financially responsible for \$12,370,000 of the estimated total proposed Project cost of \$34,015,000.

Recommendation: Board resolve to (1) find that, pursuant to the State California Environmental Quality Act Guidelines Section 15074, the Final Initial Study/Mitigated Negative Declaration for the Terminal Island Railyard Enhancement Project (a) has been completed in compliance with the State California Environmental Quality Act Guidelines and the City of Los Angeles California Environmental Quality Act Guidelines; (b) was presented to the Board for review and was reviewed and considered by the Board prior to approving the proposed Project; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department as the Lead Agency; (2) find that, based on the whole record before it, including, but not limited to: (a) the information contained in this report; and (b) the Final Initial Study/Mitigated Negative Declaration for the Terminal Island Railyard Enhancement Project, there is no substantial evidence that the proposed Project will have a significant effect on the environment pursuant to Public Resources Code Section 21080 and State California Environmental Quality Guidelines Section 15070; (3) find that information added to the Final Initial Study/Mitigated Negative Declaration after the public review period, but before adoption, merely clarifies, amplifies, or makes insignificant modifications, and that recirculation is not necessary;

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5. (Continued)

(4) adopt the Mitigation Monitoring and Reporting Program contained in the Final Initial Study/Mitigated Negative Declaration as required by Public Resources Code Section 21081.6 and State California Environmental Quality Act Guidelines Section 15074. The Mitigation Monitoring and Reporting Program is designed to ensure compliance with the mitigation measures adopted to mitigate or avoid significant effects on the environment, and identifies the responsibilities of the City of Los Angeles Harbor Department as lead agency and other applicable entities, to monitor and verify project compliance with those mitigation measures and conditions of project approval; (5) adopt the Final Initial Study/Mitigated Negative Declaration for the Terminal Island Railyard Enhancement Project and approve the Project; (6) authorize the Environmental Management Division to file the Notice of Determination for the Terminal Island Railyard Enhancement Project with the Los Angeles City and County Clerks; and (7) adopt Resolution No. \_\_\_\_\_.

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Environmental Management

6. RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF A COST SHARE AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND THE PORT OF LONG BEACH TO FUND A TECHNOLOGY ADVANCEMENT PROGRAM PROJECT WITH NETT TECHNOLOGIES, INC.

Summary: Staff requests approval of the Cost Share Agreement between the City of Los Angeles Harbor Department (Harbor Department) and the Port of Long Beach (POLB) to fund a Clean Air Action Plan (CAAP) Technology Advancement Program (TAP) project to develop and demonstrate an emission control system dedicated to harbor craft (Project). The total cost of the project is \$1,200,000, with \$500,000 shared equally by the Harbor Department and POLB and the remaining amount paid by Nett Technologies, Inc. (Nett). As lead agency, POLB has already entered into an agreement with Nett to implement the Project and will bill the Harbor Department for 50% of the cost. The Harbor Department is financially responsible for 50% of the cost share of the Project totaling \$250,000.

Recommendation: Board resolve to (1) find that the Director of Environmental Management has determined that the proposed action is administratively and categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) and Article III, Class 6(2) of the Los Angeles City CEQA Guidelines; (2) approve the Cost Share Agreement between the City of Los Angeles Harbor Department and the Port of Long Beach for the reimbursement of \$250,000 for the cost share; (3) authorize the Executive Director to execute and Board Secretary to attest to said agreement for and on behalf of the Board of Harbor Commissioners; and (4) adopt Resolution No. \_\_\_\_\_.

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**K. Closed Session Items**

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Subdivision (d)(1) of Government Code Section 54956.9)

Fast Lane Transportation, Inc. v. City of Los Angeles, et al., Contra Costa Superior Court Case No. CIVMSN14-0300 consolidated with Case Nos. CIVMSN14-0308, CIVMSN14-0309, CIVMSN14-0310, CIVMSN14-0311, CIVMSN14-0312, and CIVMSN14-0313

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Subdivision (d)(1) of Government Code Section 54956.9)

Noel Leverenz v. City of Los Angeles, Los Angeles Superior Court Case No. BC588876

3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
(Subdivision (b) of Government Code Section 54956.9)

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: (one case)

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
(Government Code Section 54956.8)

Provide instructions to its real estate negotiators with respect to a proposed permit with Pasha Stevedoring Services:

Property: Berths 174-181, Wilmington

City Negotiator: Jack Hedge

Tenant Negotiator: Jay Bowden

Negotiating Parties: City and Pasha Stevedoring Services

Under Negotiation: Price and Terms

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K. (Continued)

5. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
(Government Code Section 54956.8)

Provide instructions to its real estate negotiators with respect to Permit 904 with AltaSea at the Port of Los Angeles:

Property: City Dock 1, San Pedro

City Negotiator: Michael Galvin

Tenant Negotiator: Tim McOsker

Negotiating Parties: City and AltaSea at the Port of Los Angeles

Under Negotiation: Price and Terms

6. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
(Government Code Section 54956.8)

Provide instructions to its real estate negotiators with respect to a proposed permit with Shell Oil Company:

Property: Berths 167-169, Wilmington

City Negotiator: Michael Galvin

Tenant Negotiator: Tuan Diep

Negotiating Parties: City and Shell Oil Company

Under Negotiation: Price and Terms

L. Adjournment