

**AGENDA OF THE REGULAR MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS
THURSDAY, SEPTEMBER 1, 2011 AT 8:30 A.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

BOARD OF HARBOR COMMISSIONERS

President Cindy Miscikowski

Vice President David Arian

Commissioner Robin M. Kramer

Commissioner Douglas P. Krause

Commissioner Sung Won Sohn

**A. OPENING STATEMENT – AN OPPORTUNITY FOR MEMBERS OF
THE PUBLIC TO ADDRESS THIS BOARD**

**PERSONS IN THE AUDIENCE MAY ADDRESS THIS BOARD IN
CONNECTION WITH ANY AGENDA ITEM OR DURING THE PUBLIC
COMMENT PERIOD.**

**AS PROVIDED BY THE BROWN ACT, THE BOARD HAS LIMITED EACH
INDIVIDUAL'S SPEAKING TIME TO THREE MINUTES. ANYONE
DESIRING TO SPEAK DURING THE PUBLIC COMMENT PERIOD IS
REQUESTED TO COMPLETE A SPEAKER CARD AND SUBMIT IT TO THE
COMMISSION SECRETARY, VIA THE SERGEANT AT ARMS, PRIOR TO
THE START OF THE MEETING.**

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 endeavor to post the revised agenda on the Port's web site (<http://www.portoflosangeles.org>). Updated agendas also will be available in hard copy 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.

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B. COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

C. EXECUTIVE DIRECTOR REMARKS

D. REPORTS OF THE COMMISSIONERS

E. BOARD COMMITTEE REPORTS

F. PRESENTATION

- An Environmental Success Story at the Port of Los Angeles, Jim Morgan, Director of Construction and Maintenance
- USS Iowa Staff Update, Dave Mathewson, Director of Planning & Economic Development

G. APPROVAL OF MINUTES

Minutes of the Regular Meetings of June 2, 2011 and June 16, 2011.

H. BOARD REPORTS OF THE EXECUTIVE DIRECTOR

CONSENT ITEMS (1 & 2)

Contracts and Purchasing

1. Re: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 39590 TO OFFICE DEPOT, INC. FOR THE PURCHASE OF GENERAL OFFICE SUPPLIES

SUMMARY: The Contracts and Purchasing Division requests approval to award Contract No. 39590 to Office Depot, Inc., headquartered in Delray Beach, Florida, for the purchase of general office supplies. Contract No. 39590 is a one-year contract, with two one-year renewal options at an annual amount not-to-exceed \$370,000. Through this contract, the City of Los Angeles Harbor Department (Harbor Department) will purchase general office supplies required for daily business operations.

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1. (Continued)

Recommendation: Board resolve to (1) approve Contract No. 39590 with Office Depot, Inc. for a one-year term at a not-to-exceed amount of \$370,000, and two options for one-year renewals of \$370,000; (2) authorize the Executive Director to execute the proposed contract; (3) authorize the Executive Director or her designee, in his/her discretion, to exercise two, one-year renewal options at an amount not-to-exceed \$370,000 annually, subject to budget authorization in each year; and (4) adopt Resolution No. _____.

Real Estate

2. Re: ORDER NOS. _____ - PROPOSED ORDERS RESETTING
COMPENSATION FOR NINE EAST BASIN/CERRITOS CHANNEL
MARINAS IN WILMINGTON

SUMMARY: The City of Los Angeles Harbor Department (Harbor Department) has granted term permits for the area designated as the East Basin/Cerritos Channel Marinas to California Yacht Marina, L.P.; Cerritos Yacht Anchorage, Inc.; Island Yacht Anchorage I, Inc.; Island Yacht Anchorage II, Inc.; Lighthouse Yacht Landing, Inc.; Marina Ventures Partnership dba Holiday Harbor; Perel Marinas, Inc. dba Pacific Yacht Landing; Yacht Centre, Inc.; and Yacht Haven Marina, Inc. (Wilmington Marinas). These permits allow the marina operators to use Harbor Department property for construction, operation, and maintenance of marinas for the berthing of recreational vessels.

Each permit associated with this compensation reset has a 30-year term effective November 1, 1995 through October 31, 2025. The current compensation period for these permits began on November 1, 2005, and ended on October 31, 2010.

As required by the Permits, minimum annual rental compensation for the Wilmington Marinas must now be adjusted for the five-year period of November 1, 2010 through October 31, 2015. All other remaining terms and conditions of the subject permits shall remain the same.

Recommendation: Board resolve to (1) adopt nine Orders resetting compensation for the Wilmington Marinas for the period of November 1, 2010 through October 31, 2015; (2) authorize the Board Secretary to attest to the Orders resetting compensation; and (3) adopt Order Nos. _____.

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REGULAR ITEMS (3 – 6)

Real Estate

3. Re: RESOLUTION NO. _____ - NEW REVOCABLE PERMIT
TEMPLATE

SUMMARY: *A Revocable Permit (RP) is a terminable rental agreement which is issued by the City of Los Angeles Harbor Department (Harbor Department) for various uses at the Port of Los Angeles (Port).*

City Charter section 655(e) provides that RPs may be issued by the Executive Director, subject to the approval of the Board of Harbor Commissioners (Board). Historically, the Board has delegated the authority to issue RPs to the Executive Director, subject to the use of a Board-approved RP template with set terms and conditions. The most recent Board-approved RP template dates back to 1990 and necessitates revision so that it is consistent with current practices, policies, rules, and regulations.

The proposed revised RP template (Transmittal No. 1) improves the document by clarifying the term of the agreement; outlines the tenant's environmental obligations; provides a methodology for automatic rent adjustments; clarifies maintenance and repair obligations; updates insurance requirements; and sets additional requirements for certain uses such as liquid bulk pipelines and tanks.

Recommendation: Board resolve to (1) approve the revised standard Revocable Permit template; (2) adopt Resolution No. _____, which authorizes the use of the new Revocable Permit template; and (3) adopt Resolution No. _____, which delegates authority to the Executive Director to execute Revocable Permits that do not materially deviate from the revised Revocable Permit template; and are valued at or provide for annual compensation up to \$150,000. Further, the Resolution authorizes the Executive Director to modify the template when the negotiated language results in more stringent or restrictive tenant obligations than those provided in the Revocable Permit template.

Office of the City Attorney

4. Re: RESOLUTION NO. _____ - SETTLEMENT AGREEMENT
AND MUTUAL RELEASE OF ALL CLAIMS WITH LADWP AND
SEASIDE TRANSPORTATION SERVICES, INC.; HARBOR WATER
INFRASTRUCTURE IMPROVEMENT AND WATER LOSS
PREVENTION MEMORANDUM OF UNDERSTANDING WITH
LADWP

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4. (Continued)

SUMMARY: The City of Los Angeles Office of the City Attorney is transmitting to the Board of Harbor Commissioners (Board) a Settlement Agreement and Mutual Release of All Claims with Seaside Transportation Services, Inc. (Seaside) and the LA Department of Water of Power (LADWP) as well as a Harbor Water Infrastructure Improvement and Water Loss Prevention Memorandum of Understanding (MOU) with LADWP. If approved, these agreements will resolve disputes among Seaside, the Harbor Department, and LADWP relating to the cost of water lost due to an underground leak at Berths 226-232 in 2008.

Recommendation: Board resolve to (1) consider the Settlement Agreement and Mutual Release of All Claims (Settlement Agreement) to be entered into with Seaside and LADWP, and the Harbor Water Infrastructure Improvement and Water Loss Prevention Memorandum of Understanding with LADWP, and if approved; (2) authorize the Executive Director to execute and the Board Secretary to attest to the Settlement Agreement and Mutual Release of All Claims and the Harbor Water Infrastructure Improvement and Water Loss Prevention Memorandum of Understanding; and (3) adopt the foregoing as Resolution No. _____.

Information Technology

5. Re: RESOLUTION NO. _____ - AGREEMENT WITH APPLICATIONS SOFTWARE TECHNOLOGY CORPORATION TO IMPLEMENT ORACLE ENTERPRISE BUSINESS SUITE, ENTERPRISE RESOURCE PLANNING SYSTEM

SUMMARY: The Information Technology (IT) Division is requesting approval to enter into an agreement with Applications Software Technology Corporation (AST) to implement the Oracle Enterprise Business Suite (Oracle EBS) Enterprise Resource Planning system (ERP). AST is headquartered in Naperville, Illinois with a local office in Woodland Hills, California. The ERP is a core business information system that will help the City of Los Angeles Harbor Department (Harbor Department) to improve the management of its resources – money, purchases and people. Implementation of the ERP is the final phase of the 5-Year IT Strategic Plan.

The term of the proposed agreement is three years at a not-to-exceed amount of \$8,448,701. The estimated total cost of the ERP project is \$12,012,876, which includes the proposed agreement, other external costs, and internal labor costs. Implementation is anticipated to be completed by October 2013.

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5. (Continued)

Recommendation: Board resolve to (1) find that in accordance with the Los Angeles City Charter Section 1022, the services required can be performed more feasibly by an outside contractor than by City employees; (2) approve the agreement with AST Corporation for a term of three years for a total not-to-exceed amount of \$8,448,701, which includes a firm-fixed-price of \$7,698,701 for the implementation of ERP financial, supply chain and human resources modules, and up to \$750,000 for optional training, support, and program requirements; (3) authorize the Executive Director to execute and the Board Secretary to attest to the agreement; and (4) adopt Resolution No. _____.

Port Police

6. Re: RESOLUTION NO. _____ APPROVAL OF AGREEMENT WITH AMERGENT TECHS, LLC FOR MARITIME TRAINING CENTER SCHOOL DIRECTOR

SUMMARY: The proposed Agreement with Amergent Techs, LLC (Amergent), Long Beach, California, is to provide a dedicated Director for the Maritime Law Enforcement Training Center (MLETC) on an interim basis to assist in developing the school as a long-term viable entity. This individual will be responsible for coordinating, developing and executing all matters pertaining to the strategic planning, training and marketing of the MLETC. The program will standardize practices and procedures of public safety personnel responsible for maritime enforcement on both national and global levels.

The proposed one-year Agreement has two additional one-year renewal options, with a total not-to-exceed amount of \$240,000 per year for salary, benefits and administrative costs of the individual selected. In addition, travel for the Director will be reimbursed by the City of Los Angeles Harbor Department (Harbor Department) at an estimated cost of \$20,000 per year. Funds are available in the Fiscal Year (FY) 2011/12 Port Police Operating Budget, funds for future years will be requested as part of the annual budget process, upon Board of Harbor Commissioners (Board) approval. The three-year cost of the contract is \$720,000, with an estimated \$60,000 in travel for a total budgetary impact of \$780,000. At present, \$340,000 in reimbursement for the position and travel costs in fiscal years 2012/13 and 2013/14 has been requested and allocated as part of the Round 11 Port Security Grant Program (PSGP) funding. Once this funding is accepted by the Board, the Harbor Department will explore reprogramming options of grant funding to cover further costs identified in this report from the \$2,000,000 allocated to the Harbor Department.

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6. (Continued)

Recommendation: Board resolve to (1) find that in accordance with City Charter Section 1022, work under the subject Agreement can be performed more feasibly by independent consultants rather than by City employees; (2) approve the subject Agreement with Amergent Techs, LLC for a term of one year with two additional one-year renewal options with an annual compensation of \$240,000 and a total cost of \$720,000; (3) authorize the Executive Director to approve the two additional, one-year renewal options on behalf of the Board, subject to budget approval for future year funding; (4) authorize the Executive Director to execute and the Board Secretary to attest to the proposed Agreement for and on behalf of the Board; and (5) adopt Resolution No. _____.

I. **CLOSED SESSION**

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

City of Los Angeles v. San Pedro Boat Works, Inc., et al., United States District Court Case No. CV-02-7986

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

City of Los Angeles v. Colonial Yacht Anchorage, et al., Los Angeles Superior Court Case No. BC454598

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.

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I. CLOSED SESSION (Continued)

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

**Provide instructions to its real estate negotiators concerning
Burlington Northern Santa Fe Railway Co.:**

**Property: Classification Yard in Wilmington,
California**

City Negotiator: Kathryn McDermott

Tenant Negotiator: Mary Nan Doran

**Negotiating Parties: City and Burlington Northern Santa Fe
Railway Co.**

Under Negotiation: Price and Terms of Payment