

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 1
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

**BOARD OF HARBOR COMMISSIONERS
President S. David Freeman
Vice President Jerilyn López Mendoza
Commissioner Kaylynn L. Kim
Commissioner Douglas P. Krause
Commissioner Joseph R. Radisich**

**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-City (Metro), (818) 904-9450 (Valley), (310) 471-City (Westside) and (310) 547-City (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.

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 2
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

B. COMMENTS FROM THE PUBLIC

C. REPORT OF THE EXECUTIVE DIRECTOR

D. REPORTS OF COMMISSIONERS

E. PRESENTATION

1. **Economic Analysis of Proposed Clean Truck Program
John E. Husing, Ph.D., Economics & Politics, Inc.**

F. BOARD COMMITTEE REPORTS

G. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Minutes of the regular meetings of the Los Angeles Board of Harbor Commissioners of August 2, 2007 and August 16, 2007; and special meetings of January 18, 2007 and August 10, 2007, for approval.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 3
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

H. REPORTS OF THE EXECUTIVE DIRECTOR

Consent Items (1-18)

Debt Management Division

1. Re: RESOLUTION AUTHORIZING INVESTMENT OF
MONIES IN THE LOCAL AREA INVESTMENT FUND

SUMMARY: The proposed resolution authorizes the Treasurer of the City of Los Angeles to invest Harbor Department's monies on deposit in special funds held by the City Treasurer in the State of California Local Agency Investment Fund (LAIF). This new resolution is requested as the classification of "Chief Deputy Treasurer" indicated in the previous resolution is no longer in use by the City Treasurer.

Recommendation: Board resolve that (1) the proposed resolution authorizing the Treasurer of the City of Los Angeles and designated staff to invest Harbor Department's monies on deposit in special funds held by the City Treasurer in the State of California Local Agency Investment Fund (LAIF) be adopted; and (2) Resolution No. 6236 be rescinded.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 4
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

2. Re: AUTHORIZATION TO EXECUTE A REVOLVING LINE OF CREDIT IN AN AMOUNT NOT TO EXCEED TOTAL OF \$25 MILLION BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY (CRA) AND THE HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES FOR PURPOSES OF READING UNDERUTILIZED AND CONTAMINATED INDUSTRIAL PROPERTIES WITHIN ITS WILMINGTON PROJECT AREA FOR DEVELOPMENT

SUMMARY: Over the past 19 years, the Community Redevelopment Agency (CRA) and the Harbor Department have entered into numerous loan agreements in order to complete various redevelopment projects. The Department's investment in CRA has enabled the Agency to borrow at an attractive interest rate to pursue its redevelopment activities and a slightly higher rate than the City's General Pool would allow the Department to recover administrative and indirect costs associated with managing these loans. Staff is again recommending that the Department provide funds to the Agency in the form of a \$25 million revolving line of credit for 5 years, with two options to extend for five years each.

Recommendation: Board resolve that (1) the Executive Director be authorized to enter into one or more loans in an aggregate amount not to exceed \$25 million between the Harbor Department of the City of Los Angeles and the CRA; (2) the Executive Director be authorized to disburse the funds as requested by the CRA from the Unappropriated Fund Balances subsequent to approval of a business plan submitted by the CRA for each parcel of land prior to draw down of funds; and (3) the subject Agreement with the CRA for a total amount not to exceed \$25 million be approved.

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 5
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

Planning and Research

**3. Re: APPROVAL OF CHANGES TO THE MEMBERSHIP OF
THE PORT OF LOS ANGELES COMMUNITY ADVISORY
COMMITTEE**

SUMMARY: The Board of Harbor Commissioners is being asked to approve changes in membership to the Port of Los Angeles Community Advisory Committee for the Wilmington Citizens Committee, the Wilmington Chamber of Commerce, the Harbor Association of Industry & Commerce, and the International Longshore and Warehouse Union (ILWU Local 13).

Recommendation: Board resolve that the following appointments to Port Community Advisory Committee (PCAC) be approved: (1) Ms. Lucy Mejia, as the Wilmington Citizens Committee voting member, replacing Mr. Jesse Marquez; (2) Mr. Skip Baldwin, continuing as the Wilmington Citizens Committee alternate member; (3) Mr. Michael Sanborn, as the Wilmington Chamber of Commerce alternate member, replacing Mr. Dennis McCarbery; (4) Mr. William Lyte, as the Harbor Association of Industry & Commerce voting member, replacing Mr. Edward Rogan; and (5) Mr. Patrick Bates, as the ILWU Local 13 alternate member, replacing Mr. Norm Tuck.

Human Resources

**4. Re: RESOLUTION ADOPTING A POLICY OF ZERO
TOLERANCE FOR HAZING OF FELLOW EMPLOYEES**

SUMMARY: Mayor Villaraigosa issued Executive Directive No. 8 establishing a zero tolerance for hazing of fellow employees in the City of Los Angeles. It instructs all City departments to adopt a similar policy and establish a procedure to investigate allegations of hazing.

Recommendation: Adoption of the resolution establishing a zero tolerance policy and complaint procedure on hazing of fellow employees in accordance with the Mayor's Executive Director No. 8.

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 6
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

Risk Management

5. Re: ESTABLISH THE LOS ANGELES BOND ASSISTANCE PROGRAM AT THE PORT OF LOS ANGELES THROUGH THE MEMORANDUM OF UNDERSTANDING BETWEEN POLA AND THE OFFICE OF THE CITY ADMINISTRATIVE OFFICER AND THE AGREEMENT BETWEEN THE PORT OF LOS ANGELES AND MERRIWETHER & WILLIAMS INSURANCE SERVICES, INC.

SUMMARY: This program provides bond assistance for contractors and enables greater participation of small local contractors, including M/W/OBE, in bidding on Department projects as well as City projects. Los Angeles City Charter Section 371(d) requires that bids and proposals include bid and performance bonds as specified by ordinance. The Los Angeles City Administrative Code sets forth the requirement for bid bonds at Section 10.15 (d) and the requirement for performance bonds at Section 10.15 (g). Payment bonds are required by Public Contract Code Section 7100 et seq. Per the Mayor's direction, the Bond Assistance Program (BAP LA) is being established Citywide at all departments. The Department is requesting authority to partner with the City Administrative Office (CAO) and other City proprietary departments to expand the current program. The proposed Memorandum of Understanding (MOU) with the CAO and the proposed agreement with Merriwether & Williams Insurance Services, Inc., 523 W. Sixth Street, Suite 815, Los Angeles, CA 90014, provides for professional services to establish the BAP LA at the Port of Los Angeles. The MOU and Agreement is for a not-to-exceed amount of \$180,999.

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 7
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

5. (Continued)

Recommendation: Resolve that (1) the Board find that the nature of the services needed to support the BAP LA requires the utilization of the City's contracted broker who possesses the specialized knowledge and expertise required to expand the existing program to all City proprietary departments, including the Harbor; (2) the Executive Director be authorized to execute the MOU with the Office of the City Administrative Officer (CAO). The MOU is valid until March 1, 2008; (3) the Executive Director be authorized to execute the agreement with Merriwether & Williams Insurance Services, Inc., which will expire March 1, 2008; (4) the proposed MOU and Agreement at a not-to-exceed amount of \$180,999 be approved. For Fiscal Year 2007/2008, direct costs related solely to Harbor Department services are \$12,358 per month and \$7,753 per month for one-time implementation cost for services provided to the City and all proprietary departments; and (5) the Executive Director, or her designee, be authorized to approve project specific surety requests for contractor bond guarantees.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 8
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Engineering

6. Re: AMENDMENT NO. 1 – AGREEMENT NO. E-6335
BETWEEN ELECTRIC POWER GROUP, LLC AND THE
PORT OF LOS ANGELES FOR RENEWABLE/GREEN
POWER PORTFOLIO AND ELECTRIFICATION
TECHNOLOGY APPLICATIONS

SUMMARY: Agreement No. E-6335 between the Port of Los Angeles and Electric Power Group, LLC (EPG), of Pasadena, CA to conduct a renewable/green power portfolio study was approved by the Executive Director on August 21, 2006, for an amount of \$149,800. EPG has completed the work and has submitted the Renewable/Green Power Portfolio study to the Port. Amendment No. 1 for an additional \$300,000 will allow the Port to extend the agreement duration for an additional 2 years, for a total of 3 years, and for a total not to exceed amount of \$449,800. The additional services included in the Amendment No. 1 are to provide the Port with professional consulting services to develop renewable power applications; to perform Alternative Maritime Power (AMP) rate implementation analysis; and to conduct a feasibility analysis of potential Port electrification technologies to reduce air emissions.

Recommendation: Resolve that (1) the Board find that in accordance with the City Charter Section 1022, the work covered under this Amendment can be performed more economically or feasibly by EPG, rather than by City employees; (2) Amendment No. 1 to Agreement No. E-6335 between Port and Electric Power Group, LLC Pasadena, CA extending the agreement duration by two additional years for a total sum of three years, and for an additional amount of \$300,000 for a total not to exceed amount of \$449,800 be approved; and (3) the Executive Director and Board Secretary be authorized to execute and attest said Amendment for and on behalf of the Board.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 9
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Homeland Security
Contracts & Purchasing

7. Re: APPROVAL OF CONTRACT NO. 39380 WITH DULY RESEARCH INC., FOR THE PURCHASE OF A MOBILE SCANNING UNIT, BID NO. F-537

SUMMARY: The Homeland Security Division is requesting the award of a contract to DULY Research Inc. of Rancho Palos Verdes, CA, a representative/reseller of Nuctech Inc. of Beijing, China for the purchase of a mobile scanning unit in the amount of \$1,880,000.00. This system is an X-ray type unit capable of scanning large commercial vehicles to identify potentially harmful materials and devices. The unit will be operated by the Port Police principally to examine vehicles intended to enter the Los Angeles Cruise Center. A mobile unit is being purchased so that it can also be used to support other security operations throughout the port, or loaned to other City departments to support city-wide security needs. The system will be installed on a large U.S. built truck chassis on a truck powered by a diesel engine meeting the 2007 EPA emissions standards. The equipment will be purchased by grant funding awarded in Round 3 of the Federal Port Security Grant Program and is budgeted in the Engineering Division budget for the current fiscal year. DULY Research Inc., in association with its partner Nuctech was the lowest compliant bid of three companies that responded to the procurement request. A copy of the bid summary is attached.

Recommendation: Board resolve that (1) approval be granted for awarding of Contract No. 39380 to DULY Research Inc., Rancho Palos Verdes, CA 90275, for a mobile scanning unit for a total amount not to exceed \$1,880,000.00, which includes sales tax and freight; and (2) the Executive Director, or designee, be authorized to execute the contract on behalf of the Board.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 10
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Construction Division

8. Re: AWARD OF CONTRACT – BERTHS 261-267 WHARF
REHABILITATION – FISH HARBOR, SPECIFICATION
NO. 2657

SUMMARY: This project consists of repairs to the existing deteriorating timber wharves in the Fish Harbor area of Terminal Island to provide a structurally sound and safe working condition for the tenant's operations. The low bidder is Connolly-Pacific Company, located at 1925 Pier D Street, Long Beach, California. The contract amount plus contingency is \$4,486,961 and the contract duration is 300 calendar days.

Recommendation: Board resolve that (1) the above-mentioned contract for Item Nos. 1 through 15 of the proposal schedule be awarded to Connolly-Pacific Company in the amount of \$3,901,705; that a 15% contingency, not included in the original contract amount, be applied for a total authorized amount of \$4,486,961; and that payment be authorized from the Construction Account. The contract time for performance of the work will be 300 calendar days from the Notice to Proceed; (2) the Executive Director and the Board Secretary be authorized to execute and attest to this contract for and on behalf of the Board; and (3) in accordance with City Charter 655(g), the Board delegate and the Executive Director be authorized to accept the construction contract upon its completion.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 11
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

9. Re: AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND DMJM H&N TO PROVIDE CONSTRUCTION MANAGEMENT SERVICES FOR THE PORT POLICE HEADQUARTERS BUILDING

SUMMARY: The Port Police Headquarters Building project will construct a modern facility to enhance Port Police operations and provide a safe and secure environment that promotes uninterrupted Port operations. This Agreement provides for Construction Management services for the new Port Police Headquarters Building. DMJM H&N is recommended to provide the required services. The Agreement is for three years with a maximum compensation, plus contingency amount of \$2,554,703.

Recommendation: Board resolve that (1) the Agreement with DMJM H&N for three years with a total compensation amount of \$2,221,481 be approved; (2) a \$333,222 contingency (15%) for work covered under this Agreement for a total maximum compensation amount of \$2,554,703 be approved; (3) the Executive Director and Board Secretary be authorized to execute and attest to said Agreement for and on behalf of the Board; and (4) the Board find that in accordance with the City Charter Section 1022, work under the subject agreement is necessary due to a peak in work volumes, current staff are committed to other assignments, and expertise needed for state-of-the-art security and building management systems.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 12
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

10. Re: AWARD OF CONTRACT – BERTHS 121-131
TERMINAL STRUCTURES YANG MING TERMINAL,
SPECIFICATION NO. 2660

SUMMARY: This project consists of constructing a metal canopy system, a modular office building, and two prefabricated security booths at Berths 121-131 in the Yang Ming Terminal. The low bidder for this project is W.W. Stephenson Co., Inc., located at 1305 E. Burnett Street, Signal Hill, CA 90755. The contract amount plus contingency is \$2,816,400, and the contract duration is 180 calendar days.

Recommendation: Board resolve that (1) the above mentioned contract for Item Nos. 1 through 7 of the proposal schedule be awarded to W.W. Stephenson Co., Inc. in the amount of \$2,347,000; that a 20% contingency not included in the original contract amount be applied for a total authorized amount of \$2,816,400; and that payment be authorized from the Construction Account. The contract time for performance of the work will be 180 calendar days from the Notice to Proceed; (2) the Executive Director and the Board Secretary be authorized to execute and attest to this contract for and on behalf of the Board; and (3) in accordance with the City Charter 655(g), the Board delegate and the Executive Director be authorized to accept the construction contract upon its completion.

11. Re: REJECTION OF ALL BIDS – REAR BERTH 301
DEMOLITION OF DOMES AND SHED, SPECIFICATION
NO. 2704

SUMMARY: This project consists of demolition and removal of two concrete domes, a metal shed, and associated conveyor structures.

Recommendation: Board resolve that all bids be rejected and the Executive Director be authorized to re-advertise the Rear Berth 301 Demolition of Domes and Shed Project.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 13
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

12. Re: AMENDMENT NO. 2 – AGREEMENT NO. 2184 BETWEEN THE CITY OF LOS ANGELES AND PARSONS WATER & INFRASTRUCTURE, INC. (FORMERLY KNOWN AS PARSONS INFRASTRUCTURE & TECHNOLOGY, INC.) FOR CONSTRUCTION MANAGEMENT SERVICES

SUMMARY: Agreement No. 2184 provided the Port of Los Angeles construction management services for the Berths 100-147 projects in the amount of \$3,923,236 with a three-year term. Amendment No. 1 extended the Agreement for three years and provided additional funding in the amount of \$3,900,000 for a total amended contract amount of \$7,823,236 with a total term of six years. Amendment No. 2 will allow the Port to extend the Agreement between the City of Los Angeles and Parsons Water & Infrastructure, Inc. (formerly known as Parsons Infrastructure & Technology, Inc.) an additional one year for a total term of seven years. No additional funding is requested.

Recommendation: Board resolve that (1) Amendment No. 2 to Agreement No. 2184 with Parsons Water & Infrastructure, Inc. (Parsons) extending the Agreement one year for a total term of seven years be approved; (2) the Executive Director and the Board Secretary be authorized to execute and attest said Amendment for and on behalf of the Board; and (3) the Board Secretary be authorized and directed to forward the Second Amendment to the City Council for its approval pursuant to Section 373 of the City Charter.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 14
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Real Estate Division

13. Re: PROPOSED JOINT REVOCABLE PERMIT WITH ARCO
TERMINAL SERVICES CORPORATION (ARCO), THE
PORT OF LOS ANGELES, AND THE PORT OF LONG
BEACH-LAHD 70016

SUMMARY: On December 28, 1994, the Ports of Los Angeles and Long Beach jointly purchased certain railroad properties in the County of Los Angeles in connection with the construction of the Alameda Corridor.

ARCO is requesting a joint revocable permit from the Port of Los Angeles (POLA) and the Port of Long Beach (POLB) in order to commence construction of two 12" oil pipelines (Pipeline Nos. 71 and 79) crossing jointly-owned property, at a depth of up to 44' below grade. The pipelines will transport crude oil from British Petroleum's (ARCO's parent company) Carson refinery to storage tanks on their property easterly of Alameda Street. The location of the project is approximately 400' north of Sepulveda Boulevard, near the Alameda Street and Sepulveda Boulevard intersection as depicted on the attached map.

Recommendation: Board resolve that (1) the Order to approve and authorize the issuance of the proposed joint revocable permit by and between the Port of Los Angeles, acting by and through its Board of Harbor Commissioners, and the Port of Long Beach, acting by and through its Board of Harbor Commissioners, and ARCO be adopted; and (2) the Executive Director and the Board Secretary be authorized to execute and attest to the proposed joint revocable permit.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 15
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

14. Re: PROPOSED COMPENSATION EXTENSION UNDER
TERM PERMIT 782 WITH JANKOVICH AND SON, INC.

SUMMARY: Permit 782 expired on February 27, 2007 and is currently on holdover. Jankovich and Son, Inc. (Jankovich) submitted an application for a renewal permit. The Port is currently evaluating the tenant's proposal and their overall business activity in order to determine the terms for a successor permit. This evaluation will require a comprehensive audit to be performed by a third party consultant. In the interim, Jankovich is seeking relief from a permit provision that during this holdover period sets compensation at 150% of the compensation at the time of the permit's expiration.

Recommendation: Board resolve that the Order authorizing the Executive Director to provide notice to Jankovich, reducing compensation during the holdover period of Permit 782 from 150% to 100% of the land rental rate of \$6,002 per month be adopted. All the terms and conditions of Permit 782, including gross receipt percentages, shall remain the same.

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 16
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

15. Re: **ACQUISITION OF PRIVATELY-OWNED VACANT LOT
LOCATED ON KNOLL HILL – LOT 73, TRACT NO. 2817
– APN 7448-035-027 PRELIMINARY TITLE REPORT
NO. NCS-311466-LA1**

SUMMARY: Over the years, the City of Los Angeles Harbor Department (Department) has acquired title to both improved and unimproved parcels of land on Knoll Hill and presently has title to 146 of the 153 parcels, or 12.56 acres of a total of 13.13 acres. With the purchase of the subject vacant lot, six parcels consisting of four properties will remain. The remaining properties include a single-family residence, mechanic shop, restaurant property, and vacant land totaling 24,633 square feet. Department staff is proposing to move forward with purchasing remaining privately held property on Knoll Hill in order to consolidate our current holdings.

The subject lot was recently offered for sale to the Port, and it is proposed to acquire the privately-owned property as part of the voluntary purchase program of properties on Knoll Hill.

Recommendation: Board resolve that (1) the Resolution authorizing the acquisition of the vacant lot located at Knoll Drive, Knoll Hill, described as Lot 73, Tract 2817, for a total purchase price of \$198,000 (includes \$3,000 for escrow and title fees) be adopted; and (2) the Executive Director be authorized to execute the Agreement and Joint Escrow Instructions for the Acquisition of the Real Property and all other documents necessary to complete the transaction between the Estate of Dorothy Rosen, Seller, and the Port of Los Angeles (Port), Buyer. Lois J. Godfrey Escrow Company Inc. is the escrow holder.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 17
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

16. Re: PROPOSED LEASE NO. 867 GRANTED BY THE CITY
OF LOS ANGELES HARBOR DEPARTMENT TO THE
PORT OF LOS ANGELES HIGH SCHOOL

SUMMARY: Proposed Lease No. 867 between the City of Los Angeles, Harbor Department, and the Port of Los Angeles High School is for a five-year term, commencing October 1, 2007, for use of Department property located at 250 W. 5th Street, San Pedro. POLAHS is a public charter high school, granted through the Los Angeles Unified School District, with an emphasis on education in international trade and maritime commerce.

Recommendation: Board resolve that the Order authorizing the Executive director to execute Lease No. 867 granted by the City of Los Angeles, Harbor Department (Department), and the Port of Los Angeles High School (POLAHS) for a term not to exceed five years, commencing October 1, 2007 be adopted. Base rent for the first year of Lease No. 867 shall be \$20,068 per month, for use of approximately 36,486 s.f. of Department property. As applicable, a 25% monthly discount to the base rent shall apply, due to Port disruption of school operations caused by adjacent construction activities of the Port Police Facility. First year adjusted rent during this construction period shall be \$15,051 per month. During the term of the lease, POLAHS shall also pay \$11,000 per month for repayment of school site specific improvements.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 18
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Marketing

17. Re: AGREEMENT BETWEEN THE CITY OF LOS ANGELES
AND IMS WORLDWIDE INC. (IMSW) FOR FOREIGN
TRADE ZONE (FTZ) CONSULTING SERVICES

SUMMARY: The Marketing Division recommends approving a personal services agreement with IMS Worldwide, Inc. (IMSW) to assist the Port of Los Angeles, as grantee, with specialized technical expertise pertaining to Foreign Trade Zone (FTZ) No. 202 on an as needed basis. Since the Port was granted authority in 1994, the FTZ program has grown to fourteen (14) active general purpose operators, five (5) active subzones, and twenty (20) general purpose sites located throughout the South Bay and the region, covering Los Angeles, Orange, San Bernardino, Riverside, and Kern Counties. The Agreement is for a term of one (1) year with two (2) one-year renewal options at a not-to-exceed amount of \$150,000 per year. Future year funding will be budgeted should the Port decide to exercise the renewal options under separate Board actions.

Recommendation: Resolve that (1) the Board determine per City Charter Section 1022 that work to be performed under the Agreement can be performed more feasibly by an independent contractor than by City employees; (2) the Agreement between the City of Los Angeles and IMSW for a total amount not to exceed \$150,000 be approved; and (3) the Executive Director, or her designee, and the Board Secretary be authorized to execute and attest to the Agreement upon approval.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 19
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Environmental Management

18. Re: PERSONAL SERVICES AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND SCIENCE APPLICATIONS INTERNATIONAL CORPORATION TO CONDUCT A BIOLOGICAL BASELINE STUDY OF SAN PEDRO BAY

SUMMARY: The ports of Los Angeles and Long Beach are proposing to undertake a study in an effort to determine the current biological characteristics of San Pedro Bay. The study will be used to assess biological status of the harbor for biological mitigation planning and in support of NEPA and CEQA documents and regulatory permitting. This comprehensive study will evaluate the area's physical and ecological characteristics, including kelp and eel grass areas, plankton, fish and marine bird populations. It will also address seasonal variations and the presence of invasive species, if any, and will compare the ecological characteristics of various types of habitats. The baseline is intended to be comparable to previous studies conducted in San Pedro Bay.

This recommended action approves a three-year agreement with Science Applications International Corporation (SAIC) for an amount not to exceed \$1,305,779. The Port of Long Beach will reimburse the Port of Los Angeles \$626,774, or 48% of the total cost of the study.

Recommendation: Resolve that (1) the Board 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) the Agreement with Science Applications International Corporation for a term of three years for a not-to-exceed amount of \$1,305,779 be approved; (3) the Executive Director and Board Secretary be authorized to execute and attest to said Agreement, for and on behalf of the Board; and (4) the Executive Director and Board Secretary be authorized to execute and attest to a cost sharing agreement between the ports of Los Angeles and Long Beach for the reimbursement of up to \$626,774 from the Port of Long Beach, as established by Master Cost Sharing Agreement No. 1949.

AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 20
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731

Regular Item No. 19

City Attorney

19. Re: FIRST AMENDMENT TO AGREEMENT NO. 2469
BETWEEN THE CITY OF LOS ANGELES AND ADORNO
YOSS ALVARADO & SMITH FOR LEGAL SERVICES

Recommendation: Board resolve that (1) the First Amendment to Agreement No. 2469 with Adorno Yoss Alvarado & Smith ("Adorno") to increase the contract amount of \$25,000 by \$175,000 to \$200,000, which funding is intended to cover Adorno's projected attorneys' fees and costs to assist the City in effectuating the settlement transaction with Westway Terminal Co., Inc. ("Westway") while Westway vacates and surrenders the premises, plus additional funding of approximately \$35,000 to cover any need for specialized real estate services the Harbor Department may encounter outside of the Westway matter for the next 12 months, funding of which is available in the current 08 fiscal year budget – City Attorney Account No. 54410, Division No. 120, Program No. 000 be approved; (2) the Executive Director and Board Secretary be authorized to execute and attest to the First Amendment to Agreement No. 2469; and (3) the Resolution approving the First Amendment to Agreement No. 2469 be adopted.

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 21
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

I. CLOSED SESSION

- 1. Instructions to negotiators relating to lease negotiations with TraPac, Inc. concerning a terminal permit for Berths 136-147, pursuant to Section 54956.8 of the California Government Code. Instructions to negotiators will concern price and terms of payment. The negotiators for TraPac will be Frank Pisano and Scott Axelson. The negotiators for the Port of Los Angeles will be Kathryn McDermott and Michael Galvin.**
- 2. Instructions to negotiators relating to lease negotiations with Pacific L.A. Marine Terminal LLC concerning a terminal permit for Berths 408-409, pursuant to Section 54956.8 of the California Government Code. Instructions to negotiators will concern price and terms of payment. The negotiator for Pacific L.A. Marine Terminal LLC will be David Wright. The lead negotiator for the Port of Los Angeles will be Michael Galvin.**
- 3. Discussion of pending litigation entitled: Westcon Microtunneling, Inc. v. City of Los Angeles, United States District Court Case No. CV-05-7305, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.**
- 4. Discussion of pending litigation entitled: City of Los Angeles v. Kinder Morgan, Inc., et al., Los Angeles Superior Court Case No. NC041463, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.**
- 5. Discussion of pending litigation entitled: Paul Steiner v. City of Los Angeles, et. Al., Los Angeles Superior Court Case No. BC358184, pursuant to subdivision (a) of Section 54956.9 of the California Government Code.**

**AGENDA OF THE SPECIAL MEETING OF THE
LOS ANGELES BOARD OF HARBOR COMMISSIONERS 22
THURSDAY, SEPTEMBER 20, 2007, AT 6:00 P.M.
PORT OF LOS ANGELES ADMINISTRATION BUILDING
425 S. PALOS VERDES STREET
SAN PEDRO, CA 90731**

I. (Continued)

- 6. Discussion with legal counsel concerning significant exposure to litigation (two cases) pursuant to subdivision (b)(1) of Section 54956.9 of the California Government Code and retention of outside counsel.**

ADJOURNMENT

Adjournment in memory of Fred B. Crawford, former General Manager of the Port of Los Angeles.