



LOS ANGELES BOARD OF HARBOR COMMISSIONERS

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

REGULAR MEETING AGENDA THURSDAY, FEBRUARY 20, 2020 AT 9:00 A.M.

Board of Harbor Commissioners

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

BOARD MEETINGS - The Board's Regular Meetings are the first and third Thursday of each month at 9:00 A.M. at the Harbor Administration Building Boardroom or as scheduled on the Port's website at 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.

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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**

Alameda Corridor Transportation Authority Governing Board Meeting of
February 12, 2020

- G. **Approval of the Minutes**

Regular Meeting of February 6, 2020

- H. **Presentation**

- I. **Level I Coastal Development Permit**

**REGULAR MEETING AGENDA
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J. Special Order of the Day - Level II Appealable Coastal Development Permit

Public Hearing

- 1(a) ISSUANCE OF A NON-APPEALABLE LEVEL II COASTAL DEVELOPMENT PERMIT (NO. 20-03) TO THE PORT OF LOS ANGELES FOR THE PIER 400 RAIL YARD IMPROVEMENT PROJECT

Pursuant to the California Coastal Act of 1976, as amended and the Port of Los Angeles' certified Port Master Plan, notice is hereby given to all interested persons and organizations that the Los Angeles Board of Harbor Commissioners will hold a public hearing to receive public comments prior to considering the following for a Coastal Development Permit.

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J. (Continued)

Planning & Strategy

1(b) RESOLUTION NO. _____ - ISSUANCE OF A NON-APPEALABLE LEVEL II COASTAL DEVELOPMENT PERMIT (NO. 20-03) TO THE PORT OF LOS ANGELES FOR THE PIER 400 RAIL YARD IMPROVEMENT PROJECT

Summary: Staff requests approval to issue a Level II non-appealable Coastal Development Permit (CDP) No. 20-03 to the City of Los Angeles Harbor Department (Harbor Department) for the proposed Pier 400 Rail Yard Improvement Project (proposed project). The proposed project outlined in Application for Port Permit (APP) No. 171106-154 primarily entails construction of 40,000 feet of mainline track and crossovers in the Port of Los Angeles (Port), which will expand the storage tracks from 6 to 11 serving APM Terminals Pacific LLC (APM) on-dock railyards. The proposed project will increase capacity and use of the Pier 400 on-dock railyard by up to 525,000 Twenty-Foot Equivalent units (TEUs) annually, which represents about a 10 percent overall increase in on-dock rail capacity for the Port of Los Angeles. On May 16, 2018, the California Transportation Commission (CTC) awarded two grants to the Port as part of the Trade Corridor Enhancement Program (TCEP) funding program. One of the two grants applies \$21,645,000 of partial funding to the proposed project with an estimated total project cost of \$49,825,000. The Harbor Department is financially responsible for \$28,180,000 of the estimated total proposed project cost.

Recommendation: Board resolve to (1) hold a public hearing for the proposed Coastal Development Permit No. 20-03, a non-appealable Level II permit; (2) find that the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(i) of the Los Angeles City CEQA Guidelines; (3) find that the proposed project conforms with the Port of Los Angeles certified Port Master Plan (PMP); (4) upon closure of the public hearing, resolve to approve the issuance of CDP No. 20-03, consistent with the project description listed on APP No. 171106-154, and direct the Director of Planning and Strategy to execute and issue said permit on behalf of and as the designee of the Executive Director; and (5) adopt Resolution No. _____.

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K. Board Reports of the Executive Director

Consent Items (2 – 4)

City Attorney

2. RESOLUTION NO. _____ - PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND BATES GROUP LLC

Summary: The Office of the City Attorney (Office) requests approval of a professional services agreement between the City Los Angeles Harbor Department (Harbor Department) and Bates Group LLC (Bates Group), for forensic accounting and litigation support regarding employment matters and Fair Labor Standards Act (FLSA) issues. The proposed Agreement is for a term of three years with compensation authority of \$300,000. This is the only accounting firm on retainer for employment matters. The Harbor Department is financially responsible for payment for legal services rendered under the proposed Agreement.

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) find in accordance to Charter Section 1022 that the scope of work of the proposed Agreement can be more economically and feasibly provided by an independent contractor than by City employees; (3) approve a Professional Services Agreement with Bates Group LLC in the amount of \$300,000 for a three-year term; (4) authorize the Executive Director and Board Secretary to execute and attest to the Agreement; and (5) adopt Resolution No. _____.

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City Attorney

3. RESOLUTION NO. _____ - FIRST AMENDMENT TO NOSSAMAN LLP
LEGAL SERVICES AGREEMENT NO. 19-3668

Summary: The Office of the City Attorney (Office) requests approval of the First Amendment to Agreement No. 19-3668 (First Amendment) between the City Los Angeles Harbor Department (Harbor Department) and Nossaman LLP (Nossaman) for legal advice and litigation support which includes, but is not limited to, a petition for a writ of mandate, identified as Superior Court Case No. 19STCP02431 entitled Harbor Performance Enhancement Center (HPEC), LLC v. City of Los Angeles Harbor Department, and an administrative claim recently filed with the City Clerk, arising out of the same facts, that is likely to result in a separate lawsuit for damages. The First Amendment increases compensation by \$1,573,650 for a maximum total compensation not to exceed \$1,773,650, with no change in term, which ends on July 19, 2022. The Harbor Department is financially responsible for payment for legal services rendered under Agreement No. 19-3668.

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) find in accordance to Charter Section 1022 that the scope of work of the proposed Agreement can be more economically and feasibly provided by an independent contractor than by City employees; (3) approve the First Amendment to Legal Services Agreement No. 19-3668 with Nossaman LLP, to increase the compensation by \$1,573,650 for a maximum total compensation not to exceed \$1,773,650; (4) authorize the Executive Director and Board Secretary to execute and attest to the First Amendment; and (5) adopt Resolution No. _____.

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Engineering

4. RESOLUTION NO. _____ - APPROVAL FOR THE PURCHASE OF NEW CARPET TILE FOR THE HARBOR ADMINISTRATION BUILDING ON THE 4TH FLOOR

Summary: Staff requests approval of Contract No. 39905 with G&S Carpet Mills, Inc. for the purchase of new carpet tiles for the 4th floor at the Harbor Administration Building (HAB). The proposed contract will enable the Los Angeles Harbor Department (Harbor Department) to remove and replace 3,500 square yards of carpet to prepare for the installation of 171 new workstations on the 4th floor and facilitate the relocation of staff currently working at the Topaz Building (Topaz) to the HAB. Staff determined G&S Carpet Mills is the lowest responsive and responsible bidder through a public, competitively bid process. The Department received four bids and staff found all bids were responsive. The total cost of the 4th floor carpet contract is \$222,275.11 (\$63.51 per square yard or \$7.06 per square feet). The Harbor Department will be financially responsible for payment of \$222,275.11 in expenses incurred under the proposed contract.

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 1(1) of the Los Angeles City CEQA Guidelines; (2) find that in accordance with the Los Angeles City Charter Section 1022, the services proposed to be contracted could be more feasibly performed by an outside contractor than by City employees; (3) approve the purchase of 3,500 square yards of carpet in the amount of \$222,275.11 to replace the 4th floor carpet of the Harbor Administrative Building (HAB); (4) authorize the Executive Director to execute and Board Secretary to attest to the said 4th floor carpet contract for and on behalf of the Board of Harbor Commissioners; and (5) adopt Resolution No. _____.

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Regular Item (5 – 7)

Cargo & Industrial Real Estate

5. RESOLUTION NO. _____ - APPROVE PERMIT NO. 949 WITH SPACE EXPLORATION TECHNOLOGIES CORP. TO CONSTRUCT AND OPERATE A RESEARCH, DESIGN, AND MANUFACTURING FACILITY

Summary: Staff requests approval of new term Permit No. 949 (Permit) between the City of Los Angeles Harbor Department (Harbor Department) and Space Exploration Technologies Corp. (SpaceX), for the purpose of constructing and operating a research, design, and manufacturing facility for aerospace components for spacecraft at the former Southwest Marine site at Terminal Island. Recovery operations may also be conducted at the site. At the site, SpaceX would develop new port-based spacecraft production facilities. The development includes an adaptive reuse of dilapidated facilities with a history of vacancy and vandalism for nearly 15 years. Other benefits of the permit include siting a prominent aerospace technology company in the City of Los Angeles that has the potential to create 130 aerospace jobs. The term of the proposed Permit is 10 years, with two 10-year extension options, exercisable by SpaceX. Following application of rental offsets for tenant improvements, staff anticipates the Permit would yield a net neutral revenue stream by year 18 of the proposed term.

Recommendation: Board resolve to (1) consider the Addendum to the certified 2018 Final Initial Study/Mitigated Negative Declaration along with the 2018 Initial Study/Mitigated Negative Declaration (State Clearinghouse No. 2017121023) adopted by the Board on March 15, 2018 (Resolution No. 18-8259); (2) find that, in accordance with the provisions of the California Environmental Quality Act Guidelines Section 15164, the proposed permit and associated restoration of existing buildings will not result in any new significant environmental effects or any substantially more severe effects than previously analyzed in the certified 2018 Final Initial Study/Mitigated Negative Declaration; (3) authorize the Environmental Management Division to file a Notice of Determination with the Los Angeles County Clerk; (4) find that the proposed action is in the best interest of the City and Los Angeles Harbor Department despite the fact that the estimated rate of return on investment does not meet stated policy targets as enacted by the Board; (5) find that the proposed action is in the best interest of the City and Los Angeles Harbor Department despite the fact that the proposed permit was not a result of a public solicitation or request as this action has the potential to result in 130 aerospace jobs, and the site has not been occupied by a tenant since October 2005; (6) approve Permit No. 949 with Space Exploration Technologies Corp.; (7) direct the Board Secretary to transmit Permit No. 949 to the City Council for approval pursuant to Charter Section 606 of the City Charter; (8) authorize the Executive Director to execute and the Board Secretary to attest to the Permit upon approval by City Council; and (9) adopt Resolution No. _____.

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Executive Office

6. RESOLUTION NO. _____ - APPROVE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND THE CITY OF LONG BEACH HARBOR DEPARTMENT

Summary: Staff requests approval of the proposed Memorandum of Understanding (MOU) between City of Los Angeles Harbor Department (Harbor Department) and City of Long Beach Harbor Department (POLB) to further advance joint development of programs and strategies to improve port infrastructure, cargo movement efficiencies and workforce development. The term of the MOU is effective upon execution by both parties and is in effect until terminated by either party so long as Federal Maritime Commission (FMC) Agreement No. 201219 is in effect. Each party will absorb its respective staff costs necessary to implement and meet the obligations of this MOU.

Recommendation: Board resolve to (1) find that the proposed action is exempt from the requirements of the California Environment Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management; (2) approve the Memorandum of Understanding between City of Los Angeles Harbor Department and the City of Long Beach Harbor Department; (3) authorize the Executive Director to execute and the Board Secretary to attest to Memorandum of Understanding dated _____; and; (4) adopt Resolution No. _____.

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Environmental Management

7. RESOLUTION NO. _____ - APPROVAL OF PERSONAL SERVICES AGREEMENTS BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND TETRA TECH, INC., APEX COMPANIES, LLC, LEIGHTON CONSULTING, INC., PACIFIC EDGE ENGINEERING, INC., WOOD ENVIRONMENT & INFRASTRUCTURE SOLUTIONS, INC., PARSONS ENVIRONMENTAL & INFRASTRUCTURE GROUP, INC., ECO & ASSOCIATES, INC., AND NINYO & MOORE GEOTECHNICAL & ENVIRONMENTAL SCIENCE CONSULTANTS, INC. FOR AS-NEEDED SITE ASSESSMENT AND RESTORATION SERVICES

Summary: Staff requests approval of the proposed Agreements (Agreements) with Tetra Tech, Inc. (Tetra Tech); APEX Companies, LLC (APEX); Leighton Consulting, Inc. (Leighton); Pacific Edge Engineering, Inc. (Pacific Edge); Wood Environment & Infrastructure Solutions, Inc. (Wood); Parsons Environmental & Infrastructure Group, Inc. (Parsons); Anchor QEA, LLC (Anchor); Eco & Associates, Inc. (Eco); and, Ninyo & Moore Geotechnical & Environmental Science Consultants (Ninyo & Moore) to provide the City of Los Angeles Harbor Department (Harbor Department) with as-needed site assessment and environmental restoration services. This action will authorize eight proposed Agreements, each for a three-year term, with a combined not-to-exceed amount of \$21,000,000. The Harbor Department is financially responsible for payment of services rendered under the proposed Agreements.

Recommendation: Board resolve to (1) find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management; (2) find that in accordance with the City Charter Section 1022, work under the subject Agreements can be performed more feasibly by independent consultants rather than by City employees; (3) approve the proposed Agreements for a term of three-years each, with a combined contract total of \$21,000,000 as follows: a. Tetra Tech, Inc. (Pasadena, CA) for \$4,500,000; b. APEX Companies, LLC (Signal Hill, CA) for \$4,250,000; c. Leighton Consulting, Inc. (Irvine, CA) for \$3,000,000; d. Pacific Edge Engineering, Inc. (Mission Viejo, CA) for \$2,250,000; e. Wood Environment & Infrastructure Solutions, Inc. (Costa Mesa, CA) for \$2,000,000; f. Parsons Environment & Infrastructure Group (Pasadena, CA) for \$2,000,000; g. Eco & Associates, Inc. (Irvine, CA) for \$1,500,000; h. Ninyo & Moore Geotechnical & Environmental Science Consultants (Los Angeles, CA) for \$1,500,000; (4) authorize the Executive Director to execute and the Board Secretary to attest to said Agreements, for and on behalf of the Board; and (5) adopt Resolution No. _____.

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L. Closed Session

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

Harbor Performance Enhancement Center, LLC v. City of Los Angeles,
Los Angeles Superior Court Case No. 19STCP02431

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

Natural Resources Defense Council, et al. v. City of Los Angeles, et al.
Los Angeles Superior Court Case No. BS070017

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

Provide instructions to its real estate negotiators with respect to Permit 999 with
China Shipping Holding Company, Ltd.:

Property: Berths 100-103, San Pedro

City Negotiator: Michael DiBernardo

Tenant Negotiator: Paul Nazzaro

Negotiating Parties: City and China Shipping Holding Company, Ltd.

Under Negotiation: Price and Terms

4. 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:
(two cases)

5. CONFERENCE WITH LEGAL COUNSEL – INITIATE LITIGATION
(Subdivision (d)(4) of Government Code Section 54956.9)

Initiation of litigation pursuant to subdivision (d)(4) of Section 54956.9: (one case)

M. Adjournment