

**TO THE COUNCIL OF THE  
CITY OF LOS ANGELES**

**Your                                      TRADE, COMMERCE, AND TOURISM                                      Committee**

**report as follows:**

CATEGORICAL EXEMPTION, TRADE, COMMERCE, AND TOURISM COMMITTEE REPORT and Resolution relative to a Memorandum of Agreement (MOA) between the City of Los Angeles, TraPac appellants and South Coast Air Quality Management District (SCAQMD) to install air filtration systems in Wilmington and San Pedro schools.

Recommendations for Council action:

1. FIND that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III Class 1 (6) of the Los Angeles City CEQA Guidelines.
2. APPROVE Resolution No. 09-6860 authorizing MOA No. 09-2818 among the Harbor Department, SCAQMD, and other environmental and community stakeholders under the Trans Pacific Containers Service Corporation (TraPac) Memorandum of Understanding (MOU) to install and maintain air filtration systems and/or HVAC (heating, ventilation, and air conditioning) systems in local schools in Wilmington and San Pedro.
3. CONCUR with the Board of Harbor Commissioners (Board) action of December 10, 2009 authorizing the Executive Director to execute the agreement.

Fiscal Impact Statement: The City Administrative Officer reports that approval of Harbor Department proposed MOA No. 09-2818 with the SCAQMD and other environmental and community stakeholders is for a five year term and will transfer \$6 million from the Harbor Revenue Fund into the Community Mitigation Trust Fund to administer and install air filtration systems in local schools in Wilmington and San Pedro, as required under the TraPac MOU. There is no impact on the City General Fund.

The Harbor Department reports the following:

Costs and/or Revenue Impact: In a previously approved Board action, the Harbor Department transferred \$6,000,000 into the Community Mitigation Trust Fund as required under the TraPac MOU. This Board action proposes that the Harbor Department enter into an MOA with the appellants and SCAQMD for the administration of the Air Filtration System Program referenced herein; upon execution of the MOA the \$6,000,000 previously committed will be transferred to the SCAQMD to fulfill the air filtration system requirement under the TraPac MOU. The Harbor Department will also compensate SCAQMD for administering the air filtration system program at 10% of the amount spent on contractors for implementing the program. This percentage is included in the not-to-exceed \$6,000,000.

Benefits of Funding: School air filtration systems will aid in alleviating the pollutants generated by port operations in the Wilmington and San Pedro, California communities. Approving this item will fulfill the Harbor Department's legal responsibilities under the TraPac MOU.

Financial Impact If Not Approved: \$6,000,000 allocated to air filtration systems has already been allocated to the Community Mitigation Trust Fund and is required to be spent on air filtration systems under the TraPac MOU. Not approving this MOA will delay the Harbor Department's legal responsibilities under the TraPac MOU.

Source(s) of Funding or Savings: Funds are available in Account No. 11926, Center 7000 and Program 000. The funds would be paid to SCAQMD in a lump sum. Excess monies would be returned to the Community Mitigation Trust Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - APRIL 24, 2010**

**(LAST DAY FOR COUNCIL ACTION – APRIL 23, 2010)**

**SUMMARY**

At a regular meeting held on March 3, 2010, the Trade, Commerce, and Tourism Committee considered the memorandum of agreement between the City of Los Angeles, Trapac appellants and South Coast Air Quality Management District to install air filtration systems in Wilmington and San Pedro schools. An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the Board of Harbor Commissioners and City Administrative Officer reports. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

TRADE, COMMERCE, AND TOURISM COMMITTEE

| <u>MEMBER</u> | <u>VOTE</u> |
|---------------|-------------|
| HAHN:         | YES         |
| ROSENDAHL:    | YES         |
| LABONGE:      | YES         |

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**Not Official Until Council Acts**