

**ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT** relative to the proposed Third Amendment to Port of Los Angeles (POLA) Permit No. 881 with TraPac, Inc., revising various permit provisions.

Recommendations for Council action:

1. **ADOPT** the determination by the Board of Harbor Commissioners that the proposed action is administratively exempt under the California Environmental Quality Act (CEQA) in accordance with Article II Sections 2(f) and 2(i) of the Los Angeles City CEQA Guidelines.
2. **APPROVE** the Port Resolution No. 18-8395 approving Third Amendment to POLA Permit No. 881 with TraPac, Inc., revising various permit provisions, authorizing POLA to take back the underutilized eastern parking lot, granting ownership of LED lighting mounted to the underside of the fly-over bridge to POLA, and related actions.
3. **APPROVE** the Errata for the Berth Nos. 136-147 (TraPac) Container Terminal Project Mitigation Monitoring and Reporting Program.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approving the Third Amendment to Permit No. 881 will authorize TraPac, Inc., to pay the POLA compensation of approximately \$36,425,196 in Minimum Annual Guarantee (MAG) by calendar year 2021. The current MAG payment from TraPac, Inc., to the POLA is \$36,715,156. The proposed Amendment could decrease the MAG payment by as much as \$289,960 and a revised decrease in the MAG payment up to a total of \$36,425,196, by calendar year 2021. This amount assumes there are no changes to the MAG under the Permit, including the contractual provision to reset the compensation for TraPac, Inc., in September 2019. All revenue will be deposited in the Harbor Revenue Fund and will have no financial impact on the City General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – JANUARY 22, 2019**

**(LAST DAY FOR COUNCIL ACTION - JANUARY 22, 2019)**

### SUMMARY

In a report to the Council dated December 7, 2018, the CAO states that POLA requests approval of Resolution No. 18-8395 to authorize a proposed Third Amendment to Permit No. 881 with TraPac to identify and modify changes to improve, design, update, replace, develop, construct, and complete the TraPac terminal facilities. The proposed Amendment will authorize POLA and TraPac to modify the scope of work and budget relating to multiple projects to operate, maintain, and improve the container terminal operations at Port Berths 136-147 at the Port. The CAO goes on to report that POLA also requests to correct an error in the written narrative (erratum) of the adopted Mitigation Monitoring and Reporting Program in its final Environmental Impact Report for TraPac. According to POLA, the Mitigation Monitoring and Reporting Program mistakenly included a mitigation measure for a program of the marine oil terminal operations. The proposed Amendment allows POLA to update and modify the relevant

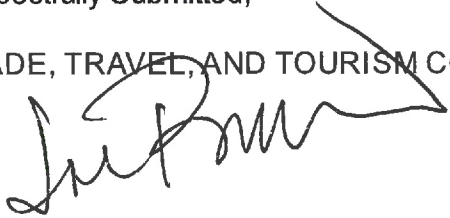
changes to the Permit.

On November 15, 2018, the Board of Harbor Commissioners approved POLA's request. The CAO concurs with the action taken by the Board.

At its meeting held January 15, 2019, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed Third Amendment of the POLA Permit with TraPac, as recommended by the Board of Harbor Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
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BUSCAINO:	YES
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BONIN:	YES
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KREKORIAN:	YES
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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**