



425 S. Palos Verdes Street Post Office Box 151 San Pedro, CA 90733-0151 TEL/TDD 310 SEA-PORT www.portoflosangeles.org

Eric Garcetti

Mayor, City of Los Angeles

Board of Harbor
Commissioners

Jaime L. Lee
President

David Arian
Vice President

Lucla Moreno-Linares
Commissioner

Anthony Pirozzi, Jr.
Commissioner

Edward R. Renwick
Commissioner

Eugene D. Seroka

Executive Director

October 11, 2018

Honorable Members of the
City Council of the
City of Los Angeles

CD No. 15

Attention: Mr. John White, City Clerk's Office

SUBJECT: RESOLUTION NO. 18-8336 – PROPOSED PERMANENT ORDER TO AMEND PORT OF LOS ANGELES TARIFF NO. 4, ITEM NO. 255, "FURNISHING REQUIRED DOCUMENTS"; ITEM NO. 2320, "DEFINITIONS OCEAN COMMON CARRIER INCENTIVES"; AND ITEM NO. 2325 "OCEAN COMMON CARRIER INCENTIVE PROGRAM", PROVIDING A FINANCIAL INCENTIVE TO OCEAN COMMON CARRIERS

Pursuant to Section 653(a) of the City Charter, enclosed for your approval is Resolution No. 18-8336 authorizing proposed Permanent Order No. 18-7245, along with the corresponding ordinance to amend Port of Los Angeles Tariff No. 4, Section Two, Item No. 255 "Furnishing Required Documents; Section Twenty-Three, "Incentives – General Rules and Regulations", Item No. 2320 "Definitions Ocean Common Carrier Incentives" and Item No. 2325 "Ocean Common Carrier Incentive Program"; which was approved at the August 23, 2018 meeting of the Board of Harbor Commissioners. The proposed amendment would provide a financial incentive to Ocean Common Carriers (OCC) on incremental loaded and empty Twenty-Foot Equivalent Units (TEU) as part of an incentive program. Participants who meet certain eligibility requirements to the proposed financial incentive program, could receive \$10.00 per incremental TEU and a maximum payout of \$2,000,000 per OCC per Incentive Period. Payouts to OCC's earned under the terms of the proposed OCC Incentive Program is the financial responsibility of the Harbor Department. There is no impact to the General Fund.

RECOMMENDATION FOR CITY COUNCIL:

1. ADOPT the determination by the Board of Harbor Commissioners (Board) that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE Harbor Department Resolution No. 18-8336 authorizing proposed Permanent Order No. 18-7245, along with the corresponding ordinance to amend Port of Los Angeles Tariff No. 4, Section Two, Item No. 255 "Furnishing Required Documents; Section Twenty-Three, "Incentives – General Rules and Regulations", Item No. 2320 "Definitions Ocean Common Carrier Incentives" and Item No. 2325 "Ocean Common Carrier Incentive Program"; and
3. Return to the Board of Harbor Commissioners for further processing.

Respectfully Submitted,

AMBER M. KLESGES
Commission Secretary

cc: Trade, Travel & Tourism Committee
Councilman Buscaino
Councilman Bonin
Councilman Krekorian
Mandy Morales, Mayor's Office

Erick Martell, Harbor Representative
Alvin Newman, CAO
Dennis Gleason, CD15
Mandana Khatibshahidi, CLA