

MINUTES OF A REGULAR MEETING OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH, HELD IN THE BOARD ROOM OF THE HARBOR DEPARTMENT ADMINISTRATION BUILDING AT 925 HARBOR PLAZA, LONG BEACH, CALIFORNIA, ON MONDAY, NOVEMBER 27, 2006, AT 1 P.M.

Present: Commissioners: Topsy-Elvord, Walter, Hancock, Cordero, Hankla
Absent: " None

Also present:

R. D. Steinke	Executive Director
S. B. Rubin	Managing Director
C. Lytle	Managing Director
D. A. Thiessen	Chief Harbor Engineer
T. K. Whitesell	Director of Human Resources
H. C. Morris	Director of Communications
S. Joumblat	Acting Chief Financial Officer
D. L. Albrecht	Director of Information Management
R. Rich	Director of Maintenance
R. G. Kanter	Director of Planning
K. J. McDermott	Director of Real Estate Services
C. Wynne	Administrative Analyst
D. B. Snyder	Director of Trade Relations
C. A. Kemp	Director of Government Affairs
R. S. Baratta	Director of Risk Management
D. T. Holzhaus	Principal Deputy City Attorney

PRESIDENT HANKLA PRESIDED AS CHAIRPERSON.

APPROVAL OF MINUTES.

Upon motion by Commissioner Walter, seconded by Commissioner Hancock and unanimously carried, the minutes of the regular meeting of November 13, 2006, were declared read and approved as read.

PUBLIC COMMENTS.

There was no one present to address the Board.

CONSENT CALENDAR – ITEMS NOS. 1-4.

1. DJM CONSTRUCTION COMPANY, INC. – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE, UPON SATISFACTION OF CERTAIN CONDITIONS BY

CONTRACTOR, CONTRACT FOR LONG BEACH FIRE STATION NO. 24 UNDER SPECIFICATION NO. HD-S2224 - CITY ATTORNEY REQUESTED TO PREPARE CONTRACT – DOCUMENT NO. HD-7106 - CWO NO. 1191, SUPPLEMENT NO. 7 AND CWO NO. 1258, SUPPLEMENT NO. 3 AND BUDGET REVISIONS – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated November 22, 2006, requesting conditional authorization of a Contract with DJM Construction Company, Inc., for Long Beach Fire Station No. 24, under Specification No. HD-S2224, in the amount of \$6,378,000, CWO No. 1191, Supplement No. 7, in the amount of \$5,664,000, and CWO No. 1258, Supplement No. 3, in the amount of \$3,074,000, and budget revisions, was presented to the Board. The request was approved by the Executive Director.

2. LOVCO CONSTRUCTION, INC. – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE, UPON SATISFACTION OF CERTAIN CONDITIONS BY CONTRACTOR, CONTRACT FOR RENTAL OF CONSTRUCTION EQUIPMENT AND OTHER RELATED SERVICES UNDER SPECIFICATION NO. HD-S2312 – CITY ATTORNEY REQUESTED TO PREPARE CONTRACT – DOCUMENT NO. HD-7107.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated November 22, 2006, requesting conditional authorization of a Contract with Lovco Construction, Inc., for rental of construction equipment and other related services, under Specification No. HD-S2312, in the amount of \$932,520, was presented to the Board. The request was approved by the Executive Director.

3. LEVEL I HARBOR DEVELOPMENT PERMITS – RECEIVED AND FILED.

Communication from Robert Kanter, Director of Planning, dated November 16, 2006, requesting that the following Level I Harbor Development Permits be received and filed:

HDP #06-087	Tidelands Oil Production Company – pipeline replacement
HDP #06-128	ARCO Terminal Services – recovery well installation
HDP #06-136	ARCO Terminal Services – pipeline survey
HDP #06-137	THUMS Long Beach Company – pipeline repair
HDP #06-139	Weyerhaeuser Company – asphalt repairs

was presented to the Board. The request was approved by the Executive Director.

4. HARBOR REVENUE FUND – APPROVAL OF FUND TRANSFER JOURNALS AND AUTHORIZATION OF TRANSFER OF FUNDS.

Communication from Sam Joumbat, Acting Chief Financial Officer, dated November 20, 2006, submitting the following Fund Transfer Journals received from the Department of Financial Management:

<u>AMOUNT</u>	<u>DESCRIPTION</u>
\$367,016.40	Employee Benefits and Insurance Funds – transfer of the October 2006 cost of employees’ fringe benefits (one pay period)
96,950.08	Insurance Fund – worker’s compensation for November 2006
133,183.92	Employee Benefits Fund – pension obligation bonds for November 2006
186,152.37	General Fund – transfer of the October 2006 estimated City general administration costs
26,199.00	General Fund – adjustment for additional cost of indirect overhead for prior year FY 2005
805,776.00	Fire Department – fire stations and boats for November 2006
9,344.92	Fire Department – vessel patrol for November 2006
106,408.76	Gas, water, and sewer for October 2006
11,058.37	Technical Systems – financial information system for November 2006
318.60	Planning and Building Permits for July 2006
32.00	Fingerprinting for September 2006
1,705.00	Water Department – temporary fire hydrant meter #5584 from July 7, 2006 – September 20, 2006
2,400.00	Water Department – installation cost of a 1-1/2 inch water service and meter
20,402.60	Utility user’s tax billed for October 2006

3,500.00

Human Resources Department – charges for participants of the 2007 Leadership Academy: The Fundamentals of Supervision and Management

was presented to the Board. The Fund Transfer Journals were approved by the Executive Director.

Commissioner Walter moved, seconded by Commissioner Topsy-Elvord that the communications be received and filed and that Items Nos. 1-4 be approved as recommended. Carried by the following vote:

AYES:	Comms:	Topsy-Elvord, Walter, Hancock, Cordero, Hankla
NOES:	“	None
ABSENT:	“	None

REGULAR AGENDA.

5. ESTABLISHING RATES AND CHARGES FOR WATER AND SEWER SERVICES – RESOLUTION NO. HD-2332 - ADOPTED - FIRST READING OF ORDINANCE.

Communication from Randy Rich, Director of Maintenance, dated November 4, 2006, recommending approval of establishing rates and charges for water and sewer services to certain consumers within the Harbor District for fiscal year 2006-2007, was presented to the Board together with the authorizing resolution and ordinance therefore. The recommendation was approved by the Executive Director.

Commissioner Hancock moved, seconded by Commissioner Cordero that the communication be received and filed and that the resolution entitled “A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH ESTABLISHING RATES AND CHARGES FOR WATER SERVICE TO CERTAIN CONSUMERS WITHIN THE HARBOR DISTRICT OF THE CITY OF LONG BEACH, FOR A PERIOD OF NINETY (90) DAYS COMMENCING NOVEMBER 1, 2006, AND MAKING A DETERMINATION RELATING THERETO,” be declared read and adopted as read. Carried by the following vote:

AYES:	Comms:	Topsy-Elvord, Walter, Hancock, Cordero, Hankla
NOES:	“	None
ABSENT:	“	None

Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock that the ordinance entitled “AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH, ESTABLISHING RATES AND CHARGES FOR WATER SERVICE TO CERTAIN CONSUMERS WITHIN THE HARBOR DISTRICT OF THE CITY OF LONG BEACH, AMENDING ORDINANCE NO. HD-1633, AS AMENDED, AND MAKING A DETERMINATION

RELATING THERETO," be declared read for the first time and laid over for its second and final reading. Carried by the following vote:

AYES:	Comms:	Topsy-Elvord,Walter,Hancock,Cordero,Hankla
NOES:	"	None
ABSENT:	"	None

6. BP PIPELINES (NORTH AMERICA), INC., AND ARCO TERMINAL SERVICES CORPORATION – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE RIGHT OF ENTRY PERMIT FOR PIER B STREET - DOCUMENT NO. HD-7108 - RESOLUTION NO. HD-2333 - ADOPTED.

Communication from Kathryn McDermott, Director of Real Estate, dated November 17, 2006, recommending authorization of a Right of Entry Permit with BP Pipelines (North America), Inc., and ARCO Terminal Services Corporation for land between Pier B Street and 9th Street, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Executive Director.

Commissioner Cordero moved, seconded by Commissioner Walter that the communication be received and filed and that the resolution entitled "A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A RIGHT OF ENTRY AGREEMENT BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND BP PIPELINES (NORTH AMERICA), INC., AND ARCO TERMINAL SERVICES CORPORATION FOR THE USE OF CERTAIN PREMISES IN THE HARBOR DISTRICT, AND MAKING A DETERMINATION RELATING THERETO" be declared read and adopted as read. Carried by the following vote:

AYES:	Comms:	Topsy-Elvord,Walter,Hancock,Cordero,Hankla
NOES:	"	None
ABSENT:	"	None

7. LOS ANGELES COUNTY FLOOD CONTROL DISTRICT – GRANT DEED AND AGREEMENT CONVEYING AN EASEMENT FOR SUBSURFACE WATER LINE WITHIN THE PORT OF LONG BEACH AND PORT OF LOS ANGELES JOINTLY-OWNED RAILROAD RIGHT-OF-WAY – FIRST READING OF ORDINANCE.

Communication from Kathryn McDermott, Director of Real Estate, dated November 16, 2006, recommending approval of a Grant Deed and Agreement, with Los Angeles County Flood Control District, conveying an easement for subsurface water line within the Port of Long Beach and the Port of Los Angeles jointly-owned railroad right-of-way, was presented to the Board together with the authorizing ordinance therefore. The recommendation was approved by the Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Walter that the communication be received and filed and that the ordinance entitled, "AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AUTHORIZING THE EXECUTIVE DIRECTOR OF THE LONG BEACH HARBOR DEPARTMENT TO EXECUTE A GRANT DEED BETWEEN THE CITY OF LONG BEACH, THE CITY OF LOS ANGELES, LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, AND MAKING A DETERMINATION RELATING THERETO," be declared read for the first time and laid over for its second and final reading. Carried by the following vote:

AYES:	Comms:	Topsy-Elvord,Walter,Hancock,Cordero,Hankla
NOES:	"	None
ABSENT:	"	None

NEW BUSINESS.

SERVICE PIN RECOGNITION.

The following were presented to the Board in recognition of their service to the City:

Nancy Mitchell	Assistant to the Executive Director	20 years
Claudia Lewis	Administrative Analyst III	10 years
Jim Barton	Construction Inspector II	10 years

President Hankla congratulated the service pin recipients on their years of service.

Ms. Heather Morris, Director of Communications, introduced Ms. Margaret Magee, Visual Arts Manager.

President Hankla welcomed Ms. Magee.

Mr. Rubin, Managing Director, stated the management team would like to express their appreciation to the Board on the accomplishments at the Clean Air Action Plan meeting on November 20, 2006, which was a joint meeting with the Port of Los Angeles. He stated the Commissioners represented themselves and the Port in an exemplary manner, and that the management team wanted to acknowledge their leadership and professional demeanor.

President Hankla and the entire Commission thanked the management team and all the employees for their kind remarks and for their dedication to the Clean Air Action Plan.

Commissioner Cordero stated he would like to have a review presentation of the SBE/VSBE Program brought to the Commission.

Mr. Thiessen stated the Annual Report on the SBE/VSBE Program has been completed and will be transmitted to the Commission next week and then the presentation is scheduled for the Board meeting on December 11.

Mr. Dominic Holzhaus, Principal Deputy City Attorney, stated the meeting on Monday, December 4, 2006, would be held at 9 a.m., and would be noticed as a Special Meeting.

CLOSED SESSION.

At 1:55 p.m., President Hankla recessed the Board meeting to hold a closed session:

PUBLIC EMPLOYEE APPOINTMENT/EMPLOYMENT

Closed session pursuant to Section 54957 of the Government Code to consider appointment of a Chief Financial Officer.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Closed session pursuant to Section 54956.9(a) of the Government Code regarding The United States of America vs. City of Long Beach, et al. United States District Court Case No. CV-04-1832 AHM (RNBx).

Closed session pursuant to Section 54956.9(a) of the Government Code regarding Steiny and Company, Inc., vs. Johnson Controls, Inc., and related cross-actions Superior Court Case No. BC 343781.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to subdivision (c) of Section 54956.9 of the Government Code (one case).

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Closed session pursuant to Section 54956.8 of the Government Code to provide instructions to negotiator Kathryn McDermott regarding the Pier B auto facility.

At 2:45 p.m., the meeting was again called to order by President Hankla.

ADJOURNED IN MEMORY OF MR. SOOHO CHO.

At 2:46 p.m., Commissioner Walter moved, seconded by Commissioner Cordero that the meeting be adjourned sine die in memory of Mr. Sooho Cho, Chairman of the

Hanjin Shipping Co., Ltd. Mr. Cho joined Hanjin in 1985, and began his tenure as President in 1994, and became Chairman in 2003. He is survived by his wife and two daughters. Carried by the following vote:

AYES:	Comms:	Topsy-Elvord,Walter,Hancock,Cordero,Hankla
NOES:	"	None
ABSENT:	"	None