

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, FEBRUARY 12, 2007, AT 1 P.M.

Present: Commissioners: Topsy-Elvord, Walter, Hancock, Hankla
Absent: " Cordero*
(*on Port Business)

Also present:

R. D. Steinke	Executive Director
S. B. Rubin	Managing Director
G. T. Hein	Executive Officer to the Board
D. A. Thiessen	Chief Harbor Engineer
C. A. Stafford	Acting Director of Human Resources
H. C. Morris	Director of Communications
S. Joumblat	Chief Financial Officer
D. L. Albrecht	Director of Information Management
R. Rich	Director of Maintenance
R. G. Kanter	Director of Planning
K. J. Adamowicz	Acting Director of Real Estate
C. Perrone	Director of Security
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 Hancock, seconded by Commissioner Topsy-Elvord and unanimously carried, the amended minutes of the regular meeting of February 5, 2007, were declared read and approved as read.

PUBLIC COMMENTS.

There was no one present to address the Board.

CONSENT CALENDAR – ITEMS NOS. 1-6.

Items Nos. 3 and 5 were removed from Consent Calendar for discussion.

1. W. W. STEPHENSON COMPANY - ACCEPTANCE OF WORK UNDER SPECIFICATION NO. HD-S2286.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated February 7, 2007, advising that W. W. Stephenson Company has satisfactorily completed, as of December 9, 2006, the truck exit lane drainage systems at Pacific Container Terminal, as described in Specification No. HD-S2286, and recommending that said work be accepted as complete as of that date, was presented to the Board. The recommendation was approved by the Acting Executive Director.

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

Communication from Robert Kanter, Director of Planning, dated February 6, 2007, requesting that the following Level I Harbor Development Permits be received and filed:

HDP #07-001	ARCO/BP West Coast Products – Dust Collection System Installation
HDP #07-004	ARCO Terminal Services – Pipeline Survey
HDP #07-006	National Gypsum Company – Electrical Switchgear Replacement
HDP #07-007	THUMS Long Beach Company – Interior Office Modifications
EMP #07-011	Tidelands Oil Production Company – Emergency Pipeline Repair

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

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

Communication from Sam Joublat, Chief Financial Officer, dated February 7, 2007, submitting the following Fund Transfer Journals received from the Department of Financial Management:

<u>AMOUNT</u>	<u>DESCRIPTION</u>
96,950.08	Insurance Fund – Worker’s Compensation for February 2007
133,183.92	Employee Benefits Fund – Pension obligation bonds for February 2007
186,152.33	General Fund – transfer of the February 2007 estimated City general administration costs

26,199.00	General Fund – adjustment for additional cost of indirect overhead for prior year – F/Y 2005
805,776.00	Fire Department – fire stations and boats for January 2007
9,344.92	Fire Department – vessel patrol charges for January 2007
20,790.00	Technology Services – cable TV Show “Pulse of the Port”, 2 nd quarter for F/Y 2007
100,154.31	Gas, water, and sewer for December 2006
14,193.25	Public Works Department – maintenance of traffic signals for 1 st quarter for F/Y 2007
1,684.30	Health Department – vector control & laboratory charges for October 2006
11,058.37	Technical Systems – financial information system for February 2007
20.00	Public Works Department – charges for Xerox copies made at the 10 th floor counter from 10/1/06 – 12/31/06

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

6. BENTLEY SYSTEMS – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE ENTERPRISE LICENSE AND TRAINING SUBSCRIPTIONS - DOCUMENT NO. HD-7134.

Communication from Douglas Albrecht, Director of Information Management, dated February 12, 2007, recommending authorization of subscriptions for Enterprise License and Training with Bentley Systems, for a four-year period, in the amount of \$417,000, was presented to the Board. The recommendation was approved by the Acting Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Walter that the communications be received and filed and that Items Nos. 1, 2, 4, and 6 be approved as recommended. Carried by the following vote:

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

3. DISTRIBUTION OF A NEGATIVE DECLARATION/APPLICATION SUMMARY REPORT AND PUBLIC NOTICE FOR A 30-DAY REVIEW AND COMMENT PERIOD FOR THE LONG BEACH GENERATION STATION EMERGENCY RE-POWER PROJECT – APPROVED.

Communication from Robert Kanter, Director of Planning, dated February 12, 2007, requesting distribution of a Negative Declaration/Application Summary Report and public notice for a 30-day review and comment period for the Long Beach Generation Station Emergency Re-Power Project, was presented to the Board. The recommendation was approved by the Acting Executive Director.

In response to a question by Commissioner Hancock, Dr. Kanter stated the project is a good project, it has been coordinated with the AQMD, and there is a real area need for more power.

Commissioner Hancock moved, seconded by Commissioner Topsy-Elvord that the communication be received and filed, that the Board approve the distribution of a Negative Declaration/Application Summary Report for a 30-day review and comment period for the Long Beach Generation Station Emergency Re-Power project. Carried by the following vote:

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

5. LISA HONG – TAM TRAN – TUNCAY EMANET – DOUGLAS THIESSEN – APPOINTMENTS.

Communication from Cynthia A. Stafford, Acting Director of Human Resources, dated February 7, 2007, requesting approval of the appointments of the following individuals:

<u>Appointment</u>	<u>Classification</u>	<u>Range & Step</u>	<u>Effective Date</u>
Lisa Hong	Accounting Clerk III	400/03	2/17/07
Tam Tran	Accounting Manager	EOO	2/17/07
Tuncay Emanet	Geographic Information Systems Technician I	460/01	3/05/07
Douglas Thiessen	Managing Director of Engineering	EOO	2/17/07

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

Mr. Steinke stated an executive search was conducted for the Managing Director position and Mr. Thiessen was unanimously agreed upon by the search panel as the most qualified person for the position.

President Hankla, Commissioner Hancock, Commissioner Walter, and Commissioner Topsy-Elvord congratulated Mr. Thiessen on his promotion to Managing Director of Engineering.

Commissioner Hancock moved, seconded by Commissioner Topsy-Elvord that the communication be received and filed and that the above named individuals be appointed to the positions indicated. Carried by the following vote:

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

REGULAR AGENDA.

7. FINANCIAL STATEMENTS FOR THE LONG BEACH HARBOR DEPARTMENT FOR FIRST QUARTER ENDED DECEMBER 31, 2006 – RECEIVED AND FILED.

Communication from Sam Joumbat, Chief Financial Officer, dated February 7, 2007, requesting the financial statements for the Long Beach Harbor Department for the first quarter ended December 31, 2006, be received and filed, was presented to the Board. The financial statements were approved by the Acting Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock that the communication and financial statements transmitted therewith be received and filed. Carried by the following vote:

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

8. PRELIMINARY FINANCIAL STATEMENTS FOR THE LONG BEACH HARBOR DEPARTMENT FOR FISCAL YEAR 2006 – RECEIVED AND FILED.

Communication from Sam Joumbat, Chief Financial Officer, dated February 6, 2007, transmitting preliminary financial statements for the Long Beach Harbor Department for the fiscal year 2006, was presented to the Board. The preliminary financial statements were approved by the Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock that the communication and preliminary financial statements transmitted therewith be received and filed. Carried by the following vote:

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

9. MERCEDES-BENZ, USA, LLC – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE SECOND AMENDMENT TO LEASE FOR PROPERTY – DOCUMENT NO. HD-6781B - RESOLUTION NO. HD-2348 - ADOPTED.

Communication from Karl Adamowicz, Acting Director of Real Estate, dated February 7, 2007, recommending approval of the Second Amendment to lease with Mercedes-Benz, USA, LLC, for property located at 1550 Pier B Street, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Acting Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock 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 SECOND AMENDMENT TO LEASE BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND MERCEDES-BENZ USA, LLC, FOR THE USE OF CERTAIN PREMISES IN THE HARBOR DISTRICT, AS SHOWN ON HARBOR DEPARTMENT DRAWING HD 4-132, AND MAKING A DETERMINATION RELATING THERETO," be declared read and adopted as read. Carried by the following vote:

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

10. ULTRAMAR, INC., DBA VALERO WILMINGTON REFINERY– EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE A FIRST AMENDMENT TO REVOCABLE PERMIT FOR PROPERTY LOCATED NORTH OF ANAHEIM STREET IN THE CITY OF LOS ANGELES – DOCUMENT NO. HD-7077A – RESOLUTION NO. HD-2349 - ADOPTED.

Communication from Karl Adamowicz, Acting Director of Real Estate, dated February 5, 2007, recommending approval of a First Amendment to Revocable Permit with Ultramar, Inc., dba Valero Wilmington Refinery for property located north of Anaheim Street in the City of Los Angeles for a month-to-month basis term extension, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Acting Executive Director.

Commissioner Hancock moved, seconded by Commissioner Topsy-Elvord 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 FIRST AMENDMENT TO REVOCABLE PERMIT BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND ULTRAMAR, INC., DOING BUSINESS AS VALERO WILMINGTON REFINERY FOR THE USE OF CERTAIN PREMISES, AND MAKING A DETERMINATION RELATIVE THERETO," be declared read and adopted as read. Carried by the following vote:

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

11. UNIVERSITY OF SOUTHERN CALIFORNIA – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE TWO RIGHT OF ENTRY AGREEMENTS FOR AIR MONITORING EQUIPMENT - DOCUMENT NO. HD-7135 AND DOCUMENT NO. HD-7136 - RESOLUTION NO. HD-2350 - ADOPTED.

Communication from Karl Adamowicz, Acting Director of Real Estate, dated February 6, 2007, recommending authorization of two Right of Entry Agreements with University of Southern California for air monitoring equipment in the North Harbor and Gull Park, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Acting Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock 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 TWO RIGHT OF ENTRY AGREEMENTS BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND THE UNIVERSITY OF SOUTHERN CALIFORNIA 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,Hankla
NOES:	"	None
ABSENT:	"	Cordero

12. LONG BEACH CONTAINER TERMINAL, INC. – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE SEVENTH AMENDMENT TO PREFERENTIAL ASSIGNMENT AGREEMENT FOR A MARINE CONTAINER TERMINAL ON PIER F – DOCUMENT NO. HD-4767G - ORDINANCE NO. HD-1985 - ADOPTED.

Ordinance entitled, "AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A SEVENTH AMENDMENT TO PREFERENTIAL ASSIGNMENT AGREEMENT BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND LONG BEACH CONTAINER TERMINAL, INC., FOR THE USE OF CERTAIN PREMISES IN THE HARBOR DISTRICT, AND MAKING A DETERMINATION RELATING THERETO," was presented to the Board for its second and final reading.

Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock that said ordinance be declared read for the second time and adopted as read. Carried by the following vote:

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

NEW BUSINESS.

Mr. Hein stated the Board meeting of Tuesday, February 20, 2007, is cancelled.

Mr. Hein stated the travel report on the recent trip to Europe with Commissioner Cordero would be deferred to the next meeting.

Mr. Hein stated President Hankla was speaking on Green Initiatives at the 7th Annual Clean Heavy Duty Vehicle Conference at the Hilton Hotel/Los Angeles on Wednesday, February 14, at 2:15 p.m.

Mr. Hein stated the Association of Pacific Ports mid-year Conference is being held at the Long Beach Hyatt Regency and that Commissioner Cordero and Mr. Rick Cameron will be speaking on the framework for environmentally friendly Port operations on Friday, February 16.

Commissioner Walter gave a report on the recent trip to Seoul to honor the late Mr. Sooho Cho with the Honorary Port Pilot Award. Commissioner Walter stated Mr. Cho had joined Hanjin in 1985, was promoted to the company President in 1994, and in 2003, he became Chairman. The award was accepted by his widow, Mrs. Eun-Young Choi.

Dr. Kanter announced the first scoping meeting for the preparation of the EIR/EIS for Pier S would be held tonight at 7 p.m., at Cesar Chavez Park, and a second meeting will be held at Long Beach City Hall on February 22, at 6:30 p.m.

President Hankla stated Friday, February 23, would be Mr. Carl Kemp's last day and that this was the last meeting he would attend. He stated Mr. Kemp will be starting his new career as a partner with Englander & Associates Public Relations in their Long Beach office.

President Hankla, Commissioner Hancock, Commissioner Topsy-Elvord, and Commissioner Walter congratulated Mr. Kemp.

Mr. Kemp thanked the Commissioners for their comments and stated it had been a pleasure working at the City and Port, and with all the Commissioners and staff.

ADJOURNED IN MEMORY OF CHESTER ESCHEN.

At 2:30 p.m., Commissioner Hancock moved, seconded by Commissioner Walter that the meeting be adjourned sine die in memory of Chester Eschen. Mr. Eschen served as Director of Metropolitan Stevedore Company for 39 years, and he led the Company as Chairman of the Board until his retirement in April 2003. Carried by the following vote:

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