

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, JULY 24, 2006, AT 1 P.M.

Present: Commissioners: Topsy-Elvord, Walter, Cordero, Hankla
Absent: " Hancock

Also present:

S. B. Rubin	Managing Director
G. T. Hein	Executive Officer to the Board
D. A. Thiessen	Chief Harbor Engineer
T. K. Whitesell	Director of Administration
H. C. Morris	Director of Communications
M. J. Slavin	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 Properties
C. Wynne	Assistant Administrative Analyst
D. B. Snyder	Director of Trade & Maritime Services
C. A. Kemp	Director of Community Relations
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 Topsy-Elvord; seconded by Commissioner Walter and unanimously carried, the minutes of the regular meeting of July 17, 2006, were declared read and approved as read.

PUBLIC COMMENTS.

There was no one present to address the Board.

CONSENT CALENDAR – ITEMS NOS. 1-6.

Item No. 5 was removed from Consent Calendar for discussion.

1. ORTIZ ENTERPRISES – EXECUTIVE DIRECTOR AUTHORIZED TO APPROVE CHANGE ORDER NO 5 FOR THE OCEAN BOULEVARD/TERMINAL ISLAND FREEWAY INTERCHANGE AND PARTIAL RELEASE OF RETENTION

UNDER SPECIFICATION NO. HD-S2103A, AND CWO NO. 1142, SUPPLEMENT NO. 27 - APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 19, 2006, recommending approval of Change Order No. 5 with Ortiz Enterprises for the Ocean Boulevard/ Terminal Island Freeway Interchange, under Specification No. HD-S2103A, in the amount of \$283, 500, partial release of retention, in the amount of \$123,615, and CWO No. 1142, Supplement No. 27, in the amount of \$283,500, was presented to the Board. The request was approved by the Executive Director.

2. ARB, INC. – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE, UPON SATISFACTION OF CERTAIN CONDITIONS BY CONTRACTOR, CONTRACT FOR PIPELINES RELOCATION ON PIER D AND PIER T UNDER SPECIFICATION NO. HD-S2269B - CITY ATTORNEY REQUESTED TO PREPARE CONTRACT – DOCUMENT NO. HD-7066 - CWO NO. 1257, SUPPLEMENT NO. 6 – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 19, 2006, requesting conditional authorization of a Contract with ARB, Inc., for pipelines relocation on Pier D and Pier T, under Specification No. HD-S2269B, in the amount of \$6,645,000, and CWO No. 1257, Supplement No. 6, in the amount of \$8,780,000, was presented to the Board. The request was approved by the Executive Director.

3. EXCEL PAVING COMPANY – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE, UPON SATISFACTION OF CERTAIN CONDITIONS BY CONTRACTOR, CONTRACT FOR THE PIER E TERMINAL REHABILITATION UNDER SPECIFICATION NO. HD-S2282 - CITY ATTORNEY REQUESTED TO PREPARE CONTRACT – DOCUMENT NO. HD-7067 - CWO NO. 1197, SUPPLEMENT NO. 19 AND A PROJECT BUDGET – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 19, 2006, requesting conditional authorization of a Contract with Excel Paving Company for the Pier E Terminal Rehabilitation, under Specification No. HD-S2282, in the amount of \$5,251,800, CWO No. 1197, Supplement No. 19, in the amount of \$7,347,700, and a project budget, was presented to the Board. The request was approved by the Executive Director.

4. W. W. STEPHENSON COMPANY, INC. – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE, UPON SATISFACTION OF CERTAIN CONDITIONS BY CONTRACTOR, CONTRACT FOR THE TRUCK EXIT LANE DRAINAGE SYSTEM AT PIER J UNDER SPECIFICATION NO. HD-S2286 - CITY ATTORNEY REQUESTED TO PREPARE CONTRACT – DOCUMENT NO. HD-7068 - CWO NO. 1292, SUPPLEMENT NO. 1 AND A PROJECT BUDGET – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 19, 2006, requesting conditional authorization of a Contract with W. W. Stephenson

Company, Inc., for the truck exit lane drainage system at Pacific Container Terminal on Pier J, under Specification No. HD-S2286, in the amount of \$198,500, CWO No. 1292, Supplement No. 1, in the amount of \$289,500, and a project budget, was presented to the Board. The request was approved by the Executive Director.

6. INTERMODAL CONTAINER TRANSFER FACILITY JOINT POWERS AUTHORITY - FINANCIAL REPORTS FOR YEAR ENDED 2005 AND THE AGREED-UPON PROCEDURES WITH RESPECT TO DETERMINATION OF NET FACILITY REVENUES FOR THE FISCAL YEAR ENDING NOVEMBER 1, 2005 – RECEIVED AND FILED.

Communication from Michael J. Slavin, Chief Financial Officer, dated July 19, 2006, transmitting audited financial reports for the year ended 2005 and the agreed-upon procedures with respect to determination of Net Facility Revenues for the fiscal year ending November 1, 2005, for the Intermodal Container Transfer Facility Joint Powers Authority, was presented to the Board. The communications 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, and 6 be approved as recommended. Carried by the following vote:

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

5. SPECIFICATION NO. HD-S2305 - APPROVED AND NOTICE INVITING BIDS AUTHORIZED – PROVIDING AND INSTALLING FENCING MATERIALS.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 19, 2006, submitting Specification No. HD-S2305 for providing and installing fencing materials, and requesting authority to advertise for bids for said work, was presented to the Board. The request was approved by the Executive Director.

In response to a question by Commissioner Cordero, Mr. Thiessen stated the reasons for this particular contract for not participating in the SBE/VSBE goal was due to specialty work or unique efforts that do not necessarily lend themselves to small or very small business participation and usually the work goes to a sole entity, which limits subcontracting.

In response to a question by Commission Cordero, Mr. Thiessen reviewed the requirements for public agencies to require performance bonds for public works contracts.

In response to a request by President Hankla, Mr. Thiessen stated staff would do an analysis of bond assistance programs for SBE/VSBE within the Cities of Long Beach, San Jose, San Francisco, Los Angeles, Oakland, San Diego, which will include the Ports of Los Angeles and Oakland.

Commissioner Cordero moved, seconded by Commissioner Topsy-Elvord that the communication be received and filed, that Specification No. HD-S2305 be approved, and that the Executive Director be authorized to advertise for bids therefore. Carried by the following vote:

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

REGULAR AGENDA.

7. HARBOR DEPARTMENT BUDGET FOR FISCAL YEAR 2006-2007 – RESOLUTION NO. HD-2309 - ADOPTED.

Communication from Michael J. Slavin, Chief Financial Officer, dated July 19, 2006, requesting approval of the Harbor Department Budget for fiscal year 2006-2007, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Cordero that the communication be received and filed, that the resolution entitled, "A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS ADOPTING THE ANNUAL BUDGET FOR THE LONG BEACH HARBOR DEPARTMENT FOR THE FISCAL YEAR 2006-2007," be declared read and adopted as read. Carried by the following vote:

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

8. RESOLUTION AUTHORIZING THE TRANSFER OF FUNDS TO THE TIDELANDS OPERATING FUND – RESOLUTION NO. HD-2310 - ADOPTED.

Communication from Michael J. Slavin, Chief Financial Officer, dated July 19, 2006, submitting the resolution for transferring 10% of the net income of the Harbor Department, in the amount of \$14,222,184, to the Tidelands Operating Fund pursuant to City Charter Section 1209(C)(4), was presented to the Board together with the authorizing resolution therefore. The submission was approved by the Executive Director.

Commissioner Walter 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 APPROVING, UPON CERTAIN FINDINGS, THE TRANSFER OF \$14,222,184 FROM THE HARBOR REVENUE FUND TO THE TIDELANDS OPERATING FUND PURSUANT TO THE PROVISIONS OF SECTION 1209(C)(4) OF THE CHARTER OF THE CITY OF LONG BEACH," be declared read and adopted as read. Carried by the following vote:

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

9. RESOLUTION CANCELLING THE REGULAR MEETING OF MONDAY, JULY 31, 2006 – RESOLUTION NO. HD-2311 - ADOPTED.

Communication from Gustav T. Hein, Executive Officer to the Board, dated July 18, 2006, recommending adoption of a resolution authorizing cancelling of the regular meeting of July 31, 2006, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Executive Director.

Commissioner Walter 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 SUSPENDING RULE 1(B) AS SET FORTH IN HARBOR DEPARTMENT RESOLUTION NO. HD-519, AS AMENDED, RELATING TO THE MEETING SCHEDULE OF THE BOARD OF HARBOR COMMISSIONERS, AND CANCELLING THE REGULAR MEETING OF JULY 31, 2006," be declared read and adopted as read. Carried by the following vote:

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

NEW BUSINESS.

President Hankla welcomed Mr. Richard Baratta, Director of Risk Management.

President Hankla stated in response to requests from our stakeholders, the Ports of Long Beach and Los Angeles have decided together to extend the public comment period on the San Pedro Bay Ports Clean Air Action Plan review period by 30 days, to August 28, 2006.

President Hankla stated this extension is being provided to ensure that adequate time is allowed for the public and our stakeholders to perform a thorough evaluation and to develop constructive comments to increase the effectiveness of the strategies outlined in the Plan. Additionally, he stated the extension will not delay the Ports from

moving forward with programs to achieve our shared goals of reducing air emissions from port-related operations and reducing public health risks in our surrounding communities.

President Hankla stated the Ports will continue to evaluate, revise, and improve the document on an annual basis or on an as-needed basis as we move on to implementation and the Ports will continue to seek input from the public and our stakeholders.

Dr. Kanter stated staff has been working with the Port of Los Angeles and also with the regulatory agencies so the evolution will include their input and participation.

Commissioner Topsy-Elvord congratulated Hector Arevalo, Maintenance, Curtis Christensen, Finance, Kym Clay, Administration, Matthew Goldman, Planning, Jeremy Groves, Engineering, Tam Ho, Finance, Thomas A. Jelenic, Planning, Claudia Lewis, Administration, Jill Morgan, Trade, Mitch Poryazov, Trade, Christi Thomsen, Information Management, Robert Treon, Maintenance, and Art Wong, Communications, for their participation in the City Leadership Academy: The Supervisor's Program.

CLOSED SESSION.

At 1:50 p.m., President Hankla recessed the Board meeting to hold a closed session:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Closed session pursuant to Section 54956.9(a) of the Government Code regarding APM Terminals Pacific Ltd., f/k/a Maersk Pacific Ltd., vs. Port of Long Beach, et al., Superior Court Case No. BC303695.

At 2:30 p.m., the meeting was again called to order by President Hankla.

ADJOURNED.

At 2:31 p.m., Commissioner Cordero moved, seconded by Commissioner Walter that the meeting be adjourned sine die. Carried by the following vote:

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