

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, JUNE 6, 2005, AT 9 A.M.

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

Also present:

R. D. Steinke Executive Director
S. B. Rubin Managing Director
T. Teofilo 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
W. D. Bower Acting Director of Maintenance
R. G. Kanter Director of Planning
K. J. McDermott Director of Properties
C. Perrone Director of Security
D. B. Snyder Director of Trade & Maritime Services
C. A. Kemp Director of Community Relations
D. T. Holzhaus Principal Deputy City Attorney

PRESIDENT CALHOUN PRESIDED AS CHAIRMAN.

APPROVAL OF MINUTES.

Upon motion by Commissioner Hankla, seconded by Commissioner Topsy-Elvord and unanimously carried, the minutes of the regular meeting of May 31, 2005, were declared read and approved as read.

INTRODUCTION.

Ms. Toni Whitesell introduced Ms. Marsha Sargeant and recognized her for her recent educational accomplishments. She stated Ms. Sargeant had begun her employment with the Port in 1999 as an Apple One Temporary worker and once she passed the Clerk Typist test she worked in Records Center.

Ms. Sargeant addressed the Board and stated she had recently graduated from California State University Long Beach with a degree in Bachelor of Arts in Psychology

and that she will be continuing her graduate studies at University of Maryland/College Park.

CONSENT CALENDAR – ITEMS NOS. 1-7.

Commissioner Hancock left the meeting.

1. SHAWNAN - ACCEPTANCE OF WORK UNDER SPECIFICATION NO. HD-S2214.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated June 1, 2005, advising that Shawnan has satisfactorily completed, as of April 21, 2005, bituminous paving and related services, as described in Specification No. HD-S2214 and recommending that said work be accepted as complete as of that date, was presented to the Board. The recommendation was approved by the Executive Director.

2. BATTELLE MEMORIAL INSTITUTE - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE AN AMENDMENT TO TASK ORDER TO MASTER AGREEMENT FOR RADIATION PORTAL MONITORS – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated June 1, 2005, requesting approval of an Amendment to Task Order to Master Agreement with Battelle Memorial Institute for construction of the radiation portal monitor systems on Pier D and Pier E, was presented to the Board. The recommendation was approved by the Executive Director.

3. MOLLENHAUER GROUP - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE THIRD AMENDMENT TO CONTRACT FOR THE ANAHEIM STREET GRADE SEPARATION PROJECT - DOCUMENT NO. HD-6941, CWO NO. 1246, SUPPLEMENT NO. 3 AND A PROJECT BUDGET – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated June 1, 2005, requesting approval of an amendment to Contract with Mollenhauer Group, for the Anaheim Street grade separation project, in the amount of \$55,000, CWO No. 1246, Supplement No. 3, in the amount of \$106,400 and a project budget, was presented to the Board. The request was approved by the Executive Director.

4. TIDELANDS OIL PRODUCTION COMPANY – PERMIT TO DRILL OIL PRODUCTION WELL - APPROVED.

Communication from Robert Kanter, Director of Planning, dated June 1, 2005, recommending approval of the application submitted by Tidelands Oil Production Company for a permit to drill Oil Production Well A-115, was presented to the Board. The recommendation was approved by the Executive Director.

5. LEVEL I HARBOR DEVELOPMENT PERMIT – RECEIVED AND FILED.

Communication from Robert Kanter, Director of Planning, dated May 31, 2005, requesting that the following Level I Harbor Development Permit be received and filed:

HDP #05-031 THUMS Long Beach Company – Building Demolition

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

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

Communication from Robert Kanter, Director of Planning, dated May 31, 2005, requesting that the following Level I Harbor Development Permits be received and filed:

HDP #04-109 SBC – Conduit Installation

HDP #05-034 ARCO Terminal Services Corporation – Vent Pipeline Replacement

HDP #05-036 Port of Long Beach – Transit Shed Painting

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

7. E. DEL SMITH & COMPANY DBA SMITH, ESPOSITO & LYERLY - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE FIRST AMENDMENT TO CONTRACT FOR WASHINGTON, D.C. REPRESENTATION SERVICES – DOCUMENT NO. HD-6873A.

Communication from Carl Kemp, Director of Community Relations & Government Affairs, dated June 2, 2005, requesting approval of an amendment to Contract with E. Del Smith & Company dba Smith, Esposito & Lyerly, for Washington, D.C., representation services, was presented to the Board. The request was approved by the Acting Executive Director.

Commissioner Cordero moved, seconded by Commissioner Hankla that the communications be received and filed and that Items Nos. 1-7 be approved as recommended. Carried by the following vote:

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

REGULAR AGENDA.

8. ROADLINK USA, INC. – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE REVOCABLE PERMIT FOR LAND IN THE NORTH HARBOR - DOCUMENT NO. HD-6942 – RESOLUTION NO. HD-2258- ADOPTED.

Communication from Kathryn McDermott, Director of Properties, dated May 20, 2005, recommending approval of a Revocable Permit with Roadlink USA, Inc., for land located at 1620 West 9th Street for use as an Intermodal trucking and dispatch yard, 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 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 REVOCABLE PERMIT BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND ROADLINK USA, INC., 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:	Commrs:	Cordero, Hankla, Topsy-Elvord, Calhoun
NOES:	"	None
ABSENT:	"	Hancock

9. PORT OF LONG BEACH TARIFF NO. 4 – INCREASE IN RATES – ORDINANCE HD-1936 - ADOPTED.

Ordinance entitled, "AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AMENDING ORDINANCE NO. HD-1357, DESIGNATED TARIFF NO. 4, BY AMENDING VARIOUS ITEMS TO IMPLEMENT A 5% TARIFF INCREASE," was presented to the Board for its second and final reading.

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

AYES:	Commrs:	Cordero, Hankla, Topsy-Elvord, Calhoun
NOES:	"	None
ABSENT:	"	Hancock

10. ANTHEM TELECOM, LLC - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE COMMUNICATIONS SITE LEASE ON PIER D – DOCUMENT NO. HD-6943 - ORDINANCE NO. HD-1937 - ADOPTED AND PIER J – DOCUMENT NO. HD-6944 - ORDINANCE NO. HD-1938 - ADOPTED.

Commissioner Cordero moved, seconded by Commissioner Topsy-Elvord 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 TO EXECUTE A

COMMUNICATIONS SITE LEASE BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND ANTHEM TELECOM, LLC 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. Carried by the following vote:

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

Commissioner Topsy-Elvord moved, seconded by Commissioner Cordero 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 TO EXECUTE A COMMUNICATIONS SITE LEASE BETWEEN THE CITY OF LONG BEACH, ACTIG BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND ANTHEM TELECOM, LLC 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. Carried by the following vote:

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

11. LONG BEACH CONTAINER TERMINAL - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE SIXTH AMENDMENT TO AMENDED AND RESTATED PREFERENTIAL ASSIGNMENT AGREEMENT FOR PIER F – DOCUMENT NO. HD-4767F - ORDINANCE NO. HD-1939 - ADOPTED.

Ordinance entitled, "AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A SIXTH AMENDMENT TO AMENDED AND RESTATED 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 Hankla moved, seconded by Commissioner Cordero that said ordinance be declared read for the second time and adopted as read. Carried by the following vote:

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

COMMENTS.

Mr. Steinke reminded everyone that the Board meeting on Monday, June 13, 2005, was cancelled.

ADJOURNED.

At 10 a.m., Commissioner Hankla moved, seconded by Commissioner Cordero that the meeting be adjourned sine die. Carried by the following vote:

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

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, JUNE 20, 2005, AT 1 P.M.

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

Also present:

R. D. Steinke	Executive Director
S. B. Rubin	Managing Director
T. Teofilo	Managing Director
G. T. Hein	Executive Officer to the Board
D. A. Thiessen	Chief Harbor Engineer
J. A. Warszawski	Administration Division Analyst
H. C. Morris	Director of Communications
M. J. Slavin	Chief Financial Officer
D. L. Albrecht	Director of Information Management
W. D. Bower	Acting Director of Maintenance
R. G. Kanter	Director of Planning
K. J. McDermott	Director of Properties
C. Perrone	Director of Security
D. B. Snyder	Director of Trade & Maritime Services
C. A. Kemp	Director of Community Relations
D. T. Holzhaus	Principal Deputy City Attorney

PRESIDENT CALHOUN PRESIDED AS CHAIRMAN.

APPROVAL OF MINUTES.

Upon motion by Commissioner Topsy-Elvord, seconded by Commissioner Hankla and unanimously carried, the minutes of the regular meeting of June 6, 2005, were declared read and approved as read.

Commissioner Cordero left the meeting.

PUBLIC COMMENTS.

Dr. Williard Zahn addressed the Board and spoke in favor of the breakwater.

CONSENT CALENDAR – ITEMS NOS. 1-8.

1. MS NAVARRO ENGINEERING - ACCEPTANCE OF WORK UNDER SPECIFICATION NO. HD-S2114.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated June 15, 2005, advising that MS Navarro Engineering has satisfactorily completed, as of April 1, 2005, the terminal security infrastructure at the Pier T Marine Terminal, as described in Specification No. HD-S2114 and recommending that said work be accepted as complete as of that date, was presented to the Board. The recommendation was approved by the Executive Director.

2. CWO NO. 1490, SUPPLEMENT NO. 32 – ANAHEIM STREET GRADE SEPARATION – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated June 15, 2005, requesting approval of CWO No. 1490, Supplement No. 32, for the miscellaneous costs for the Anaheim Street Grade separation, in the amount of \$2,883,681, was presented to the Board. The request was approved by the Executive Director.

3. CWO NO. 5002 - EXPENDITURES APPROVED AND PROJECT CLOSED TO ALL FUTURE CHARGES.

Communication from Robert Kanter, Director of Planning, dated June 7, 2005, submitting the following project for closing action:

		<u>BHC Approval</u>	<u>Expenditures</u>
CWO No. 5002	Water Quality Monitoring	\$ 150,000	\$ 61,329

and requesting that the expenditure made to said project be approved and that it be closed to all future charges, was presented to the Board. The request was approved by the Executive Director.

4. LEVEL I HARBOR DEVELOPMENT PERMIT – RECEIVED AND FILED.

Communication from Robert Kanter, Director of Planning, dated June 15, 2005, requesting that the following Level I Harbor Development Permit be received and filed:

HDP #05-043 THUMS Long Beach Company – Pipeline Replacement

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

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

Communication from Robert Kanter, Director of Planning, dated June 15, 2005, requesting that the following Level I Harbor Development Permits be received and filed:

HDP #05-022 Port of Long Beach – Pier A East Geotechnical Investigation

HDP #05-037	ARCO Terminal Services Corporation – Anode Installation
HDP #05-040	ARCO Terminal Services Corporation – Test Lead Installation
HDP #05-044	L.G. Everist – Building Addition

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

6. ENVIRON – DOCUMENT NO. HD-6945 – MWH – DOCUMENT NO. HD-6946 – SAIC – DOCUMENT NO. HD-6947 – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE CONTRACTS FOR AIR QUALITY PROFESSIONAL SERVICES.

Communication from Robert Kanter, Director of Planning, dated June 13, 2005, recommending authorization of Contracts with ENVIRON, MWH, and SAIC to conduct a variety of air quality professional services, each in the amount of \$250,000, and for a period of four years, was presented to the Board. The recommendation was approved by the Executive Director.

7. MWH - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE FIRST AMENDMENT TO CONTRACT FOR CADD MANAGER SERVICES – DOCUMENT NO. HD-6847A.

Communication from Douglas Albrecht, Director of Information Management, dated June 14, 2005, requesting approval of an amendment to Contract with MWH for Computer Aided Design and Drafting Manager services for a rate increase of \$128.00 per hour, and extending the contract to May 22, 2006, was presented to the Board. The request was approved by the Executive Director.

8. BASHIR HASSAN – APPOINTMENT.

Communication from Toni K. Whitesell, Director of Administration, dated June 14, 2005, requesting approval of the appointment of Bashir Hassan to the position of Administrative Intern-NC, at Range/Step H28/1, effective June 21, 2005, was presented to the Board. The request was approved by the Executive Director.

Commissioner Hancock moved, seconded by Commissioner Hankla that the communications be received and filed and that Items Nos. 1-8 be approved as recommended. Carried by the following vote:

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

Commissioner Cordero returned to the meeting.

REGULAR AGENDA.

9. PACIFIC TOWBOAT & SALVAGE COMPANY DBA FOSS MARITIME COMPANY – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE REVOCABLE PERMIT FOR USE OF A PORTION OF BERTH F202 – DOCUMENT NO. HD-6948 – RESOLUTION NO. HD-2259 - ADOPTED.

Communication from Kathryn McDermott, Director of Properties, dated June 14, 2005, recommending approval of a Revocable Permit with Pacific Towboat & Salvage Company dba Foss Maritime Company, for the use of a portion of Berth F202, 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 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 REVOCABLE PERMIT BETWEEN THE CITY OF LONG BEACH, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND PACIFIC TOWBOAT & SALVAGE DOING BUSINESS AS FOSS MARITIME COMPANY 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:	Hancock, Cordero, Hankla, Topsy-Elvord, Calhoun
NOES:	"	None
ABSENT:	"	None

At 3:15 p.m., President Calhoun recessed the Board meeting for a short recess.

At 3:35 p.m., the meeting was again called to order by President Calhoun.

10. PORT OF LONG BEACH TARIFF NO. 4, ITEM NOS. 402 AND 404 – AMENDMENT FOR REDUCTION OF FREE TIME ALLOWED AND AMEND THE FREE TIME CALCULATION – RESOLUTION NO. HD-2260 - ADOPTED – FIRST READING OF ORDINANCE.

Communication from Donald B. Snyder, Director of Trade and Maritime Services, dated June 15, 2005, recommending approval of the amendments of Item Nos. 402 and 404 in the Port of Long Beach Tariff No. 4 for reduction of free time allowed and amend the free time calculation, was presented to the Board together with the authorizing resolution and ordinance therefore. The recommendation was approved by the Executive Director.

Mr. Snyder, Director of Trade and Maritime Services, gave an overview of the questions previously raised by the industry.

Mr. Hank Bruzza, Vice President of Lengner & Sons Express, asked the Board to decline the request to reduce free time and to base free time on when the container comes off the vessel and not when the vessel is completely discharged.

Mr. John DiBernardo, Vice President of SSA Terminals, stated he is in support of the reduction of free time and, with the introduction of PierPass, there will be doubling the availability of gate hours to pick up cargo. He stated SSA Terminals would also be opening their gates on Saturday day shift.

Mr. Paul Conolly, Director of Customer Service, OOCL (USA), Inc., urged the Board to make no exceptions to the proposed free time amendments. He stated this would improve the velocity through the ports and the terminals would be less congested.

Mr. Daniel Meylor, Los Angeles Customs & Freight Forwarders, stated he opposes the amendments as written and he suggested adding verbiage that states demurrage may be waived when there is a service failure, when the terminal or steamship line can't produce equipment, or something goes wrong with labor.

Ms. Staci Heaton, CTA, stated she is opposed to the reduction of free time and the biggest issue is with the extra free time offered, along with the accrual of when free time starts.

Ms. Patty Senecal, Transport Express, stated the California Port Authority, steamship lines, and marine terminals all benefit from anti-trust immunity and that the trucking industry is deregulated and has no anti-trust immunity, and this keeps the truckers at a disadvantage to the alliances with the Port, steamship lines, and marine terminals.

Mr. Jim Horvitz, Container Connections, stated he felt with the implementation of PierPass next month and with the reduction of free time, this could lead to chaos at the Ports. He felt the solution that could help would be terminal productivity and getting turn times for the drivers/truckers.

Mr. Rick Lorenzen, Price Transfer, stated he felt the congestion starts at the terminal and he supported the reduction of free time.

Mr. Miguel Lopez, stated he opposed the amendments to the reduction of free time and that there should be a transparent registry and public audits of the monies that are collected and held by the terminal operators from the free time. He stated the cargo should be put on wheels in staging areas prior to notification.

Ms. Michelle Grubbs, Vice President of Pacific Merchant Shipping Association, stated she is in support of the amendment and that the PMSA would work with the industry.

Ms. Kathy Gordon, Regional VP/General Manager, MOL, stated there is a misconception within the industry from what is allowed in the service contract for free time. She stated in the past MOL had given lots of free time and now they have cut way back, and their free time that is given is out the door. Ms. Gordon stated that the goal of MOL is to move cargo out of the terminals and that MOL has already filed their tariff with the FMC, effective July 15, with both the Port of Long Beach and Port of Los Angeles because MOL does not want to see their customers get a deal at one port and not the other.

Mr. Phillip Wright, VP/West Coast, ZIM, stated their needs to be a mechanism to address the service failures by the line and by the terminal operator and it should be between the partners and the users of the facilities, and not at the port level. Additionally, he stated it was a smart decision to reduce the free time to encourage the movement of the goods off the pier efficiently and put them where they most belong, on the shelves.

Commissioner Topsy-Elvord stated she was prepared to vote in favor of the free time only with an exception stating, for inbound containerized cargo on a federal regulatory manifest hold, free time shall commence upon the release of the hold on the containerized cargo.

Commissioner Hankla stated he felt the Port does not only have the ability to regulate, the Port has a duty to regulate. He stated the challenge for this Commission is to write a tariff that does provide for fair administration and auditing and he stated he felt it should include that if there is a willful avoidance of enforcing the tariff there needs to be meaningful penalties.

Commissioner Hancock stated the Port needs to continue to enhance the efficiency of this operation and the land resources that we have available to utilize. He stated he sees three primary issues, which are the reduction of free non-demurrage attracting storage from five days to four days, how we start the count, and then the issue of exceptions of availability. Commissioner Hancock stated his preference is to approve when the count starts, reducing the free time from five to four days, with the effective date to be determined, and to instruct staff to look at the availability exception option for consideration at a future date.

Commissioner Cordero stated time is of the essence to move the containers in and out and that the California Association of Port Authorities and the Port of Los Angeles have already addressed this issue and he feels we need to move forward in line.

Commissioner Hankla stated he felt it is our duty under the Tidelands Act to audit, and if there is a violation that is discovered by an audit, the penalty should be more than twice the demurrage, plus \$100, and the cost of the audit should be recovered.

President Calhoun stated he felt the computation should be on a 24-hour basis, rather than a calendar day basis, that the time should only be counted when the container is actually available, create exceptions for not only the manifest holds but for any situation that is outside the control of the shipper and trucking companies, and all over time boxes should be physically reported to the Port of Long Beach. In addition, the demurrage should be collected and auditable, with severe penalties for anybody who tries to manipulate, falsify, or not perform those functions and if needed, a dispute resolution procedure performed by the Port of Long Beach.

In response to a question by Commissioner Topsy-Elvord, Mr. Steinke stated there are provisions in the tariff and in the preferential assignment agreements that authorizes the Port of Long Beach to audit the books and accounts, and we have engaged the City Auditor to do revenue audits on the seven container terminals.

Commissioner Hancock moved, seconded by Commissioner Cordero that the communication be received and filed; with an exception for inbound containerized cargo on a federal regulatory manifest hold, free time shall be reduced from five days to four, and shall commence upon the release of the hold on the containerized cargo from the federal regulatory manifest hold, reserve the right to audit this information and/or to request reporting information from the terminal operators, and that the resolution entitled, "A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AMENDING ORDINANCE NO. HD-1357, DESIGNATED TARIFF NO. 4, BY AMENDING ITEM NOS. 402 AND 404 FOR A PERIOD OF NINETY DAYS COMMENCING JULY 1, 2005," be declared read and adopted as read. Carried by the following vote:

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

Commissioner Hancock moved, seconded by Commissioner Topsy-Elvord that the ordinance entitled, "AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AMENDING ORDINANCE NO. HD-1357, DESIGNATED TARIFF NO. 4, BY AMENDING ITEM NOS. 402 AND 404," be declared read for the first time and laid over for its second and final reading. Carried by the following vote:

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

CLOSED SESSION.

Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock that the closed session be laid over. Carried by the following vote:

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

ANNOUNCEMENTS.

Mr. Hein announced that the election of officers for 2005-2006, would be held at the next meeting.

ADJOURNED.

At 5:25 p.m., Commissioner Hancock moved, seconded by Commissioner Hankla that the meeting be adjourned sine die. Carried by the following vote:

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

**CITY OF LONG BEACH
DEPARTMENT OF PARKS, RECREATION AND MARINE
PARKS AND RECREATION COMMISSION MINUTES
MAY 19, 2005**

I. CALL TO ORDER

The meeting of the Parks and Recreation Commission was called to order by Chris Kozaites, President, at 9:00 a.m., at the Cesar E. Chavez Park Community Center. Phil Hester, Director of Parks, Recreation and Marine, took roll call and confirmed a quorum.

Present: Chris Kozaites, President
Harry Saltzgaver, Vice President
Bea Antenore
Raymond Chavarria
Simon George
William Marmion
Drew Satariano

Absent: none

Staff: Phil Hester, Director of Parks, Recreation and Marine
Thomas Shippey, Manager, Maintenance Operations Bureau
Dennis Eschen, Manager, Planning and Development Bureau
Janet Day-Anselmo, Manager, Business Operations Bureau
Gwendolyn Parker, Superintendent of Contracts and Revenue Development
Diane Lewis, Manager, Community Enrichment Programs Bureau
Chrissy Marshall, Manager, Community Recreation Programs
David Ashman, Manager, Special Events and Filming
Jane Grobaty, Superintendent of Community Information
Christina Burton, Community Information
Robin Black, Executive Secretary to the Director

Guests: Jodi Metz, LBUSD
Robert Lamond, Partners of Parks
Shari Metcalfe, Budget Office
Suzanne Mason, Deputy City Manager

II. APPROVAL OF MINUTES – APRIL 21, 2005

It was moved by Commissioner Chavarria and seconded by Commissioner Satariano to approve the April 21, 2005 Parks and Recreation Commission minutes. The motion carried unanimously.

President Kozaites stated that the Employee of the Month Presentation would be taken next.

IV. EMPLOYEE-OF-THE-MONTH PRESENTATION FOR MAY

President Kozaites stated that Vice President Saltzgaver would announce the Employee of the Month.

Vice President Saltzgaver announced Duane Wyant as the May Field Operations Employee of the Month, from the Maintenance Operations Bureau.

Ms. Christine Sanburg stated that she was assigned to Queensway Bay about a year and a half ago, and when the Department lost a few employees, Mr. Wyant took over directing the community service workers and has really stepped up to the plate. This is something very different than what he had been doing. She said that he takes great pride in the job he does and makes sure his equipment is always taken care of well. Ms. Sanburg said that he could be depended on to follow up and make sure a job gets done.

III. SAMMY AWARD PRESENTATION – CHRISSEY MARSHALL

Chrissy Marshall presented the Sammy Award to Del Ransom, who is presently under-filling as her secretary. Ms. Marshall stated that Del exemplifies what we do in this department. He has been a part-time non-career clerk for quite a while and does his job without skipping a beat. He works late, stays longer, helps everyone, and does an outstanding job. He most recently became full-time, about two weeks ago, and they are thrilled. He is someone who goes out and seeks his own training and is always looking to improve himself. She said that Del goes above and beyond and she appreciates his support.

Mr. Hester mentioned that the Parks and Recreation Commission meeting was being videotaped today and Jane Grobaty would introduce the person doing the filming. He said that a number of years ago the Department was selected by the National Recreation and Parks Association as the top recreation and park department in the nation. He stated that cities can only apply every five years, and it has been five years since the Department won the award. Mr. Hester stated that the Department has applied again and has been selected as one of the top four cities. He said that the next step, as part of the process, is to submit a video of the department.

Ms. Jane Grobaty introduced Mark Dell'Aquila, the owner of Eagle Eye Images. She said that he has worked for the City on a number of projects and came highly recommended by the Department of Technology Services.

V. **COMMISSION ACTION ITEMS**

#05-0501

PERSONAL SERVICES/INSTRUCTION AGREEMENTS-MONTHLY APPROVAL

It was moved by Commissioner Antenore and seconded by Commissioner Marmion to authorize the Community Recreation Programs Bureau manager or his or her management designee to execute the Personal Services and Instruction Agreements and amend Attachment "A" of the agreements as needed. The motion carried unanimously.

#05-0502

RECOMMENDATION REGARDING "ED 'POPS' DAVENPORT PARK" AS THE POTENTIAL NAME FOR THE NEW PARK BEING CONSTRUCTED AT 55TH WAY

Mr. Hester stated that the property is still owned by RDA and once the project is completed, it will be transferred to the City as a dedicated park. He said that this name was approved by a North Long Beach Redevelopment Project Area Advisory Committee.

It was moved by Commissioner Chavarria and seconded by Vice President Saltzgaver to recommend to the Housing and Neighborhood Committee and the full City Council that "Ed 'Pops' Davenport Park" is an appropriate name for the new park being developed on 55th Way in North Long Beach. The motion carried unanimously.

#05-0503

2004 LONG BEACH PARKS AND RECREATION COMMISSION ANNUAL REPORT

It was moved by Commissioner Satariano and seconded by Commissioner Chavarria to approve the 2004 Parks and Recreation Commission Annual Report and authorized the Director to forward it to the City Council. The motion carried unanimously.

#05-0504

USE PERMIT WITH THE NORTH LONG BEACH/BIXBY KNOLLS KIWANIS CHARITABLE FOUNDATION FOR A CARNIVAL AT HOUGHTON PARK AND REQUEST FOR FEE WAIVER

Mr. Hester stated that this is an event that comes annually before the Parks and Recreation Commission for approval.

It was moved by Vice President Saltzgaver and seconded by Commissioner Satariano to authorize the Director of Parks, Recreation and Marine to execute a Use Permit with the North Long Beach/Bixby Knolls Kiwanis Charitable Foundation for a carnival at Houghton Park. In addition, it was recommended that the \$1,400 in fees associated with the permit for this event be waived. The motion carried unanimously.

President Kozaites stated that he would like to take agenda item XI A next.

XI. NEW BUSINESS

A. FISCAL YEAR 2006 BUDGET PRESENTATION – SUZANNE MASON

Ms. Mason stated that she is here with Shari Metcalfe, who she works with, she in the City Manager's office and Shari in the Budget Office, dealing with budget challenges. She stated that staff noted in 2002 that the City faced very serious challenges with the General Fund budget for fiscal year 2003, which funds most of the parks and recreation programs. Ms. Metcalfe distributed an informational document. Ms. Mason discussed the reduction of the utility users tax by 50 percent. She said that the State took away the vehicle license revenue from cities and there were sales tax shifts and property tax shifts. She said that services and employee benefit costs kept increasing and with all of that, about one third of the budget had to be reduced. Ms. Mason stated that the City made presentations to all of the City's commissions and to the public and distributed the voice your choice survey, where they received a tremendous response from the community, and also received input from employees. The City built a three-year strategy based on that input in the fall of 2002, and in 2003, presented the proposal to the City Council and the public. She said that in March of 2003, the plan was endorsed and in fiscal year 2004, the plan was first implemented. Ms. Mason stated that March 2005 was the halfway point of the three-year plan. She said that in two years, they have reduced the structural deficit by about \$72 million of the \$102 million challenge. She said that while the recreation services and maintenance services have been impacted, the City has done everything they can to minimize those impacts.

Ms. Mason stated that next year would be the greatest challenge to reduce the budget by over \$30 million. She stated that the goal is to make a significant part of the reductions through partnering with employees to find ways to reduce the costs of benefits or compensation. She said that the Budget Oversight Committee has been meeting every month and reviewing the budget, such as tax initiative options. She stated that there would be a public budget summit on July 9, from 9:00 a.m. to 12:00 noon, at The Grand and encouraged the Commissioners to attend.

VI. PUBLIC HEARING

A. FEES AND CHARGES

President Kozaites opened the public hearing on fees and charges.

Commissioner Satariano stated that the Finance and Appeals Committee held a number of meetings and thanked Janet Day-Anselmo and her staff for all their work.

Vice President Saltzgaver added that they are also recommending that the Commission adopt a resolution authorizing an annual Consumer Price Index (CPI) increase without review. He stated that the Department has tried to keep fees as low as they can, and if it looked like fees didn't need to be increased, left them the same. But then suddenly, the Department had to recover costs, so fees needed to be raised. He said that this is not a long-term responsible approach to fees, so the Committee is asking for a policy as well as an approval of specific fees.

Commissioner Satariano stated that the Department tried to keep prices as low as possible, but unfortunately, that did not work. He said that the City's fees are still below surrounding cities. He stated that he feels strongly that an automatic CPI increase should be put in place.

Mr. Hester stated that this is a similar approach to what is used at the City's marinas and golf courses. The Department wants to be at the market level and staff will continue to survey the fees every year. He stated that there is also an ongoing Citywide study to look at all fees. He said that the Parks and Recreation Commission also would have the option to not go with the CPI increases each year.

Mr. Hester stated that there is a concern with the recommendation on the filming increase proposal, and he asked Mr. Dave Ashman to state his concerns. He said that the City does not want to be priced out of the industry. He stated that the filming recommendations could be withdrawn from the recommendation this month, if the Commission so wishes.

Mr. Ashman stated that the current fee structure that has been in place for two years was not approved by the Parks and Recreation Commission. He said that the City is the second busiest filming site in the state and the fifth busiest in the nation. He said that if the permitting fees were raised too high, we would lose the ability to market the city as a production site. He stated that he believes that the current rates for filming on public property have been placed at the right rate. He recommended pulling the filming fee recommendation for further discussion.

Vice President Saltzgaver recommended the filming location fees be pulled and that a separate hearing would be held next month.

President Kozaites asked for public comment. There were no comments, so he closed the public hearing on fees.

The Commissioners discussed rounding of the CPI increases but decided against it.

It was moved by Vice President Saltzgaver and seconded by Commissioner Satariano to adopt a resolution for fees and charges relating to the Adaptive Arise program, adult sports, Blair Field, contract classes, day camps, community center facilities, El Dorado East Regional picnic camping and vehicle entry fees, Nature Center tours and classes, and community pool lessons and rentals, effective October 1, 2005. In addition, adopt a resolution, effective October 1, 2005, authorizing the Department to annually, automatically adjust all fees by the CPI, with the ability to adjust for market consideration. The motion carried unanimously.

B. FEE WAIVER POLICY

President Kozaites opened the public hearing regarding fee waiver policy.

Commissioner Satariano stated that this issue came up last year and they have been meeting consistently on this to get it right. He said that the Committee recommends that the Commission adopt this new fee waiver policy.

President Kozaites stated that one important addition to this policy is section 10.9, which would require all potential applicants to be current on all payments before approval for a fee waiver. He said that there have been issues with this in the past.

Mr. Hester stated that the Commission has given him the authority to waive permit fees. He said that he does bring larger requests to the Commission. He stated that because of the current budget situation, the Department would not be able to waive staff costs any longer, only permit fees.

President Kozaites asked for public comment. There were no comments, so he closed the public hearing regarding fee waiver policy.

It was moved by Vice President Saltzgaver and seconded by Commissioner Satariano to adopt a resolution for the changes to the Parks and Recreation Commission Fee Waiver Policy, effective October 1, 2005. The motion carried unanimously.

VII. COMMITTEE STATUS REPORTS

A. EXECUTIVE COMMITTEE
President Kozaites, Chair

Vice President Saltzgaver stated that the Committee met and discussed the fee increase proposals.

B. FINANCE AND APPEALS COMMITTEE
Commissioner Satariano, Chair

Commissioner Satariano stated that the Committee met several times and the report is included in the packet. He said that the budget, which is seven months elapsed, is pretty much in line. He stated that the exceptions should begin to straighten themselves out in the last three to four months of the budget year. He said that it is a good budget and is being administered correctly.

C. PARK SAFETY COMMITTEE
Commissioner Marmion, Chair

Commissioner Marmion stated that the Committee did not meet this month and that the statistics were included in the packet. He said two numbers that increased significantly were gang contacts and transient contacts.

D. EQUAL EMPLOYMENT OPPORTUNITY AND CUSTOMER SATISFACTION COMMITTEE
Commissioner Chavarria, Chair

Commissioner Chavarria stated that the Committee met this morning and the quarterly report was included in the packet.

Commissioner Satariano stated that the community outreach by Department staff is mind-boggling. He said that the supervisors work all day and then attend community meetings at night.

E. CAPITAL IMPROVEMENT PROJECTS COMMITTEE
Vice President Saltzgaver, Chair

Vice President Saltzgaver stated that the Committee did not meet this month and the quarterly report was included in the packet. He said that the one thing he noticed was that the Department continues to have a number of projects rejected because of high bids. He said that this is due to a number of reasons but the Department needs to find a way to resolve this.

Commissioner Marmion commented that Long Beach City College is also experiencing higher than expected bids for projects, but are reassessing project costs and awarding the bids.

Commissioner Marmion asked if the time was set for the opening of Rotary Centennial Park. Ms. Marshall responded that the program would begin at 10:30 a.m., on June 25.

Mr. Hester stated that the park would be open to the public this Saturday.

Vice President Saltzgaver stated that the sports park EIR is final and a CIP Committee would be reviewing it on June 15, with a final recommendation coming to the full Commission at the June meeting. He said that it would then go to the Planning Commission.

F. CITY SCHOOLS/JOINT COMMITTEE
Commissioner Antenore, Chair

Commissioner Antenore stated that the Committee would be meeting on June 9. She mentioned that Jodi Metz is present today to discuss the summer program.

1. "WILD ABOUT NATURE" SUMMER PROGRAM PRESENTATION –
JODI METZ

Ms. Metz said that the summer program is funded through the school district to provide 19 schools with summer recreation programs. She stated that this year's theme is "Wild About Nature" so they will be doing a lot of nature walks and visiting parks. She said that this is a free program, which begins June 22 and goes until July 22.

VIII. DIRECTOR'S REPORT TO COMMISSION

A. DIRECTOR'S MONTHLY REPORT – APRIL 2005

Commissioner Chavarria commented that in looking at items under the Community Recreation Programs Bureau on page 9, the Department has a lot of programs for kids to help them stay out of gangs. He mentioned that the Department didn't really have much on the Marathon radio program against gangs.

Ms. Marshall responded that Jesus Thillet was asked to speak during the program.

Vice President Saltzgaver stated that Alvin Bernstein was also on for one hour during the KPCC Marathon, but other than that, there was very little on the City's parks and recreation programs mentioned during the marathon.

Commissioner George asked if the Parks and Recreation Commission's annual report goes to the public libraries and the CSULB library. Mr. Hester responded that it does not, but we can send it to those libraries.

Vice President Saltzgaver stated he was hoping to see an update on the Bixby Park bandshell. Mr. Hester responded that the Department has an architect giving the Department cost estimates for the reconstruction work and that Tom Shippey knows all the details.

Mr. Shippey stated that the idea is to restore the bandshell back to its historical structure, which will be pretty detailed. He said that the architect should be able to give the Department a plan within the next 90 days and then it would be going out to the bid process. He stated that the Department would be using available CIP funds, requesting reimbursement with FEMA, and recovering some of the costs through insurance to pay for the reconstruction. Mr. Shippey said that it should be completed within a year and because they are bringing the building back to its original historical footprint, it would take a little longer than a repair would take.

Mr. Hester stated that the Aquarium of the Pacific has adopted Cesar Chavez Elementary School and Cesar E. Chavez Park.

Commissioner Marmion stated that the Miller Foundation is funding the partnership between the Aquarium and LBUSD for the school and the park.

IX. CORRESPONDENCE

President Kozaites stated that there was no correspondence.

X. UNFINISHED BUSINESS

President Kozaites stated that there was no unfinished business.

XI. NEW BUSINESS

B. CALIFORNIA ASSOCIATION OF PUBLIC INFORMATION OFFICIALS (CAPIO) AWARD FOR "DIRECTIONS"

Mr. Hester stated that the Department's Community Information Division was recognized by the California Association of Public Information Officials for their work on the Department employee newsletter called "*Directions*."

Ms. Grobaty introduced Tina Burton, who is the person behind "*Directions*," the monthly newsletter that is sent out to all employees. She said that Tina really makes a big effort to outreach to all areas of the Department and makes sure they are represented in the articles.

XII. COMMENTS

A. AUDIENCE

There were no comments from the audience.

B. STAFF

Mr. Hester stated that a budget schedule was sent to the Parks and Recreation Commissioners on May 11. He said that the upcoming Budget Summit is a very good opportunity for the Commission to attend and make comments.

C. COMMISSIONERS

President Kozaites stated that the Commissioners need to discuss election of officers at the June meeting.

It was moved by Commissioner Antenore and seconded by Commissioner Marmion to reelect the two current officers for a second year, Chris Kozaites as President and Harry Saltzgaver as Vice President. The motion carried unanimously.

Commissioner Antenore stated that there would be a presentation in June to the City Council by the group that has been working on the Strategic Plan for Older Adults and they hope to solicit approval from most of the commissions. She said that they have talked to each City Council member, who are in favor of the plan, and the group would be presenting it at the City Council meeting, hopefully the second week in June. She said that she hoped the Parks and Recreation Commission would also support the plan.

Mr. Hester asked if a presentation should be made before the Parks and Recreation Commission before it goes to the City Council.

Vice President Saltzgaver recommended that it be brought before the Parks and Recreation Commission because of its impact on the senior programs the Department has. He said that the process has gone through the Health Department.

Mr. Hester stated that staff would coordinate through the Health Department.

Commissioner Chavarria congratulated Chrissy Marshall and her staff on the opening of Burton W. Chace Park. He said that it has a great water feature.

Ms. Marshall stated that she only organized the event. Dennis Eschen and Anna Mendiola oversaw the building of the park and Tom Shippey and his staff take care of the maintenance of the park.

Commissioner Marmion asked if a desalination plant was proposed for park related property.

Mr. Eschen stated that the only proposed plant he has heard of is for the beach below Bixby Park.

Vice President Saltzgaver stated that the Department does not get credit for many things, such as the 48-hour marathon against gangs, but the Department does more than any other organization with its programs. He said that the Department also provides the facilities for the senior centers and the VOA lunches. He stated that the Department bears expenses of following through with programs and needs to be in on the front end. He stated that he will be on the steering committee for the Homeless Strategic Plan Task Force and he will do his best to represent the parks.

Mr. Hester responded that the Department continues to try and be more active and remind people of the roles the Department plays.

President Kozaites requested that Commissioners provide input at the next meeting regarding their committee assignments.

Mr. Hester mentioned that the Department was contacted by the National Park and Recreation Association (NRPA) a few weeks ago to consider being a kick-off city for a new joint program between the NRPA and Sports Illustrated, with Dodge being a corporate sponsor. He said that the program is called "Good Sports" and Long Beach is one of two cities in the United States to be launch cities for this event. The other municipality is a small county on the east coast. He said that he met with Sports Illustrated this week and the event will be held on June 25, from 10:00 a.m. to 3:00 p.m., at Blair Field. Mr. Hester stated that the "Good Sports" program is to discuss all the negative things going on with

kids sports, such as baseball, soccer, volleyball, etc. There will be speakers and an opportunity for youth and their families to discuss working with the kids. There will also be clinics for the kids to participate in activities. He said that this would be a great event for the City.

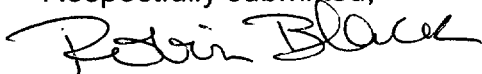
XIII. NEXT MEETING

The next meeting will be held at 9:00 a.m. on Thursday, June 16, 2005, at the El Dorado Park West Community Center, in the Senior Center Library, 2800 Studebaker Rd., Long Beach.

XIV. ADJOURNMENT

President Kozaites adjourned the meeting at 11:21 a.m.

Respectfully submitted,



Robin Black
Executive Secretary
to the Director

c: Phil T. Hester, Director of Parks, Recreation and Marine