

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 1, 2004, AT 1 P.M.

Present: Commissioners: Hancock, Cordero, Hankla, Topsy-Elvord
 Absent: Calhoun*
 (*On Port Business)

Also present:

R. D. Steinke	Executive Director
S. B. Rubin	Managing Director
G. T. Hein	Executive Secretary
D. A. Thiessen	Chief Harbor Engineer
J. E. Warszawski	Administration Division Analyst
Y. R. Smith	Director of Communications
M. J. Slavin	Director of Finance
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
W. C. Ellis	Interim Director of Security
J. A. Morgan	Manager of Maritime Services
D. T. Holzhaus	Principal Deputy City Attorney

VICE PRESIDENT TOPSY-ELVORD PRESIDED AS CHAIRMAN.

APPROVAL OF MINUTES.

Upon motion by Commissioner Hankla, seconded by Commissioner Cordero and unanimously carried, the minutes of the regular meeting of October 25, 2004, were declared read and approved as read.

PUBLIC COMMENTS.

Commissioner Warren Gautier from the Port of Pascagoula in Mississippi addressed the Board and stated they have a Commission of nine and they meet once a month. Additionally, he stated he had attended the recent AAPA Conference and was discussing LNG terminals with President Calhoun. Commissioner Gautier stated the Port of Pascagoula is in the early stages of a proposed LNG terminal.

Vice President Topsy-Elvord welcomed Commissioner Gautier.

Mr. C.J. Latimore addressed the Board and thanked them for the opportunity to be involved in the recent American Association of Port Authorities Conference.

He stated he was honored to have been asked to design the keepsake that was presented to everyone who attended the Gala at the Aquarium. Mr. Latimore presented each Commissioner with a personalized ChromaStone Art keepsake plate.

Vice President Topsy-Elvord thanked Mr. Latimore for his contribution to the Conference and for the keepsake plate.

Mr. Steinke announced that the Port of Long Beach had been a major sponsor of the recent Aquatics Grand Prix event. He presented to the Board a framed photograph from the Convention and Visitors Bureau showing the event with the Port in the background.

CONSENT CALENDAR – ITEMS NOS. 1-6.

Item No. 1 was removed from Consent Calendar for discussion.

2. KPFF, INC. - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE FIRST AMENDMENT TO CONTRACT FOR CONSULTING SERVICES - DOCUMENT NO. HD-6561A - CWO NO. 1255, SUPPLEMENT NO. 2, AND A BUDGET REVISION – APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated October 27, 2004, requesting approval of an amendment to Contract with KPFF, Inc., for engineering design services for the Pier T Dry Dock 1 Fill and Site Development, in the amount of \$900,000, extending the term to December 31, 2006, CWO No. 1255, Supplement No. 2, in the amount of \$1,125,000, and a budget revision, was presented to the Board. The request was approved by the Acting Executive Director.

3. MS NAVARRO ENGINEERING – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE, UPON SATISFACTION OF CERTAIN CONDITIONS BY CONTRACTOR, CONTRACT FOR TERMINAL SECURITY INFRASTRUCTURE UNDER SPECIFICATION NO. HD-S2114 – CITY ATTORNEY REQUESTED TO PREPARE CONTRACT – DOCUMENT NO. 6869 AND CWO NO. 1113, SUPPLEMENT NO. 74 - APPROVED.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated October 27, 2004, requesting conditional authorization of a Contract with MS Navarro Engineering for Terminal Security Infrastructure at the Pier T Marine Terminal under Specification No. HD-S2114, in the amount of \$461,700, and CWO No. 1113, Supplement No. 74, in the amount of \$730,000, was presented to the Board. The request was approved by the Acting Executive Director.

4. CWO NO. 1167 - EXPENDITURES APPROVED AND PROJECT CLOSED TO ALL FUTURE CHARGES.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated October 27, 2004, submitting the following project for closing action:

CWO No.	Project Name	<u>BHC Approval</u>	<u>Expenditures</u>
1167	Henry Ford Sewer Pump Station	\$4,849,000	\$4,844,659

and requesting that the expenditures 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 Acting Executive Director.

5. PIER T WELL RE-EVALUATION AND SEVERANCE PACKAGE - APPROVED.

Communication from Robert Kanter, Director of Planning, dated October 26, 2004, requesting approval for the Engineering Division to utilize funds from CWO No. 1113, to fund the re-evaluation of previously abandoned Pier T oil wells, minus the credit due the Port for the Tidelands Oil severance package, in the amount of \$329,500, was presented to the Board. The request was approved by the Acting Executive Director.

6. MICHAEL A. NEAL – APPOINTMENT.

Communication from Toni K. Whitesell, Director of Administration, by J. E. Warszawski, dated October 26, 2004, requesting approval of the appointment of Michael A. Neal, to the position of Administrative Intern-NC, at Range/Step H36/1, effective November 2, 2004, was presented to the Board. The request was approved by the Acting Executive Director.

Commissioner Hancock moved, seconded by Commissioner Hankla that the communications be received and filed and that Items Nos. 2-6 be approved as recommended. Carried by the following vote:

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

1. TRAYLOR PACIFIC - ACCEPTANCE OF WORK UNDER SPECIFICATION NO. HD-S2153.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated October 27, 2004, advising that Traylor Pacific, has satisfactorily completed, as of July 30, 2004, Berths G212-G215, Wharf Upgrade and Conveyor Improvements as described in Specification No. HD-S2153 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.

In response to a question by Commissioner Hancock, Mr. Thiessen stated the construction crews had discovered a crack in the wharf deck and that all repair work has now been completed.

Commissioner Hancock moved, seconded by Commissioner Cordero that the communication be received and filed and that said work by Traylor Pacific be accepted as complete as of July 30, 2004. Carried by the following vote:

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

REGULAR AGENDA.

7. RESOLUTIONS MODIFYING, RESCINDING, OR EXTENDING THE TERMS OF CERTAIN OIL OPERATING AREAS WITHIN THE HARBOR DISTRICT – RESOLUTION NO. HD-2221; RESOLUTION NO. HD-2222; RESOLUTION NO. HD-2223; RESOLUTION NO. HD-2224; RESOLUTION NO. HD-2225 - ADOPTED.

Communication from Kathryn McDermott, Director of Properties, dated October 27, 2004, recommending adoption of resolutions modifying, rescinding, or extending the terms of certain oil operating areas within the Harbor District, was presented to the Board together with the authorizing resolutions therefore. The recommendation was approved by the Acting 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 DETERMINING THAT THE X-Y TANK FARM ON PIER D IN THE HARBOR DISTRICT OF THE CITY OF LONG BEACH WHICH IS USED AS A SITE FOR OIL OPERATIONS IS NOT NOW REQUIRED, AND WITH REASONABLE CERTAINTY WILL NOT BE REQUIRED FOR A PERIOD OF TEN (10) YEARS FROM AND AFTER THE DATE OF ADOPTION OF THIS RESOLUTION, FOR THE PROMOTION OR DEVELOPMENT OF COMMERCE, NAVIGATION OR FISHERY," be declared read and adopted as read. Carried by the following vote:

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

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 DETERMINING THAT DRILL SITES A-1, A-1-A, AND A-7 IN THE HARBOR DISTRICT OF THE CITY OF LONG BEACH WHICH ARE USED FOR OIL OPERATIONS ARE NOT NOW REQUIRED, AND WITH REASONABLE CERTAINTY WILL NOT BE

REQUIRED THROUGH OCTOBER 8, 2008, FOR THE PROMOTION OR DEVELOPMENT OF COMMERCE, NAVIGATION OR FISHERY," be declared read and adopted as read. Carried by the following vote:

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

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 DETERMINING THAT DRILL SITE AREA G-1 IN THE HARBOR DISTRICT OF THE CITY OF LONG BEACH WHICH IS USED AS A SITE FOR OIL OPERATIONS IS NOT NOW REQUIRED, AND WITH REASONABLE CERTAINTY WILL NOT BE REQUIRED FOR A PERIOD OF TEN (10) YEARS FROM AND AFTER THE DATE OF ADOPTION OF THIS RESOLUTION, FOR THE PROMOTION OR DEVELOPMENT OF COMMERCE, NAVIGATION OR FISHERY," be declared read and adopted as read. Carried by the following vote:

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

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 DETERMINING THAT DRILL SITES J-1, J-3, J-4, J-5, AND J-7 IN THE HARBOR DISTRICT OF THE CITY OF LONG BEACH WHICH ARE USED FOR OIL OPERATIONS ARE NOT NOW REQUIRED, AND WITH REASONABLE CERTAINTY WILL NOT BE REQUIRED FOR A PERIOD OF TEN (10) YEARS FROM AND AFTER THE DATE OF ADOPTION OF THIS RESOLUTION, FOR THE PROMOTION OR DEVELOPMENT OF COMMERCE, NAVIGATION OR FISHERY," be declared read and adopted as read. Carried by the following vote:

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

Commissioner Hancock moved, seconded by Commissioner Cordero that the communication be received and filed and that resolution entitled "A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH DETERMINING THAT DRILL SITES E-2, E-13A (SEGMENT 2), W-4, W-5, AND W-6A IN THE HARBOR DISTRICT OF THE CITY OF LONG BEACH WHICH ARE USED FOR OIL OPERATIONS ARE NOT NOW REQUIRED, AND WITH REASONABLE

CERTAINTY WILL NOT BE REQUIRED BEFORE JANUARY 10, 2006, FOR THE PROMOTION OR DEVELOPMENT OF COMMERCE, NAVIGATION OR FISHERY," be declared read and adopted as read. Carried by the following vote:

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

CLOSED SESSION.

At 1:50 p.m., Vice President Topsy-Elvord recessed the Board meeting to hold a closed session pursuant to:

A. Section 54957(b) of the Government Code to evaluate the performance of the Executive Director.

B. Section 54956.9(a) of the Government Code regarding The United States of America ex rel.; State of California ex rel.; California State Lands Commission ex rel., Stanley D. Mosler, an individual, vs. City of Long Beach, a municipal corporation; City of Long Beach Harbor Department; Port of Long Beach; Long Beach Board of Harbor Commissioners; Union Pacific Corporation; Union Pacific Railroad Company; Union Pacific Energy Company; Union Pacific Land Resources Corporation; Union Pacific Resources Company; United States District Court Case No. CV04-1832AHM(RNBx).

At 3:20 p.m., the meeting was again called to order by Vice President Topsy-Elvord.

ADJOURNED.

At 3:25 p.m., Commissioner Cordero moved, seconded by Commissioner Hankla that the meeting be adjourned sine die. Carried by the following vote:

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