

TRANSMITTAL

TO
Harbor Department

DATE
03/29/2024

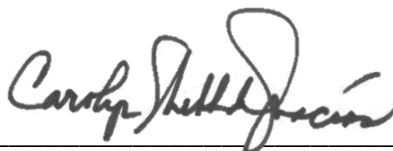
COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT

**REQUEST FOR FIFTH AMENDMENT TO PERMIT NO. 999 WITH CHINA SHIPPING HOLDING
COMPANY, LTD. AND ORDER RESETTING COMPENSATION FOR THE PERIOD OF JUNE
28, 2020 THROUGH JUNE 27, 2025**

Approved, ED4 Waived, and Transmitted for further processing.



MAYOR
(Carolyn Webb de Macias for)

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

DATE: March 28, 2024

TO: The Honorable Karen Bass, Mayor
City of Los Angeles

FROM: Amber M. Klesges, Commission Secretary
Harbor Department / Mail Stop 260 

SUBJECT: **CHARTER SECTION 607(a) – FIFTH AMENDMENT TO PERMIT NO. 999
WITH CHINA SHIPPING HOLDING COMPANY, LTD. AND ORDER
RESETTING COMPENSATION FOR THE PERIOD OF JUNE 28, 2020
THROUGH JUNE 27, 2025**

In accordance with Executive Directive No. 4, attached for your review is Resolution No. 24-10336 authorizing approval of Permit 999 and Order No. 24-7363 with China Shipping Holding Company, Ltd.; which was approved by the Board of Harbor Commissioners on March 28, 2024.

It is respectfully recommended for the City Administrative Office to review, report, and return to the Harbor Department for further processing to City Council for final consideration.

Please feel free to contact me for any inquiries regarding the transmitted documents at (310) 732-2642 or aklesges@portla.org

cc: Heleen Ramirez, Mayor's Office
Erick Martell, Mayor's Office
Kevin Brunke, CD 11
Jacqueline Wagner, CAO Office
Jim House, CAO Office
Jennifer Sapone, CAO Office
Stephanie Magnien, Harbor Representative
City Attorney

AMK/ev

4/28/24
RECOMMENDATION APPROVED;
RESOLUTION 24-10336 (PERMIT 999) ADOPTED AND
ORDER 24-7363 APPROVED
BY THE BOARD OF HARBOR COMMISSIONERS
*AS AMENDED

March 28, 2024
AM Klesges
Amber M. Klesges
Board Secretary



DATE: MARCH 26, 2024

FROM: CARGO AND INDUSTRIAL REAL ESTATE

SUBJECT: RESOLUTION NO. 24-10336 – FIFTH AMENDMENT TO PERMIT NO. 999 WITH CHINA SHIPPING HOLDING COMPANY, LTD. AND ORDER RESETTING COMPENSATION FOR THE PERIOD OF JUNE 28, 2020 THROUGH JUNE 27, 2025

SUMMARY:

Staff requests approval of a Fifth Amendment to Permit No. 999, as amended (Permit 999) with China Shipping (North America) Holding Company, Ltd. (China Shipping) and an Order Resetting Compensation for the period of June 28, 2020 through June 27, 2025 (Order), the effectiveness of which is expressly contingent depending on further actions of the trial court with jurisdiction over pending litigation involving the China Shipping terminal, as discussed below.

The proposed actions implement a commercial agreement between the parties to contractually bind China Shipping through a Fifth Amendment to Permit 999 to implement those CEQA mitigation measures determined to be feasible by court proceedings to date, and to reflect agreement on the resolution of commercial matters concerning a \$15,500,000 equipment credit, a \$1,446,379.57 resolution of a pending claim concerning China Shipping's 2019 compensation obligations, and via the Order, the resetting of Minimum Annual Guarantee (MAG) and Twenty-Foot Equivalent Unit (TEU) rates for the period of June 28, 2020, through June 27, 2025 that will leave them unchanged from what was in place as of June 27, 2020, subject to any increase in the Tariff N.O.S. rate occurring during any compensation year in accordance with the terms of the Permit.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) of the Los Angeles City CEQA Guidelines, and that further CEQA compliance will be required in the pending trial court remedy, as discussed herein;
2. Approve the Fifth Amendment to Permit No. 999 with China Shipping Holding Company, Ltd., which approval is expressly contingent upon CEQA compliance as directed in the remedy ultimately ordered by the trial court with jurisdiction, which is currently set for a hearing on May 24, 2024, thus implementing and making contractually enforceable against China Shipping the 2008 mitigation measures as modified by the 2019 Supplemental Environmental Impact Report ("2019 SEIR"),

SUBJECT: RESOLUTION NO. 24-10336 – FIFTH AMENDMENT TO PERMIT NO. 999 WITH CHINA SHIPPING HOLDING COMPANY, LTD. AND ORDER RESETTING COMPENSATION FOR THE PERIOD OF JUNE 28, 2020, THROUGH JUNE 27, 2025

the trial court ruling issued on June 27, 2022 and the Court of Appeal opinion issued on December 29, 2023. The Board's contingent approval for the Fifth Amendment is based upon, and incorporates by reference, the Board's December 12, 2008, Findings of Fact and Statement of Overriding Considerations for the 2008 EIR for the Berths 97-109 China Shipping Terminal;

3. Direct the Board Secretary to transmit the Fifth Amendment to Permit No. 999 to the City Council for approval pursuant to ~~Section 606 of the City Charter, and, if applicable~~ Charter 607(a) requiring a 2/3 vote of the City Council;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the Fifth Amendment to Permit No. 999 upon approval by the City Council;
5. Approve the Order resetting compensation under Permit No. 999 with China Shipping (North America) Holding Company, Ltd.;
6. Authorize the Board Secretary to attest to the Order resetting compensation under Permit No. 999; and
7. Adopt Resolution No. 24-10336 and Order No. 24-7363

DISCUSSION:

Permit 999 grants China Shipping nonexclusive use of approximately 131 acres at Berths 100-102 (Transmittal 1) for container terminal operations, for a term of 25 years, from June 28, 2005, To June 27, 2030, with three five-year extension options, exercisable by China Shipping.

Litigation was filed to challenge the City of Los Angeles Harbor Department's (Harbor Department) approval of Permit 999 under CEQA. Pursuant to a 2004 Amended Stipulated Judgment settling that litigation, China Shipping was allowed to continue to operate the terminal under Permit 999. Consistent with the 2004 Amended Stipulated Judgment, Permit 999 was to be amended to include mitigation measures required by a new project-specific EIR (2008 EIR). That requirement subsequently resulted in a long-running dispute regarding whether the mitigation measures were feasible and China Shipping's contractual obligation to implement mitigation measures.

As a result, in 2019, the Natural Resources Defense Council, the South Coast Air Quality Management District, and intervenors California Air Resources Board and the California Attorney General (collectively, "Petitioners") filed a lawsuit against Harbor Department and China Shipping challenging the terminal's ongoing ability to operate, based on the arguments that the Harbor Department's CEQA analysis was flawed and that China Shipping has no contractual obligation to implement mitigation measures, thus violating CEQA. These actions were consolidated, and venue transferred to San Diego Superior Court. Following many months of trial court proceedings, the trial court ordered the 2019 SEIR to be set aside and required additional analysis under CEQA. After a subsequent

SUBJECT: RESOLUTION NO. 24-10336 – FIFTH AMENDMENT TO PERMIT NO. 999 WITH CHINA SHIPPING HOLDING COMPANY, LTD. AND ORDER RESETTING COMPENSATION FOR THE PERIOD OF JUNE 28, 2020, THROUGH JUNE 27, 2025

appeal that was decided in December of 2023, the Court of Appeal has remanded the case back to the trial court to determine the remedy.

On March 6, 2024, the trial court in San Diego issued an Order to Show Cause (OSC) to all parties, including the Harbor Department and China Shipping, (Transmittal 2) that is set for hearing on May 24, 2024. The OSC requires the parties to “show cause, if any there be, why shipping activities at the China Shipping Terminal should not be suspended pending the setting by the court of a strict timeline for the Harbor Department’s adoption of a new SEIR and the enforcement of the Lease to ensure compliance with mitigation measures.” The OSC identifies 11 action items that will be addressed at the court hearing on April 26 2024, including the number and types of workers that would lose employment if the terminal is shut down, whether other facilities in the Port of Los Angeles or on the west coast could absorb China Shipping throughput if the terminal is shut down, the status of the City’s efforts to enforce the “comply with all laws” provision in China Shipping’s lease document, and the status of China Shipping’s compliance efforts.

The proposed Fifth Amendment remedies the deficiency that has existed since Permit 999 was issued in 2001 and that has repeatedly served as a basis for litigation against the Harbor Department and China Shipping by contractually binding China Shipping to implement those mitigation measures that proceedings to date in the trial court and appellate court have determined to be feasible, specifically the mitigation measures in the 2008 EIR as modified by the 2019 Supplemental Environmental Impact Report (“2019 SEIR”), the trial court ruling issued on June 27, 2022 and the Court of Appeal opinion issued on December 29, 2023. Those mitigation measures are identified in Exhibit M-1 of the Fifth Amendment.

The Fifth Amendment, together with the Order Resetting Compensation for the 2020-2025 Compensation Period (Transmittal 3) , also address and resolve three commercial matters that have been pending between China Shipping and the Harbor Department for some time now. Specifically:

- The Fifth Amendment provides to China Shipping a credit of \$15,500,000 against compensation obligations under the Permit for its previous implementation at the premises of equipment to comply with mitigation measures;
- The Fifth Amendment provides to China Shipping an additional credit of \$1,446,379.57 against compensation obligations under the Permit to resolve Claim No. C21-03132 related to China Shipping’s compensation payment obligations for the 2019 Compensation Year, in exchange for a full release of all claims;
- The Order Resetting Compensation for the 5-Year period beginning on June 28, 2020 and ending on June 27, 2025 (Order) sets the MAG at \$161,267 per acre (130.56 acres) per year, plus any increase in the Tariff N.O.S. rate (i.e. General Rate Increase or GRI) occurring during any compensation year will continue to be applied in accordance with Section 3(e)(7) of the Permit. Additionally, for the five

DATE: MARCH 26, 2024

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SUBJECT: RESOLUTION NO. 24-10336 – FIFTH AMENDMENT TO PERMIT NO. 999 WITH CHINA SHIPPING HOLDING COMPANY, LTD. AND ORDER RESETTING COMPENSATION FOR THE PERIOD OF JUNE 28, 2020, THROUGH JUNE 27, 2025

year period beginning on June 28, 2020 and ending on June 27, 2025, the Order provides that TEU rates that were applicable for the five (5) year period beginning on June 28, 2015 and ending on June 27, 2020 will remain applicable, plus any increase in the N.O.S. rate occurring during any compensation year will continue to be applied in accordance with Section 3(d)(4) of the Permit.

To the extent that the Fifth Amendment and the Order together set forth the terms under which China Shipping and the Harbor Department have agreed to resolve multiple issues, they each contain a provision making the effectiveness of one document contingent on the effectiveness of the other document, meaning that both documents need to be fully approved to consummate the full contemplated transaction.

Because the trial court has not yet issued a final remedy against the Harbor Department and China Shipping to ensure CEQA compliance, the Board's approval of the Fifth Amendment is expressly contingent upon the ruling by the trial court. That is, the Fifth Amendment will only become effective once the trial court rules that the Harbor Department is authorized to proceed with the amendment. The trial court's remedy will address whether the SEIR is set aside and the terms of the Harbor Department's further CEQA compliance.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of the Fifth Amendment to Permit 999, which is an activity for which the underlying project has been previously assessed in the Berths 97-109 [China Shipping] Container Terminal Environmental Impact Report (SCH# 2003061153), which was certified by the Board on December 18, 2008 ("2008 EIR"), and the Berths 97-109 [China Shipping] Container Terminal Project Supplemental Environmental Impact Report (SCH# 2003061153), which was certified by the Board on October 8, 2019 ("2019 SEIR"). The trial court initially ordered that the Port set aside the 2019 SEIR. Following a decision by the Court of Appeal remanding the case to the trial court for further proceedings on remedy, the trial court is holding a hearing on the CEQA remedy on May 24, 2024. Therefore, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA under Article II Section 2(i) of the Los Angeles City CEQA Guidelines, and that further CEQA compliance will be required in the pending trial court remedy, as discussed herein.

FINANCIAL IMPACT:

Approval of the proposed Order will reset compensation terms associated with China Shipping's MAG and TEU rates for the five-year period covering June 28, 2020 through June 27, 2025. Any increase in the N.O.S. rate will continue to be applied in accordance with Section 3 of Permit 999.

DATE: MARCH 26, 2024

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SUBJECT: RESOLUTION NO. 24-10336 – FIFTH AMENDMENT TO PERMIT NO. 999 WITH CHINA SHIPPING HOLDING COMPANY, LTD. AND ORDER RESETTING COMPENSATION FOR THE PERIOD OF JUNE 28, 2020, THROUGH JUNE 27, 2025

Additionally, approval of the proposed Fifth Amendment will result in the Harbor Department issuing the following credits to China Shipping:

Credit	Total
Equipment Credit	\$15,500,000.00
2019 MAG Deficiency	\$1,446,379.57
Total	\$16,946,379.57

Details of the proposed credits are as follows:

- 1) A \$15,500,000 equipment credit to be applied evenly in seven installments from the effective date of the Amendment in 2024 through June 27, 2030, or \$2,214,285.71 per year; and
- 2) A \$1,446,379.57 credit related to a contested deficiency in the minimum annual guarantee collected for the 2019 compensation year.

Additionally, pursuant to the terms of the Permit, the Harbor Department may increase the MAG and TEU rates by 25% until the completion of the compensation reset process. When the new compensation is less than such increase ordered by the Harbor Department, China Shipping is entitled to a credit against future monies owed to the Harbor Department under the Permit.

Effective June 1, 2021, China Shipping's MAG and TEU rates were increased by 25%, pending resolution of the five-year compensation reset covering June 28, 2020 through June 27, 2030.

Given that the MAG and TEU rates under the proposed Order are less than those collected since the 25% increase was applied on June 1, 2021, as per Section 3(g) of Permit 999, the excess monies will be returned to China Shipping in the form of a credit.

Details of the approved credits owed per the terms of Permit 999 are as follows:

- 1) An approximate \$31,375,550.80 million credit related to the 25% increase to MAG and TEU rates at China Shipping (\$28.4 million for calendar year 2021-23 and approximately \$3.0 million for calendar year 2024).

The \$31,375,550.80 in compensation credits noted above may slightly change pending verification and final reconciliation procedures with China Shipping.

CITY ATTORNEY:

The Office of the City Attorney has prepared and approved the proposed Fifth Amendment and Order as to form and legality.

DATE: MARCH 26, 2024

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SUBJECT: RESOLUTION NO. 24-10336 – FIFTH AMENDMENT TO PERMIT NO. 999 WITH CHINA SHIPPING HOLDING COMPANY, LTD. AND ORDER RESETTING COMPENSATION FOR THE PERIOD OF JUNE 28, 2020, THROUGH JUNE 27, 2025

TRANSMITTALS:

1. Site Map
2. Order to Show Cause
3. Fifth Amendment and Order

FIS Approval: MB
CA Approval: SO

Marisa L. Katnich
MARISA L. KATNICH
Director, Cargo & Industrial Real Estate

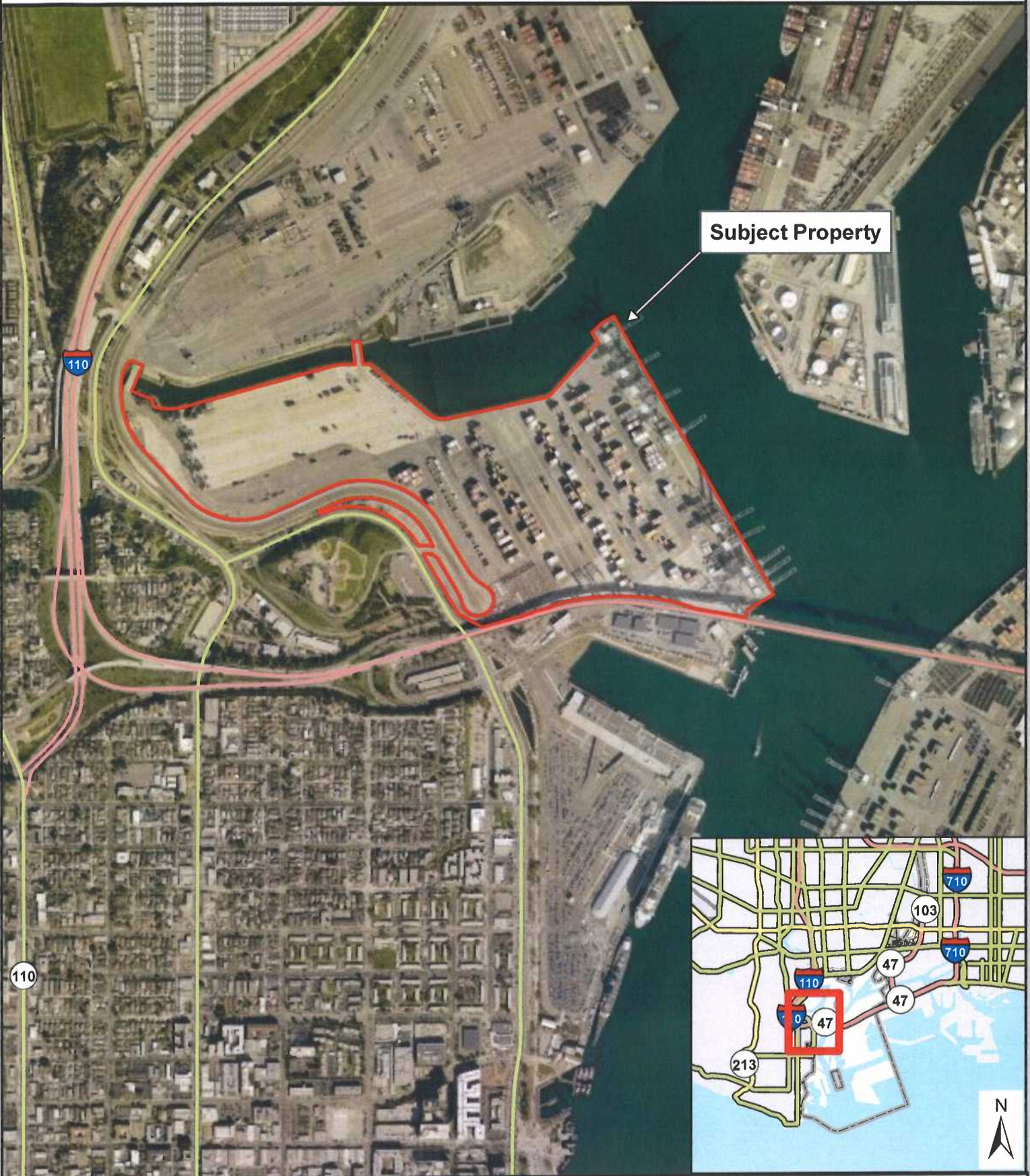
Michael DiBernardo
MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

Marla Bleavins For
EUGENE D. SEROKA
Executive Director

ES:MD:MK:jg

China Shipping - P999



Subject Property



Transmittal 1

0 0.2 0.4 Miles

Site Map



MARCH 2024

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SAN DIEGO

MINUTE ORDER

DATE: 03/06/2024

TIME: 10:03:00 AM

DEPT:

CITY OF LOS ANGELES
RECEIVED

2024 MAR 11 AM 11:19

CITY OF LOS ANGELES
CITY ATTORNEY'S OFFICE

JUDICIAL OFFICER PRESIDING: Timothy Taylor

CLERK: Taylor Crandall

REPORTER/ERM: Not Reported

BAILIFF/COURT ATTENDANT: M. McClure

CASE NO: 37-2021-00023385-CU-TT-CTL CASE INIT.DATE: 09/16/2020

CASE TITLE: **Natural Resources Defense Council Inc vs City of Los Angeles [E-FILE]**

CASE CATEGORY: Civil - Unlimited CASE TYPE: Toxic Tort/Environmental

APPEARANCES

Order Following Remand

Natural Resources Defense Council, Inc., et al. v. City of Los Angeles, et al.; SCAQMD v. City of Los Angeles, et al., Case No. 2021-23385

The court has reviewed the opinion of the Fourth District Court of Appeal, Div. 1, filed 12/29/23 in Case No. D080902 (and thereafter ordered published, 2024 DAR 621), remanding the case to this court to exercise its discretion to fashion an appropriate remedy in the first instance. The court hereby preliminarily spreads the mandate as follows:

The Respondent and the RPI are hereby ordered, pursuant to Pub. Res. Code section 21168.9, to show cause, if any there be, why shipping activities at the China Shipping Terminal should not be suspended pending the setting by the court of a strict timeline for the Port's adoption of a new SEIR and the enforcement of the Lease to ensure compliance with mitigation measures.

The Respondent and the RPI are also ordered to show cause, if any there be, why shipping activities at the China Shipping Terminal should not be suspended pending the filing of a return to the Writ of Mandate entered by this court on July 12, 2022 (ROA 160), establishing that it has set aside its certification of the SEIR, as well as all related project approvals, as ordered by this court.

The hearing on the OSC will occur at 9:00 a.m. on Friday, April 26, 2024. Written responses from respondent and RPI are due by noon on April 12, 2024. Petitioners may respond in writing to the submissions of respondent and RPI not later than noon on April 19, 2024.

The responses to the OSC filed by respondent and RPI must address, at a minimum, the following:

1. Whether a view by the trial court of current operations at the China Shipping Terminal under CCP section 651 would be appropriate under the present circumstances of this case (and if so, the proposed logistics for such a view).

DATE: 03/06/2024

MINUTE ORDER

Page 1

DEPT:

Calendar No.

TRANSMITTAL 2

writ of mandate and judgment, consistent with the Court of Appeal's opinion.

IT IS SO ORDERED.



Judge Timothy Taylor

CHINA SHIPPING (NORTH AMERICA) HOLDING CO, LTD.
FIFTH AMENDMENT OF PERMIT NO. 999

Permit No. 999 granted to CHINA SHIPPING (NORTH AMERICA) HOLDING CO., LTD. ("Tenant") is hereby amended a fifth time as follows:

1. The provisions of Section 4 of Permit No. 999, as amended ("Agreement"), are supplemented with a subsection (i), which states as follows:

(i) Environmental Compliance and Mitigation Obligations.

(1) Following the effective date of this Fifth Amendment, to the extent any conflicts arise or are deemed to exist between the requirements or language of this Fifth Amendment, on one hand, and the terms of the Agreement as it existed prior the effective date of this Fifth Amendment, on the other, the terms of this Fifth Amendment shall prevail and control.

(2) On and following the effective date of this Fifth Amendment, in its use and occupancy of the premises, Tenant shall comply (and shall immediately halt and remedy any incident of non-compliance) with the environmental mitigation and lease measures ("Measures") and Mitigation Monitoring and Reporting Program set forth collectively in Exhibit "M-1" hereto. Tenant shall comply with all Measures identified in Exhibit "M-1" as the responsibility (as "Responsible Party") of Tenant.

(3) Within thirty (30) days of a written request therefor from Executive Director, Tenant shall submit to the City's Harbor Department any and all information that may reasonably be required to demonstrate compliance, and report any non-compliance, including the facts of such non-compliance with the Measures and any other requirements that may be set forth in this Agreement. Tenant shall immediately upon receipt provide City with copies of any notices or orders or similar notifications received from any governmental agency regarding compliance with Applicable Laws relative to obligations under Section 4(i).

(4) Tenant, at its sole cost and expense, shall pay any and all charges and costs arising out of or related to the consumption of electrical power by the City's Alternative Maritime Power or "AMP" infrastructure, whether or not a vessel is connected to the system.

(5) Tenant, at its sole cost and expense, shall undertake all processes arising out of or related to the connection of vessel(s) to the City's AMP infrastructure. In the event the City invoices Tenant for these services, Tenant shall reimburse City for the costs of City personnel employed in such processes. Tenant shall comply with City provided equipment

specifications, including vessel AMP equipment requirements, including but not limited to the requirement that ships connecting to shore power must have equipment complying with the international standard specification IEC/ISO/IEEE 80005-1:2012 Utility Connections in Port – Part 1: High Voltage Shore Connection (HVSC) Systems – General Requirements, and as amended.

2. The provisions of Section 3 of Agreement are supplemented with a subsection (q), which states as follows:

(q) Equipment Credit Tenant shall be provided a Credit ("Equipment Credit") against Compensation due and owing to City pursuant to this Section 3 for Equipment previously purchased and implemented at the Premises in compliance with Measures ("Compliant Equipment"). The Equipment Credit shall be in the amount of Fifteen Million Five Hundred Thousand Dollars (\$15,500,000) and shall be allocated evenly (in equal installments) and on an annual basis through 2030 towards Compliant Equipment purchased and implemented at the Premises.

3. The provisions of Section 3 of Agreement are supplemented with a subsection (s), which states as follows:

(s) A credit of One Million Four Hundred and Forty-Six Thousand, Three Hundred and Seventy-Nine Dollars and Fifty-Seven Cents (\$1,446,379.57) shall be applied against compensation due and owing by Tenant to City pursuant to Section 3 hereunder. In consideration of such credit, Tenant forever releases and discharges City and City's former, present and future boards, elected and appointed officials, employees, officers, directors, representatives, agents, departments, subsidiary and affiliates, assigns, insurers, attorneys, predecessors, successors, divisions, subdivisions and parents, and all persons or entities acting by, through, under, or in concert with, any of the foregoing from and against any and all of Tenant's rights, claims, demands, damages, debts, liabilities, accounts, reckonings, liens, attorney's fees, costs, expenses, actions and causes of action of every kind and nature whatsoever, that are based in whole or in part on, consist of, or which do or may arise out of, or which are or may be related to or in any way connected with those matters alleged in Claim No. C21-03132 filed by Tenant with City's City Clerk ("Claim"), which Claim pertains to Tenant's payment of the MAG for the 2019 Compensation Year. Within thirty (30) days following the effective date of this Fifth Amendment, Tenant shall dismiss and shall provide Executive Director with written confirmation of the dismissal, with prejudice, of such Claim.

4. The First Amendment to Permit No. 999 is amended by completely deleting paragraphs 2 and 3, which address alternative fuels and AMP electricity costs, respectively, and which paragraphs shall have no further force or effect.

5. For purposes of compliance with the First Amendment to Permit No. 999, City and Tenant acknowledge and agree that the issues of the feasibility of using at the premises (a) AMP and (b) "low profile" cranes, as set forth in the First Amendment of this Agreement, have been resolved, and that the use of AMP at the premises is feasible, while the use of "low profile" cranes at the premises is not feasible.

6. The effectiveness of this Fifth Amendment is expressly conditioned on the effectiveness of the Order resetting compensation for the 5-Year period beginning on June 28, 2020 and ending on June 27, 2025 (a copy of which Order is attached hereto as Exhibit 2024-1), presented concurrently herewith.

7. The effective date of this Fifth Amendment shall be upon execution by the Executive Director and Secretary of City's Board of Harbor Commissioners after approval of the City Council.

8. Except as amended herein, all remaining terms and conditions of the Agreement shall remain the same.

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(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Fifth Amendment to the Agreement on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners

Dated: _____

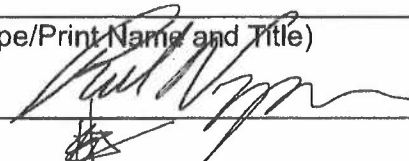
By _____
Executive Director

Attest _____
Board Secretary

CHINA SHIPPING (NORTH AMERICA)
HOLDING CO., LTD.
Paul Nazzaro

Dated: _____

By _____
(Type/Print Name and Title)



By _____
Jie Zhang, Board Secretary
(Type/Print Name and Title)

APPROVED AS TO FORM AND LEGALITY

March 27, 2024
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA, General Counsel

By 
JOHN T. DRISCOLL, Deputy

3574464.1

Exhibit 2024-1 to

CHINA SHIPPING (NORTH AMERICA) HOLDING CO. LTD
FIFTH AMENDMENT OF PERMIT NO. 999

ORDER NO. 24-7363

An Order of the Board of Harbor Commissioners of the City of Los Angeles ("City") readjusting the Minimum Annual Guarantee ("MAG") and TEU rates to be paid to City by CHINA SHIPPING (NORTH AMERICA) HOLDING CO., LTD. ("Tenant"), pursuant to Permit No. 999, as modified and amended ("Agreement"), for the 5-Year period beginning on June 28, 2020 and ending on June 27, 2025.

WHEREAS, the current applicable MAG requires readjustment through this required Order pursuant to Section 3(e)(4) and Section 3(g) of Agreement; and

WHEREAS, the current applicable TEU charges are subject to readjustment pursuant to Section 3(d)(1) and Section 3(g) of Agreement; and

WHEREAS, City and Tenant have agreed upon said MAG and TEU rates for the five (5) year period beginning on June 28, 2020 and ending on June 27, 2025,

NOW, THEREFORE, IT IS HEREBY ORDERED by City's Board of Harbor Commissioners as follows:

Section 1. For the five (5) year period beginning on June 28, 2020 and ending on June 27, 2025, the MAG shall be One Hundred Sixty-One Thousand, Two Hundred Sixty-Seven Dollars (\$161,267) per acre (130.56 acres) per year, plus any increase in the N.O.S. rate occurring during any compensation year will continue to be applied in accordance with Section 3(e)(7) of Agreement, as illustrated in Exhibit A.

Section 2. For the five (5) year period beginning on June 28, 2020 and ending on June 27, 2025, the TEU rates that were applicable for the five (5) year period beginning on June 28, 2015 and ending on June 27, 2020 will remain applicable, plus any increase in the N.O.S. rate occurring during any compensation year will continue to be applied in accordance with Section 3(d)(4) of Agreement, as illustrated in Exhibit A.

Section 3. The effectiveness of this Order is expressly conditioned on the effectiveness of the Fifth Amendment of Permit No. 999, presented to Board for approval concurrently herewith

Section 4. All of the terms and conditions of Agreement not inconsistent with the terms of this Order shall be and remain in full force and effect; and

Section 5. The Secretary of City's Board of Harbor Commissioners shall certify to the adoption of this Order by said Board of Harbor Commissioners. IN WITNESS WHEREOF, the parties hereto have executed this Order Resetting Compensation of Permit No. 999 on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners

Dated: _____

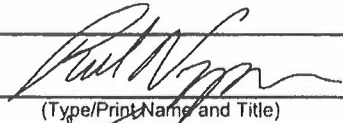
By: _____
EUGENE D. SEROKA
Executive Director


Attest: _____
AMBER M. KLESGES
Board Secretary

CHINA SHIPPING (NORTH AMERICA) HOLDING
COMPANY, LTD.

Paul Nazzaro

Dated: _____

By: _____

(Type/Print Name and Title)

By: _____

Jie Zhang, Board Secretary
(Type/Print Name and Title)

APPROVED AS TO FORM AND LEGALITY
March 27, 2024
HYDEE FELDSTEIN SOTO, City Attorney
STEVEN Y. OTERA General Counsel

By 
JOHN T. DRISCOLL, Deputy

Exhibit A

GRI Assumptions:

	Date	Days Elapsed
Start of 2022 Compensation Year	1/1/2022	
Effective Date of N.O.S. Increase	8/1/2022	212
End of 2022 Compensation Year	12/31/2022	153
N.O.S. Rate Before Increase (\$ per KT)	\$6.25	
N.O.S. Rate After Increase (\$ per KT)	\$6.69	
% Change in N.O.S. Rate	7.04%	

Minimum Annual Guarantee (MAG) per Acre:

Period	MAG per Acre, before N.O.S. Increase	N.O.S. % Increase	MAG per Acre, after N.O.S. Increase	2022 Comp. Year MAG per Acre
6/28/2020 – 6/27/2021	\$161,267			
6/28/2021 – 6/27/2022	\$161,267			
6/28/2022 – 7/31/2022	\$161,267	7.04%	\$172,620	\$166,026
8/1/2022 – 6/27/2023			\$172,620	
6/28/2023 – 6/27/2024			\$172,620	
6/28/2024 – 6/27/2025			\$172,620	

TEU Rates:

Efficiency	TEU Rates, before N.O.S. Increase	N.O.S. % Increase	TEU Rates, after N.O.S. Increase
0-3099	\$54.03	7.04%	\$57.83
3100-3199	\$52.92	7.04%	\$56.65
3200-3299	\$51.89	7.04%	\$55.54
3300-3399	\$50.93	7.04%	\$54.52
3400-3499	\$50.03	7.04%	\$53.55
3500-3599	\$49.19	7.04%	\$52.65
3600-3699	\$48.41	7.04%	\$51.82
3700-3799	\$47.68	7.04%	\$51.04
3800-3899	\$46.96	7.04%	\$50.27
3900-3999	\$46.32	7.04%	\$49.58
4000-4099	\$45.70	7.04%	\$48.92
4100-4199	\$45.13	7.04%	\$48.31
4200-4299	\$44.58	7.04%	\$47.72
4300-4399	\$44.05	7.04%	\$47.15
4400-4499	\$43.56	7.04%	\$46.63
4500-4599	\$43.10	7.04%	\$46.13
4600-4699	\$42.66	7.04%	\$45.66
4700-4799	\$42.24	7.04%	\$45.21
4800-4899	\$41.84	7.04%	\$44.79
4900-4999	\$41.47	7.04%	\$44.39
Over 4999 (Incremental)	\$33.07	7.04%	\$35.40

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This table contains mitigation measures and lease measures that are the responsibility of the Tenant as identified in the Mitigation Monitoring and Reporting Program (MMRP) dated December 12, 2008 and the Final Supplemental MMRP dated October 2019, as modified by the San Diego Superior Court's June 27, 2022 Ruling on the Merits, and the Court of Appeal's December 29, 2023 opinion.

Measure	Requirements	Timing and Methods	Responsible Parties
2008 EIR MM AES-2	Specify a gray color for the cranes that to make them visually distinct from the Vincent Thomas Bridge, reduce their contrast with the sky backdrop, and reduce their visual prominence and apparent mass. An appropriate shade of gray should be specified as the color for repainting the four cranes now at the site and as the factory-applied color for the six additional cranes proposed for installation.	<p>Timing: Prior to receipt of the cranes.</p> <p>Methods: LAHD shall work with China Shipping to identify a color prior to ordering new cranes. LAHD shall repaint the 4 existing cranes on site.</p>	<p>Implementation: LAHD and China Shipping</p> <p>Monitoring and Reporting: Environmental Management Division, Real Estate</p>
2008 EIR MM AQ-9: Alternative Maritime Power (AMP)	<p>China Shipping ships calling at Berths 97-109 must use AMP at the following percentages while hoteling in the Port:</p> <ul style="list-style-type: none"> January 1 to June 30, 2005: 60 percent of total ship calls (ASJ Requirement) July 1, 2005: 70 percent of total ship calls (ASJ Requirement) January 1, 2010: 90 percent of ship calls January 1, 2011, and thereafter: 100 percent of ship calls <p>Additionally, by 2010, all ships retrofitted for AMP shall be required to use AMP while hoteling at a 100 percent compliance rate, with the exception of circumstances when an AMP-capable berth is unavailable due to utilization by another AMP-capable ship.</p>	<p>Timing: Throughout all operational years.</p> <p>Methods: This measure shall be incorporated into the lease. China Shipping shall submit bi-annual compliance report documenting compliance to the Environmental Management Division. Vessel calls shall be monitored by the Wharfingers Office and the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: Marine Exchange, LAHD Wharfingers, Environmental Management and Real Estate Divisions</p>
2008 EIR MM AQ-10: Vessel Speed Reduction Program	<p>All ships calling at Berths 97-109 shall comply with the expanded VSRP of 12 knots between 40 nm from Point Fermin and the Precautionary Area in the following implementation schedule:</p> <ul style="list-style-type: none"> 2009 and thereafter: 100 percent 	<p>Timing: Throughout Phases II and III operational years.</p>	<p>Implementation: China Shipping and LAHD</p>

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		<p>Methods: This measure shall be incorporated into the lease. China Shipping shall submit quarterly reporting forms documenting compliance to LAHD. Environmental Management Division will independently monitor through monitoring data provided by the Marine Exchange. Bi-annual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Monitoring and Reporting: LAHD Wharfingers, Environmental Management and Real Estate Divisions</p>
<p>2008 EIR MM AQ-11: Low-Sulfur Fuel</p>	<p>All ships (100 percent) calling at Berth 97-109 shall use low-sulfur fuel (maximum sulfur content of 0.2 percent) in auxiliary engines, main engines, and boilers within 40 nm of Point Fermin (including hoteling for non-AMP ships) beginning on Day 1 of operation. Ships with mono-tank systems or having technical issues prohibiting use of low-sulfur fuel would be exempt from this requirement. The tenant shall notify the Port of such vessels prior to arrival and shall make every effort to retrofit such ships within 1 year. The following annual participation rates were assumed in the air quality:</p> <ul style="list-style-type: none"> • 2009 and thereafter: 30 percent of auxiliary engines, main engines, and boilers • 2010: 50 percent of auxiliary engines, main engines, and boilers • 2013 and thereafter: 100 percent of auxiliary engines, main engines, and boilers 	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Vessel calls shall be monitored by the Wharfingers Office and the Environmental management Division. Bi-annual tenant compliance reports shall be supplied to the Environmental Management Division Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Wharfingers, Environmental Management and Real Estate Divisions</p>
<p>2008 EIR MM AQ-12: Slide Valve</p>	<p>Ships calling at Berths 97-109 shall be equipped with slide valves or equivalent on main engines in the following percentages:</p> <ul style="list-style-type: none"> • 2009: 25 percent • 2010: 50 percent 	<p>Timing: Throughout Phases II and III operational years.</p>	<p>Implementation: China Shipping and LAHD</p>

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	<ul style="list-style-type: none"> • 2012: 75 percent • 2014 and thereafter: 100 percent 	Methods: This measure shall be incorporated into the lease. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.	Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions
2008 EIR MM AQ-13: Reroute Cleaner Ships	<p>When scheduling vessels for service to the Port of Los Angeles, Tenant shall ensure that 75 percent of all ship calls to the Berth 97-109 Terminal meet IMO MARPOL Annex VI NO_x emissions limits for Category 3 engines.</p>	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>
2008 EIR MM AQ-14: New Vessel Build	<p>The purchaser shall confer with the ship designer and engine manufacture to determine the feasibility of incorporating all emission reduction technology and/or design options and when ordering new ships bound for the Port of Los Angeles. Such technology shall be designed to reduce criteria pollutant emissions (NO_x, SO_x and PM) and GHG emission (CO, CH₄, O₃, and CFCs). Design considerations and technology shall include, but are not limited to:</p> <ol style="list-style-type: none"> 1. Selective Catalytic Reduction Technology 2. Exhaust Gas Recirculation 3. In-line fuel emulsification technology 4. Diesel Particulate Filters (DPFs) or exhaust scrubbers 5. Common Rail 	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Biannual tenant feasibility reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>

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	6. Low NO _x Burners for Boilers 7. Implement fuel economy standards by vessel class and engine 8. Diesel-electric pod propulsion systems		
2019 SEIR MM AQ-15. Yard Tractors	1) No later than one year after the effective date of a new lease amendment between the Tenant and the LAHD, all LPG yard tractors of model years 2007 or older shall be replaced with alternative-fuel units that meet or are lower than a NO _x emission rate of 0.02 g/bhp-hr and Tier 4 final off-road emission rates for other criteria pollutants. 2) No later than five years after the effective date of a new lease amendment between the Tenant and the LAHD, all LPG yard tractors of model years 2011 or older shall be replaced with alternative fuel units that meet or are lower than a NO _x emission rate of 0.02 g/bhp-hr and Tier 4 final off-road engine emission rates for other criteria pollutants.	Timing: Starting on the effective date of a new lease amendment between the Tenant and the LAHD and as specified in the mitigation measure. Methodology: LAHD will include this mitigation measure in the new lease amendment with tenant. Tenant shall submit bi-annual compliance forms to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.	Implementation Tenant, LAHD Monitoring and Reporting LAHD Environmental Management and Real Estate Divisions
2019 SEIR MM AQ-17. Cargo Handling Equipment	All yard equipment at the terminal, except for yard tractors, shall implement the following requirements: <u>Forklifts</u> <ul style="list-style-type: none"> • By one year after the effective date of a new lease amendment between the Tenant and the LAHD, all 18-ton diesel forklifts of model years 2004 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NO_x. • By two years after the effective date of a new lease amendment between the Tenant and the LAHD, all 18-ton diesel forklifts of model years 2005 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NO_x. • By two years after the effective date of a new lease amendment between the Tenant and the LAHD, all 5-ton forklifts of model years 2011 or older shall be replaced with zero-emission units. • By three years after the effective date of a new lease amendment between the Tenant and the 	Timing: Starting on the effective date of a new lease amendment between the Tenant and the LAHD and as specified in the mitigation measure. Methodology: LAHD will include this mitigation measure in the new lease amendment with tenant. Tenant shall submit bi-annual compliance forms to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.	Implementation Tenant, LAHD Monitoring and Reporting LAHD Environmental Management and Real Estate Divisions

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	<p>LAHD, all 18-ton diesel forklifts of model years 2007 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.</p> <p><u>Toppicks</u></p> <ul style="list-style-type: none">• By one year after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel top-picks of model years 2006 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.• By three years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel top-picks of model years 2007 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.• By five years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel top-picks of model years 2014 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx. <p><u>Rubber-Tired Gantry (RTG) Cranes</u></p> <ul style="list-style-type: none">• By three years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel RTG cranes of model years 2003 and older shall be replaced with diesel-electric hybrid units with diesel engines that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.• By five years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel RTG cranes of model years 2004 and older shall be replaced with diesel-electric hybrid units with diesel engines that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.• By seven years after the effective date of a new lease amendment between the Tenant and the LAHD, four RTG cranes of model years 2005 and older shall be replaced with all-electric units,		
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	<p>and one diesel RTG crane of model year 2005 shall be replaced with a diesel-electric hybrid unit with a diesel engine that meets or is lower than Tier 4 final off-road engine emission rates for PM and NOx.</p> <p><u>Sweepers</u></p> <ul style="list-style-type: none"> • Sweeper(s) shall be alternative fuel or the cleanest available by six years after the effective date of a new lease amendment between the Tenant and the LAHD. <p><u>Shuttle Buses</u></p> <ul style="list-style-type: none"> • Gasoline shuttle buses shall be zero-emission units by seven years after the effective date of a new lease amendment between the Tenant and the LAHD. 		
<p>2008 EIR MM AQ-17: Yard Equipment at Berth 97-109 Terminal</p>	<p>In addition to the above requirements, the tenant at Berth 97 109 shall participate in a 1-year electric yard tractor [truck] pilot project. As part of the pilot project, two electric tractors will be deployed at the terminal within 1 year of lease approval. If the pilot project is successful in terms of operation, costs and availability, the tenant shall replace half of the Berth 97-109 yard tractors with electric tractors within 5 years of the feasibility determination.</p>	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>

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2008 EIR MM AQ-19: Clean Truck Program	<p>The tenant shall comply with the Port's Clean Truck Program. Based on participation in the Clean Truck Program, Heavy-duty diesel trucks entering the Berth 97-109 terminal shall meet the USEPA 2007 emission standards for on-road heavy-duty diesel engines (USEPA, 2001) in the following percentages:</p> <ul style="list-style-type: none"> • 2009: 50 percent USEPA 2007 • 2010: 70 percent USEPA 2007 • 2011: 90 percent USEPA 2007 • 2012: 100 percent USEPA 2007 	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: Gate modification provisions shall be incorporated into the lease. The tenant shall install appropriate gate modifications to comply with the CTP. LAHD shall be responsible for the trucks. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: LAHD for trucks and China Shipping for gate modifications.</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>
2008 EIR MM AQ-21: Truck Idling Reduction Measure	<p>Within 6 months of the effective date and thereafter for the remaining term of the Berth 97-109 Permit and any holdover, the Berth 97-109 terminal operator shall ensure that truck idling is reduced to less than 30 minutes in total or 10 minutes at any given time while on the Berth 97-109 terminal through measures that include, but are not limited to, the following: (1) operator shall maximize the durations when the main gates are left open, including during off-peak hours (6 pm to 7 am), (2) operator shall implement a container tracking and appointment-based truck delivery and pick-up system to minimize truck queuing (trucks lining up to enter and exit the terminal's gate), and (3) operator shall design the main entrance and exit gates to exceed the average hourly volume of trucks that enter and exit the gates (truck flow capacity) to ensure queuing is minimized</p>	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>

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2008 EIR MM AQ-26: Compact Fluorescent Light Bulbs	<p>All interior terminal building lighting shall use compact fluorescent light bulbs. Fluorescent light bulbs produce less waste heat and use substantially less electricity than incandescent light bulbs.</p>	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Initial bulbs will be supplied by the LAHD. China Shipping shall be responsible for replacing such bulbs in kind. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>
2008 EIR MM AQ-27: Energy Audit	<p>The tenant shall conduct a third-party energy audit every five years and install innovative power saving technology where feasible, such as power factor correction systems and lighting power regulators. Such systems help to maximize usable electric current and eliminate wasted electricity, thereby lowering overall electricity use.</p>	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>

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2008 EIR MM AQ-29: Recycling	<p>The terminal buildings shall achieve a minimum of 40 percent recycling by 2012 and 60 percent recycling by 2015. Recycled materials shall include:</p> <ul style="list-style-type: none"> • White and colored paper • Post-it notes • Magazines • Newspaper • File folders • All envelopes including those with plastic windows • All cardboard boxes and cartons • All metal and aluminum cans • Glass bottles and jars • All plastic bottles 	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>
2008 EIR LM AQ-22: Periodic Review of New Technology and Regulations	<p>The Port shall require the Berth 97-109 tenant to review, in terms of feasibility, any Port-identified or other new emissions-reduction technology, and report to the Port. Such technology feasibility reviews shall take place at the time of the Port's consideration of any lease amendment or facility modification for the Berth 97-109 property. If the technology is determined by the Port to be feasible in terms of cost, technical and operational feasibility, the tenant shall work with the Port to implement such technology.</p> <p>Potential technologies that may further reduce emission and/or result in cost-savings benefits for the tenant may be identified through future work on the CAAP. Over the course of the lease, the tenant and the Port shall work together to identify potential new technology. Such technology shall be studied for feasibility, in terms of cost, technical and operational feasibility.</p> <p>As partial consideration for the Port agreement to issue the permit to the tenant, the tenant shall implement not less frequently than once every 7 years following the effective date of the permit, new air quality technological advancements, subject to mutual agreement on operational feasibility and cost sharing, which shall not be unreasonably withheld.</p>	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Feasibility reports shall take place at the time of the Port's consideration of any lease amendment or facility modification for the China Shipping property or every seven years if no amendment or modification has been considered. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>

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2008 EIR LM AQ-24: General Mitigation Measure	<p>For any of the above mitigation measures (MM AQ-9 through AQ-21), if any kind of technology becomes available and is shown to be as good or as better in terms of emissions reduction performance than the existing measure, the technology could replace the existing measure pending approval by the Port of Los Angeles. The technology's emissions reductions must be verifiable through USEPA, CARB, or other reputable certification and/or demonstration studies to the Port's satisfaction.</p>	<p>Timing: Throughout Phases II and III operational years.</p> <p>Methods: This measure shall be incorporated into the lease. If the tenant proposes replacing any mitigation measure, the tenant must first make a formal request to the Port's Executive Director. The Executive Director will then consider the proposal. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: LAHD and China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Wharfingers, Environmental Management and Real Estate Divisions</p>
2019 SEIR LM AQ-1. Cleanest Available Cargo Handling Equipment	<p>Subject to zero and near-zero emissions feasibility assessments that shall be carried out by LAHD, with input from Tenant as part of the CAAP process, Tenant shall replace cargo handling equipment with the cleanest available equipment anytime new or replacement equipment is purchased, with a first preference for zero-emission equipment, a second preference for near-zero equipment, and then for the cleanest available if zero or near-zero equipment is not feasible, provided that LAHD shall conduct engineering assessments to confirm that such equipment is capable of installation at the terminal. Starting one year after the effective date of a new lease amendment between the Tenant and the LAHD, tenant shall submit to the Port an equipment inventory and 10-year procurement plan for new cargo-handling equipment, and infrastructure, and will update the procurement plan annually in order to assist with planning for transition of equipment to zero emissions in accordance with the foregoing paragraph. LAHD will include a summary of zero and near-zero emission equipment operating at the terminal each year as part of mitigation measure tracking.</p>	<p>Timing: Starting on the effective date of a new lease amendment between the Tenant and the LAHD and as specified in the lease measure.</p> <p>Methodology: LAHD will include this measure in the new lease amendment with tenant. Tenant shall submit to the Environmental Management Division an equipment inventory and 10-year procurement plan prior to any purchase of equipment, including equipment identified in mitigation measures MM AQ-15 and MM AQ-17. The inventory and procurement plan shall be updated by the Tenant annually thereafter and provided to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation Tenant, LAHD</p> <p>Monitoring and Reporting LAHD Environmental Management and Real Estate Divisions</p>

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2019 SEIR LM AQ-2. Priority Access for Drayage	<p>A priority access system shall be implemented at the terminal to provide preferential access to zero- and near-zero-emission trucks.</p>	<p>Timing: During operation after the effective start date of a new lease amendment between the Tenant and the LAHD, consistent with implementation timelines established in the 2017 Clean Air Action Plan.</p> <p>Methodology: LAHD will include this measure in the new lease amendment with tenant. Tenant shall propose a system for LAHD approval as envisioned in the 2017 Clean Air Action Plan, although other measures could be considered for approval by the LAHD. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation Tenant, LAHD</p> <p>Monitoring and Reporting LAHD Environmental Management and Real Estate Divisions</p>
2019 SEIR LM AQ-3. Demonstration of Zero-Emissions Equipment	<p>Tenant shall conduct a one-year zero emission demonstration project with at least 10 units of zero-emission cargo handling equipment. Upon completion, tenant shall submit a report to LAHD that evaluates the feasibility of permanent use of the tested equipment. Tenant shall continue to test zero-emission equipment and provide feasibility assessments and progress reports in 2020 and 2025 to evaluate the status of zero- emission technologies and infrastructure as well as operational and financial considerations, with a goal of 100% zero-emission cargo handling equipment by 2030.</p>	<p>Timing: During operation after the effective start date of a new lease amendment between the Tenant and the LAHD and as specified in the lease measure.</p> <p>Methodology: LAHD will include this lease measure in the new lease amendment with tenant. LAHD Environmental Management Division shall coordinate with tenant to establish scope and duration of demonstrations. Enforcement shall include oversight by the Real Estate Division. Annual staff reports of progress and results shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation Tenant, LAHD</p> <p>Monitoring and Reporting LAHD Environmental Management and Real Estate Divisions</p>

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2008 EIR MM BIO-2: Vessel Speed Reduction Program	<p>All ships calling at Berths 97-109 shall comply with the expanded VSRP of 12 knots between 40 nm from Point Fermin and the Precautionary Area in the following implementation schedule: 100 percent starting in 2009.</p>	<p>Timing: Throughout all operational years.</p> <p>Methods: This measure shall be incorporated into the lease. Biannual tenant compliance reports shall be supplied to the Environmental Management Division. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: China Shipping and LAHD</p> <p>Monitoring and Reporting: LAHD Environmental Management and Real Estate Divisions</p>
2008 EIR MM GEO-1: Emergency Response Planning	<p>The terminal operator shall work with Port engineers and Port police to develop tsunami response training and procedures to assure that construction and operations personnel will be prepared to act in the event of a large seismic event. Such procedures shall include immediate evacuation requirements in the event that a large seismic event is felt at the proposed Project site, as part of overall emergency response planning for this proposed Project.</p>	<p>Timing: At beginning of Construction and within first year of Operation (with annual updates)</p> <p>Method: Operations: General requirements of this measure shall be incorporated into the lease. China Shipping and LAHD shall prepare an emergency response plan for submittal to the LAHD within first year of operation. Enforcement shall include oversight by the Real Estate Division. Annual staff reports shall be made available to the Board at a regularly scheduled public Board Meeting.</p>	<p>Implementation: LAHD through Construction Contractor; China Shipping and LAHD for operations.</p> <p>Monitoring and Reporting: Environmental Management Division, Port Operations, Construction Management Division, Real Estate Division.</p>

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<p>2019 SEIR MM GHG-1. LED Lighting</p>	<p>All lighting within the interior of buildings on the premises and outdoor high mast terminal lighting will be replaced with LED lighting or a technology with similar energy-saving capabilities within two years after the effective date of the new lease amendment between the Tenant and the LAHD or by no later than 2023.</p>	<p>Timing: Within two years after the effective start date of a new lease amendment between the Tenant and the LAHD or by December 31, 2023.</p> <p>Methodology: LAHD will include this mitigation measure in the new lease amendment with tenant. Tenant shall implement MM GHG-1 through its own construction contractor. All construction work shall obtain a Harbor Engineers Permit. All work shall comply with Harbor Engineer Permit conditions throughout the construction project.</p>	<p>Implementation Tenant</p> <p>Monitoring and Reporting LAHD Environmental Management and Engineering Divisions</p>
<p>2008 EIR MM GW-1: Site Remediation</p>	<p>Unless otherwise authorized by the lead regulatory agency for any given site, LAHD shall remediate all encountered contaminated soils or contamination within the excavation zones on the Project site boundaries prior to or during subsurface construction activities. Remediation shall occur in compliance with local, state, and federal regulations, as described in Section 3.7.3, and as directed by the Los Angeles Fire Department, DTSC, and/or RWQCB.</p> <p>Soil remediation shall be completed such that contamination levels in subsurface excavations are below health screening levels established by OEHHA and/or applicable action levels established by the lead regulatory agency with jurisdiction over the site. Only clean soil would be used as backfill. Soil contamination waivers may be acceptable as a result of encapsulation (i.e., paving) in backland areas and/or risk-based soil assessments but would be subject to the discretion of the lead regulatory agency. Excavated contaminated soil shall not be placed in another location onsite; it must be properly disposed of offsite. All imported soil to be used as backfill in excavated areas should be sampled to ensure that the soil is free of contamination.</p>	<p>Timing: Prior to or during grading activities</p> <p>Method: Soil and groundwater remediation shall be completed such that contamination levels are below health screening levels established by OEHHA and/or applicable action levels established by the lead regulatory agency with jurisdiction over the site. Soil contamination waivers may be acceptable as a result of encapsulation (i.e., paving) and/or risk-based soil assessments but would be subject to the discretion of the lead regulatory agency.</p>	<p>Implementation: LAHD through Construction Contractor; China Shipping should tenant undertake soil disturbing construction activities.</p> <p>Monitoring and Reporting: Environmental Management Division, Construction Management Division, Engineering Division, Real Estate Division. Environmental Management Division will conduct independent soil sampling as appropriate.</p>

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	<p>Existing groundwater contamination throughout the proposed Project boundary shall continue to be monitored and remediated as encountered, simultaneous and/or subsequent to site development, and/or in accordance with direction provided by the RWQCB.</p> <p>Unless otherwise authorized by the lead regulatory agency for any given site, areas of excavation with soil contamination that shall be remediated prior to, or in conjunction with, Project construction.</p>		
<p>2008 EIR MM PS-3: Long Term Solid Waste Management</p>	<p>To ensure adequate long-term solid waste management, the proposed Project will be required to comply with policies and standards set forth in the City's Solid Waste Integrated Resources Plan (SWIRP) following 2025.</p>	<p>Timing: Throughout operational Phases II and III.</p> <p>Methods: This measure shall be incorporated into tenant's lease to improve recycling efforts. The contractor(s) shall submit an Environmental Compliance Plan for review and approval by LAHD prior to beginning of any construction activity. The contractor shall adhere to these specifications and Compliance Plan throughout construction phases. Enforcement shall include oversight by the LAHD project/construction manager to ensure compliance with contract specifications.</p>	<p>Implementation: China Shipping</p> <p>Monitoring and Reporting: Environmental Management Division, Construction Management Division</p>

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MONITORING AND REPORTING FORMS

Monitoring and Reporting Forms are the documentation to be completed by the Tenant and submitted to the Los Angeles Harbor Department (LAHD), to certify compliance that the mitigation measures and lease measures have been implemented. The monitoring and reporting forms shall be submitted to the LAHD at the address below:

Port of Los Angeles - Environmental Management Division

425 S. Palos Verdes Street

San Pedro, CA 90731

Attention: Compliance Coordinator

With the following identifier:

Berths 97-109 [China Shipping] Container Terminal

The Tenant shall maintain documents listed and otherwise required demonstrating compliance with each individual measure and shall provide such documentation to the LAHD within thirty (30) days of written request therefor from Executive Director. The Tenant shall identify a representative as being responsible for: 1) verifying implementation of measures, 2) providing backup documentation and information with the Monitoring and Reporting forms, and 3) ensuring all required documentation is maintained on site. The Tenant may establish their own forms provided they contain the information requested herein.

Monitoring and Reporting forms are provided for the following list of measures that are the responsibility of the Tenant as identified in the Mitigation Monitoring and Reporting Program (MMRP) dated December 12, 2008 and the Final Supplemental MMRP dated October 2019, as modified by the San Diego Superior Court's June 27, 2022 Ruling on the Merits, and the Court of Appeal's December 29, 2023 opinion.

- MM AES-2: Crane Color
- MM AQ-9: Alternative Maritime Power
- MM AQ-10: Vessel Speed Reduction Program
- MM AQ-11: Low-Sulfur Fuel
- MM AQ-12: Slide Valve

- MM AQ-13: Reroute Cleaner Ships
- MM AQ-14: New Vessel Build
- MM AQ-15: Yard Tractors
- MM AQ-17: Cargo-Handling Equipment
- MM AQ-17: Yard Equipment at Berth 97-109 Terminal
- MM AQ-19: Clean Truck Program
- MM AQ-21: Truck Idling Reduction Measure
- MM AQ-26: Compact Fluorescent Light Bulbs
- MM AQ-27: Energy Audit
- MM AQ-29: Recycling
- LM AQ-22: Periodic Review of New Technology and Regulations
- LM AQ-24: General Mitigation Measure
- LM AQ-1: Cleanest Available Cargo Handling Equipment
- LM AQ-2: Priority Access for Drayage
- LM AQ-3: Demonstration of Zero Emissions Equipment
- MM BIO-2: Vessel Speed Reduction Program
- MM GEO-1: Emergency Response Planning
- MM GHG-1. LED Lighting
- MM GW-1: Site Remediation
- MM PS-3: Long Term Solid Waste Management

MM AES-2: Crane Color

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

Specify a gray color for the cranes to make them visually distinct from the Vincent Thomas Bridge, reduce their contrast with the sky backdrop, and reduce their visual prominence and apparent mass. An appropriate shade of gray should be specified as the color for repainting the four cranes now at the site and as the factory-applied color for the six additional cranes proposed for installation.

Mitigation Implementation and Monitoring Frequency: This measure was implemented during construction phases and when new cranes were ordered for installation. No monitoring is required unless existing cranes are repainted, replaced, or new cranes are added by the Tenant.

Mitigation/Reporting Requirement: The Tenant shall notify the LAHD at least 60 days in advance of any plans to repaint, replace, or install new wharf cranes at the terminal. LAHD shall work with China Shipping to identify a color prior to any crane work as described above. The Tenant shall submit verification documents to the Environmental Management Division confirming the LAHD's approval of the crane color prior to performing the work.

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:**COMPLIANCE VERIFICATION:**

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-9. Alternative Maritime Power (AMP)

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

China Shipping ships calling at Berths 97-109 must use AMP at the following percentages while hoteling in the Port:

- January 1 to June 30, 2005: 60 percent of total ship calls (ASJ Requirement)
- July 1, 2005: 70 percent of total ship calls (ASJ Requirement)
- January 1, 2010: 90 percent of ship calls
- January 1, 2011, and thereafter: 100 percent of ship calls

Additionally, by 2010, all ships retrofitted for AMP shall be required to use AMP while hoteling at a 100 percent compliance rate, with the exception of circumstances when an AMP-capable berth is unavailable due to utilization by another AMP-capable ship.

Mitigation Implementation and Monitoring Frequency: Every six months during the term of the Permit, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-10. Vessel Speed Reduction Program (VSRP)

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

All ships calling at Berths 97-109 shall comply with the expanded VSRP of 12 knots between 40 nm from Point Fermin and the Precautionary Area in the following implementation schedule:

- 2009 and thereafter: 100 percent

Mitigation Implementation and Monitoring Frequency: Every six months during the term of the Permit, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-11: Low-Sulfur Fuel

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

All ships (100 percent) calling at Berth 97-109 shall use low-sulfur fuel (maximum sulfur content of 0.2 percent) in auxiliary engines, main engines, and boilers within 40 nm of Point Fermin (including hoteling for non-AMP ships) beginning on Day 1 of operation. Ships with mono-tank systems or having technical issues prohibiting use of low-sulfur fuel would be exempt from this requirement. The tenant shall notify the Port of such vessels prior to arrival and shall make every effort to retrofit such ships within 1 year. The following annual participation rates were assumed in the air quality:

- 2009 and thereafter: 30 percent of auxiliary engines, main engines, and boilers
- 2010: 50 percent of auxiliary engines, main engines, and boilers
- 2013 and thereafter: 100 percent of auxiliary engines, main engines, and boilers

Mitigation Implementation and Monitoring Frequency: As required by the California Air Resources Board (CARB's) regulation, as of July 1, 2009, all vessels are required to use low-sulfur fuel (0.5% max sulfur content) in their main engines, auxiliary engines and boilers within 24 nm of the coastline. In 2015, the allowable sulfur standard was reduced to 0.1% by the International Maritime Organization (IMO) for the North American Emission Control Area (ECA) that includes 200 nautical miles from the coasts of the United States. The measure has been superseded by IMO's fuel requirements for the North American ECA.

No further monitoring of this measure is required by the Tenant.

Mitigation/Reporting Requirement: Not applicable.

MM AQ-12: Slide Valve

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

Ships calling at Berths 97-109 shall be equipped with slide valves or equivalent on main engines in the following percentages:

- 2009: 25 percent
- 2010: 50 percent
- 2012: 75 percent
- 2014 and thereafter: 100 percent

Mitigation Implementation and Monitoring Frequency: Only vessels with main engines manufactured by MAN-B&W are equipped with slide valves. Although MAN-B&W introduced slide valves in early 2000, this technology was not used until 2004 when slide valves became more common on vessels with a keel laid date of 2004 or later.

The Tenant shall monitor vessels within this category every six months during the term of the Permit as amended, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-13: Reroute Cleaner Ships

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

When scheduling vessels for service to the Port of Los Angeles, Tenant shall ensure that 75 percent of all ship calls to the Berth 97-109 Terminal meet IMO MARPOL Annex VI NO_x emissions limits for Category 3 engines.

Mitigation Implementation and Monitoring Frequency: There are three tiers of IMO MARPOL Annex VI NO_x emission limits for category 3 marine engines: Tier 1 became effective in 2000 (applies to vessel engines with keel laid dates of 2000 to 2010); Tier 2 became effective in 2011 (applies to vessel engines with keel laid dates of 2011 to 2015); and Tier 3 became effective in 2016 in the North American Emission Control Area.

The Tenant shall monitor these vessel categories every six months during the term of the Permit as amended, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-13: New Vessel Build

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

The purchaser shall confer with the ship designer and engine manufacturer to determine the feasibility of incorporating all emission reduction technology and/or design options and when ordering new ships bound for the Port of Los Angeles. Such technology shall be designed to reduce criteria pollutant emissions (NO_x, SO_x and PM) and GHG emission (CO, CH₄, O₃, and CFCs). Design considerations and technology shall include, but are not limited to:

1. Selective Catalytic Reduction Technology
2. Exhaust Gas Recirculation
3. In-line fuel emulsification technology
4. Diesel Particulate Filters (DPFs) or exhaust scrubbers
5. Common Rail
6. Low NO_x Burners for Boilers
7. Implement fuel economy standards by vessel class and engine
8. Diesel-electric pod propulsion systems

Mitigation Implementation and Monitoring Frequency: The Tenant shall consult and confer with ship designers and engine manufacturers to implement new technological advancements as listed above when ordering and purchasing new vessel builds on a frequency of not less than once every six months during the term of the Permit as amended, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-15. Yard Tractors

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

1) No later than one year after the effective date of a new lease amendment between the Tenant and the LAHD, all LPG yard tractors of model years 2007 or older shall be replaced with alternative-fuel units that meet or are lower than a NOx emission rate of 0.02 g/bhp-hr and Tier 4 final off-road emission rates for other criteria pollutants.

2) No later than five years after the effective date of a new lease amendment between the Tenant and the LAHD, all LPG yard tractors of model years 2011 or older shall be replaced with alternative fuel units that meet or are lower than a NOx emission rate of 0.02 g/bhp-hr and Tier 4 final off-road engine emission rates for other criteria pollutants.

Mitigation Implementation and Monitoring Frequency: Every six months during the term of the Permit, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division such as a detailed equipment inventory that specifies each unit's compliance with the above standards in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-17. Cargo Handling Equipment

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

All yard equipment at the terminal, except for yard tractors, shall implement the following requirements:

Forklifts

- By one year after the effective date of a new lease amendment between the Tenant and the LAHD, all 18-ton diesel forklifts of model years 2004 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.
- By two years after the effective date of a new lease amendment between the Tenant and the LAHD, all 18-ton diesel forklifts of model years 2005 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.
- By two years after the effective date of a new lease amendment between the Tenant and the LAHD, all 5-ton forklifts of model years 2011 or older shall be replaced with zero-emission units.
- By three years after the effective date of a new lease amendment between the Tenant and the LAHD, all 18-ton diesel forklifts of model years 2007 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.

Toppicks

- By one year after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel top-picks of model years 2006 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.
- By three years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel top-picks of model years 2007 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.
- By five years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel top-picks of model years 2014 and older shall be replaced with units that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.

Rubber-Tired Gantry (RTG) Cranes

- By three years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel RTG cranes of model years 2003 and older shall be replaced with diesel-electric hybrid units with diesel engines that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.
- By five years after the effective date of a new lease amendment between the Tenant and the LAHD, all diesel RTG cranes of model years 2004 and older shall be replaced with diesel-electric hybrid units with diesel engines that meet or are lower than Tier 4 final off-road engine emission rates for PM and NOx.

- By seven years after the effective date of a new lease amendment between the Tenant and the LAHD, four RTG cranes of model years 2005 and older shall be replaced with all-electric units, and one diesel RTG crane of model year 2005 shall be replaced with a diesel-electric hybrid unit with a diesel engine that meets or is lower than Tier 4 final off-road engine emission rates for PM and NOx.

Sweepers

- Sweeper(s) shall be alternative fuel or the cleanest available by six years after the effective date of a new lease amendment between the Tenant and the LAHD.

Shuttle Buses

- Gasoline shuttle buses shall be zero-emission units by seven years after the effective date of a new lease amendment between the Tenant and the LAHD.

Mitigation Implementation and Monitoring Frequency: Every six months during the term of the Permit, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division such as a detailed equipment inventory that specifies each unit's compliance with the above standards in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-17. Yard Equipment at Berth 97-109 Terminal

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

In addition to the above requirements, the tenant at Berth 97-109 shall participate in a 1-year electric yard tractor [truck] pilot project. As part of the pilot project, two electric tractors will be deployed at the terminal within 1 year of lease approval. If the pilot project is successful in terms of operation, costs and availability, the tenant shall replace half of the Berth 97-109 yard tractors with electric tractors within 5 years of the feasibility determination.

Mitigation Implementation and Monitoring Frequency: During operation after the effective start date of the Permit, as amended.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the specified timelines below:

- Procurement plan and backup documentation including equipment order and delivery schedule for securing two electric yard tractors and charging infrastructure prior to the start of the pilot project. Due within the first six months of the effective start date of the Permit, as amended.
- Semi-annual progress reports due by July and January to report on the feasibility of the equipment during the one-year pilot project.
- Final Report due within 60 days upon completion of the pilot project including feasibility determination.
- Implementation plan for replacing half of the yard tractors with electric yard tractors pending the outcome of the feasibility determination in the Final Report. The implementation plan shall include but not be limited to, a detailed equipment inventory with each unit's specification for replacing and purchasing new equipment, procurement and delivery schedules, charging infrastructure requirements and installation schedule, and other necessary backup information.

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature Date

MM AQ-19: Clean Truck Program

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

The tenant shall comply with the Port's Clean Truck Program. Based on participation in the Clean Truck Program, Heavy-duty diesel trucks entering the Berth 97-109 terminal shall meet the USEPA 2007 emission standards for on-road heavy-duty diesel engines (USEPA, 2001) in the following percentages:

- 2009: 50 percent USEPA 2007
- 2010: 70 percent USEPA 2007
- 2011: 90 percent USEPA 2007
- 2012: 100 percent USEPA 2007

Mitigation Implementation and Monitoring Frequency: In 2008, the Port's Clean Truck Program banned pre-1989 trucks followed by a progressive ban on all trucks that did not meet 2007 emission standards by 2012. In 2018, more stringent requirements in the Port's Clean Truck Program were approved where only model year 2014 or newer are allowed to enter terminals and are tracked through the Port Drayage Truck Registry (PDTR). All drayage trucks entering port terminals must be signed up in the PDTR and comply with the California Air Resources Board (CARB) Drayage Truck Regulation. On April 28, 2023, CARB approved the Advanced Clean Fleets (ACF) Regulation for zero-emission drayage trucks starting in the 2036 model year. This measure has been superseded by state law regulating Drayage Trucks under the CARB ACF Regulation and the Port's latest Clean Truck Program requirements implemented under Port of Los Angeles Tariff No. 4 Section 20.

No further monitoring of this measure is required by the Tenant.

Mitigation/Reporting Requirement: Not applicable.

MM AQ-21: Truck Idling Reduction Measure

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

Within 6 months of the effective date and thereafter for the remaining term of the Berth 97-109 Permit and any holdover, the Berth 97-109 terminal operator shall ensure that truck idling is reduced to less than 30 minutes in total or 10 minutes at any given time while on the Berth 97-109 terminal through measures that include, but are not limited to, the following: (1) operator shall maximize the durations when the main gates are left open, including during off-peak hours (6 pm to 7 am), (2) operator shall implement a container tracking and appointment-based truck delivery and pick-up system to minimize truck queuing (trucks lining up to enter and exit the terminal's gate), and (3) operator shall design the main entrance and exit gates to exceed the average hourly volume of trucks that enter and exit the gates (truck flow capacity) to ensure queuing is minimized

Mitigation Implementation and Monitoring Frequency: Every six months during the term of the Permit as amended, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-26: Compact Fluorescent Light Bulbs

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

All interior terminal building lighting shall use compact fluorescent light bulbs. Fluorescent light bulbs produce less waste heat and use substantially less electricity than incandescent light bulbs.

Mitigation Implementation and Monitoring Frequency: This measure has been superseded by the Energy Independence and Security Act of 2007 that mandated an eventual ban on the sale of light bulbs, including compact fluorescent light bulbs, that do not meet a new minimum efficiency standard of 45 lumens per watt nationally by 2020, or by 2018 in California.

No further monitoring of this measure is required by the Tenant.

Mitigation/Reporting Requirement: Not applicable.

MM AQ-27: Energy Audit

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

The tenant shall conduct a third-party energy audit every five years and install innovative power saving technology where feasible, such as power factor correction systems and lighting power regulators. Such systems help to maximize usable electric current and eliminate wasted electricity, thereby lowering overall electricity use.

Mitigation Implementation and Monitoring Frequency: Every five years during the term of the Permit as amended, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division.

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:**COMPLIANCE VERIFICATION:**

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM AQ-29: Recycling

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

The terminal buildings shall achieve a minimum of 40 percent recycling by 2012 and 60 percent recycling by 2015. Recycled materials shall include:

- White and colored paper
- Post-it notes
- Magazines
- Newspaper
- File folders
- All envelopes including those with plastic windows
- All cardboard boxes and cartons
- All metal and aluminum cans
- Glass bottles and jars
- All plastic bottles

Mitigation Implementation and Monitoring Frequency: The California Integrated Waste Management Act (AB 939) made all California cities, counties, and approved regional solid waste management agencies responsible for enacting plans and implementing programs to divert 25 percent of their solid waste by 1995 and 50 percent by year 2000. Later legislation mandates the 50 percent diversion requirement be achieved every year with a statewide goal of 75% by 2020. The City of Los Angeles Zero Waste Program ordinance adopted in 2014 establishes more aggressive recycling rates for commercial and industrial businesses with a 70% diversion rate by 2013, 90% by 2025 and 100% by 2030. This measure has been superseded by local and state requirements.

No further monitoring of this measure is required by the Tenant.

Mitigation/Reporting Requirement: Not applicable.

LM AQ-22: Periodic Review of New Technology and Regulations

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

LEASE MEASURE:

The Port shall require the Berth 97-109 tenant to review, in terms of feasibility, any Port-identified or other new emissions-reduction technology, and report to the Port. Such technology feasibility reviews shall take place at the time of the Port's consideration of any lease amendment or facility modification for the Berth 97 109 property. If the technology is determined by the Port to be feasible in terms of cost, technical and operational feasibility, the tenant shall work with the Port to implement such technology.

Potential technologies that may further reduce emission and/or result in cost-savings benefits for the tenant may be identified through future work on the CAAP. Over the course of the lease, the tenant and the Port shall work together to identify potential new technology. Such technology shall be studied for feasibility, in terms of cost, technical and operational feasibility.

As partial consideration for the Port agreement to issue the permit to the tenant, the tenant shall implement not less frequently than once every 7 years following the effective date of the permit, new air quality technological advancements, subject to mutual agreement on operational feasibility and cost sharing, which shall not be unreasonably withheld.

Implementation and Monitoring Frequency: Every seven years during the term of the Permit as amended, including during any holdover, or at the time of the LAHD's consideration of any lease amendment or facility modification for the Berth 97 109 property.

Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division.

COMPLIANCE STATUS:

Has compliance with the above lease measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

LM AQ-24: General Mitigation Measure

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

LEASE MEASURE:

For any of the above mitigation measures (MM AQ-9 through AQ-21), if any kind of technology becomes available and is shown to be as good or as better in terms of emissions reduction performance than the existing measure, the technology could replace the existing measure pending approval by the Port of Los Angeles. The technology's emissions reductions must be verifiable through USEPA, CARB, or other reputable certification and/or demonstration studies to the Port's satisfaction.

Implementation and Monitoring Frequency: During the term of the Permit as amended, including during any holdover.

Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division.

COMPLIANCE STATUS:

Has compliance with the above lease measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:**COMPLIANCE VERIFICATION:**

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

LM AQ-1. Cleanest Available Cargo Handling Equipment

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

LEASE MEASURE:

Subject to zero and near-zero emissions feasibility assessments that shall be carried out by LAHD, with input from Tenant as part of the CAAP process, Tenant shall replace cargo handling equipment with the cleanest available equipment anytime new or replacement equipment is purchased, with a first preference for zero-emission equipment, a second preference for near-zero equipment, and then for the cleanest available if zero or near-zero equipment is not feasible, provided that LAHD shall conduct engineering assessments to confirm that such equipment is capable of installation at the terminal.

Starting one year after the effective date of a new lease amendment between the Tenant and the LAHD, tenant shall submit to the Port an equipment inventory and 10-year procurement plan for new cargo-handling equipment, and infrastructure, and will update the procurement plan annually in order to assist with planning for transition of equipment to zero emissions in accordance with the foregoing paragraph.

LAHD will include a summary of zero and near-zero emission equipment operating at the terminal each year as part of mitigation measure tracking.

Implementation and Monitoring Frequency: Implementation of this lease measure by the Tenant shall be done in coordination with the timelines established in mitigation measures MM AQ-15 and MM AQ-17. Therefore, the monitoring frequency has been adjusted as follows:

- Initial procurement plan and equipment inventory – Due within the first six months of the effective start date of the Permit, as amended.
- Annual procurement plan and equipment inventory – Due annually (by January) during the term of the Permit as amended, including during any holdover.

Reporting Requirement: Starting immediately but no later than six months prior to obtaining quotes or submitting an order for the purchase or replacement of any cargo handling equipment, including equipment identified in mitigation measures MM AQ-15 and MM AQ-17, the Tenant shall submit an initial detailed procurement plan and equipment inventory with each unit's specification and schedule for replacement or new purchase to the Environmental Management Division. Upon review of the initial procurement plan and equipment inventory, the Environmental Management Division will assist the Tenant in identifying purchase preference and priority of the cleanest available technology, subject to feasibility and availability of infrastructure. Such review shall not delay the Tenant's obligation to meet the required timelines for equipment replacement or purchase as identified in mitigation measures MM AQ-15 and MM AQ-17. Annually thereafter (by January), the Tenant shall submit an updated procurement plan and a detailed equipment inventory to the Environmental Management Division to verify unit replacements and new purchases over a 10-year period. In order to avoid duplication of efforts, the equipment inventory can be combined with reporting requirements for MM AQ-15 and MM AQ-17.

It shall be the responsibility of the LAHD to include a summary of zero and near-zero emission equipment operating at the terminal each year as part of mitigation measure tracking and annual reporting to the Board of Harbor Commissioners.

COMPLIANCE STATUS:

Has compliance with the above lease measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

LM AQ-2. Priority Access for Drayage

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

LEASE MEASURE:

A priority access system shall be implemented at the terminal to provide preferential access to zero- and near-zero-emission trucks.

Implementation and Monitoring Frequency: During operation after the effective start date of the Permit as amended.

Reporting Requirement: The Tenant shall submit a report to the Environmental Management Division that details plans for implementing a priority access system as prescribed in the lease measure along with a schedule. Once the priority access system is installed and operating, the Tenant shall submit verification documents to the Environmental Management Division demonstrating it has complied with the lease measure.

COMPLIANCE STATUS:

Has compliance with the above lease measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

LM AQ-3. Demonstration of Zero-Emissions Equipment

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

LEASE MEASURE:

Tenant shall conduct a one-year zero emission demonstration project with at least 10 units of zero-emission cargo handling equipment. Upon completion, tenant shall submit a report to LAHD that evaluates the feasibility of permanent use of the tested equipment. Tenant shall continue to test zero-emission equipment and provide feasibility assessments and progress reports in 2020 and 2025 to evaluate the status of zero-emission technologies and infrastructure as well as operational and financial considerations, with a goal of 100% zero-emission cargo handling equipment by 2030.

Implementation and Monitoring Frequency: During operation after the effective start date of the Permit, as amended.

Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the adjusted specified timelines below to account for dates that have passed in the measure.

- Procurement plan and backup documentation including equipment order and delivery schedule for securing at least 10 units of zero-emission cargo handling equipment and charging infrastructure prior to the start of the demonstration project. Due within the first six months of the effective start date of the Permit, as amended.
- Semi-annual progress reports due by July and January to report on the feasibility of the equipment during the one-year demonstration project.
- Final Report due within 60 days upon completion of the demonstration project including feasibility assessment.
- Progress reports in 2026 and 2028 (new adjusted dates) to evaluate the status of zero- emission technologies and infrastructure as well as operational and financial considerations, with a goal of 100% zero-emission cargo handling equipment by 2030.

COMPLIANCE STATUS:

Has compliance with the above lease measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM BIO-2: Vessel Speed Reduction Program

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

At least 95 percent of vessels calling at Berths 97-109 shall comply with the expanded VSRP of 12 knots between 40 nm from Point Fermin and the Precautionary Area.

Mitigation Implementation and Monitoring Frequency: Every six months during the term of the Permit as amended, including during any holdover.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division in accordance with the following schedule: January to June data is due by the following month (July). July to December data is due by the following month (January).

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM GEO-1: Emergency Response Planning

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

The terminal operator shall work with Port engineers and Port police to develop tsunami response training and procedures to assure that construction and operations personnel will be prepared to act in the event of a large seismic event. Such procedures shall include immediate evacuation requirements in the event that a large seismic event is felt at the proposed Project site, as part of overall emergency response planning for this proposed Project.

Mitigation Implementation and Monitoring Frequency: Within one year after the effective date of the Permit, as amended.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division.

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:**COMPLIANCE VERIFICATION:**

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

MM GHG-1. LED Lighting

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

All lighting within the interior of buildings on the premises and outdoor high mast terminal lighting will be replaced with LED lighting or a technology with similar energy-saving capabilities within two years after the effective date of the new lease amendment between the Tenant and the LAHD or by no later than 2023.

Mitigation Implementation and Monitoring Frequency: Within two years after the effective start date of the Permit as amended or by no later than December 31, 2023.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division such as lighting specifications, receipts, purchase orders, and/or contract documents verifying installation at prescribed terminal locations.

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:

COMPLIANCE VERIFICATION:

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM GW-1: Site Remediation

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

Should the Tenant undertake soil disturbing construction activities, the following measure applies.

Unless otherwise authorized by the lead regulatory agency for any given site, the Tenant shall remediate all encountered contaminated soils or contamination within the excavation zones on the Project site boundaries prior to or during subsurface construction activities. Remediation shall occur in compliance with local, state, and federal regulations, as described in Section 3.7.3, and as directed by the Los Angeles Fire Department, DTSC, and/or RWQCB.

Soil remediation shall be completed such that contamination levels in subsurface excavations are below health screening levels established by OEHHA and/or applicable action levels established by the lead regulatory agency with jurisdiction over the site. Only clean soil would be used as backfill. Soil contamination waivers may be acceptable as a result of encapsulation (i.e., paving) in backland areas and/or risk-based soil assessments but would be subject to the discretion of the lead regulatory agency. Excavated contaminated soil shall not be placed in another location onsite; it must be properly disposed of offsite. All imported soil to be used as backfill in excavated areas should be sampled to ensure that the soil is free of contamination.

Existing groundwater contamination throughout the proposed Project boundary shall continue to be monitored and remediated as encountered, simultaneous and/or subsequent to site development, and/or in accordance with direction provided by the RWQCB.

Unless otherwise authorized by the lead regulatory agency for any given site, areas of excavation with soil contamination that shall be remediated prior to, or in conjunction with, Project construction.

Mitigation Implementation and Monitoring Frequency: The Tenant shall notify the LAHD at least 60 days prior to undertaking any soil disturbance construction activities and shall obtain written approval from the LAHD to proceed with the work.

Mitigation/Reporting Requirement: The Tenant shall submit verification documents to the Environmental Management Division.

COMPLIANCE STATUS:

Has compliance with the above mitigation measure been met?

_____ Yes (please sign form) _____ No (If no, explain in next sections and sign form)

NON-COMPLIANCE:

Explain and/or discuss. Attach certification documents as well as document coordination with and acceptance of non-compliance or substitute equivalent.

STEPS TAKEN:**COMPLIANCE VERIFICATION:**

By signing this form, I signify that I have complied with the measure as stated above.

Name and Title of Responsible Person

Signature

Date

MM PS-3: Long Term Solid Waste Management

Project: Berths 97-109 [China Shipping] Container Terminal Project

Tenant: China Shipping

Application for Port Project (APP) Number: 030127-018 and 150224-504

State Clearinghouse Number: 2003061153

MITIGATION MEASURE:

To ensure adequate long-term solid waste management, the proposed Project will be required to comply with policies and standards set forth in the City's Solid Waste Integrated Resources Plan (SWIRP) following 2025.

Mitigation Implementation and Monitoring Frequency: The California Integrated Waste Management Act (AB 939) made all California cities, counties, and approved regional solid waste management agencies responsible for enacting plans and implementing programs to divert 25 percent of their solid waste by 1995 and 50 percent by year 2000. Later legislation mandates the 50 percent diversion requirement be achieved every year with a statewide goal of 75% by 2020. The City of Los Angeles Zero Waste Program ordinance adopted in 2014 establishes more aggressive recycling rates for commercial and industrial businesses with a 70% diversion rate by 2013, 90% by 2025 and 100% by 2030.

This measure has been superseded by local and state requirements. No further monitoring of this measure is required by the Tenant.

Mitigation/Reporting Requirement: Not applicable.