

RECOMMENDATION APPROVED;
RESOLUTION NO. 21-9797 ADOPTED AND;
AGREEMENT NO. 21-E6967-B APPROVED
BY THE BOARD OF HARBOR COMMISSIONERS

APRIL 15, 2021



AMBER M. KLESGES
Board Secretary



4/15/21
3

DATE: MARCH 23, 2021

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. 21-9797 - SECOND AMENDMENT TO AGREEMENT NO. E6967 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND PIERPASS, LLC TO PROVIDE TRUCKING GATE MOVE DATA

SUMMARY:

Staff requests approval of the proposed Second Amendment to Agreement No. E6967 between PierPass, LLC (PierPass), located in Long Beach, California, and the City of Los Angeles Harbor Department (Harbor Department). PierPass provides trucking gate move data collected from electronic gate management equipment at the seven major container terminals in order to support the Clean Truck Program (CTP) and the annual Port of Los Angeles (Port) emissions inventories. The proposed Second Amendment extends the term by one year and gives the Harbor Department the option to renew for an additional year. In accordance with the Shipping Act, this proposed Second Amendment will be filed with the Federal Maritime Commission (FMC). Annual compensation, pending approval of the proposed Second Amendment, will remain unchanged at \$48,000 and is the financial responsibility of the Harbor Department.

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 is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the Second Amendment to Agreement No. E6967 with PierPass, LLC to extend the term by one year with an option to renew for one more additional year with annual compensation remaining at the same rate of \$48,000;
3. Authorize the Executive Director to execute and Board Secretary to attest to said Second Amendment for and on behalf of the Board of Harbor Commissioners;

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4. Authorize the Board Secretary to transmit said Amendment to the Los Angeles City Council for approval in accordance with Charter Section 373 and Los Angeles Administrative Code Section 10.5(a);
5. Upon the approval of City Council in accordance with Los Angeles Administrative Code Section 10.5(a), authorize the Executive Director to execute and the Board Secretary to attest to said Amendment with PierPass, LLC for and on behalf of the Board after approval by City Council;
6. Delegate authority to the Executive Director to execute the extension of the Agreement No. E6967 with PierPass, LLC for a second year option, if it is determined that it is in the best interest of the City of Los Angeles Harbor Department; and
7. Adopt Resolution No. _____.

DISCUSSION:

Background/Context – Since the inception of the CTP in 2008, the Harbor Department has used truck move data from marine terminal operators' (MTO) gates to confirm CTP compliance. This information is important because it also assists in generating the Port's Annual Emissions Inventories and monthly metrics, supports CTP policy decision-making, and provides the public with drayage truck moves analyses. PierPass transmits the following truck move data to the Harbor Department on a weekly basis: Radio Frequency Identification Number, license plate number, truck gate move date and time, gate in or out, full or empty container, Licensed Motor Carrier and Standard Carrier Alpha Code, terminal identification, container identification and container length. In exchange for the services provided by PierPass, the Harbor Department compensates PierPass \$4,000 per month, for the annual cost of \$48,000. Agreement No. E6967 went into effect on June 10, 2018. The First Amendment was approved by the Board on May 16, 2019, and extended the term by two years. Agreement E6967 and the First Amendment were filed with the FMC in accordance with the Shipping Act.

Proposed Second Amendment – Staff recommends approval of the proposed Second Amendment to extend the term of Agreement No. E6967 by one year and gives the Harbor Department the option to renew for an additional year. The current agreement term will expire on June 10, 2021. The cost for services will remain at \$4,000 per month for an annual cost of \$48,000. Approval of the proposed Second Amendment will extend the agreement term to June 10, 2022, with the option to approve another extension to June 10, 2023. Agreement No. E6967 includes a clause that allows the Harbor Department to terminate the agreement within 30 days of written notice. If approved by the Board, the option to renew for an additional year will be delegated to the Executive Director to determine whether the option to extend is in the best interest of the Harbor Department, and to execute the option. This proposed Second Amendment will also be filed with the FMC.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of the proposed Second Amendment to Agreement No. E6967 with PierPass to extend the term of the Agreement by one year with an option to renew for one more additional year with annual compensation remaining at the same rate of \$48,000, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Second Amendment would extend the term of Agreement No. E6967 by one year, with an additional one-year option to renew. The compensation to PierPass is \$4,000 per month, or \$48,000 annually. In FY 2020, the Harbor Department collected \$3,186,524 in CTP fee revenues, and these revenues subsequently offset CTP costs such as those associated with the Second Amendment.

It is anticipated that funds under the Agreement would be expended as follows:

FY2020/2021	\$ 4,000
FY2021/2022	\$48,000
FY2022/2023	<u>\$44,000</u>
Total	\$96,000

Fiscal Year (FY) 2021 funding is available in Account 59967 (Clean Truck Program - Admin. Costs), Center 0330 (Environmental Management), Program 000 (Base Budget). FY 2022 funding of \$48,000 has been proposed for inclusion within the Environmental Management Division's Account 59967, pending Board approval. Funding in future fiscal years will be requested through the annual budget adoption process upon Board approval.

CITY ATTORNEY:

The Office of City Attorney has reviewed and approved the subject Agreement as to form and legality.

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TRANSMITTAL:

1. Second Amendment to Agreement No. E6967 with PierPass, LLC

FIS Approval: *MB*
CA Approval: *JS*



CHRISTOPHER CANNON
Director of Environmental Management



MICHAEL DIBERNARDO
Deputy Executive Director

APPROVED:

Marla Bleavins For

EUGENE D. SEROKA
Executive Director

CC:
AUTHOR: A. COLUSO

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