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Executive Director

June 22, 2021

Honorable Members of the
City Council of the
City of Los Angeles

CD No. 15

Attention: Mr. John White, City Clerk's Office

Subject: RESOLUTION NO. 21-9765 – PROPOSED PERMANENT ORDER AMENDING PORT OF LOS ANGELES TARIFF NO. 4, SECTION THREE, ITEM NO. 370 – “VESSEL TRAFFIC SERVICE USER FEES”

Pursuant to Section 653(a) of the City Charter, enclosed for your approval is Resolution No. 21-9765 authorizing proposed Permanent Order No. 21-7292, along with corresponding Ordinance to amend Port of Los Angeles Tariff No. 4, Section Three, Item No. 370 – “Vessel Traffic Service User Fees”; which was approved at the February 18, 2021 meeting of the Board of Harbor Commissioners. The Marine Exchange of Southern California (MX) operates a Vessel Traffic Service (VTS) that monitors vessel traffic within and approaches to the Ports of Los Angeles and Long Beach (the Ports). The VTS provides mariners with timely, relevant, and accurate information for the purpose of safe, secure, efficient, reliable, and environmentally sound maritime transportation. VTSUF are assessed on a monthly basis for local vessels such as tugs and tows, ferries, commercial rescue and emergency vessels, and whale watch boats. For non-local entry vessels, VTSUF are assessed based upon a vessel's gross tons (GT) and length over all (LOA) upon arrival at the Ports. Currently, monthly VTSUF on local vessels range from \$30 - \$355 per month. VTSUF on non-local entry vessels currently range from \$236 - \$500 per visit based upon LOA, and non-local entry vessels also pay an additional tonnage fee of \$0.0032 per GT per visit. Non-local entry vessels with an LOA of 340 meters or more are currently subject to the maximum LOA fee of \$500 per visit. Effective April 1, 2021, the proposed amendment would increase the VTSUF range on local vessels on a one-time basis by anywhere from \$5 to \$40 to a proposed range of \$35 - \$395 per month. For non-local entry vessels, the proposed amendment would apply an annual 10.5% increase to LOA and GT fees, effective each April 1 for three years. In addition, the maximum LOA fee would be applied to non-local entry vessels with an LOA of 335 meters or more. After the proposed three (10.5% each) increases are applied, by April 1, 2023, the LOA fee range would increase to \$318 - \$675 per visit (relative to the current \$236 - \$500 per visit). In addition, the GT fee in effect as of April 1, 2023 would be \$0.0043 (relative to the current \$0.0032 per GT). There is no impact to the General Fund.

RECOMMENDATION FOR CITY COUNCIL:

1. ADOPT the determination by the Board of Harbor Commissioners that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article III, Class 1 (31) of the Los Angeles City CEQA Guidelines;
2. APPROVE Harbor Department Resolution No. 21-9765 authorizing proposed Permanent Order No. 21-7292, along with corresponding Ordinance to amend Port of Los Angeles Tariff No. 4, Section Three, Item No. 370 – “Vessel Traffic Service User Fees”; and
3. Return to the Board of Harbor Commissioners for further processing.

Respectfully Submitted,

AMBER M. KLESGES
Commission Secretary

cc: Trade, Travel & Tourism Committee
Councilman Buscaino
Councilman Bonin
Councilman Krekorian
Heleen Ramirez, Mayor's Office

Erick Martell, Harbor Representative
Stephanie Magnien Rockwell, Harbor Representative
Janice Chang Yu, CAO
Dennis Gleason, CD15
Matthew Shade, CLA