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March 15, 2022

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

CD No. 15

Attention: Mr. Andrew Suh, City Clerk's Office

Subject: RESOLUTION NO. 21-9894: PROPOSED THIRD AMENDMENT TO PERMIT NO. 708 WITH KINDER MORGAN TANK STORAGE TERMINALS, LLC

Pursuant to Section 606 of the City Charter, enclosed for your approval is Resolution No. 21-9894, authorizing proposed Third Amendment to Permit No. 708 with Kinder Morgan Tank Storage Terminals LLC to allow continued operation of the marine oil terminal at Berths 118-119 until April 13, 2024 and to restore and surrender the site to the City of Los Angeles Harbor Department on or before April 13, 2025. Kinder Morgan requested authorization to build a Marine Oil Terminal Engineering & Maintenance Standards (MOTEMS) compliant wharf at Berth 120 and cease use of the current non-MOTEMS compliant wharf at Berth 118 thereafter. Staff informed Kinder Morgan that the Harbor Department is currently unable to determine if Berth 120 will be available due to ongoing negotiations with adjacent tenants. However, the Harbor Department will be in a better position to make such determination in two years.

The California State Lands Commission (CSLC) has authorized Kinder Morgan to continue operating at Berths 118- 119 for two years, until the Harbor Department is able to determine availability of Berth 120. Should the Harbor Department make the determination that Berth 120 is not available for construction of a new wharf, Kinder Morgan will be required to cease operations and begin remediation of Berths 118 and 119 pursuant to the Settlement Agreement and the First Amendment to Permit No. 708.

All maintenance and repair costs associated with the terminal and wharf, including all costs for MOTEMS compliance, are borne by Kinder Morgan during the term of Permit No. 708. 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 administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines; and
2. APPROVE POLA Resolution No. 21-9894 authorizing proposed Third Amendment to Amended with Kinder Morgan Tank Storage Terminals, LLC.

Respectfully Submitted,

Amber M. Klesges  
Digitally signed by  
Amber M. Klesges  
Date: 2022.03.15  
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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  
Tristan Noack, CLA