



STOCKTON PORT DISTRICT

Board of Port Commissioners

August 17, 2020

Pursuant to notice duly given, the regular meeting of the Board of Commissioners of the Stockton Port District was held on August 17, 2020, in Room 18 of the Port of Stockton Administration Building located at 2201 West Washington Street in Stockton, California.

COMMISSIONERS PRESENT: R. Jay Allen, Vice Chairman
Anthony Barkett
Michael Patrick Duffy
Stephen Griffen
William R. Trezza

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED: Elizabeth (Liz) Blanchard
Gary Christopherson, Chairman

OTHERS PRESENT: Richard Aschieris, Port Director
Steve Escobar, Senior Deputy Port Director
Michelle Bowling, Director of Finance
Jason Katindoy, Director of Maritime Operations
Katie Miller, Director of Human Resources and
Administrative Services
Juan Villanueva, Director of Development and
Planning
Jeff Wingfield, Director of Environmental and
Public Affairs
Sylvester Aguilar, Port Real Estate & Properties
Development Manager
Steven A. Herum, Port Counsel
Melanie Rodriguez, Secretary to the Board

A quorum being present, the meeting was called to order by Vice Chairman R. Jay Allen at 3:32 p.m. Vice Chairman Allen presided and Melanie Rodriguez, Secretary to the Board, acted as Secretary for the meeting.

CONSENT CALENDAR

In compliance with Port Policy Statement #003, the Consent Calendar items of business, having been provided to each member of the Board prior to this meeting, the Commissioners present acted upon all Consent Calendar items of business under one vote.

Commissioner Duffy moved, to adopt the following resolutions:

MINUTES OF JULY 20, 2020 MEETING

Resolution #8181: RESOLVED, that the minutes of the REGULAR meeting of the Board of Commissioners of the Stockton Port District held on the 20th day of July 2020, as the same are endorsed on Page No. 056 to Page No. 060, inclusive, of Minutes Book No. 62, be and they are hereby approved.

CONSIDERATION AND APPROVAL OF A MODIFIED GS-6 ELECTRIC RATE SCHEDULE EFFECTIVE JANUARY 1, 2021

The Consideration and Approval of a Modified GS-6 Electric Rate Schedule Effective January 1, 2021 was removed from the Consent Calendar.

AUTHORIZATION FOR THE PORT DIRECTOR TO EXECUTE A MASTER PROFESSIONAL SERVICES AGREEMENT WITH JMA CIVIL FOR ON-CALL ENGINEERING, PROGRAM MANAGEMENT AND ADVISORY SERVICES FOR \$100,000

Resolution #8182: RESOLVED, by the Stockton Port District Board of Commissioners that the Port Director is hereby authorized, empowered and directed to execute a Master Professional Services Agreement (MSPA) with the engineering firm of JMA Civil for on-call engineering, program management and advisory services, for a total amount not-to-exceed \$100,000.00 (One Hundred Thousand and no/100 dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected

Resolutions #8181 and #8182 were passed by the following vote:

COMMISSIONERS IN FAVOR: Allen, Barkett, Duffy, Griffen, Trezza

COMMISSIONERS AGAINST: None

COMMISSIONERS ABSTAINING: None

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED:

Blanchard, Christopherson

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

At the request of Vice Chairman Allen, Consent Calendar Item B. Consideration and Approval of a Modified GS-6 Electric Rate Schedule Effective January 1, 2021 was removed from the Consent Calendar for independent consideration.

Commission discussion followed.

Commissioner Trezza moved, to adopt the following resolution:

Resolution #8183: WHEREAS, the Stockton Port District (Port of Stockton) is a public corporation created for municipal purposes pursuant to Section 6290 of the California Harbors and Navigation Code; and

WHEREAS, the Port of Stockton operates a publicly owned electric utility on its West Complex; and

WHEREAS, the Port of Stockton has a duty to protect its overall electric utility operation to minimize, to the extent possible, the financial risk associated with its large load customer contracts; and

WHEREAS, the Port of Stockton has modified its current GS-6 electric rate schedule to include deposit and prepay requirements, along with other procedural requirements, to facilitate its efforts to manage and mitigate said financial risk; now therefore be it

RESOLVED, that the Board of Port Commissioners of the Stockton Port District hereby approves a modified GS-6 electric rate schedule that will be effective January 1, 2021; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8183 was passed by the following vote:

COMMISSIONERS IN FAVOR:

Allen, Barkett, Duffy, Griffen, Trezza

COMMISSIONERS AGAINST:

None

COMMISSIONERS ABSTAINING:

None

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED: Blanchard, Christopherson

INFORMATIONAL PRESENTATION OF THE PRELIMINARY FOURTH QUARTER 2019/2020 FISCAL YEAR FINANCIAL STATEMENTS

Port Director of Finance Bowling provided an overview of the preliminary financial reports for the fiscal year ending June 30, 2020. Copies of the financial information were provided to the Commission prior to today's meeting. Information presented included financial highlights, operating revenues, expenses and capital projects.

CONSIDERATION AND POSSIBLE APPROVAL OF A CATEGORICAL EXEMPTION 15301 CLASS 1(B) PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA); AUTHORIZATION FOR PORT STAFF TO FILE A NOTICE OF EXEMPTION RELATED THERETO; AND, A RESOLUTION APPROVING THE PORT DIRECTOR TO AWARD A CONTRACT TO BOCKMON AND WOODY ELECTRIC COMPANY FOR THE WEST COMPLEX SUBSTATION POWER TRANSFORMER PROJECT FOR \$1,287,720

Port Development and Planning Director Villanueva provided an executive summary of this agenda item. Mr. Villanueva's presentation included the following:

The Port's electric substation was originally constructed for two (2) transformers to accommodate future growth. Currently there is one (1) existing power transformer. The project would add a second transformer thereby increasing substation capacity. The project consists of the purchase and installation of a utility substation transformer and improvements to the utility distribution controls, protection and distribution system. The project scope includes the procurement of equipment and materials, required additional protection testing, coordination with Pacific Gas & Electric (PG&E) and the Port's electric utility, construction, commissioning and energizing of the substation.

The Port's utility substation provides power to the West Complex facilities and tenants. Adding a second transformer aligns with planned growth and would enable the Port to offer a more robust power supply to its tenants by increasing substation capacity.

The legally required advertisement for this project appeared in *The Record* on June 3, 2020. It was also posted on the Port's website and distributed to local/regional planning rooms and builder's exchanges. A mandatory pre-bid conference and site visit were held on June 10, 2020.

The following bids were received by 3:00 p.m. on July 22, 2020:

Bockmon & Woody Electric Co., Inc., Stockton, CA	\$ 1,287,720
National High Voltage Services, Inc., Sacramento, CA	\$ 1,442,355

Summit Line Construction, Heber City, UT	\$ 1,822,920
Tri-Technic, Inc., Sonora, CA	\$ 1,906,095

If authorization is given, the project shall be completed within fourteen (14) months from the Port's Notice to Proceed.

Port staff proposes that this project be funded through the Port's Capital Budget for Fiscal Year 2020/2021.

Port staff recommends that the Board of Port Commissioners determine that the West Complex Substation Power Transformer Project is exempt from the requirements of CEQA in accordance with Section 15301 (Class 1[b], Existing Facilities) of the CEQA Guidelines. Construction and operation of the transformer was assessed pursuant to CEQA in the Addendum to the Port of Stockton West Complex Development Plan Environmental Impact Report for the Port of Stockton 60/12 kilovolt (kV) Substation Project, which was considered and approved by the Board in February 2008. The West Complex Substation Power Transformer Project will result in the installation of mechanical equipment at an existing utility facility, with negligible to no expansion of use beyond what was previously considered in the Addendum.

Commissioner Griffen moved to adopt the following resolution:

Resolution #8184: RESOLVED, that pursuant to Port staff review of, and belief that the West Complex Substation Power Transformer Project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 Class 1(b) the Stockton Port District Board of Commissioners hereby adopts a CEQA Categorical Exemption for the West Complex Substation Power Transformer Project and authorizes the filing of a Notice of Exemption related thereto with San Joaquin County; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized, empowered and directed to award the West Complex Substation Power Transformer Project contract to Bockmon & Woody Electric Co., Inc. in the amount of \$1,287,720.00 (One Million Two Hundred Eighty-Seven Thousand Seven Hundred Twenty and 00/100 Dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8184 was passed by the following vote:

COMMISSIONERS IN FAVOR: Allen, Duffy, Griffen, Trezza

COMMISSIONERS AGAINST: None

COMMISSIONERS ABSTAINING: None

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED: Barkett, Blanchard, Christopherson

CONSIDERATION AND POSSIBLE APPROVAL OF A CATEGORICAL EXEMPTION 15301, 15303 AND 15304 PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA); AUTHORIZATION FOR PORT STAFF TO FILE A NOTICE OF EXEMPTION RELATED THERETO; AND, AUTHORIZE THE PORT DIRECTOR TO GRANT AN EASEMENT TO PG&E FOR THE INSTALLATION OF ELECTRIC CHARGING INFRASTRUCTURE

Port Environmental and Public Affairs Director Wingfield provided an executive summary of this agenda item. Mr. Wingfield's presentation included the following:

Pacific Gas & Electric (PG&E) is requesting that the Port grant an easement within Assessor Parcel Number (APN) 145-020-04 which is 200 feet by 10 feet near the north-west corner of Warehouse 6 on the East Complex for a period of at least 10 years in order to install and maintain infrastructure to support the Port's electric forklift chargers.

The Port has applied to participate in PG&E's Electric Vehicle Fleet Program in order to receive rebates on equipment and chargers as well as take advantage of PG&E's offer to install infrastructure for charging behind the meter. PG&E's financial incentives will offset the Board approved Zero- and Near-Zero Emission Freight Facilities (ZANZEFF) Project to electrify a portion of the Port's cargo handling equipment. Incentives include rebates at \$3,000.00 per vehicle, as the Port has 20 electric vehicles that equals a \$60,000.00 rebate. Additional electric charger rebates and savings on electrical rates are also a part of the program.

Air quality improvement is a strategic and organizational priority for the Port. The early deployment of zero emission technologies is costly and challenging; grant funding and programs like PG&E's are critical for the Port to further its goal of implementing zero- and near-zero equipment for Port operations. The goal is to deploy more efficient, environmentally friendly technologies at a fraction of the cost. Through the ZANZEFF Program the Port is in the process of acquiring equipment that exceeds current, and will meet anticipated, emission regulations for terminal operations.

Port staff is proposing California Environmental Quality Act (CEQA) categorical exemptions 15301, 15303 and 15304 for the purposes of this project. Section 15301 covers the "operation, repair, maintenance, permitting, leasing, licensing or minor alterations to existing facilities." Specifically, 15301 allows for minor alterations to existing publicly owned utilities to provide electric power. Section 15303 covers "the construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor

modifications are made in the exterior of the structure." 15303 specifically allows for electrical extensions including street improvements if necessary, to service such extensions. Finally, 15304 allows for minor alterations to land. 15304 covers minor trenching and backfilling where the surface is restored.

Commissioner Duffy moved, to adopt the following resolution:

Resolution #8185: RESOLVED, that pursuant to Port staff review of, and determination that, an easement of 200 feet by 10 feet located near the north-west corner of Warehouse 6 on the Port's East Complex within Assessor Parcel Number (APN) 145-020-04, to Pacific Gas & Electric is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15301, 15303 and 15304 the Stockton Port District Board of Commissioners hereby adopts a CEQA Categorical Exemption for the 200 feet by 10 feet easement to Pacific Gas & Electric and authorizes the filing of a Notice of Exemption related thereto with San Joaquin County; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized, empowered and directed to execute an easement agreement and/or other related documents for a 200 feet by 10 feet area located within APN 145-020-04 on the Port's East Complex near the north-west corner of Warehouse 6 with Pacific Gas & Electric for a term of at least 10 years; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8185 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Duffy, Griffen, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Blanchard, Christopherson

COMMITTEE REPORTS

Ad Hoc Committee

On August 17, 2020 an Ad Hoc committee comprised of Vice Chairman Allen and Commissioners Duffy and Trezza met to discuss the Director's Annual Performance Evaluation and Total Compensation Survey.

PORT DIRECTOR'S COMMENTS

Port Director Aschieris provided an executive summary of recent Port activities.

- Since the last Commission meeting, the following short-term lease has been executed:

Lessee:	Pelton Shepherd
Location:	West Complex, Building 217, Suite 143
Term:	1 year

- Current calendar year-to-date shipping reflects 148 ships. Shipping activity for the same period in 2019 reported 156 ships. Since the last Commission meeting, 22 ships have called at the Port.
- Current calendar year-to-date tonnage totaled 2,431,338 metric tons. Tonnage for the same period in 2019 totaled 2,948,017 metric tons. Since the last Commission meeting, 304,189 metric tons of cement/slag from Vietnam, Japan and Taiwan, food grade oils from Malaysia, sulfuric acid from Japan, fertilizer from Norway and Belgium, molasses from Panama and El Salvador, steel from Japan, project cargo from China and Belgium, sulfur to New Caledonia, dry bulk and bulk beet pellets to Japan have been handled.
- The Port recently paid-off its pension withdrawal liability with the D.A. Warehousemen's Pension Trust.
- The Port was awarded \$8 million from the State of California Department of Transportation for the Fyffe Avenue Grade Separation Project.

COMMISSION COMMENTS

Commissioner Griffen shared that he had received good feedback related to the Port's new electric forklifts.

Commissioner Duffy shared that the Port should look to upgrade the Commission meeting capabilities for those that attend/view the meetings off-site. Commissioner Barkett seconded those comments.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

The following emailed comment was provided to the Commissioners for consideration related to this item:

Emailed Comment as received from Mary Elizabeth with the Delta-Sierra Group:

“Non-agenda public comment

06/15/2020 dated Port of Stockton EMISSIONS INVENTORY DRIVERS provided the reasons for the Port to perform a comprehensive inventory of greenhouse gas and air quality pollutants. The idea is long overdue but no timeline was provided for the completion of the emissions inventory. Please consider providing status updates on the progress of this worthy endeavor. Additionally, I have been informed that next year community outreach will become a criteria considered by Green Marine. Please consider implementing your public outreach inferred in your adopted policies. Finally, there is a need for a traffic plan which the Port currently does not have.”

CLOSED SESSIONS:

- A. PURSUANT TO GOVERNMENT CODE §54956.8 REAL PROPERTY TRANSACTION: RECEIVE REPORTS FROM, GIVE INSTRUCTIONS TO & CONFER WITH PORT NEGOTIATOR RICHARD ASCHIERIS REGARDING POTENTIAL REAL PROPERTY TRANSACTION RELATIVE TO 302 MCCLOY AVENUE, STOCKTON, CA
- B. PURSUANT TO GOVERNMENT CODE §54956.8 REAL PROPERTY TRANSACTION: RECEIVE REPORTS FROM, GIVE INSTRUCTIONS TO & CONFER WITH PORT NEGOTIATOR RICHARD ASCHIERIS REGARDING POTENTIAL REAL PROPERTY TRANSACTION RELATIVE TO 906 CROMWELL, STOCKTON, CA

At 4:26 p.m. Vice Chairman Allen announced that, in accordance with the Ralph M. Brown Act, an executive session would be conducted by the Board of Commissioners pursuant to Government Code §54956.8. The general public and other Port staff was excused from the meeting, and the closed sessions commenced at 4:28 p.m. Port Director Aschieris, Senior Deputy Port Director Escobar, Director of Finance Bowling, Director of Maritime Operations Katindoy, Director of Human Resources and Administrative Services Miller, Director of Development and Planning Villanueva, Director of Environmental and Public Affairs Wingfield, Port Real Estate & Properties Development Manager Aguilar and Attorney Herum remained for the executive session.

At 4:59 p.m., Vice Chairman Allen re-opened the meeting in public session. He reported that the Port Commission conferred with legal counsel and took no formal, reportable action during the closed sessions.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 5:00 p.m. by Vice Chairman Allen.

Melanie Rodriguez
Secretary to the Board

Vice Chairman R. Jay Allen