Agenda Item No. 2

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

KAREN BASS
MAYOR

October 29, 2026

Honorable City Council
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, California 90012

Attention: Armando Bencomo, Legislative Assistant

REQUEST FOR AUTHORITY TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT WITH SOUTHERN CALIFORNIA MARINE INSTITUTE FOR DOCKING SPACE AT BERTH 260/261, FISH HARBOR, TERMINAL ISLAND

The Department of General Services (GSD) requests authority to negotiate and execute a license agreement with Southern California Marine Institute (SCMI) to dock the Bureau of Sanitation (LASAN) vessel, in Council District 15.

BACKGROUND

Under CF 18-0021, approved by council on February 2, 2018, C-131246, an agreement was approved and finalized allowing the City to license a slip from Cabrillo Way Marina in San Pedro. LASAN needs to relocate the current monitoring vessel at this location to a larger slip at SCMI at a nearby Terminal Island due to the increased size of their replacement vessel. LASAN is requesting this three-year agreement. Once the agreement is finalized, GSD will terminate the current agreement at Cabrillo Way Marina.

The Environmental Monitoring Division (EMD) currently operates two monitoring vessels M/V *La Mer* and M/V *Marine Surveyor* to comply with the Waste Discharge Requirements (WDRs) contained in the National Pollutant Discharge Elimination System (NPDES) Permits, jointly issued by the California Regional Water Quality Control Board, Los Angeles Region, and the U.S. Environmental Protection Agency, Region IX, for the City's two water reclamation plants that discharge into marine waters. These plants, the Hyperion Water Reclamation Plant (HWRP) and the Terminal Island Water Reclamation Plant (TIWRP), are mandated by the NPDES Permits to conduct ocean monitoring and assessment.

M/V *Marine Surveyor* is the primary vessel to conduct all monitoring required for the TWIRP NPDES permit. This vessel is docked in the Los Angeles Harbor at Cabrillo Way Marina (slip L-17) located at 2293 Miner St, San Pedro, CA 90731. This vessel has been

in service for 61 years, which is well beyond the recommended life cycle for marine vessels of this type (20-30 years), leading to high maintenance costs. The other vessel, *M/V La Mer* is docked in Marina del Rey and is not a part of this request.

On January 1, 2024, the Pre-Tier 1 diesel marine propulsion engines of both M/V *La Mer* and M/V *Marine Surveyor* became out of compliance with CARB's recently amended Commercial Harbor Craft (CHC) emissions. Replacing these old vessels with new, purpose-built vessels will comply with CARB regulations, greatly reducing maintenance and haul-out costs, increasing operational capacity, reducing downtime, and allowing for more reliable and timely compliance monitoring for the next 30 years. Two new, purpose-built vessels have been designed and will be equipped for current and future monitoring requirements, with improved safety equipment, modern fire suppression systems, and engines that meet CARB emission requirements.

The current LASAN monitoring vessel docked in Los Angeles Harbor, M/V *Marine Surveyor*, is 61-feet in length and 19-feet wide. The current boat slip at Cabrillo Way Marina (slip L-17) is 80 feet long by 22 feet wide. The new vessel being built for LASAN that will replace M/V *Marine Surveyor* (temporarily named M/V *New EMD Vessel*) will be a total length of 78 feet long by 28 feet wide. Due to the increased width, M/V *New EMD Vessel* will not fit in the current slip at Cabrillo Way Marina and the marina does not have larger slips available to house this size vessel.

The space at SCMI is 79 ft in length with no width restriction as the space is alongside a dock. The new vessel is projected to be delivered by Summer 2028. The proposed agreement with SCMI will commence upon City Clerk's attestation and the agreement at Cabrillo Marina will be terminated. The M/V *Marine Surveyor* will transition to the SCMI site and be replaced by the M/V *New EMD Vessel* when it is delivered.

The other monitoring vessel, *M/V La Mer*, docked in Marina del Rey, is in a larger slip that can accommodate the larger vessel that will be replaced there. Therefore, a new agreement is only needed for *M/V Marine Surveyor,* docked at Cabrillo Way Marina.

TERMS AND CONDITIONS

The proposed license agreement is for 36 months effective upon City Clerk's attestation and month-to-month thereafter. SCMI would not provide options to extend at this time. The proposed monthly license fee will be $2,133 per month which includes utilities. There is also a late fee if rent is not paid within 30 days. The current rent is $2,056.60 at the current location and approximately $30 per month for utilities. A complete set of terms and conditions are outlined on the attached term sheet.

MARKET ANALYSIS

According to a market analysis, a boat slip license agreement estimated rent value ranges from approximately $2,000 to $2,500 per month. The City negotiated this license to limit the rent increase and the proposed rent reflects annual increases consistent with other agreements. For reference, there are not many comparables for this type of use in the market place.

FISCAL IMPACT

As with the current license, the proposed license will be funded by the Sewer Construction and Maintenance Fund. For the 2026-27 Fiscal Year $25,650 is budgeted for the license agreement at the Cabrillo Way Marina location. The annual cost for the proposed license agreement is $25,211 resulting in a negligible budget surplus of approximately $439. There is no effective impact to the General Fund.

Proposed Fiscal Year 2026-27 Costs				
	Monthly Proposed Costs	**2026-27 Estimated Expense (12 mo.)**	**2026-2027 Budget**	**2026-27 Estimated Surplus/ (Deficit)**
Current License Fee (5 mo.)	$2,056	$10,280	$25,650	
New License Fee (7 mo.)	$2,133	$14,931		
TOTAL		$25,211	$25,650	$439

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to negotiate and execute a new agreement with SCMI to dock the LA Sanitation's vessel at SCMI's Berth 260/261, on Terminal Island, Los Angeles, CA 90731 under the terms and conditions substantially outlined in this report.

Tony M. Royster
General Manager

Attachment: Term Sheet

LEASING TERM SHEET

MFC DATE	October 2026
LANDLORD	Southern California Marine Institute (SCMI)
ADDRESS	1820 South Seaside Ave. Terminal Island, CA 90731
TENANT	City of Los Angeles - GSD
ADDRESS	111 E. 1st St. 2nd Floor LA, CA 90012
LOCATION	Berth 260/261, Fish Harbor, Terminal Island, CA - RP 13-34
AGREEMENT TYPE	License Agreement
SQUARE FEET	N/A
TERM	3 years
RENT START DATE	Upon City Clerk Attestation
LEASE START DATE	Upon City Clerk Attestation
OPTION TERM	None
HOLDOVER	None - Month-to-Month
SUBLET/ ASSIGNMENT	Right to assign - subject to Landlord approval
TERMINATION	Either party may terminate with 30 days notice.
RENTAL RATE	$2,133.00/mo.
ESCALATION	N/A
RENTAL ABATEMENT	None
ADDITIONAL RENT	None
PROPERTY TAX	None
OPEX	None

CAM	None
OTHER	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	The City shall be responsible for its own equipment and as-is condition.
TENANT IMPROVEMENTS	None.
PARKING	None
UTILITIES	Utilities are included as part of the fee
CUSTODIAL	Tenant shall be responsible for the site for its use.
SECURITY	N/A
PROP 13 PROTECTION	N/A
INSURANCE (City)	City shall indemnify and hold harmless Landlord to the same extent the City owes indemnity obligation per Risk Management.
OTHER:	
PRINT:	
SIGNATURE:	