STOCKTON PORT DISTRICT

Board of Port Commissioners

December 4, 2023

Pursuant to notice duly given, the regular meeting of the Board of Commissioners of the Stockton Port District was held on December 4, 2023, in Room 18 of the Port of Stockton Administration Building located at 2201 West Washington Street in Stockton, California.

COMMISSIONERS PRESENT:	R. Jay Allen David Atwater Anthony Barkett Michael Patrick Duffy, Chairman Stephen Griffen Allen Sawyer William R. Trezza, Vice Chairman
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	None
OTHERS PRESENT:	Kirk DeJesus, Port Director Katie Miller, Deputy Port Director Jeff Wingfield, Deputy Port Director Rhonda Nelson, Director of Real Estate and Port Development Sylvester Aguilar, Real Estate Marketing Manager Tom Patton, Port Real Estate Consultant Steven A. Herum, Port Counsel Lena DeSantis, Anchor QEA Consultant Katie Chamberlin, Anchor QEA Consultant Melanie Rodriguez, Secretary to the Board

A quorum being present, the meeting was called to order by Chairman Michael Patrick Duffy at 3:31 p.m. Chairman Duffy 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 the following Consent Calendar items of business under one vote.

Chairman Duffy acknowledged that there were no requests to address the Commission.

Commissioner Barkett moved, to adopt the following resolutions:

MINUTES OF NOVEMBER 13, 2023 MEETING

Resolution #8447: RESOLVED, that the minutes of the SPECIAL meeting of the Board of Commissioners of the Stockton Port District held on the 13th day of November 2023, as the same are endorsed on Page No. 100 to Page No. 106, inclusive, of Minutes Book No. 65, be and they are hereby approved.

AUTHORIZATION TO TRAVEL

Resolution #8448: RESOLVED, that the Board of Commissioners of the Stockton Port District hereby authorizes one or more Commissioners to travel to O'ahu, Hawaii for the Association of Pacific Ports (APP), Winter Conference, January 24 – 26, 2024; and

RESOLVED FURTHER, that the travel expenses incurred by Commission delegates who participate in the APP Winter Conference shall be paid by the Stockton Port District.

CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE PORT DIRECTOR TO EXECUTE A MASTER PROFESSIONAL SERVICES AGREEMENT (MPSA) WITH DILLON & MURPHY CONSULTING CIVIL ENGINEERS FOR PROJECT ENGINEERING FOR THE 417A SEWER LIFT STATION PROJECT FOR AN AMOUNT NOT-TO-EXCEED $83,000.00

Resolution #8449: 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 (MPSA) with Dillon & Murphy Engineering for Project Engineering for the 417A Sewer Lift Station Project for an amount not-to-exceed $83,000.00 (Eight-Three Thousand and no/100 dollars); and

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

CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE PORT DIRECTOR TO ACCEPT THE FEMA EMW-2023-PU-00261 AWARD, AMEND THE FISCAL YEAR 2023-2024 BUDGET, AND APPROPRIATE FUNDS IN THE AMOUNT OF $665,385.00 FOR THE AUTOMATED LICENSE PLATE READERS AND THE GUARDHOUSE/SECURED PORT ENTRANCE – PHASE I ENGINEERING AND DESIGN PROJECT

Resolution #8450: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to accept the FEMA EMW-2023-PU-00261 Award for the Automated License Plate Readers and the Guardhouse/Secured Port Entrance – Phase I Engineering and Design Project; and

RESOLVED FURTHER, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to amend the Fiscal Year 2023-2024 Budget and appropriate funds in the amount of $665,385.00 (Six Hundred Sixty-Five Thousand Three Hundred Eighty-Five and no/100 dollars) for the Automated License Plate Readers and the Guardhouse/Secured Port Entrance – Phase I Engineering and Design Project; and

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

CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE PORT DIRECTOR TO PURCHASE MICRO-PROCESSORS, VIDEO ACCELERATORS AND LICENSING FOR THE PORT'S SERVER FARM IN THE STOCKTON DATA CENTER FROM IT SAVVY FOR AN AMOUNT NOT-TO-EXCEED $168,674.44

Resolution #8451: RESOLVED, by the Stockton Port District Board of Commissioners that the Port Director is hereby authorized, empowered and directed to purchase micro-processors, video accelerators and licensing for the Port's Server Farm located in the Stockton Data Center from I.T. Savvy for an amount not-to-exceed $168,674.44 (One Hundred Sixty-Eight Thousand Six Hundred Seventy-Four and 44/100 dollars); and

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

CONSIDERATION AND POSSIBLE AMENDMENTS OF THE GS-6 ELECTRIC RATE SCHEDULE

Resolution #8452: 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's energy supplier is no longer offering three (3) year Demand (Resource Adequacy) contract terms which is required by the Port's current GS-6 electric rate schedule; and

WHEREAS, the Port of Stockton has amended its current GS-6 electric rate schedule revising Demand (Resource Adequacy) contract terms from three (3) years to one (1) to three (3) years and other miscellaneous revisions resulting from recent energy market conditions; now therefore be it

RESOLVED, that the Board of Port Commissioners of the Stockton Port District hereby approves the amended GS-6 electric rate schedule that will become effective January 1, 2024; and

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

CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE PORT DIRECTOR TO AMEND THE GEOSYNTEC CONTRACT FOR CONSTRUCTION MANAGEMENT FOR THE REMEDIATION OF SITE 10 LANDFILL AREA FOR AN INCREASED AMOUNT NOT-TO-EXCEED $50,000

Resolution #8453: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to amend the Geosyntec contract for Construction Management for the Remediation of the Site 10 Landfill Area for an increased amount not-to-exceed $50,000.00 (Fifty Thousand and no/100 Dollars); and

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

CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE PORT DIRECTOR TO AMEND THE GEOSYNTEC CONTRACT FOR REMEDIATION ACTIVITIES ON THE WEST COMPLEX FOR AN INCREASED AMOUNT NOT-TO-EXCEED $672,000

Resolution #8454: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized to amend the Geosyntec contract for Remediation Activities on the West complex for an increased amount not-to-exceed $672,000.00 (Six Hundred Seventy-Two Thousand and no/100 Dollars); and

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

CONSIDERATION AND POSSIBLE AUTHORIZATION FOR THE PORT DIRECTOR TO LIFT/CANCEL THE AUGUST 21, 2023 EMERGENCY DECLARATION

Resolution #8455: RESOLVED, by the Board of Commissioners of the Stockton Port District that an emergency situation did exist that demanded the immediate expenditure of public funds, and that the emergency would not permit a delay resulting from a competitive solicitation for bids and that the action was necessary to respond to the Emergency Dredging of the Stockton Deep Water Ship Channel in the vicinity of Light 48 and the Sediment Trap; and

RESOLVED FURTHER, that the Port Director is hereby authorized, empowered and directed to lift/cancel the August 21, 2023 Emergency Declaration; and

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

Resolutions #8447, #8448, #8449, #8450, #8451, #8452, #8453, #8454, and #8455 were passed by the following vote:

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

COMMISSIONERS AGAINST: None

COMMISSIONERS ABSTAINING: None

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED: None

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

Chairman Duffy acknowledged that there were no items removed from the Consent Calendar.

COMMITTEE REPORTS

Chairman Duffy acknowledged that there were no Committee Reports.

PORT DIRECTOR'S COMMENTS

- Port Director DeJesus shared that an Ad Hoc Committee would need to be scheduled to review the Port Policy Statement updates.

COMMISSION COMMENTS

Commissioner Griffen thanked the Port Director for working on the portable restroom issue for the longshore labor force.

Commissioner Allen shared that this would be his last Commission meeting and that the Commission has completely turned over since he began. He also shared that this current group of Commissioners has made good decisions. He thanked staff for all of their hard work and that he appreciated their efforts.

Commissioner Barkett shared that the Port's Holiday Party was excellent and well attended. He also shared that Commissioner Allen will be greatly missed, that he was learned a lot from him and that he was a great guide for the Commission.

Chairman Duffy wished all a Happy Holidays. He also thanked staff for the great job on the Port's Holiday Party that showcased the Port. He thanked Commissioner Allen for his service to the Port and for his mentorship.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Chairman Duffy acknowledged the following requests to address the Commission:

Mary Elizabeth emailed comments that were read by her and were distributed to the Commission related to Golden State Natural Resources.

Gary Hughes emailed comments that were read by him and were distributed to the Commission related to Golden State Natural Resources.

Gloria Alonso provided comments related to Golden State Natural Resources.

Margo Praus provided comments related to Golden State Natural Resources.

Rita Vaughan Frost provided comments related to Golden State Natural Resources.

CLOSED SESSIONS:

A. PURSUANT TO GOVERNMENT CODE §54956.8 REAL PROPERTY TRANSACTION: RECEIVE REPORTS FROM, GIVE INSTRUCTIONS TO & CONFER WITH PORT NEGOTIATOR KIRK DEJESUS REGARDING POTENTIAL REAL PROPERTY TRANSACTION RELATIVE TO 3505 NAVY DRIVE, STOCKTON, CA

B. PURSUANT TO GOVERNMENT CODE §54956.8 REAL PROPERTY TRANSACTION: RECEIVE REPORTS FROM, GIVE INSTRUCTIONS TO & CONFER WITH PORT NEGOTIATOR KIRK DEJESUS REGARDING POTENTIAL REAL PROPERTY TRANSACTION RELATIVE TO 320 MCCLOY AVENUE, STOCKTON, CA

At 3:55 p.m. Chairman Duffy 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 3:58 p.m. Port Director DeJesus, Deputy Director Miller, Deputy Director Wingfield, Director of Real Estate and Port Development Nelson, Real Estate Marketing Manager Aguilar, Port Real Estate Consultant Patton, Port Counsel Herum, Anchor QEA Consultant DeSantis and Anchor QEA Consultant Chamberlin remained for the entire executive session.

At 4:44 p.m., Chairman Duffy re-opened the meeting in public session. He reported that the Port Commission took no formal, reportable action during the closed sessions.

CONSIDERATION OF THE FOLLOWING RELATED TO 320 MCCLOY AVENUE:

A. CERTIFY THAT THE FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) FOR THE T.C. NO. CAL. DEVELOPMENT WAREHOUSING AND DISTRIBUTION FACILITY PROJECT HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA; CALIFORNIA PUBLIC RESOURCES CODE [PRC] SECTION 21000 ET SEQ.) AND THE CEQA GUIDELINES FOR IMPLEMENTATION (14 CALIFORNIA CODE OF REGULATIONS [CCR] SECTION 15000 ET. SEQ.)

B. ADOPT THE FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS (FOF/SOC)

C. ADOPT THE MITIGATION MONITORING AND REPORTING PROGRAM (MMRP), AS REQUIRED BY PRC SECTION 21081.6

D. DIRECT THE REAL ESTATE DIVISION TO INCORPORATE BY REFERENCE THE EIR AND MMRP INTO ANY AND ALL LEASE AGREEMENTS OR ASSIGNMENTS ENCOMPASSED IN THE APPROVED PROJECT

E. APPROVE THE PROPOSED PROJECT AS IDENTIFIED IN THE FEIR, INCLUDING ALL FEASIBLE MITIGATION MEASURES, WITH CONSIDERATION OF THE FOF/SOC AND THE MMRP

F. AUTHORIZATION FOR THE PORT TO FILE THE NOTICE OF DETERMINATION

G. APPROVE ORDINANCE NO 260; A LEASE AGREEMENT NO. 2024-01 WITH THE STOCKTON PORT DISTRICT AND SIERRA LOGISTICS CENTER, LLC FOR THE CONSTRUCTION AND OPERATION OF A FULL SERVICE DISTRIBUTION FACILITY LOCATED AT 320 MCCLOY AVENUE FOR A TERM OF FIFTY (50) YEARS

H. AUTHORIZE THE PORT DIRECTOR EXECUTE THE LEASE; FINALIZE, APPROVE, AND EXECUTE THE LEASE EXHIBITS AND DOCUMENTS RELATED THERETO

I. AUTHORIZE PAYMENT OF RELATED TRANSACTION COSTS INCLUDED COMMISSIONS PAYABLE TO CBRE AND CUSHMAN & WAKEFIELD, AND OTHER <u>RECORDING AND TITLE-RELATED EXPENSES</u>

Director of Real Estate and Port Develop Nelson and Deputy Port Director Wingfield provided an executive summary on this agenda item. The staff report was provided to each member of the Board prior to the meeting and was also available as a link on the Agenda posted on the Port’s website.

Chairman Duffy acknowledged the following requests to address the Commission:

Vice President Curtis Tubbs with Trammell Crow provided oral comments in favor of the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue.

Vice President Will Parker with Trammell Crow provided oral comments in favor of the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue.

Mary Elizabeth provided oral comments that she also emailed and were distributed to the Commission and are part of the administrative record in opposition to the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue.

Kevin Carmichael with Adams Broadwell Joseph & Cardoza on behalf of San Joaquin Residents for Responsible Development provided oral comments as well as emailed comments that were distributed to the Commission and are part of the administrative record in opposition to the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue.

Sierra Club submitted emailed comments that were read in part by the Secretary to the Board Rodriguez, provided to the Commission and are part of the administrative record in opposition to the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue.

Kinetics Mechanical Service, Inc. submitted emailed comments that were read by the Secretary to the Board Rodriguez, provided to the Commission and are part of the administrative record in favor to the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue.

Panelized Structures, Cosco Fire Protection, Farrell Design-Build, Inc. Collins Electrical Company, Inc. and DeSilva Gates Construction all provided emailed comments that were all in favor of the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue that were distributed and acknowledged by the Commission and are part of the administrative record.

Deputy Port Director Wingfield, Anchor QEA Consultants Chamberlin and DeSantis responded to all of the comments that were provided by those that opposed the Sierra Logistics Center, LLC Lease located at 320 McCloy Avenue.

Commissioner Allen moved, to adopt the following resolution:

Resolution #8456: RESOLVED, by the Stockton Port District Board of Commissioners, that:

- the Final Environmental Impact Report (FEIR) for the T.C. NO. CAL. Development Warehousing and Distribution Facility Project (proposed Project):

  - was completed in compliance with the California Environmental Quality Act (CEQA); (Public Resources Code Section 21000 et seq.) and the CEQA Guidelines (14 California Code of Regulations Section 15000 et. seq.);

  - was reviewed and considered by the Board of Commissioners prior to approving the proposed Project; and

  - reflects the independent judgment and analysis of the Port of Stockton.

- the proposed Project as identified in the FEIR, including all feasible mitigation measures, with consideration of the Findings of Fact and Statement of Overriding Considerations and the Mitigation Monitoring and Reporting Program is hereby approved;

- the Findings of Fact (FOF) and Statement of Overriding Considerations (SOC) is hereby adopted:

  - in accordance with the information contained in the FEIR, the proposed Project will have significant and unavoidable adverse impacts related to greenhouse gas emissions and transportation as defined by Public Resources Code (PRC) Sections 21068 and 21082.2 and the CEQA Guidelines Sections 15064, 15064.3, 15064.4, 15064.5, and 15382;

  - in accordance with the provisions of the CEQA Guidelines Section 15091(a)(1), changes or alterations have been required in, or incorporated into, the proposed Project which substantially lessen or avoid one or more of the significant adverse environmental impacts identified in the FEIR;

  - in accordance with the provisions of the CEQA Guidelines Section 15091(a)(3), specific economic, legal, social, technological, or other considerations, make infeasible certain mitigation measures such that some environmental impacts remain significant and unavoidable;

  - all information added to the FEIR after public notice of the availability of the Draft Environmental Impact Report (DEIR) for public review but before certification, merely clarifies, amplifies, or makes insignificant modifications in an adequate Environmental Impact Report and recirculation is not necessary; and

- in accordance with PRC Section 21081(b) and the CEQA Guidelines Section 15093, the benefits of creating a more efficient facility at the proposed Project site outweigh the significant and unavoidable environmental impacts;

- the Mitigation Monitoring Reporting Program (MMRP) is hereby adopted, as required by PRC Section 21081.6;

- Port staff is directed to incorporate by reference the Environmental Impact Report and MMRP into any and all lease agreements or assignments encompassed in the approved Project;

- the proposed Project as identified in the FEIR, including all feasible mitigation measures, with consideration of the FOF/SOC and the MMRP is approved; and

- Port staff is directed to file a Notice of Determination in accordance with CEQA.

RESOLVED FURTHER, that the Stockton Port District Board of Commissioners approves final adoption of Ordinance #260 for the Lease Agreement with Sierra Logistics Center, LLC for the construction and operation of a full service distribution facility located at 320 McCloy Avenue for a term of fifty (50) years; and

RESOLVED FURTHER, that Ordinance #260 shall take effect, and be in full force and effect, from and after its final adoption; and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed in the name of and as the act and deed of this Stockton Port District to make, execute and deliver all necessary documents in the accomplishment thereof, and to ensure that the provisions of this resolution are appropriately effected; and,

RESOLVED FURTHER, that the Port Director is authorized to make payment of related transaction costs including commissions payable to CBRE and Cushman and Wakefield and other recording and title-related expenses.

Resolution #8456 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Atwater, Barkett, Duffy, Griffen, Sawyer, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	None

ADJOURNMENT

On behalf of the Stockton Port District Board of Commissioners, it was announced by Chairman Duffy that today's Commission meeting would be adjourned in memory of Dorothy Louise Jones.

Dorothy Louise Jones was born on September 11, 1932 in Dallas, Texas. She passed away on November 13, 2023, at the age of 91. In the early 1960's Dorothy became a catalyst for positive change in Southeast Stockton. She was the driving force behind the Southeast Stockton Library, Post Office and sidewalks in that area. She founded S.U.C.C.E.S.S. an anti-drug organization for children and co-founded the Black League of Voters. She advocated for a neighborhood park as well as a second Library for the area. Dorothy was on many community organizations such as: President of the Knight's Addition Association, Crime Stoppers Board of Directors, President of the A. Philips Randolph Institute, Women in the N.A.A.C.P. (W.I.N.) and was a Financial Center Credit Union Board Member to name just a few. In 1986, Dorothy was presented with the Liberty Bell Award from the San Joaquin County Board Association. She was awarded the Rosa Parks Award of Excellence by the N.A.A.C.P. Her civic devotion resulted in the naming of a new Community Center in her honor in 2007. Dorothy is admired, respected and treasured by all who experienced her heart, wit and wisdom. She is survived by her beloved sons, Charles, Charlie and Cletus, daughters Carol Marie, Lorice, Geraldine, Gwendolyn and Brendolynn as well as 22 grandchildren, 22 great-grandchildren, 9 great-great-grandchildren and "son" Michael Patrick Duffy.

On behalf of the Commissioners, Port Director and staff, sincere sympathy and condolences were extended to the family of Dorothy Louise Jones.

There being no further business to discuss, the meeting was adjourned at 5:48 p.m. by Chairman Duffy.

Melanie Rodriguez
Secretary to the Board

Chairman Michael Patrick Duffy