



**INFORMATIONAL REPORT TO THE
OAKLAND BOARD OF PORT COMMISSIONERS**

REGARDING

ENVIRONMENTAL PROGRAMS AND PLANNING DIVISION

APRIL 25, 2013

**PURPOSE OF THE INFORMATIONAL REPORT TO THE BOARD OF PORT COMMISSIONERS
("BOARD")**

The purpose of this informational report is:

1) to inform the Board and the public regarding the role of the Port of Oakland's ("Port's") Environmental Programs and Planning Division ("Environmental Division", or "EP&P") in promoting the Port's goals and business activities; and

2) to catalyze a policy-level discussion among Board members about the Port's environmental strategies at the April 25, 2013, Board meeting.

The discussion will guide staff in managing and implementing the Port's environmental programs and plans consistent with the Port 5-year Strategic Plan and in support of the Fiscal Year 2014 Strategic Priorities.

CORE FUNCTIONS OF THE ENVIRONMENTAL DIVISION

The Board established the Division of Environmental Programs and Planning in May 2008.¹ The Environmental Division's chief responsibility is to promote the Port's business, operational and development activities in a manner that ensures compliance with all Federal, State of California and local statutes, regulations, permits and other requirements concerning environmental, health and safety matters.

The core responsibilities of EP&P are:

- 1) Environmental planning and assessment;
- 2) Regulatory permitting;
- 3) Environmental remediation;
- 4) Environmental health and safety; and
- 5) Environmental policy.

¹ Prior to May 2008, environmental planning and permitting, and environmental health and safety were separate departments, located in the Engineering Division and the Social Responsibility Division ("SRD"), respectively.

Environmental planning and assessment (“CEQA” and “NEPA”)

Under the California Environmental Quality Act (“CEQA”), the Board is required to make environmental findings for all of its discretionary actions that are subject to CEQA. Environmental Division staff prepares the environmental findings, supported by planning studies and documentation as needed. If a proposed project might result in potentially significant impacts on the environment, staff proposes and monitors implementation of adopted mitigation measures, and reports the status of these mitigation measures to the Board and to the public. Environmental Division staff also works with federal agencies to fulfill requirements of the National Environmental Policy Act (“NEPA”) for Port projects involving federal funding, permits or other federal actions.

Regulatory permitting

The Port operates and conducts its business activities and operations subject to complex environmental regulations arising from Federal and State statutes, such as the federal Clean Air and Clean Water acts, and the State of California McAteer-Petris Act². Environmental Division staff obtains regulatory permits for Port operations, facilities, and development projects in consultation with the Maritime, Aviation, Commercial Real Estate, Engineering and other Port divisions. Staff negotiates permit conditions on behalf of the Port with State and Federal regulatory and resource agencies (e.g., U.S. Army Corps of Engineers, Regional Water Quality Control Board, Bay Area Air Quality Management District, Bay Conservation and Development Commission, Federal Aviation Administration, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Fish and Wildlife, etc.).

Among the key permitting efforts currently underway are renewal of the maritime shoreline maintenance permits to allow on-going upkeep and repair of piles, berths and wharves, renewal of maintenance dredging permits, and a new authorization for the Port’s dredged material re-handling facility at Berth 10. In March 2013, Environmental Division staff completed a highly complex, two-year wetlands and endangered species mitigation and permitting effort that provides the necessary regulatory permits for the Runway Safety Area project at Oakland International Airport (“Airport”).

Environmental remediation

Port facilities and operations are industrial in nature and may result in discharges of contaminants to soil, air and water resources. Historic industrial uses in the Maritime, Commercial Real Estate and Airport areas left many Port lands with contamination (i.e., lead, asbestos, petroleum by-products, contaminants from gas production and handling, etc.) in the soil and groundwater. If not appropriately remediated (i.e., cleaned-up or capped), contamination at the Port could adversely affect Port workers, contractors, tenants, communities and

² The McAteer-Petris Act established the Bay Conservation and Development Commission (“BCDC”), the State agency with jurisdiction over development activities in San Francisco Bay and within a 100-foot shoreline band.

neighborhoods working on or residing adjacent to the Port's facilities and operations. In response, Environmental Division staff develops and implements plans and projects to remediate legacy contamination, prevent harmful discharges from Port operations, restore previously contaminated sites to productive and new uses, and address environmental justice concerns, especially human health risk, potentially arising from Port operations. Environmental Division staff works closely with Federal, State and local regulatory agencies and the Port Attorney's Office on these remedial efforts.

Environmental health and safety

EP&P staff oversees and manages programs to promote employee workplace health and safety. Staff oversees emergency spill response and coordination, develops and implements employee injury and illness prevention and health and safety plans and programs, and coordinates the Port's emergency operations center ("EOC"). In addition, EP&P staff functions as the health and safety liaison to construction projects and coordinates with Port Risk Management to oversee health and safety issues on Port projects enrolled in the Owner Controlled Insurance Program ("OCIP.")

Environmental policy

Environmental Division staff is responsible for recommending environmental policy strategies to the Board and for participating in development of State and Federal environmental policies and regulations. For example, staff participated in a statewide effort to improve maritime air quality. Staff supported the Board's adoption of the Port's Maritime Air Quality Policy Statement (March 2008), managed the comprehensive public involvement process with community, industry and agency stakeholders, and wrote the Maritime Air Quality Improvement Plan ("MAQIP"), that was approved by the Board in 2009.

ORGANIZATION AND STAFF RESOURCES

The Environmental Division staff consists of 12 professionals with experience in a broad range of technical and scientific disciplines, including engineering, urban and regional planning, environmental science, chemistry, industrial hygiene and occupational health and safety. The Division is organized into four functional areas: Administration, Compliance and Safety, Aviation/ Commercial Real Estate, and Maritime.

The Administration section is responsible for Division operations, including preparation of the annual business plan and budget consistent with the Port's Strategic Plan and budget guidelines, staffing plan, Division-wide work program, and personnel-related activities. The Director of Environmental Programs and Planning is responsible for executing the policy direction of the Board and reports to the Deputy Executive Director. Staff in the three operational sections provides technical environmental and safety services to all Port divisions, especially the business lines – Maritime, Aviation, and Commercial Real Estate. See "Appendix A: Major Fiscal Year (FY) 2013 Achievements and FY 2014 Programs" for representative programs planned and managed by EP&P staff.

STRATEGIC ENVIRONMENTAL ISSUES

For Fiscal Year 2014, the Environmental Division is developing, managing and supporting programs to address strategic Port environmental issues, including diesel emission reduction, emergency preparedness communication, compliance with new storm water permits, employee safety, cost-effective management of regulated remediation sites and dredged materials. New environmental issues – such as projected sea-level rise, greenhouse gas emissions management, and energy – contribute to the complexity of the Port’s operational and development challenges. (These programs are described in Appendix A of this informational report.)

Environmental stewardship and compliance are Port-wide commitments consistent with the Strategic Plan³ Guiding Principle that states “environmental stewardship is a lens for all Port activities.” Implementation of specific Port environmental programs and projects involves coordinated efforts across many Port divisions and, frequently, the participation and engagement of external stakeholders and strategic partners. In its Strategic Plan, the Board set a high performance standard: “Sustain healthy communities through leading-edge environmental stewardship.”⁴ The mission of the Division of Environmental Programs and Planning is to provide the professional and technical environmental services to the Board and Port staff to accomplish the Board’s strategic business and development objectives consistent with this goal.

QUESTIONS FOR BOARD DISCUSSION

1. Did this overview provide the Board with a general understanding of the function of the Division of Environmental Programs and Planning within the Port organization?
2. Was the overview of major achievements and strategic environmental issues facing the Port sufficient to create a basic “environmental lens” for Board policy discussions, governance, and action on Port projects?
3. The Strategic Plan establishes the goal to “sustain healthy communities through leading-edge environmental stewardship.” Does this goal continue to fully express the Board’s policy regarding environmental stewardship at the Port? What does the standard “leading-edge” environmental stewardship imply now in terms of Board expectations and commitments?

³ *Port of Oakland Strategic Plan Fiscal Years 2011-2015* (October 5, 2010)

⁴ *Port of Oakland Strategic Plan*, Goal G (p. 21)

Appendix A: MAJOR FY 2013 ACHIEVEMENTS AND FY 2014 PROGRAMS

Key Environmental Achievements in FY 2013

1. Airport Runway Safety Areas (“RSA”): Environmental Division staff managed the preparation of an Environmental Assessment under NEPA and an Initial Study/Mitigated Negative Declaration under CEQA, and led the regulatory permitting effort for this Congressionally-mandated project. In March 2013, the required environmental authorizations were obtained, thereby completing a major project milestone and allowing the RSA project to move forward.
2. Former Oakland Army Base (“OAB”) Redevelopment: Environmental Division staff managed the Port’s CEQA and NEPA review, and is implementing the Board-adopted Standard Conditions of Approval/Mitigation Monitoring and Reporting Program, and remediation to clear the way for construction of the Outer Harbor Intermodal Terminal (“OHIT”) Rail yard – Phase I and later OAB projects. In addition, the Director of Environmental Programs and Planning lead the effort during 2011-2012, in collaboration with other Port divisions, to develop the community benefits program approach for OAB, with specific application to the OHIT Rail yard – Phase 1.
3. Damon Slough Seasonal Wetlands: Environmental Division staff managed the restoration, monitoring and transfer of an 8-acre mitigation site in the Oakland Airport Business Park. The Board approved Port Resolution 12-29 for the transfer of Damon Slough on March 15, 2012. The Port successfully transferred the property to the East Bay Regional Park District on Monday, July 23, 2012.
4. Port of Oakland Strategic Plan FY 2011-2015: The Director of Environmental Programs and Plan led the in-house Port effort with the Board to develop the five-year Strategic Plan. The scope of work included plan development, monitoring of implementing actions and analysis, updates, and reporting on progress to the Board. For Fiscal 2014, the Executive Director (Acting) requested that the Director of Environmental Programs and Planning lead the Strategic Plan Update effort for Fiscal Year 2014 during January 2013-July 2013.

Key Environmental Programs for Fiscal Year 2014

- A. Maritime Air Quality Improvement Plan (“MAQIP”): Pursuant to Board commitments, Port staff is implementing the MAQIP initiatives in support of regulatory compliance, especially the drayage truck program and shore power at marine terminals. The Environmental Division is managing a maritime operations emissions inventory update and progress report to community, industry and other stakeholders in FY 2014 to assess progress towards meeting and even exceeding the 2012 diesel emissions reduction goal of -65% for on- and near-shore sources.
- B. Outer Harbor Intermodal Terminal (“OHIT”) Rail yard – Phase I: Environmental Division staff will manage implementation of the Board-adopted Standard Conditions of Approval/Mitigation Monitoring and Reporting Program, including coordination with the Port’s Design-Build contractors, Engineering and Maritime staff, and City of Oakland staff and the City’s OAB-site developer for the OHIT Rail yard – Phase I.
- C. Regulatory Permit Renewals (Maritime Area): In FY 2014, Environmental Division staff will obtain the regulatory permits required for shoreline maintenance and maintenance

dredging, including completion of the required biological assessments (to protect threatened and endangered fish and birds and to preserve the San Francisco Bay herring fishery.)

- D. Storm Water Management and Compliance: Environmental Division staff manages the Industrial Group Monitoring Program (“IGMP”) and compliance with the Municipal Separate Storm Sewer System Permit. In Fiscal Year 2014, the Environmental Division will manage the Year I requirements of the new Municipal General Permit and develop an implementation recommendation for Years 2-5.
- E. Remediation Sites Closure Program: There are approximately 75 identified Port-owned sites (not including the former OAB) that are under oversight or on-going monitoring protocols to address legacy contamination and hazardous materials discharges. One of the largest of these remediation efforts is underway at the former Oakland Army Base – the Remedial Action Plan/Risk Management Program (“RAP/RMP”) due to conclude in August 2013; however, long-term obligations, including compliance with the RMP, are expected to occur beyond that date. In conjunction with its remediation and regulatory oversight programs, Environmental staff provides support to the Port Attorney’s Office in its efforts to recover costs associated with historic contamination. In Fiscal Year 2014, the Environmental Division is launching a comprehensive review of remediation sites to track and accelerate their appropriate cost-effective closure.
- F. Employee Health and Safety: Environmental Division staff manages Cal/OSHA-compliance health and safety programs Port-wide, as well as asbestos, lead paint and similar hazardous building materials remediation and abatement to protect the health and safety of workers and visitors. Staff trains other employees, audits facilities and programs, and responds to employee safety concerns. In FY 2014, Environmental Division staff is supporting the Corporate Administration Division (“CAS”) in development and implementation of the “Port Employee Wellness Program.”
- G. Emergency Preparedness and Disaster Recovery: The Environmental Division is responsible for hazardous materials accidents and spills (i.e., jet fuel, bunker fuel, waste, etc.). In Fiscal Year 2014, the Environmental Division will continue to coordinate efforts to update the Port-wide Disaster Recovery Plan and to implement the recommendations of the Emergency Preparedness Communications Task Force (a Task Force of the Leadership Academy).
- H. Climate Change and Sea-Level Rise: The Environmental Division is pursuing a three-pronged assessment of the Port’s climate change and sea-level rise challenge, with a focus in FY 2014 on building strategic partnerships, gathering information from subject matter experts, and promoting inter-departmental coordination and information-sharing for purposes of presenting a recommended Climate Change strategy to the Board for the FY 2015 budget.
- I. Port Energy Innovation Initiative: This is a joint effort between Environmental, External Affairs, Engineering and Aviation divisions to assess the Port’s long-term energy needs and to develop a Master Plan-level assessment and possible recommended actions for long-term energy sustainability. The project is managed through the Airport Noise and Environmental Compliance Office.