

ATTACHMENT A

DRAFT PROPOSAL FOR BOARD CONSIDERATION (VERSION OCTOBER 30, 2025)

COOPERATIVE AGREEMENT AMONG THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT THE CITY OF LONG BEACH HARBOR DEPARTMENT AND THE CITY OF LOS ANGELES HARBOR DEPARTMENT

This Cooperative Agreement (“Agreement”) is dated for reference purposes as of _____, 20__, between and among SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (“South Coast AQMD”), the CITY OF LONG BEACH, acting by and through the Long Beach Board of Harbor Commissioners (“Long Beach”), and the CITY OF LOS ANGELES, acting by and through the Los Angeles Board of Harbor Commissioners (“Los Angeles”) (South Coast AQMD, Los Angeles, and Long Beach are each called a “Party” and collectively called “the Parties”).

I. RECITALS

A. RECITALS BY SOUTH COAST AQMD.

1. South Coast AQMD. The South Coast AQMD is the regional air pollution control agency primarily responsible for reducing air pollution and attaining federal and state air quality standards for the South Coast Air Basin (Basin) and the Coachella Valley. The South Coast AQMD develops Air Quality Management Plans (AQMPs) that provide the blueprint for how the region will attain state and federal air quality standards and implements control measures included in AQMPs adopted by its Governing Board.
2. Jurisdiction. South Coast AQMD’s jurisdiction consists of the County of Orange, and the non-desert portions of the Counties of Los Angeles, Riverside, and San Bernardino. The San Pedro Bay Ports, the nation’s two largest commercial marine ports, are located within the Los Angeles County portion of the Basin. South Coast AQMD has primary authority over stationary sources and indirect sources, the latter of which include facilities that attract mobile sources of air pollution. The United States Environmental Protection Agency (USEPA) and the California Air Resources Board (CARB) have authority in setting emissions standards and fleet standards for mobile sources. Commercial marine ports are natural harbors where maritime commerce is conducted, which involves operation of various mobile sources, including drayage trucks, cargo-handling

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

equipment, locomotives, harbor craft, and ocean-going vessels (collectively referred to hereinafter as “Port Sources”), by their operators.

3. Attainment of Federal and State Air Quality Standards. Air pollution remains a significant public health concern in many parts of California, and specifically in the South Coast Air Basin. The Basin is classified as an “extreme” non-attainment area for the 2008 and 2015 8-hour ozone National Ambient Air Quality Standards (NAAQS) with statutory deadlines to reach attainment by year 2031 and year 2037, respectively. Despite significant air quality improvements achieved over the last several decades, emissions of oxides of nitrogen (NO_x) have to be reduced regionally by 55% in 2031 from the 2031 baseline of 214 tons per day as outlined in the 2016 AQMP, and by 67% in 2037 from the 2037 baseline of 184 tons per day, as outlined in the 2022 AQMP. By 2037, NO_x must be reduced by about 83% below 2018 levels. The Basin is also classified as a “serious” nonattainment area for the 2012 NAAQS for fine particulate matter (PM_{2.5}). NO_x reductions for ozone attainment are necessary to assist with PM_{2.5} attainment because NO_x is a primary precursor pollutant for both ozone and PM_{2.5}. Implementation of control measures and pursuing all feasible measures for the attainment of NAAQS will be key to attaining California Ambient Air Quality Standards (CAAQS). Health & Safety Code Sections 40913, 40914, 40920.5.
 - a. The 2016 and 2022 AQMPs and the 2024 South Coast Air Basin Attainment Plan for the 2012 Annual PM_{2.5} Standard (2024 PM_{2.5} Plan) include Control Measure MOB-01 (Emission Reductions at Commercial Marine Ports) with the goal of achieving emission reductions from marine ports through implementation of a Port Indirect Source Rule (Port ISR) and/or incentive funding or other voluntary measures that can achieve and/or facilitate emission reductions.
 - b. The 2022 AQMP further includes Control Measure MOB-15 (Zero Emission Infrastructure for Mobile Sources) with the goal of a work plan to support and accelerate the deployment of zero emission infrastructure needed for the widespread use of zero emission on-road and off-road vehicles and equipment.
4. Public Health. The mission of the South Coast AQMD is to clean the air and protect the health of all residents in the South Coast Air District through practical and innovative strategies. Exposure to elevated levels of ozone and PM_{2.5} can harm respiratory and cardiovascular health, and cause or contribute to increased incidents of heart attacks, asthma, and other adverse health

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

outcomes. Elevated ozone and PM_{2.5} pollution from port-related mobile sources carry significant impacts to nearby port communities and travel across the Basin impacting communities located far beyond the marine ports. If the 2022 AQMP Control Measures are implemented, the following estimated health outcomes in the Basin can be avoided each year:

- a. 1,500 premature deaths
 - b. 1,500 emergency department visits
 - c. 8,700 hospital admissions
 - d. 96,000 days that children miss school
 - e. 66,000 days that adults miss work
 - f. \$19.4 billion in total monetized public health costs
5. SIP Emissions Inventory. The South Coast AQMD is obligated to use the emissions inventory developed by CARB for State Implementation Plan (SIP) purposes, in demonstrating attainment of the NAAQS and CAAQS with the AQMPs. Differences exist between the SIP Emissions Inventory and the Ports Emissions Inventory, most significantly for OGVs, due to various technical factors. Despite the differences, the South Coast AQMD acknowledges the importance and value of the annual publication of the Ports Emissions Inventory reports.

B. RECITALS BY THE PORTS.

1. Ports. Long Beach and Los Angeles independently and respectively manage the Port of Long Beach (“POLB”) and the Port of Los Angeles (“POLA”) (collectively “the Ports”) as separate and distinct legal and commercial entities under Tidelands Trust grants from the California state legislature. The Cities, through their Harbor Departments, manage the Ports for the benefit of the State under legal mandates of the Tidelands Trust and their respective City Charters, which require Port assets and funds be used primarily for promoting maritime commerce, navigation, fishery, and water-dependent recreation.
2. Authority. Each of Long Beach and Los Angeles, acting by and through their respective Board of Harbor Commissioners, has the authority to enter into this Agreement pursuant to their respective City Charters and consistent with City Charters and Tidelands Trust doctrine. This Agreement does not bind any other respective City department, including but not limited to the Los Angeles Department of Water and Power.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

3. San Pedro Bay Ports Clean Air Action Plan.

- a. In 2006, the Ports approved the San Pedro Bay Ports Clean Air Action Plan (CAAP), a voluntary comprehensive strategy for dramatically reducing air pollution emissions from cargo movement by drayage trucks, cargo handling equipment, ocean-going vessels, harbor craft, and rail locomotives operating in and around the Ports. The Ports updated the CAAP in 2010 and 2017 with new strategies and emission-reduction targets including health risk reduction and greenhouse gas reduction.
- b. The Ports Emissions Inventory has documented that the combined emissions associated with these sources at the Ports achieved a 91% reduction in diesel particulate matter (DPM), 72% reduction in nitrogen oxides (NOx) and 98% reduction in sulfur oxides (SOx) between 2005 and 2023.¹
- c. The hallmark of the CAAP is its collaboration with stakeholders including air agencies, industry, environmental groups and community members alike, as well as use of expert studies (on technical and commercial readiness, feasibility, and cost) to ground-truth all clean air strategies to facilitate operational success.

4. Port Tenants and Operators. The Ports are landlord ports that lease Port-managed property to tenants (“Tenants”) that operate terminal facilities and provide cargo handling services, which may include intermodal transfers between Port Sources, such as ocean-going vessels, drayage trucks, and trains. Terminal Tenants operate and supply all equipment and labor necessary to conduct terminal operations and are responsible to run their businesses in order to meet the economic obligations of their lease documents. Terminal infrastructure projects are typically negotiated into the leases between Ports and terminals (“Terminal Leases”), which may include project cost allocations between the parties and which confer to the terminals the right to undertake terminal operational uses. The Ports do not themselves undertake terminal operation or cargo handling activities.

¹ POLA: <https://kentico.portoflosangeles.org/getmedia/3fad9979-f2cb-4b3d-bf82-687434cbd628/2023-Air-Emissions-Inventory>
POLB: <https://polb.com/environment/air#emissions-inventory>

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

5. Ports' Emissions Inventory. The Ports have, since inception of the CAAP, published annual activity-based emissions inventories, which serve as the primary tool to track the Ports' efforts to reduce air emissions from Port Sources through implementation of CAAP measures and regulations promulgated at the state and federal levels. Development of the annual air emissions inventory is coordinated with a technical working group (TWG) comprised of representatives from the Ports, and air regulatory agencies USEPA Region 9, CARB, and South Coast AQMD. Emissions estimation methodology used in these reports are generally consistent with CARB and USEPA published methodologies. The Ports are committed to continuing to publish these reports annually through the term of this Agreement.
6. Project Labor Agreement. The Ports are parties to separate Project Labor Agreements (PLA) with LA and Orange County Building and Construction Trades Council. The Port of Los Angeles entered its current 10-year PLA in 2017 and the Port of Long Beach entered into its current 10-year PLA in 2023. The PLAs cover construction projects undertaken directly by the Ports. The PLAs ensure that infrastructure projects at the Ports will be built with a skilled construction workforce without any stoppages.

C. JOINT RECITALS.

1. It is the intent of the Parties that this Agreement generally meets the objective of the rulemaking elements under AQMP Control Measure MOB-01, including Proposed Rule 2304, for sources at the Ports of Long Beach and Los Angeles. Absent further agreement of the Parties or further direction by the Governing Board of South Coast AQMD, this Agreement is intended to serve as an alternative to any new South Coast AQMD-developed indirect source rule within each respective Port's Harbor District.
2. The purpose of this Agreement is to set forth how the Ports intend to implement new CAAP Measures set forth in Section II.D. and Attachment A (hereinafter, the "CAAP Plus Measures") that are intended to directly reduce emissions and/or facilitate future quantifiable emission reductions from port-related operations.
3. This Agreement is not intended to limit the Ports' cargo volume, or to adversely impact Port operations or the Ports' Tenants' operations pursuant to their leases.
4. The Parties acknowledge the adverse health effects of emissions from Port Sources and enter into this Agreement with a common goal to achieve cleaner

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

air for community and public health protection. However, the Parties specifically disavow any desire or intention to create any third-party beneficiary under this Agreement, and specifically declare that no person or entity shall have any remedy or right of enforcement other than the Parties to this Agreement.

5. The Ports and South Coast AQMD have a long history of successfully working together on air quality emission reduction projects, such as technology demonstration projects; and the Parties desire to continue this successful collaboration through this Agreement.
6. This Agreement is not intended to and shall not waive, modify or alter any terms or conditions of each Port's leases and/or operating agreements, which can only be amended in accordance with the applicable law, including the Cities' respective Charters. However, the Ports may seek to negotiate amendments to such leases and/or operating agreements if such amendment(s) are deemed necessary by each Port as to its own Tenants.
7. State and Federal Actions on Port Sources. Over the past two decades, CARB has adopted regulations mandating the use of trucks, cargo-handling equipment, and harbor craft that meet progressively more stringent federal emissions standards, and the use of low-sulfur distillate fuel and shore power by ocean-going vessels. Absent further federal actions including federal waivers and authorizations for applicable CARB regulations, state and local actions are limited in achieving substantial yet necessary emission reductions from port-related mobile sources. In the 2022 AQMP, South Coast AQMD stated: "Given the bulk of the Basin's NO_x emissions in 2037 will be coming from federally regulated sources, the South Coast AQMD and the California Air Resources Board (CARB) cannot sufficiently reduce emissions to meet the standard without federal action. It is therefore imperative that the federal government act decisively to reduce emissions from federally regulated sources of air pollution, including interstate heavy-duty trucks, ships, locomotives, aircraft, and certain categories of off-road equipment. Emissions from federal and international sources are estimated to be 85 tons per day in 2037 (see Figure ES-4). Even if all sources regulated by CARB and South Coast AQMD were zero emissions, federal sources alone would emit substantially more than the 60 tons per day NO_x limit, thwarting any other actions to meet the standard."²

² 2022 AQMP, Executive Summary, p. ES-6.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

8. Agreement Applicability. The Agreement addresses only the CAAP Plus Measures identified in Section II.D. and Attachment A.

II. AGREEMENTS

NOW THEREFORE, in consideration of the mutual interests and benefits of all Parties to be derived from the implementation of the CAAP Plus Measure and in connection with the Recitals above, which are incorporated herein and made enforceable thereby, the Parties agree as follows:

A. LIMITATIONS

1. The Parties agree the Agreement does not:
 - a. establish an emissions cap or any other Port facility-wide limit for NO_x, or any other pollutant; or
 - b. impose any new regulatory requirements on port operations; or
 - c. obligate any Party to take further action not described hereunder; or
 - d. limit the Ports' ability to seek incentive or grant funding through federal, State and local programs, except as provided in program statutes or guidelines that are beyond the control of the South Coast AQMD; or
 - e. preclude South Coast AQMD from being able to seek SIP credit for any quantified emission reductions under USEPA's guidance for such credits for voluntary mobile source measures. South Coast AQMD would undertake any such initiative, if at all, through a separate SIP submittal.

B. THE PORTS' RESPONSIBILITIES.

The Ports agree to take the following actions:

1. Implementation of CAAP Plus Measure. The Ports shall implement the CAAP Plus Measure as listed in Section II.D. and specified in Attachment A.
2. Funding. The Ports shall evaluate and may seek out grant funding to help support implementation of this Agreement and, in the Ports' discretion, to implement additional emission reduction or zero emission technology development, demonstration, and deployment projects, as authorized by the grant agreement(s).

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

3. CAAP and Agreement Public Process. The Ports shall implement the CAAP Plus Measure using the following public processes, unless otherwise specified in the CAAP Plus Measures in Attachment A.
 - a. CAAP Stakeholder Public Process. The Ports shall conduct a transparent public process for all CAAP stakeholders to review and comment on the CAAP Plus Measure through CAAP Stakeholder Meetings.
 - b. Port Board of Harbor Commissioners and City Council Public Process. City Charters and the Brown Act require the Boards of Harbor Commissioners and the City Councils to conduct noticed public meetings and opportunity for public comment, which shall apply to the CAAP Plus Measures as they are presented to the Port Boards. As was the case with CAAP Measures, Port Drayage Trucking Agreements, and the Clean Truck Fund Rate, the Ports may hold multiple Board Meetings, jointly or separately, for discussion of items proposed for adoption.
 - c. Monitoring and Reporting. The Ports shall monitor the implementation of the CAAP Plus Measure and provide data reports to South Coast AQMD as specified in each of the CAAP Plus Measures in Attachment A and the annual emissions inventory described in Section I.B.5.

C. SOUTH COAST AQMD'S RESPONSIBILITIES.

South Coast AQMD agrees to take the following actions:

1. Funding. South Coast AQMD shall evaluate and may support grant funding efforts with potential funding sources that may provide funding for the CAAP Plus Measure.
2. Monitoring and Verification. South Coast AQMD shall monitor, assess, and verify the implementation of the CAAP Plus Measures based on information provided by the Ports as outlined in each of the CAAP Plus Measures in Attachment A.
3. Information Sharing. South Coast AQMD shall provide the means for ensuring that any pertinent data and information related to the implementation of the CAAP Plus Measures, as provided by the Ports or derived from data, reports, or other materials provided by the Ports, are accessible to the public, except for confidential information marked as such and consistent with South Coast AQMD's Guidelines for Implementing the California Public Records Act.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

D. CAAP PLUS MEASURES

1. CAAP Plus Measure – Port Zero-Emission Infrastructure Plans. The CAAP Plus Measure for Port Zero-Emission Infrastructure Plans is included in Attachment A, and a list of definitions specific to this Agreement are included in Attachment B. Attachments A and B are incorporated herein as part of this Agreement.
2. Additional CAAP Plus Measures. The Parties agree that strategies related to the following source categories are subject to future negotiation and may subsequently be added by mutually agreed upon amendments and/or other agreements:
 - a. Ocean Going Vessels
 - b. Drayage Trucks
 - c. Cargo Handling Equipment
 - d. Harbor Craft
 - e. On-Port Locomotives
 - f. Workforce Development

E. **TERM OF AGREEMENT.** The term of this Agreement shall be effective as of the date of the last Party's signature ("Effective Date") through December 31, 2030, unless terminated earlier pursuant to Section II.F., below. Prior to expiration of this Agreement, all Parties agree to meet to evaluate extending the termination date. If all Parties agree that continuing participation is desirable, they shall negotiate, for their respective Boards' approval, a written extension of the term of this Agreement, and any applicable additional CAAP Plus Measures.

F. **WITHDRAWAL AND EARLY TERMINATION.** Any Party may terminate this Agreement for any reason by providing at least forty-five (45) days' written notice to the other Parties. The Parties commit to working together to resolve any issues in advance of the noticed date of termination of the Agreement. If the Parties are unable to reach agreement, the Agreement shall terminate on the date specified in the notification, unless the Party initiating the termination withdraws the written notice.

G. **IMPLEMENTATION.** The Parties agree to implement the provisions under their respective commitments specified in the Agreement. The Ports and the South Coast AQMD agree that the Ports' implementation of the CAAP Plus Measures is not to be construed as a regulation, rule, or regulatory requirement of the South

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

Coast AQMD. In the event that any Party fails to meet its commitment(s) or anticipates an inability to meet its commitment(s), the Party shall provide notice to the other Parties within sixty (60) days of such determination and seek to negotiate a mutually agreeable solution within ninety (90) days of the date of the Notice. The Parties shall continue to comply with all other commitments under this Agreement during the negotiations. Nothing contained in this paragraph is intended to limit any rights or remedies that the Parties may have under law. The Parties shall attempt to resolve any controversy that may arise out of or relating to this Agreement. If a controversy or claim should arise that cannot be resolved informally by the respective staffs, executive level representatives of the Parties shall meet at least once in person and, in addition, at least once in person or by telephone to attempt to resolve the matter. The Representatives shall make every effort to meet as soon as reasonably possible at a mutually agreed time and place.

- H. DISPUTE RESOLUTION. The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation among the Ports' Executive Director and Chief Executive and South Coast AQMD's Executive Officer. Any dispute not resolved in the normal course of business may be submitted for mediation by the Parties providing to JAMS (previously known as "Judicial Arbitration and Mediation Services, Inc.") a written request for mediation, setting forth (a) the subject of the dispute with reasonable particularity, (b) a statement of each Party's position and a summary of arguments supporting that position, and (c) the name and title of the executive who will represent that Party and of any other person who will accompany the executive.
- I. REMEDIES. In the event of a breach or threatened breach by any Party to this Agreement, if a dispute remains unresolved following the dispute resolution process of Section II.H. above, the Parties agree that the aggrieved Party(ies) shall be entitled to seek relief against such breach or threatened breach from a state or federal court of competent jurisdiction.
- J. FORCE MAJEURE. Whenever a date is established in this Agreement on which, or a period of time, including a reasonable period of time, is designated within which, either Party is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such Party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of acts of God, the public enemy or public riots; failures due to nonperformance or delay of performance by suppliers or contractors; any order, directive or other interference by municipal, state, federal or other governmental official or agency (other than a Party's failure or refusal to issue permits for the construction, use or occupancy of Party's project); any catastrophe resulting from

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

the elements, flood, fire, explosion; or any other cause reasonably beyond the control of a Party, but excluding strikes or other labor disputes, lockouts or work stoppages ("Force Majeure"). In the event of the happening of any of such contingency events, the Party delayed by Force Majeure shall immediately give the other Party written notice of such contingency, specifying the cause for delay or failure, and such notice from the Party delayed shall be prima facie evidence that the delay resulting from the causes specified in the notice is excusable. The Party delayed by Force Majeure shall use reasonable diligence to remove the cause of delay, and if and when the event which delayed or prevented the performance of a Party shall cease or be removed, the Party delayed shall notify the other Party immediately, and the delayed Party shall recommence its performance of the terms, covenants and conditions of this Agreement.

K. **FINANCIAL INFEASIBILITY DUE TO WITHDRAWN GRANT FUNDING.** For any CAAP Plus Measure project or component that becomes financially infeasible for the Port to complete by reason of grant funding being withdrawn or terminated by the grant funding source, or as a result of any new and/or unforeseen grant terms or conditions added after the grant award commitment has been made that the Port finds unacceptable because it conflicts with applicable laws and/or Port policies, then such Port shall be relieved from the obligation to complete such project or component. If termination of the project or component affects the ability of the Port to complete a CAAP Plus Measure included in Attachment A, the Port shall adhere to the process identified in the relevant CAAP Plus Measure.

L. **ENFORCEMENT PROVISIONS.**

1. The Ports agree to pay into a mitigation fund in the amount(s) specified in Section II.L.3.b. below that is managed by the South Coast AQMD ("Clean Air Mitigation Fund"), if a Port fails to complete an action within their control that is subject to enforcement, as defined in the CAAP Plus Measures ("Default").

2. **Notification**

- a. If a Port has failed to complete an action within its control that is subject to enforcement as defined within the applicable CAAP Plus Measure, South Coast AQMD will provide written notice to the Port that identifies the enforcement determination with regard to that CAAP Plus Measure.
- b. The Port may request a meeting within 14 days from receipt of the written notification to provide additional information to the South Coast AQMD that is relevant to the determination. After review of the additional information,

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

South Coast AQMD can either modify or maintain its enforcement determination.

3. Payment

- a. If a Port has received an enforcement determination notice from South Coast AQMD with regard to a CAAP Plus Measure, the Port shall provide payment to the South Coast AQMD in the amount specified in the notice pursuant to Section II.L.3.b. The Parties agree that payments will be paid within 60 days of receiving a written notice that such payment is due. Where the Party receiving the notice does not timely respond with payment, the Parties agree that South Coast AQMD may, without prejudice to additional relief that may be obtained, file suit in a court of competent jurisdiction for the amount owed, plus simple interest. The Ports agree that any payment(s) will not detract from any existing community benefit funding or funding levels. The Parties agree this paragraph provides all applicable claim procedures for the ports as public entities under Gov. Code Section 930.4. Unsatisfied obligations for payment will survive the termination of this Agreement.
- b. The amounts payable to the Clean Air Mitigation Fund shall be determined by the following table and the corresponding tier of severity for each Type of Default as specified in each CAAP Plus Measure.

Tier	Dollar Amount
Tier I	\$50,000 per Default
Tier II	\$100,000 per Default
Tier III	\$200,000 per Default

4. Clean Air Mitigation Fund

- a. Payments by the Ports must be expended in compliance with the Tidelands Trust doctrine. Those conditions are that a study has verified that (1) Port operations are responsible for the impacts being mitigated, (2) there is a nexus between the impacts and the proposed mitigation, and (3) the proposed mitigation is proportional to the impacts (“Tidelands Trust Nexus”).
- b. Pre-Approved Tidelands-Compliant Projects. To facilitate selection of Tidelands-compliant projects for spending of collected amount in the Clean Air Mitigation Fund, each Port’s Board of Harbor Commissioners shall approve a list of Tidelands-compliant project types, after this Agreement is effective but prior to the first enforceable action.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

- c. Prior to spending any of these mitigation funds, the South Coast AQMD will conduct a public meeting and allow for written public comments to get input on how monies should be spent. Public notice for such solicitation of spending recommendations must include the requirement that all proposals shall state a nexus to Port-related operations or other Tidelands Trust Nexus, and offer each respective Port's Board-approved Tidelands-compliant project types as potential options.
- d. South Coast AQMD staff shall develop recommendations for disbursement of Clean Air Mitigation Fund from the public process for its Governing Board's consideration.
- e. If the recommended proposals are not on the pre-approved list of Tidelands-compliant project types, then South Coast AQMD shall present recommendations to the Ports for comment and concurrence on the Tidelands Trust Nexus.
- f. No later than 120 days after the public meeting, South Coast AQMD staff will present to the South Coast AQMD's Governing Board recommendations on how monies in the Clean Air Mitigation Fund should be spent taking into consideration:
 - i. Public input; and
 - ii. The proposals that are on the pre-approved list of Tidelands-compliant project types; and
 - iii. For proposals not on the pre-approved list of Tidelands-compliant project types, the Ports' comments and concurrence, or lack thereof, on the project's Tidelands Nexus; and
 - iv. If Ports do not concur on a recommendation based on a Tidelands Trust Nexus comment, then South Coast AQMD staff shall send written Response to Ports' Tidelands Trust Nexus comment, to be included in the Staff report (on which Ports may consult with California State Lands Commission staff for guidance prior to South Coast AQMD's Governing Board decision); and
 - v. Benefits to communities most impacted by goods movement activities from Port-related operations; and
 - vi. Legal concerns.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

- M. NOTICES. All notices that are required under this Agreement shall be provided in the manner set forth herein, unless specified otherwise. Notice to a Party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that Party in writing. Notice shall be in writing sent by U.S. Certified Mail, Return Receipt Requested, or a nationally recognized overnight courier service. Notice shall be deemed to be received when delivered (written receipt of delivery).

To South Coast AQMD:

South Coast Air Quality Management District

21865 Copley Drive

Diamond Bar, CA 91765-4178

Attn: Deputy Executive Officer, Planning, Rule Development and Implementation Division

All notices shall be also Electronically submitted to: Ports@aqmd.gov.

To City of Long Beach Harbor Department:

Port of Long Beach

415 W. Ocean Blvd.

Long Beach, CA 90802

Attn: Director of Environmental Planning

To City of Los Angeles Harbor Department:

Port of Los Angeles

425 S. Palos Verdes St.

San Pedro, CA 90731

Attn: Director of Environmental Management

N. COSTS.

1. Each Port shall pay to South Coast AQMD for the latter Party to recover its reasonable costs of staff expenses according to schedules included in each CAAP Plus Measure. Each Port shall pay an invoice within 60 days of receipt from South Coast AQMD.
2. Unless as specified in Section II.N.1. and the CAAP Plus Measure, each Party shall be responsible for its respective costs associated with this Agreement. No Party will submit a claim for compensation to any other Party, or otherwise seek reimbursement of costs from any other Party, for activities carried out pursuant to this Agreement unless as specified in Section II.N.1.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

- O. **FUTURE AGREEMENTS.** This Agreement does not restrict or require any future agreements between the Parties with respect to the subject matter stated herein or any other subject matter.
- P. **JOINT WORK PRODUCT.** This Agreement shall not be construed against the Party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all Parties had jointly prepared this Agreement and it shall be deemed their joint work product.
- Q. **ENTIRE UNDERSTANDING.** This Agreement, including all attachments, constitutes the entire understanding between the Parties and supersedes all other agreements, oral or written, with respect to the subject matter herein.
- R. **VENUE.** Venue for resolution of any disputes under this Agreement shall be Los Angeles County, California, USA.
- S. **ATTORNEYS' FEES.** In the event any action is filed in connection with the enforcement or interpretation of this Agreement, each Party shall bear its own attorneys' fees and costs.
- T. **AUTHORITY.** Nothing in this Agreement shall be construed as a waiver of any Party's discretionary authority or deemed to restrict authority granted to any Party under law in any way with respect to future legislative, administrative, or other actions.
- U. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original.
- V. **MODIFICATIONS.** This Agreement may be modified at any time only in writing and signed by authorized representatives of both Parties.
- W. **NO WAIVER.** No waiver of any provision of this Agreement shall be valid unless in writing and signed by the person against whom such waiver is sought to be enforced, nor shall failure to enforce any right hereunder constitute a continuing waiver of the same or a waiver of any other right hereunder. Furthermore, discussions concerning and leading up to any execution of this Agreement shall not be construed to waive and, in fact, shall not waive any rights the Cities possess at law, equity and otherwise to challenge Proposed Rule 2304 or any revision of that preliminary rule and/or subsequent or other initiative of South Coast AQMD whether arising from or related to the subject matter of this agreement or not.
- X. **AUTHORIZED SIGNATURES.** Each signatory of this Agreement represents that s/he is authorized to execute on behalf of the Party for which s/he signs. Each Party

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

represents that it has legal authority to enter into this Agreement and to perform all obligations under this Agreement.

Y. NO ENFORCEMENT AGAINST THIRD PARTIES. The South Coast AQMD shall not seek to enforce the CAAP Plus Measures or any of the measures or initiatives in the CAAP Plus Measure or any of its terms against the Ports' Tenants, concessionaries, third party licensees, vendors, or other relevant operators doing business at the Ports facilities.

Z. COMPLIANCE WITH LAWS. The Parties shall comply with all laws applicable to their respective agencies.

SIGNATURE PAGES FOLLOW

DRAFT

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year indicated next to their signatures.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

By _____

Name: Wayne Nastri

Title: Executive Officer

Date: _____, 20____

Attest _____

Name: _____

Title: _____

APPROVED AS TO FORM:

Date: _____, 20____

BAYRON T. GILCHRIST,
General Counsel

By _____

Name: _____

Title: _____

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

CITY OF LONG BEACH, CALIFORNIA,
a municipal corporation,
acting by and through its Board of Harbor Commissioners

By _____
Name: MARIO CORDERO
Title: Chief Executive Officer, Harbor Department
Date: _____, 20__

Attest _____
Name: _____
Title: _____

APPROVED AS TO FORM:

Date: _____, 20__

DAWN MCINTOSH
Long Beach City Attorney

By _____
Sudhir N. Lay,
Deputy City Attorney

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

CITY OF LOS ANGELES, CALIFORNIA,
a municipal corporation,
acting by and through its Board of Harbor Commissioners

By _____
Name: GENE SEROKA
Title: Executive Director, Harbor Department
Date: _____, 20____

Attest _____
Name: Amber Klesges
Title: Board Secretary

APPROVED AS TO FORM:

Date: _____, 20____

HYDEE FELDSTEIN SOTO
Los Angeles City Attorney
Steven Y. Otera, General Counsel

By _____
Joy M. Crose,
Assistant General Counsel

ATTACHMENT A

CAAP PLUS MEASURE

PORT ZERO-EMISSION

INFRASTRUCTURE PLANS

PORT ZERO-EMISSION INFRASTRUCTURE PLANS

Each City agrees to develop and implement for its respective Port the following:

A. Port Zero-Emission (ZE) Infrastructure Plans (ZE Plans)

1. Each Port shall prepare the following ZE Plans that identifies the charging and fueling infrastructure on Port-managed properties for the following source categories:
 - a. Phase 1 ZE Plan shall include:
 - i. Cargo-Handling Equipment for marine terminals that primarily handle containers; and
 - ii. Drayage Trucks
 - b. Phase 2 ZE Plan shall include:
 - i. Cargo Handling Equipment for non-container marine terminals with at least 10 pieces of off-road cargo-handling equipment on site; and
 - ii. Local Switcher Locomotives; and
 - iii. Harbor Craft
 - c. Phase 3 ZE Plan shall include:
 - i. Ocean-Going Vessels (OGVs)
2. ZE Plan Content
 - a. Background Information
 - i. Source Category Description: Each ZE Plan shall provide a description of each of the targeted source categories, including at minimum, the approximate number of equipment or vehicles in that source category serving the Port. This section shall also provide relevant strategic context, including other CAAP Plus Measures that support infrastructure development for this source category.
 - ii. Baseline Infrastructure Description: Each ZE Plan shall provide a description of the existing, operational charging and fueling infrastructure on Port-managed property, including estimated design capacity to the

extent known, for each zero-emission energy type, or clean marine fuel type for the Phase 3 ZE Plan, as it exists at the time of ZE Plan approval.

b. Planning Targets for Port Zero-Emission (ZE) Infrastructure

- i. Each ZE Plan shall specify a Planning Target for each source category. The Planning Targets shall be approved at the sole discretion of each Port's respective Board of Harbor Commissioners.
- ii. Each Planning Target shall consist of an aggregate capacity of infrastructure on Port-managed property and, to the extent known at the time the ZE Plan is developed, the anticipated timeline by when all associated infrastructure projects will become operational. The aggregate capacity shall use a common energy-related metric for each Port Source category, as deemed appropriate by the Port.
- iii. Each Port shall provide a justification for how each Planning Target was determined. The justification will describe the Port policies and goals and other considerations and factors that were taken into account, which may include findings from feasibility assessments, regional infrastructure plans, and operational considerations.

c. Analysis of On-Port Infrastructure Capacity

- i. Each Port shall provide an analysis of how the aggregate capacity of the charging and fueling infrastructure located on Port-managed property for the Planning Target was determined.

d. Infrastructure Projects

- i. Each ZE Plan shall list anticipated site-specific charging and fueling infrastructure projects, to the extent known at the time of ZE Plan approval, on Port-managed properties that support achievement of the Planning Target.

e. Project Roles and Responsibilities

- i. Each Plan shall describe the Port's role in each project included in the Plan using the list below. For each of the listed items below, the Plan shall generally describe the Port's role, including if it has a primary role, a supporting role, or no role.

- I. Project delivery (e.g., design, construction, etc.)

II. Administering awarded grants

III. Permitting and entitlements

IV. Updating Capital Improvement Programs and Port budgets

V. Real Estate Agreements

VI. Preparation of studies or assessments

- ii. For any of the listed items in A.2.e.i. above for which the Port has a supporting or primary role, an anticipated timeline shall be provided for when the Port is expected to complete its role in that task.
 - iii. Project Delivery Entity(ies). Each Port shall identify the key non-Port entity or entities responsible for delivering each project(s), in whole or in part, in each of the planning, design, and construction phases, to the extent known at the time of ZE Plan approval.
 - iv. Contractual Relationships. Each Port shall identify contractual relationships or agreements, if any, between the Port(s) and the Project Delivery Entity that are in place at the time of Plan approval.
- f. Project Details
- i. For each Project named in Section A.2.d., the Port shall provide the elements listed below, to the extent known at the time of ZE Plan approval. Each Port shall provide the level of detail sufficient for determining progress toward meeting the Planning Target.
 - I. Project Description
 - II. Project location, as shown on a map
 - III. Technology option(s) to be deployed at the time of ZE Plan submission, such as electric or fuel-cell
 - IV. Total energy estimated to be supplied by the Project
 - V. Energy Delivery Entity. Each Port shall identify the anticipated entity(ies) responsible for delivering energy identified in A.2.f.i.IV to the site for the project.
 - VI. Proposed project schedule, including an anticipated timeline to complete

milestones, pursuant to A.2.e. that identify increments of progress, proposed project phasing to minimize operational impacts, and anticipated date of operation

VII. Cost estimates

VIII. Projected funding sources

IX. Permits. Each Port shall note any anticipated permits and entitlements (e.g., Coastal Development Permits, and CEQA and/or NEPA documents) required by the Port to approve and implement the Project within its control and the anticipated timeline for securing all needed entitlements. In accordance with their roles as CEQA lead agencies, the Ports will determine the level of CEQA analyses required and identify the NEPA lead agency involved if applicable.

X. Disposition of Existing Conventional Fuel Infrastructure. Each Port will describe the disposition of existing conventional fuel infrastructure on Port-managed property expected after installation and successful operation of new ZE charging and fueling infrastructure, including decommissioning.

g. On-Port Energy Supply Capacity Analysis

i. Each Port shall quantify, to the extent possible, the maximum aggregated on-port energy that can be supplied by the Projects in furtherance of meeting the Planning Target.

h. Construction Workforce

i. Each Port will identify the construction workforce needs and impacts associated with building and constructing the Infrastructure Projects identified in the ZE Plan, to the extent known at the time of ZE Plan approval.

3. ZE Plan Considerations

Implementation of ZE infrastructure on Port-managed property requires careful planning and staging of construction while minimizing any potential disruption to On-Port operation. Therefore, Ports must work with Tenants and Port Source operators during the ZE Plan development to address issues including but not limited to:

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

- a. Infrastructure construction phasing and completion schedules as determined by Tenants and/or Port Source operators working with the Port, including consideration of maintaining On-Port cargo operations while minimizing disruption; and
- b. Major changes to the physical design and layout of Port-managed property; and
- c. Large economic investment to fund major changes to Port-managed property (the responsibility for which must be negotiated between Ports and Tenants); and
- d. Ports and Tenants obligations for grant funded infrastructure and technology deployment projects; and
- e. Decommissioning of an existing suite of conventional infrastructure and equipment, and procurement and implementation of new ZE infrastructure with resultant significant economic and operational impacts; and
- f. Change in operational workflows at the berths and backlands, which may include, for electricity-powered equipment, the need for charging time, backup equipment and power generators; and
- g. Any environmental or permit application reviews including, without limitation, CEQA/NEPA assessments, Coastal Development Permits, Fire Department permits, and/or Coast Guard approvals required by such project facility changes and construction; and
- h. Impacts on workforce needs; and
- i. Fundamental changes to the premises, use and rent obligations that may require negotiations and amendments to existing provisions of the lease documents to address these issues; and
- j. Feasibility. While outside of the scope of the ZE Plan, understanding the potential future deployment of equipment, vehicles, and vessels, and the technical specifications for that equipment, is an important factor for infrastructure development consideration. The states of the ZE equipment and infrastructure markets and technology, and the current physical and operational features/limitations of both Ports, must be accounted for in development of the ZE Plans.

B. ZE Plan Consultation, Review, and Approvals

1. Consultation

- a. At least 30 days prior to releasing a Draft ZE Plan under Section B.2, the Ports shall have at least one consultation meeting with the South Coast AQMD.
- b. Ports shall provide an initial draft of the ZE Plan that includes as much detail that is available.

2. Draft ZE Plan

- a. Ports shall release a Draft ZE Plan, that includes the elements described in Section A.2. with as much detail that is available at the time of release, to the public and South Coast AQMD on or before:
 - i. May 30, 2027 for Phase 1 source categories; and
 - ii. May 30, 2028 for Phase 2 source categories; and
 - iii. May 30, 2029 for Phase 3 source category.
- b. Ports shall allow the public to review the Draft ZE Plan for at least 30 days.
- c. Following the 30 day public review period, Ports shall provide all comments received from the public to South Coast AQMD to review along with the Draft ZE Plan for an additional 30 days.
- d. At least 14 days prior to the close of the public review period, Ports shall conduct one public meeting to highlight key elements of the Draft ZE Plan.
- e. If the Draft ZE Plan is incomplete, the Port shall provide justification for why the information is unavailable, and when it is expected to become available.

3. Revised Draft ZE Plan

- a. Ports shall provide a Revised Draft ZE Plan to South Coast AQMD, that includes the elements described in Section A.2 for South Coast AQMD verification on or before:
 - i. September 30, 2027 for Phase 1 source categories; and
 - ii. September 30, 2028 for Phase 2 source categories; and
 - iii. September 30, 2029 for Phase 3 source category.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

- b. The Revised Draft ZE Plan shall include written responses to comments made by the public and South Coast AQMD on the Draft ZE Plan.
 - c. Within 30 days of receipt of the Revised Draft ZE Plan, South Coast AQMD will verify completeness of the Revised Draft ZE Plan, and provide written confirmation to the Port, as follows:
 - i. Includes all elements described in Section A.2.; and
 - ii. Followed criteria or methods described in Section A.2.; and
 - iii. Includes any citations to reports or studies used to develop the ZE Plan; and
 - iv. Includes response to comments received on the Draft ZE Plan; and
 - v. include a copy of the written confirmation of any time extension, if a time extension was requested under C.
 - d. If written confirmation required under Section B.3.c. extends beyond the 30-day review period, the applicable dates in Section B.5.a shall be extended by the same number of days beyond the 30-day review period that it took for South Coast AQMD to provide written confirmation.
 - e. The presentation to the Board of Harbor Commissioners for approval of the Proposed Final ZE Plan shall include the status of South Coast AQMD's verification in B.3.c., including whether the plan was verified, South Coast AQMD did not specify, or not verified (including the stated reason by South Coast AQMD).
 - f. South Coast AQMD may provide written comments to each Port on their Draft Revised ZE Plan.
4. Proposed Final ZE Plan
- a. Ports shall respond to comments received in the Proposed Final ZE Plan, as follows:
 - i. Revisions to the Draft ZE Plan, as appropriate; and
 - ii. Written responses to comments from the public on the Draft ZE Plan and South Coast AQMD on the Draft and Revised Draft ZE Plan.
 - b. Ports shall allow the public and the South Coast AQMD to review the Proposed

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

Final ZE Plan for at least 20 days prior to consideration by each Port's Board of Harbor Commissioners.

- c. The Proposed Final ZE Plan shall include a copy of the written confirmation of any time extension, if a time extension was requested under C.

5. Approval of Proposed Final ZE Plan

- a. Each City's Board of Harbor Commissioners shall approve the final Plans pursuant to such City's Charter and other City requirements and City Council and/or Mayor approval of ZE Plans shall also be secured, if required by a City's Charter and other City requirements on or before:
 - i. December 31, 2027 for Phase 1 ZE Plan; and
 - ii. December 31, 2028 for Phase 2 ZE Plan; and
 - iii. December 31, 2029 for Phase 3 ZE Plan.

C. Time Extensions for ZE Plan Development

- 1. A time extension for a Draft ZE Plan, Revised Draft ZE Plan, or Proposed Final ZE Plan after the date specified in B. shall be granted provided:
 - a. The request for additional time is needed for reasons beyond the control of the Port.
 - b. The requested time extension must be submitted to the South Coast AQMD:
 - i. No later than 14 days before the deadline, for a time extension 14 days or less; or
 - ii. No later than 30 days before the deadline for a time extension more than 14 days and 30 days or less; or
 - iii. No later than 60 days of the deadline for a time extension more than 30 days.
 - c. The length of a requested time extension shall be determined according to any one of the following criteria:
 - i. No time extension shall be more than 90 days per request; or
 - ii. Multiple time extension requests that were each less than 90 days shall not

cumulatively exceed a total of 90 days; or

- iii. For instances when a time extension beyond 90 days is needed due to required analysis and certification of CEQA and/or NEPA documentation and/or due to required amendment(s) to the Port Master Plan pursuant to the California Coastal Act, the Port shall complete the following process:
 - I. Submit a description of the CEQA and/or NEPA Document(s) being prepared and/or anticipated to be prepared for the Plan, and/or a description of the necessary amendment(s) to the Port Master Plan; and
 - II. Submit a description of the status of the CEQA and/or NEPA document(s) being prepared, and/or a description of the status of the necessary amendment(s) to the Port Master Plan being proposed; and
 - III. Submit the length of time extension requested, with a timeline showing the anticipated critical remaining steps needed to finalize the necessary CEQA and/or NEPA Document(s), and/or a timeline showing the anticipated critical remaining steps needed to finalize the necessary amendment(s) to the Port Master Plan, for consideration by the Port's Board of Harbor Commissioners.
 - d. The Ports provide the following information to the South Coast AQMD:
 - i. Length of time for the extension; and
 - ii. Reason for the extension; and
 - iii. Identification of any parts of the ZE Plan that can be provided earlier.
 - e. The Port submitted the portions of the Draft ZE Plan, Revised Draft ZE Plan or Proposed Final ZE Plan that did not need a time extension consistent with the schedule in B.
 - f. The Port received in writing that the South Coast AQMD verified that the Port met all the provisions under C.1.
2. If the delay to present the Final Draft ZE Plan to the Port's Board of Harbor Commissioners is greater than 30 days, the Port shall provide notification to public stakeholders before the original deadline that the Plan would have been presented to the Commissioners that includes:
- a. A general description of the item; and

- b. The original deadline; and
 - c. The revised deadline; and
 - d. Reason for the delay.
3. Upon written confirmation from the South Coast AQMD to the Port that the time extension is consistent with the criteria in C.1., the extension date is the new enforceable deadline.
4. Approval of a time extension for any particular deadline may automatically extend the date of later subsequent deadlines with the exception of the dates for approval of the Proposed Final ZE Plan.

D. Final ZE Plan Implementation

1. After the ZE Plans are approved by Boards of Harbor Commissioners (and City Council if necessary), the Ports shall work with their Tenants, Port Source operators, and/or other Project Delivery Entities to implement the ZE Plans through the term of this agreement, including seeking all project-specific approvals and local development permits, consistent with CEQA and other applicable laws and regulations, and pursuant to standard infrastructure development protocols, with consideration of the below issues.
2. Ports shall comply with any state and federal requirements and their respective Port and City protocols for infrastructure development.
- a. At POLA, this includes but is not limited to:
 - i. All infrastructure plans included in the Capital Improvement Plan (CIP) budget process; and
 - ii. Project Development Committee (PDC) approval of all Port infrastructure projects; and
 - iii. Environmental review and compliance with California Environmental Quality Act (CEQA), including but not limited to CEQA Guidelines section 15004; and
 - iv. Environmental review and compliance with National Environmental Protection Act (NEPA), when applicable; and
 - v. Port-Tenant negotiations of lease terms regarding infrastructure project scope, cost, and each party's responsibilities for same; and

- vi. Harbor Engineer's Permit reviewing, approving, and inspecting infrastructure improvements by tenants or other entities outside the Harbor Department, initiated by the Applicants' submission of an Application for Port Project (APP).
 - b. At POLB, this includes but is not limited to:
 - i. Environmental review and compliance with California Environmental Quality Act (CEQA), including but not limited to CEQA Guidelines section 15004; and
 - ii. Environmental review and compliance with National Environmental Protection Act (NEPA), when applicable; and
 - iii. Port-Tenant negotiations of lease terms regarding infrastructure project scope, cost, and each party's responsibilities for same; and
 - iv. A Harbor Development Permit approving all infrastructure plans.
 - 3. As appropriate for each project, Ports will work with their Tenants, Port Source operators, energy providers, and/or other relevant entities to manage project delivery of all ZE infrastructure projects and make necessary adjustment to budgets and schedules as warranted, and approved by their Boards, and consistent with the procedures described in this Agreement for Plan Modifications and Project Roles and Responsibilities under A.2.e, for which the Port has identified a primary or supporting role.
- E. Final ZE Plan Modifications.
- 1. A ZE Plan Modification shall be prepared, and presented to each Port's Board of Harbor Commissioners, for any of the following conditions:
 - a. New state or federal requirements make part of the Plan invalid; or
 - b. A Planning Target is changed.
 - 2. If a ZE Plan Modification is required, the Ports shall:
 - a. Prepare an assessment demonstrating why the original ZE Plan is not feasible, why the new proposed ZE Plan Modification is more appropriate; and
 - b. Notify the South Coast AQMD of the proposed change and release the ZE Plan Modification and assessment to the public for review at least 60 days prior to consideration by the Port's Board of Harbor Commissioners; and

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

- c. At least 30 days prior to consideration of the ZE Plan Modification by the Port's Board of Harbor Commissioners, the Port shall conduct one public meeting to highlight key elements of the modified ZE Plan; and
 - d. Within 40 days of receipt of the ZE Plan Modification, South Coast AQMD will verify completeness, and provide written confirmation to the Port, as follows:
 - i. Includes all elements described in Section A.2.;
 - ii. Followed criteria or methods described in Section A.2.; and
 - iii. Includes any citations to reports or studies used to develop the ZE Plan Modification; and
 - e. The presentation to the Board of Harbor Commissioners for approval of the Proposed Final ZE Plan Modification shall include the status of South Coast AQMD's verification in E.2.d., including whether the plan was verified, South Coast AQMD did not specify, or not verified (including the stated reason by South Coast AQMD); and
 - f. At least 14 days prior to consideration of the ZE Plan Modification by the Port's Board of Harbor Commissioners, all public comments received to that date, written responses to comments, and the Proposed Final ZE Plan Modification shall be provided to the public.
- 3. If a change in the Port's role is identified, but which does not require a ZE Plan Modification pursuant to E.1., the Port shall notify South Coast AQMD of the change at least 45 days prior to the milestone date that is being affected, and report the change in the next Annual Report required under F.
 - 4. If a change in the timeline for a project milestone is identified, but which does not require a ZE Plan Modification pursuant to E.1., the Port will notify South Coast AQMD of the change at least 45 days prior to the milestone date, and report the change in the next Annual Report required under F.
 - 5. If a Port's Board of Harbor Commissioners adjusts a plan element during their consideration of a Proposed Final ZE Plan or ZE Plan Modification, South Coast AQMD will be notified of the change within 30 days after the Board's action.
 - 6. All other ZE Plan Modifications are not subject to South Coast AQMD review or notification and shall be reported to South Coast AQMD in the next Annual Report required under F.

F. Annual Report

- 1. Before February 1, 2029, and every year thereafter for the term of this Agreement,

the Ports shall prepare a single Annual Report covering all source categories with an approved Plan that includes all of the following:

- a. The initiation and/or completion of each applicable Project's milestones identified in the Final ZE Plan approved by the Port's Board of Harbor Commissioners over the previous calendar year.
 - i. For any Project milestone that was not completed on time, the Port shall provide a discussion of what they believe is the root cause of the delay, the project delivery and energy delivery entities involved in this milestone, and steps that have been taken to avoid this type of delay in the future.
 - b. A discussion of the progress made during the previous calendar year for any anticipated timelines that were the responsibility of the Port in whole or in part as identified in the Final ZE Plan. This discussion shall include clear indication whether the Port's role in this milestone was completed before the anticipated timeline specified in the Final ZE Plan.
 - i. Information provided about Port actions shall be substantiated with publicly available documentation.
 - c. A list of any ZE Plan Modifications that were submitted to South Coast AQMD, including changes that were approved by the Board of Harbor Commissioners during this previous reporting period.
 - d. Maps, photographs, and other graphical or other data, as appropriate, to show how the ZE Plan progressed in the previous calendar year.
2. Report Formats. The Draft, Revised Draft, and Final ZE Plans, ZE Plan Modifications, and Annual Reports shall be submitted to the South Coast AQMD in two formats, if they include confidential information. One version shall be unredacted and marked confidential, and another version that has redacted all information that the Port believes should be kept confidential consistent with South Coast AQMD's Guidelines for Implementing the California Public Records Act. A supplementary report must be provided that provides justification for each redaction. Any due dates in this rule apply to both the redacted and unredacted versions of all Draft ZE Plans and Annual Reports.

G. Enforcement Provisions.

The Ports agree to pay into the Clean Air Mitigation Fund as specified in Agreement Section II.L. for the Types of Defaults in the following table:

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

Tier	Type of Defaults
Tier I	Port Milestones: Deadline under A.2.e.ii. (Port milestones, which can only be enforced as Tier 1 Defaults).
	Infrastructure Plan Development: Deadline under B.2.a. (Draft ZE Plan submittal), B.3.a. (Revised Draft ZE Plan submittal), or B.5.a. (Final ZE Plan approval) missed by less than 45 days, unless a Port has received written confirmation from South Coast AQMD of a different date per B.3.d. or C.
	Public Process and Notifications: Not followed as described in B.2, B.4.b., C.2., or E.
	ZE Plan Modification: Not completed as required under E.
Tier II	Infrastructure Plan Development: Deadline under B.2.a., B.3.a., or B.5.a. missed by 45 to 90 days, unless a Port has received written confirmation from South Coast AQMD of a different date per B.3.d. or C.
	Public Process and Notifications: Not followed as described in B.2, B.4.b., C.2., or E and the Port received one Tier I Default of the same Type, regardless of the Phase.
	ZE Plan Modification: Not completed as required under E a second time.
Tier III	Infrastructure Plan Development: Deadline under B.2.a., B.3.a., or B.5.a. missed by more than 90 days, unless a Port has received written confirmation from South Coast AQMD of a different date per B.3.d. or C.
	Public Process and Notifications: Not followed as described in B.2, B.4.b., C.2., or E and the Port received one Tier II Default of the same Type, regardless of the Phase.
	ZE Plan Modification: Not completed as required under E three or more times.

Proposed South Coast AQMD-POLB-POLA Cooperative Agreement
(Version October 30, 2025)

H. Costs

The Ports agree to pay South Coast AQMD for its activities associated with this Measure as described in the following table. The hourly rate shown in the following table shall be adjusted annually by the change in the California Consumer Price Index, for the preceding calendar year, from January 1 of the prior year to January 1 of the current year, as determined by the California Department of Industrial Relations.

South Coast AQMD Activity	Amount
Review of Revised Draft ZE Plan	\$136.25 per hour of staff review, not to exceed \$100,000 per review/verification
Review and verification of a Draft Modified ZE Plan	\$136.25 per hour of staff review, not to exceed \$100,000 per review/verification
Review and verification of Time Extension Request greater than 30 days	\$136.25 per hour of staff review, not to exceed \$100,000 per review/verification
Review and verification of Annual Report	\$136.25 per hour of staff review, not to exceed \$100,000 per review/verification

Attachment B

DEFINITION OF TERMS

Charging Infrastructure means a system with means of distributing and locally dispensing electricity to Port Sources used in port-related operations. This infrastructure includes local distribution facilities (e.g., substations, local distribution lines), hardware (e.g., transformers, switches, electrical distribution or voltage panels, service conductors, conduits), and electric vehicle supply equipment.

Clean Marine Fuel Type means a type of marine fuel used by ocean-going vessels and that are not residual oil, gas oil, or distillate.

Contractual Agreement or Contractual Relationship means a legally enforceable agreement entered into by two or more parties to do, or refrain from doing, one or more things specified in a written contract, memorandum of understanding, or other binding agreement.

Conventional Infrastructure and Equipment means infrastructure that dispenses fuels or Port Source equipment that uses fuels that are neither a Zero-Emission Energy Type or a Clean Marine Fuel Type.

Design Capacity means the maximum amount of a specific Zero-Emission Energy Type or Clean Marine Fuel Type that can be dispensed over a set period of time from the Charging or Fueling Infrastructure under ideal conditions.

Fueling Infrastructure means a system with means of transporting and locally dispensing a Zero-Emission Energy Type or a Clean Marine Fuel Type other than electricity to Port Sources attracted by or used in port-related operations. This infrastructure includes the related equipment and components (e.g., pipelines, tanks) that transport, store, and dispense the fuel.

Harbor District means either the Long Beach Harbor District as created and defined by and pursuant to provisions of the Charter of the City of Long Beach, or the Los Angeles Harbor District as created and defined by and pursuant to the Charter of the City of Los Angeles.

Port-Managed Property means either (1) Port of Long Beach: the state tidelands and submerged lands as granted to the City of Long Beach by the State Legislature (Chapter 102, California Statutes of 1925) that are under the supervision, management, and control of the Port of Long Beach Board of Harbor Commissioners as well as after-acquired property managed by the Port of Long Beach that is not part of the state tidelands and submerged lands grant, or (2) Port of Los Angeles: the state tidelands and submerged lands as granted to the City of Los Angeles by the State Legislature (Chapter 651, California Statutes of 1929) that are under the supervision, management, and control of the Port of Los Angeles Board of Harbor Commissioners as well as after-acquired property managed by the Port of Los Angeles that is not part of the state tidelands and submerged lands grant.

Port Source means any equipment, vehicle, or vessel in the following categories of mobile sources: cargo handling equipment, drayage trucks, local switcher locomotives, ocean-going vessels, or harbor craft, which operates at, and/or travels to or from, a Port-Managed Property, for purposes of maritime commerce including passenger transportation.

Port Source Operator means the entity who is in direct control of the Port Source, including any third-party(ies) hired to carry cargo or passengers for the entity under an agreement to operate the Port Source.

On-Port means being located on Port-managed property.

Operational means the condition of fully installed Charging Infrastructure being connected to an electric grid, electricity generation or storage system, or other independent electricity source and all components in working order per manufacturer's instructions in order to dispense electricity to a Port Source, or fully installed Fueling Infrastructure being connected to a fuel distribution or storage system and all components in working order per manufacturer's instructions in order to dispense fuel to a Port Source.

Tenant means the entity who enters into a contractual agreement with the Port to lease and/or operate a Port-Managed Property and typically referred to as a "tenant" or "assignee" in such an agreement, and any third-party entity who is subcontracted by the tenant or assignee to conduct part or all of the day-to-day operations at a marine terminal.

Zero-Emission means not ever emitting any criteria pollutant, toxic pollutant, or greenhouse gas from any onboard source of power at any setting.

Zero-Emission Energy Type means an energy carrier that is electricity, hydrogen, or fuel that contains hydrogen atoms, such as natural gas, methanol, ammonia, and ethanol, where the hydrogen extracted from the fuel is used in fuel cells or fuel cell systems integral or fitted onto vessels, vehicles, or equipment for the purpose of generating electrical power.