

FIFTH AMENDMENT TO AGREEMENT NO. 13-3112  
BETWEEN THE CITY OF LOS ANGELES AND  
PORTS AMERICA CRUISE, INC.

THIS FIFTH AMENDMENT to AGREEMENT NO. 13-3112 is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), acting by and through its Board of Harbor Commissioners ("Board"), and PORTS AMERICA CRUISE, INC. ("Operator") as follows:

1. Section XI(C) is amended to add the following sentence at the beginning of the paragraph:  
  
"C. In addition to and not as a substitute for, or limitation of, any of the indemnity obligations imposed by Section IX(A), ..."
2. Exhibit B entitled Scope of Work is replaced in its entirety. (See attached Exhibit B as amended.)
3. Exhibit E entitled Compensation and Payment is replaced in its entirety. (See attached Exhibit E as amended.)
4. Exhibit J-1 entitled Remittance Report is replaced in its entirety. (See attached Exhibit J-1 as amended.)
5. Exhibit K entitled Bi-Annual Report Sample is added. (See attached Exhibit K.)

Except as amended herein, all remaining terms and conditions of Agreement No. 13-3112 and its amendments shall remain in full force and effect.

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(Signature page follows)

Date: 06/02/2026

Contractor/Vendor Name: Ports America A13-3112 5<sup>th</sup> Amendment

|           |        |          |          |
|-----------|--------|----------|----------|
| Account#  | 544160 | Project# | 60000041 |
| Division# | 44010  | Task#    |          |

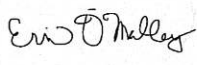
  

|            |           |
|------------|-----------|
| Budget FY: | Amount:   |
| 26/27      | \$906,654 |
|            |           |
|            |           |
|            |           |
| TOTAL:     | \$906,654 |

For Acct/Budget Div. Use Only

|                           |                                                                                                                                                             |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Verified By:              | <br>Digitally signed by Erin O'Malley<br>Date: 2026.06.03 08:50:52 -07'00' |
| Verified Funds Available: | <br>Digitally signed by Frank Liu<br>Date: 2026.06.03 12:14:45 -07'00'    |
| Date Approved:            | 6/3/2026                                                                                                                                                    |

IN WITNESS THEREOF, the parties hereto have executed this FIFTH Amendment to Agreement No. 13-3112 on the date to the left of their signatures.

THE CITY OF LOS ANGELES,  
by its Board of Harbor Commissioners

Dated: \_\_\_\_\_, 2026

By: \_\_\_\_\_  
EUGENE D. SEROKA  
Executive Director

Attest: \_\_\_\_\_  
AMBER M. KLESGES  
Board Secretary

Dated: \_\_\_\_\_, 2026

PORTS AMERICA CRUISE, INC.

By: \_\_\_\_\_  
STEVE LOEVSKY - SVP  
(Print/type name and title)

Attest: \_\_\_\_\_  
OCTAVIO SANCHEZ - SITE MGR  
(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

6.4, 2026  
HYDEE FELDSTEIN SOTO, City Attorney  
STEVEN Y. OTERA, General Counsel

By: \_\_\_\_\_  
MINAH PARK, Deputy

## **EXHIBIT B -- SCOPE OF WORK**

The Scope of Work for this Agreement is categorized within the following sections:

- A. Operator Responsibilities
  - 1. Passenger Cruise Terminal Management – Facility Operations
  - 2. Vessel Scheduling and Operations
  - 3. Cruise Terminal Security
  - 4. Administrative Services
- B. City Responsibilities
- C. Table 1 -- Maintenance and Repair Responsibilities

### **A. Operator Responsibilities**

#### **1. Passenger Cruise Terminal Management – Facility Operations**

A) Equipment and Operational Responsibilities. Operator shall provide all equipment (except that equipment specifically provided by City as identified within the Table 1 entitled Maintenance and Repair Responsibilities below) and gear necessary to manage and oversee all Cruise Terminal operations. Cruise Terminal operations shall include: 1) berthing of passenger vessels (except for actual docking); 2) embarkation and debarkation of passengers and goods; 3) terminal maintenance (further described within Table 1 Maintenance and Repair Responsibilities and elsewhere within this Agreement), 4) Cruise Terminal security as outlined in Section 3 below; and 5) collection of all Cruise Terminal fees and charges in accordance with this Agreement.

B) Facilities Operations Management. Operator shall manage all facilities operations, including but not limited to: 1) janitorial services; 2) terminal security as outlined below in Section 3; 3) safe berthing of passenger vessels (except for actual docking), 4) operation of City owned passenger gangways and elevators/escalators.

C) Services to Third Party Vessel Operator(s). Upon request of passenger vessel operators, Operator may also offer and provide services outside the scope of this Agreement. Such services shall be by separate arrangement between Operator and such vessel operator(s). If any such specific vessel operator requested services are provided by Operator, the amount of the Flat Fee (the fee paid by the City to Operator to operate the Cruise Terminal as detailed in Exhibit E) is not altered nor modified by Operator providing such services. Operator shall

be required to meet all City requirements including, but not limited to, securing permits to provide any such services.

D) Coordination with Federal Inspection Services. Operator shall coordinate with Federal Inspection Services to maximize rapid, convenient and efficient movement of passengers and handling of baggage.

E) Coordination with City Parking Operator. Operator shall coordinate with City's parking operator to maximize safe and efficient flow of traffic into and out of the Cruise Terminal.

F) Utility Usage and Costs. Operator shall monitor and seek to ensure efficient and optimal use of utilities within the Cruise Terminal by all users. As between Operator and City, costs for electricity, water, sewage and gas at the Cruise Terminal shall be borne by City.

## **2. Vessel Scheduling and Operations**

A) Vessel Scheduling and Reporting. Operator shall develop, maintain, and update quarterly a comprehensive schedule of vessel arrivals, departures, and berthing assignments. Operator shall submit such comprehensive schedule to the City upon approval and execution of this agreement and two weeks before every quarter thereafter.

B) Coordination of Vessel Arrivals and Berthing Assignments. Operator shall coordinate arrivals and departures of passenger vessels and coordinate berthing assignments with vessel operators. Such vessel coordination and berthing assignments will be in cooperation with Executive Director or his/her designee and in accordance with berthing priority rights set forth in permits.

C) Positioning of Passenger Gangways. Operator shall ensure the appropriate positioning of City-owned passenger gangways for the operation of Cruise Terminal at all times.

D) Docking Oversight and Damage Reporting. Operator shall coordinate and attend all vessel docking and undocking operations. Operator shall, upon vessel departures, document and immediately notify the City's Wharfingers Division and Port Police of any observed damage to wharf, pilings, fender system and/or Cruise Terminal premises. Operator shall refer to guidelines set forth in the Wharf Damage Policy, attached as Exhibit D. Operator shall take all reasonable commercial action to recover the costs of any damage to wharf, pilings, fender system and/or Cruise Terminal premises from the responsible party/cruise line(s). Operator will notify the City immediately of any delay in the collection of damage charges from the responsible party/cruise line(s).

E) Compliance with Regulatory Authorities. Operator shall coordinate and cooperate with the Coast Guard and all City, State and Federal agencies and authorities with regulatory jurisdiction over passenger Cruise Terminal operations to provide and ensure safe transit operations, working conditions and emergency services for the protection of all passengers, dockworkers, Cruise Terminal employees and visitors on the Cruise Terminal premises.

F) Coordination with Stevedore and Ground Service Operators. Operator shall coordinate with stevedore companies and other ground service operators. Further, Operator shall operate in a manner that provides equal and open access to all companies hired by cruise lines directly.

### 3. Cruise Terminal Security

A) Facility Security Plan Compliance. Operator shall provide United States Coast Guard approved Facility Security Plan in compliance with Title 33 of the Code of Federal Regulations (“CFR”) §105.100 et seq.

B) Facility Security Officer Designation. Operator shall designate a Facility Security Officer in compliance with 33 CFR §105.200 (b)(2) and §105.205.

C) Regulatory Compliance. Operator is responsible for maintaining compliance with the approved Facility Security Plan, all applicable United States Coast Guard Maritime Security Regulations, and the International Ship and Port Facility Security Code.

D) On-Site Security Staffing. Operator shall provide two trained, competent and efficient security guards at the Cruise Terminal, at all times, on a 24-hour basis. One security guard shall be stationed at the Cruise Terminal entry gate, and the other shall patrol the Cruise Terminal premises.

Operator may arrange additional security directly with cruise lines, independent and separate from this Agreement. Fees for any such additional security, independently arranged, will be the Operator’s sole responsibility to charge and collect from the applicable cruise line(s) and Operator shall not be required to remit those fees to the City.

E) Vessel-Assigned Security Staff. Operator shall not be responsible to provide vessel-assigned security staff, but may, upon request of the vessel operator. Such additional vessel assigned security must be provided under separate arrangement between Operator and the vessel operator and be at the cost and expense of the requesting vessel operator.

F) Non-Cruise-Related Activities. For non-cruise-related activities, including but not limited to Los Angeles Fleet Week, tradeshow, military vessels,

conferences, film shoots, etc., Operator shall not be responsible for providing assigned staff, but may, upon request of the organizer of the applicable activity. Such additional security must be provided under separate agreement between Operator and the event organizer and be at the cost and expense of the requesting organizer.

G) Employee Identification Badges. Operator shall provide and enforce the wearing of identification badges for all of Operator's employees within the Cruise Terminal.

H) Security Screening Equipment. Operator shall provide sufficient functioning security screening equipment [e.g., x-rays, magnetometers, explosive detectors] to screen 100 percent of passengers, crews, visitors and baggage at the Cruise Terminal in accordance with the provisions of the Coast Guard approved Facility Security Plan.

I) Security Communications Equipment. Operator shall provide sufficient and effective security communications equipment to facilitate 100 percent of the security operations required at the Cruise Terminal in accordance with the provisions of the Coast Guard approved Facility Security Plan.

J) Compliance with Additional Safety and Security Requirements. Operator shall provide additional safety and security procedures and equipment as may from time to time be further required by City, State, and Federal authorities with jurisdiction over passenger cruise terminal operations.

K) Facility Security Plan Modifications. In the event that the City requires changes to the Cruise Terminal premises, the Operator must modify the Facility Security Plan as necessary and submit for approval by the United States Coast Guard.

#### **4. Administrative Services**

A) Cruise Terminal Staffing and Operations. Operator shall provide staff to manage and operate the Cruise Terminal. Operator shall also provide office supplies and other equipment necessary to facilitate the management of all supervisory obligations, Cruise Terminal maintenance, vessel scheduling, Cruise Terminal security, financial administration, record and reporting obligations including meter reading for utilities.

B) Collection and Remittance of Fees.

i. Tariff. Operator shall collect and remit 100 percent to City all charges accruing at the Cruise Terminal pursuant to the Port of Los Angeles Tariff ("Tariff") within thirty (30) calendar days after the vessel departure, including

but not limited to passenger fees, wharfage, dockage, lay day fees, Alternative Marine Power (AMP) system cost passenger fees, and all other charges prescribed by the Tariff, together with supporting receipts and documents. City shall provide Operator, copies of Cruise Line Permits where standard Tariff charges may vary or do not apply.

ii. Vessel Charge Fees. Operator shall collect and remit 100 percent to City the following Vessel Charge Fees within thirty (30) calendar days after the vessel departure, including but not limited to, charges for water, AMP-electricity, trash disposal, sweeper services (one sweeper, as set forth in Section 4(B)(ii)(a)), and security services covered under the Management Fee (as set forth in Exhibit E) , together with supporting receipts and documents. City shall provide Operator, copies of Cruise Line Permits where standard Vessel Charge Fees may vary or do not apply.

a. Sweeper Services. Remittance to City of sweeper services includes only fees imposed for one inner harbor sweeper. Operator may arrange for additional sweepers on multi-ship days, independent and separate from this Agreement. Fees for any such additional sweepers will be the Operator's sole responsibility and Operator shall not be required to remit to City any fees collected for those additional sweepers.

b. Gangway Services. Operator may arrange for gangway services, independent and separate from this Agreement. Fees for any such gangway services will be the Operator's sole responsibility and Operator shall not be required to remit to City any fees collected for those services. However, since the City holds ownership of the gangway, Operator fees charged for the gangway services are limited to invoice mark-up of 20% of actual 3<sup>rd</sup> party service cost. Operator may arrange for gangway labor services; however, Operator is prohibited from charging, collecting and retaining rental fees related to the use of City owned gangways and other City owned equipment.

iii. Other Business Activities. Operator shall remit to the City, within 30 days after each month, 100 percent of gross revenues collected by the Operator from authorized business activities conducted at the Cruise Terminal less actual reasonable costs and expenses incurred by the Operator to accommodate the requested Other Business Activity. Such business activities include but are not limited to: 1) concession agreements for sale of food, beverages and other passenger items; 2) special events; 3) filming engagements; and 4) other permitted business activities as approved by the Executive Director or his/her designee.

C) Submitting, Reporting, and Review Obligations.

- i. Monthly Report – Exhibit J-1. On a monthly basis, within thirty (30) calendar days after vessel departure, Operator shall submit the form attached as Exhibit J-1, detailing the applicable charges being remitted to City.
- ii. Monthly Report – Exhibits J-2 and J-3. On a monthly basis, within fifteen (15) calendar days after vessel departure, Operator shall submit forms attached as Exhibits J-2 and J-3, detailing the applicable charges being remitted to City.
- iii. Bi-Annual Excel Report. On a bi-annual basis, for the period January to June and for the period July to December, Operator shall submit a detailed Microsoft Excel report that breaks down by line item, all fees and charges for all remittance categories contemplated under this Agreement. Exhibit K, attached hereto and incorporated by this reference, contains a sample format of such Bi-Annual report. This Microsoft Excel Report shall be submitted by August 31 and February 28, two months after the end of the reporting periods. For the avoidance of doubt, the first report will cover the period of six (6) months from January 1, 2026, through June 30, 2026.
- iv. Monthly Financial Statements. Upon request by the City, Operator shall submit monthly financial statements prepared according to Generally Accepted Accounting Principles (GAAP) that provide for the accounting of all revenue and expenditures in support of Exhibit J-1, J-2 and J-3 submittals and all other Operator's activities.
- v. Lay Day Fees Review. Operator shall participate in an annual review of Lay Day Fees (charge to vessels per calendar day).
- vi. Issues Affecting Cruise Terminal Functionality. Operator shall maintain coordination and liaison with the City's Real Estate Division reporting promptly all information affecting the functioning of the passenger Cruise Terminal.
- vii. Incident Reporting. Operator shall report to the City in writing any Cruise Terminal accidents within 15 days upon occurrence.

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D) Use of Cruise Terminal for Special Events. Operator shall comply and facilitate City's use of the Cruise Terminal for special events, motion pictures etc., upon receipt of written notice from the City. The City will invoice and retain 100 percent of receipts associated with such activity and Operator may obtain for its own benefit hold-harmless or indemnity agreements from the third-parties conducting such special events or motion pictures.

- E) Capacity Management and Temporary Accommodations. Operator is to provide the City 90 days' prior written notice of any anticipated shortfalls with respect to Cruise Terminal capacity in the event that the size and passenger volume of a scheduled vessel or vessels is anticipated to exceed the Cruise Terminal capacity or require additional Cruise Terminal service area. The Operator will be responsible for procuring and utilizing tents for these purposes, and the Operator will be required to remove and relocate equipment as needed to accommodate tents at their sole cost. All costs associated with providing tents, including, but not limited to, erecting, maintaining, permitting, removing, providing temporary utilities, lavatories, seating, carpeting, and cleaning of tents area shall be at Operator's expense. If the Operator elects not to provide tents, but transport of passengers is required, costs associated with providing passengers transport shall be at Operator's expense.
- F) Business Development and Marketing. Operator shall promote use of the Cruise Terminal, solicit new business for the City at the Cruise Terminal and work with City's Business Development Division to solicit new business including, but not limited to joint sale calls, joint hosting of cruise executives, and representation at industry events.
- G) License Fees, Taxes, and Assessments. Operator shall pay all license fees, taxes, and assessments with the exception of possessory property tax.
- H) Security and Access. Adhering to the terms and conditions of the Cruise Terminal Security Plan, Operator shall allow access to Cruise Terminal visitors and City employees for business purposes.
- I) Maintenance and Coordination with City Staff. Operator shall cooperate and proactively work with the City's Building Engineer staff, located on-site, to identify deficiencies and ensure that all systems and equipment provided by the City are in excellent operational order including, but not limited to, electrical, plumbing, carpentry, piling, painting, roofs, and all City-owned interior fixtures, equipment and furniture.
- J) RESERVED
- K) Additional Services for Special Events. At City's request, the Operator shall provide additional services for special events from time to time, including but not limited to, additional services during Los Angeles Navy Fleet Week. Fees for these additional services will be reimbursed 100% to Operator.

**B. City Responsibilities**

1. Maintenance and Repair of AMP Activities. City at its sole cost shall be responsible for maintenance and repair, utility cost, labor and operational cost for all Alternative Maritime Power (“AMP”) activities, as well as all associated items listed under “Maintenance and Repair Responsibilities.” City shall establish a regular service protocol, to be performed no later than 12 hours prior to vessel arrival, to ensure that operational and mechanical items/systems under control of the City are in working order prior to each vessel arrival. This includes, but is not limited to: passenger gangways, elevators, escalators, plumbing and electrical.
2. Maintenance and Repair of Pier and Wharf Infrastructure. City at its sole cost shall be responsible for maintaining and repairing the pier, wharves, bulkheads, and fender system(s) at the premises, including all repairs occasioned by reasonable wear and tear and action of elements.

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**C. Table 1 -- Maintenance and Repair Responsibilities**

**OPERATOR RESPONSIBILITIES**

In addition to items identified and detailed elsewhere within this Agreement, Operator shall perform the following:

**City-Owned Equipment Management**

- Operator is responsible for the operation and maintenance of all City-owned equipment provided on the premises, including, but not limited to:
  - 4 FMT brand passenger gangways (operation only)
  - 2 portable gangways to support Outer Harbor ship operations (and any other cruise ship location, as needed) (operation only)
  - 900 Stanchions
  - 1500 chairs
  - 500 black stackable chairs
  - 25 dollies to stack chairs
  - 70 reception carts
  - 36 rolling panels
  - Access control computer system
  - Security monitor computer & camera system
  - Wooden office furniture set in Terminal Manager's Office
  - 8 transport carts for stanchions
- Operator is responsible for all maintenance, repair and future replacement of the Tennant 7400 scrubber machine.

Note: All City-owned equipment shall be returned to City upon expiration or earlier termination of Agreement.

## **OPERATOR RESPONSIBILITIES (Cont.)**

### **Cleaning and Janitorial Services**

- Provide, supply, operate, repair, and maintain all cleaning equipment including but not limited to, vacuums, ride-on vacuums, scrubbers, ride-on scrubbers, carpet extractor, carpet cleaner, sweepers, ride-on sweepers, and any other equipment necessary, with the City reimbursing Operator for the rental costs and/or one-time purchase payments associated with these items. For those items purchased, such items will be transferred to City upon expiration or earlier termination of this Agreement.
- Regular janitorial cleaning of restroom floors, walls, mirrors, fixtures and refilling or replacement of towel and soap dispensers, non-operational light bulbs prior to each vessel arrival.
- Area vacuuming of carpets after each vessel arrival.
- As-needed spot stain treatment of carpets. Minimum quarterly cleaning of carpets.
- At least quarterly wash windows. Additional washing as needed.
- High dusting on a quarterly basis, at minimum.
- Cleaning of interior casework and other surfaces prior to each vessel arrival
- As-needed sweeping of exterior pedestrian ways accessible by vehicles and passengers.
- Cleaning exterior pedestrian ways on a monthly basis.
- Removal and proper disposal of bird droppings on daily basis.
- Regular interior cleaning of FMT passenger gangways.
- As-needed cleaning of interior walls, doors and sliding doors, but no less than on a quarterly basis.
- Trash pick-up and disposal, including areas at the Office Block premises.
- Provide custodial/janitorial services, repair all fixtures, provide all cleaning supplies and paper products, trash pickup.
- Ensure facilities are maintained in a sanitary and high standard condition at all times.

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### **HVAC Maintenance**

- Provide, supply, operate and maintain Portable Air Conditioning units, with the City reimbursing Operator for any rental and other incidental costs associated with these items.

**OPERATOR RESPONSIBILITIES (Cont.)**

**Pest Control Program**

- Implement and maintain an ongoing pest control program to prevent infestation of pests, animals and/or nuisances that shall include but are not limited to:
  - Dogs
  - Pigeons
  - Seagulls
  - Raccoons
  - Cats
  - Insects and vermin
- The program shall comply with all Local, Federal, State or County statutes, ordinances and regulations.

**Operator Responsibilities List Updates**

- This table and list of Operator Responsibilities may be updated from time to time (subject to mutual written agreement between the City and Operator) without need for further Board action; provided, however, that any update requiring additional fees paid by City to Operator totaling an annual increase in cost to the City of greater than 15% total, will require Board approval.

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## **CITY RESPONSIBILITIES**

In additional to items identified and detailed elsewhere within this Agreement, City shall be responsible to maintain, repair or replace the following as needed; provided however, City responsibilities shall exclude damage or maintenance required as a result of Operator negligence and/or other third parties:

### **Building, Fence, and Gate**

- Roofs and solar systems.
- Exteriors of structures, including exterior painting.
- Interior painting and repairs.
- Interior door maintenance, including rolling and sliding door maintenance in the warehouse.
- Window, door glass replacement.
- Carpet, tile and vinyl floor replacements and furniture replacements.
- Fence and gate maintenance within the premises.

### **Pier and Wharf Infrastructure**

- Surface paving, wharf and backland damage repair.
- Wharf Structure.
- Fender system damage repair.
- Wharf bulkheads.
- Rock slopes.
- Maintenance dredging.

### **Vehicular and Pedestrian Infrastructure**

- Vehicular ramps and parking deck at berth 93, second level as to repairs
- Wheel stop maintenance, traffic lines and traffic flow systems.
- Replacement and modernization of elevators and escalators.
- Elevator, escalator and passenger gangway maintenance and repair.

### **Lighting**

- Replacement of all failed ballasts, as needed.
- Re-lamping of terminal wharf and backland light standards.

### **Fire Protection**

- Fire protection sprinkler systems, fire hydrant systems, standpipe systems, fire alarm systems.
- Recharging and servicing of fire extinguishers.

## **CITY RESPONSIBILITIES (Cont.)**

### **Plumbing and Landscape Irrigation**

- Backflow devices and potable water systems and leakage from such devices.
- Clearing drains, including toilet/urinal stoppages and repairing associated damage.
- Storm-drain inlet maintenance and cleaning.
- Landscaping, and as-needed maintenance of landscape irrigation systems.

### **Electrical**

- Replacement of deteriorated electrical conduit and pipeline system on exterior of facilities.
- Emergency generator maintenance & testing, with adherence to AQMD requirements.
- Passenger gantries and gangways repairs, and their electrical supply systems and back-up power supply.
- Alternative Maritime Power (AMP) System.

### **HVAC**

- Heating, Ventilation, and Air Conditioning (HVAC) servicing, repair, and maintenance.

### **Security**

- Maintenance and repair of surveillance systems and terminal access control systems (ITD responsibility).

### **Other Systems**

- All mechanical, electrical, hydraulic, air equipment, and devices used by Operator to maintain Harbor Department-owned machinery and equipment.

### **Harbor Department Responsibilities List Updates**

- This table and list may be updated from time to time (subject to mutual written agreement between the City and Operator) without need for further Board action; provided, however, that any update requiring additional fees paid by City to Operator totaling an annual increase in cost to the City of greater than 15% total, will require Board approval.

## **EXHIBIT E -- COMPENSATION AND PAYMENT**

### Section headings for Compensation and Payment

1. Fixed Monthly Fee
2. Options Period Compensation Renegotiation
3. Overflow Facilities
4. Portable Air Conditioning
5. City-owned Cleaning Equipment
6. Payment for Additional Special Events Hosted by the City
7. Additional Reimbursable Expenses

Operator shall receive the following compensation for its services:

#### **1. Fixed Monthly Fee**

\$174,696 per calendar month\* (subject to CPI adjustment and labor rates for ILWU sweeper assigned May 7, 2026, and each year thereafter) (regardless of number of days the vessel(s) may be at berth at the Cruise Terminal during such call(s)) ("Fixed Monthly Fee"). Such Fixed Monthly Fee shall be payable upon monthly submission of an invoice stipulating the name(s), date(s), services provided and duration of vessel calls that have occurred for the previous calendar month period.

The Fixed Monthly Fee compensation shall include all Operator provided items and services listed within Exhibit B.

The Fixed Monthly Fee is inclusive of all charges, and no additional reimbursement for any other service or operating item shall be paid by the City, other than items specifically addressed in paragraph 6 below. Payment of the Fixed Monthly Fee will not be made by the City to Operator in advance of any month or vessel call.

#### **2. Options Period Compensation Renegotiation**

At the conclusion of the initial five-year term and the first 5-year option period of this Agreement, Operator and City shall renegotiate compensation amounts. At least six (6) months prior to the conclusion of the initial five-year term and the first 5-year option period of this Agreement, Operator and City shall begin negotiations.

**3. Overflow Facilities**

Compensation paid for cruise vessel calling at any overflow cruise facilities, shall not exceed a total of \$209,431 per vessel call, subject to CPI adjustment May 7, 2026, and each year thereafter. Compensation shall include, but not be limited to the following expenses: rental and acquisition of materials, equipment and supplies needed for the embarkation/debarkation of cruise passengers and vessel supplies; facility rentals; scanning equipment; tents; shuttle transportation services; and any other expenditures that may be deemed necessary by the United States Coast Guard and/or the United State Customs and Border Protection Agency.

Operator shall provide City at least 15 calendar days advanced notice of any vessel calling at any overflow facility prior to the date of ship call and provide an anticipated expense sheet to be reviewed by the Director of Waterfront and Commercial Real Estate or his/her designee. If 15 calendar days advanced notice is impracticable due to unforeseen circumstances, reasonable notice will be required.

\* Effective May 7, 2026 and each May 7<sup>th</sup> thereafter, both the Fixed Monthly Fee and the maximum amount for Overflow Facilities will adjust, in no event downward, in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI-W) for Urban Wage Earners and Clerical Workers, All Items, Los Angeles-Long-Beach-Anaheim, CA or successor index selected by the Executive Director in the Executive Director's sole reasonable discretion. The price adjustment rate will be determined by comparing the percentage difference between the monthly CPI for the 12 month period April to March of the immediately prior year of the adjustment date. The percentage difference between those two CPI figures will be the adjustment rate of the Fixed Fee and the Daily Fee. Should the percentage difference be negative, there shall be no adjustment to the Monthly Fixed Fee. In addition to any increase as a result of increases in CPI, the Fixed Monthly Fee shall also be increased by the additional amount, if any, that labor rates for ILWU sweeper assigned to the Cruise Terminal are increased pursuant to any applicable collective bargaining agreement or amendment thereto.

**4. Portable Air Conditioning**

Subject to written approval by the Executive Director, Operator shall provide and be compensated for actual costs for rental of portable air conditioning units as may, from time to time, be required for Cruise Terminal operations, but in no event shall such compensation exceed one Hundred Fifty Thousand (\$150,000) annually starting July 1, 2025, and each July 1<sup>st</sup>

thereafter. For the avoidance of doubt, if Operator reasonably foresees that it will exceed the immediately aforementioned threshold, Operator will provide written notice to the Executive Director and request additional reimbursement above such threshold. If the Executive Director does not provide timely written approval, after due written notice from Operator, then Operator will not incur such costs nor provide the additional units.

Furthermore, the Parties agree that upon execution of the 5<sup>th</sup> Amendment, a one-time payment in the amount of \$146,676.03 will be paid by City to Operator for procuring portable air conditioning units that were provided for Cruise Terminal operations through October 2025. Such payment shall constitute full and final compensation for the procurement of all past portable air conditioning units through October 2025.

**5. Cleaning Equipment**

Subject to written approval by the Executive Director, Operator shall provide and be compensated for actual costs for rental and maintaining cleaning equipment as may, from time to time, be required for Cruise Terminal operations, but in no event shall such compensation exceed two hundred thousand (\$200,000) annually starting July 1, 2025, and each July 1 thereafter. For the avoidance of doubt, if Operator reasonably foresees that it will exceed the immediately aforementioned threshold, Operator will provide written notice to the Executive Director and request additional reimbursement above such threshold. If the Executive Director does not provide timely written approval, after due written notice from Operator, then Operator will not incur such costs nor provide the additional equipment.

The Parties agree that upon execution of the 5<sup>th</sup> Amendment, a one-time payment in the amount of \$59,977.59 will be paid by City to Operator for maintenance and repair costs of City-owned cleaning equipment provided for Cruise Terminal operations prior to October 2025. Such payment shall constitute full and final compensation for all past maintenance and repair costs of City-owned cleaning equipment through October 2025.

**6. Payment for Additional Special Events Hosted by the City**

~~Operator shall provide and be compensated actual cost reimbursement for~~ additional services related to special events hosted by the City as may, from time to time, be required by City. In no event, shall such additional special event services or compensation exceed Two Hundred Thousand Dollars (\$200,000) in total annually starting July 1, 2025, and each July 1<sup>st</sup> thereafter. For the avoidance of doubt, if Operator reasonably foresees that it will exceed the immediately aforementioned threshold, Operator will provide written notice to the Executive Director and request additional reimbursement above such threshold. If the Executive Director does not

provide timely written approval, after due written notice from Operator, then Operator will not incur such costs nor provide the additional services.

**7. Additional Reimbursable Expenses**

As of the effective date of this 5th Amendment, Operator may be reimbursed for unforeseen expenses subject to written approval by the Executive Director of the Harbor Department. Prior to submitting an invoice seeking reimbursement under this Paragraph 7, Operator shall first provide written notice to the Executive Director with the following: (1) identify the service or item for which reimbursement is sought, (2) the estimated cost, and (3) justification as to why such an item or service is an unforeseen expense. Executive Director, in his/her sole discretion, may approve or reject the requested additional reimbursable expense under this Paragraph 7. In no event shall additional reimbursable expenses exceed One Hundred Fifty Thousand Dollars (\$150,000) in total annually starting July 1, 2025, and each July 1<sup>st</sup> thereafter. For the avoidance of doubt, if Operator reasonably foresees that it will exceed the immediately aforementioned threshold, Operator will provide written notice to the Executive Director and request additional reimbursement above such threshold. If the Executive Director does not provide timely written approval, after due written notice from Operator, then Operator will not incur such costs nor undertake any activity to cause the expense.

**REMITTANCE REPORT** *(sample J-1 Schedule)*

Ports America Cruise Inc.  
 2001 John S. Gibson Blvd.  
 San Pedro, CA 90731

\_\_\_\_\_  
 Please remit payment by mail within 30 days of vessel departure to:

**PORT OF LOS ANGELES**  
**P.O. Box 514300**  
**Los Angeles, CA 90051-4300**

Customer No.: \_\_\_\_\_

VFN No. \_\_\_\_\_

In accordance with the provisions of Agreement No. 13-3112 Exhibit B (Scope of Work), as amended, Ports America hereby remits the following fees collected from the cruise line. (Remittance is due to the City of Los Angeles within 30 calendar days of vessel departure)

|                                                                            |
|----------------------------------------------------------------------------|
| <b>PLEASE MAKE CHECK PAYABLE TO: CITY OF LOS ANGELES HARBOR DEPARTMENT</b> |
|----------------------------------------------------------------------------|

|                                                          |  |
|----------------------------------------------------------|--|
| Vessel Name                                              |  |
| Cruise Line                                              |  |
| Berth                                                    |  |
| Arrival                                                  |  |
| Departure                                                |  |
| # of Days Docked                                         |  |
| Lay Day Fees (\$7,500 per vessel per day, as applicable) |  |
| Sweeper                                                  |  |
| Water                                                    |  |
| Trash                                                    |  |
| Others*                                                  |  |
| <b>Total Amount due from Vessel</b>                      |  |
|                                                          |  |
| <b>Total Amount Due</b>                                  |  |

I hereby certify under penalty of perjury that the foregoing is a true and correct statement of fees collected from the cruise line under the terms of Agreement No. 13-3112.

**DATE:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**PORTS AMERICA**

\*\* NOTE: Sample Report. Report form subject to change via notice from City.

**EXHIBIT K -- BI-ANNUAL REPORT** *(sample Schedule)*

**Service Type:** \_\_\_\_\_ *(Overflow Facilities, Sweeper, or Trash)*  
**Beginning Month:** \_\_\_\_\_ *(January/June)*  
**Ending Month:** \_\_\_\_\_ *(July/December)*  
**Year:** \_\_\_\_\_ *(Corresponding Year)*

| Job # | Vessel Name | Start Date | End Date | POLA Invoice # | Billed to Cruise Line (\$) | Remitted to POLA (\$) | Difference (\$) |
|-------|-------------|------------|----------|----------------|----------------------------|-----------------------|-----------------|
|       |             |            |          |                |                            |                       |                 |

\*\* NOTE: Sample Report. Report form subject to change via notice from City.