



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: SEPTEMBER 25, 2018**

**FROM: ENVIRONMENTAL MANAGEMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - ADOPTION OF THE FINAL INITIAL STUDY/MITIGATED NEGATIVE DECLARATION FOR THE TERMINAL ISLAND RAILYARD ENHANCEMENT PROJECT (LOS ANGELES HARBOR DEPARTMENT APPLICATION FOR PORT PERMIT NO. 171106-154; STATE CLEARINGHOUSE NO. 2018081086)**

**SUMMARY:**

Staff requests that the Board of Harbor Commissioners (Board) adopt the Final Initial Study/Mitigated Negative Declaration (IS/MND) for the proposed Terminal Island Railyard Enhancement Project (Project) along with comments and responses to comments, and approve the proposed Project as described in the Final IS/MND.

The proposed Project involves shifting cargo movement modes to maximize on-dock rail use, thereby reducing truck trips and miles traveled within the Port of Los Angeles (Port) and on adjacent roadways and freeways. The proposed Project will increase the capacity and use of the on-dock railyards by up to 525,000 twenty-foot equivalent units (TEUs) per year thereby increasing efficiency and reducing emissions.

The Harbor Department is part of a multi-party funding agreement with the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans), and the Harbor Department is the Master Agreement Administering agency. Pending approval of the proposed Project, the Harbor Department would be financially responsible for \$12,370,000 of the estimated total proposed Project cost of \$34,015,000.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that, pursuant to the State California Environmental Quality Act Guidelines Section 15074, the Final Initial Study/Mitigated Negative Declaration for the Terminal Island Railyard Enhancement Project (a) has been completed in compliance with the State California Environmental Quality Act Guidelines and the City of Los Angeles California Environmental Quality Act Guidelines; (b) was presented to the Board for

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review and was reviewed and considered by the Board prior to approving the proposed Project; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department as the Lead Agency;

2. Find that, based on the whole record before it, including, but not limited to: (a) the information contained in this report; and (b) the Final Initial Study/Mitigated Negative Declaration for the Terminal Island Railyard Enhancement Project, there is no substantial evidence that the proposed Project will have a significant effect on the environment pursuant to Public Resources Code Section 21080 and State California Environmental Quality Guidelines Section 15070;
3. Find that information added to the Final Initial Study/Mitigated Negative Declaration after the public review period, but before adoption, merely clarifies, amplifies, or makes insignificant modifications, and that recirculation is not necessary;
4. Adopt the Mitigation Monitoring and Reporting Program contained in the Final Initial Study/Mitigated Negative Declaration as required by Public Resources Code Section 21081.6 and State California Environmental Quality Act Guidelines Section 15074. The Mitigation Monitoring and Reporting Program is designed to ensure compliance with the mitigation measures adopted to mitigate or avoid significant effects on the environment, and identifies the responsibilities of the City of Los Angeles Harbor Department as lead agency and other applicable entities, to monitor and verify project compliance with those mitigation measures and conditions of project approval;
5. Adopt the Final Initial Study/Mitigated Negative Declaration for the Terminal Island Railyard Enhancement Project and approve the Project;
6. Authorize the Environmental Management Division to file the Notice of Determination for the Terminal Island Railyard Enhancement Project with the Los Angeles City and County Clerks; and
7. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Project Background/Context – For a number of economic, environmental, and efficiency reasons, the San Pedro Bay ports have committed to a goal of maximizing on-dock rail use with the goal of improving operations. On-dock rail enables cargo containers to be moved to/from vessels and trains within the confines of the port terminals, thereby minimizing truck trips. To accommodate expected growth in intermodal rail volumes, a

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significant number of rail system improvements is needed, including increased storage capacity. The lack of rail storage capacity reduces the efficiency of rail car management. For example, if there are not enough containers unloaded from a ship that are going to the same destination to make a full train at an on-dock railyard, lack of storage forces the cargo to be transported by truck to off-dock railyards outside of the Port.

Project Description – The proposed Project involves the expansion of the existing Pier 400 rail storage yard to increase on-dock railyard capacity and improve railyard operational efficiency. The project involves widening the existing concrete rail bridge to fill the gap between the rail bridge and the roadway bridge on Pier 400's Transportation Corridor to accommodate five new tracks as well as a new access roadway. Construction of the project involves the five new rail storage tracks, totaling approximately 40,000 linear feet with 15-foot center-to-center spacing between each new track and a short rail bridge over the water. The tracks include a new "bad order" track<sup>1</sup> and a new departure track. The proposed Project would also require widening an existing concrete rail bridge that would encompass an area approximately 400 feet long by 100 feet wide and extend over the water.

Construction activities are expected to take approximately 18 months and include clearing landside vegetation, excavation, installation of approximately 200 concrete piles within the water gap and construction of the new rail tracks. Construction work would be confined to the Pier 400 Transportation Corridor.

#### **ENVIRONMENTAL ASSESSMENT:**

CEQA Documentation and Public Involvement – The City of Los Angeles Harbor Department (Harbor Department) as the California Environmental Quality Act (CEQA) Lead Agency has prepared an IS/MND for the proposed Project in compliance with the CEQA Guidelines and the Los Angeles City CEQA Guidelines, which contains the following: a description of the proposed Project and location, an initial study checklist, an analysis of potential impacts, mitigation measures and proposed findings.

The Draft IS/MND was circulated for public review and comment for a period of 21 days beginning on August 31, 2018, through September 20, 2018. The Harbor Department requested this shortened review period through the Office of Planning Research pursuant to State CEQA Guidelines, Appendix K, Criteria 2 - *The public project applicant is under severe time constraints with regard to obtaining financing or exercising options which cannot be met without shortening the review period.* The proposed Project secured

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<sup>1</sup> "Bad order" track refers to an auxiliary track used to hold trains (locomotives and/or rail cars) that require repair or have mechanical defects. A bad order track would avoid blocking tracks used for inbound/outbound trains.

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federal funding of \$21,645,000 for construction that is dependent upon CEQA certification by November 2018.

In accordance with State CEQA Guidelines §15072, a Notice of Intent (NOI) to adopt the IS/MND was issued on August 31, 2018. Approximately 100 notices were mailed to agencies, stakeholders, and other interested parties. The NOI and accompanying Draft IS/MND was filed with the Los Angeles City and County Clerks and was made available for public review on the Port of Los Angeles website at: <http://www.portoflosangeles.org>; at the City of Los Angeles Harbor Department Environmental Management Division at 222 West 6<sup>th</sup> Street, San Pedro, CA 90731; at the Los Angeles City Library, San Pedro Branch at 931 S. Gaffey Street, San Pedro, CA 90731; and at the Los Angeles City Library, Wilmington Branch at 1300 North Avalon, Wilmington, CA 90744. Pursuant to State CEQA Guidelines §15073, the Draft IS/MND was submitted to the State Clearinghouse for review by State agencies. A public hearing was not conducted during the public review period for the Draft IS/MND and is not required pursuant to State CEQA Guidelines §15202.

Public Comments Received and Response to Comments – No comment letters were received on the Project. In addition, staff identified no changes to the document from the Draft to the Final IS/MND (Transmittal 1).

Finding and Conclusions – The Final IS/MND includes a discussion of the proposed Project's effects on the existing environment. Potentially significant impacts have been identified under Biological Resources during construction for which mitigation is feasible, and the incorporation of which would reduce the impacts to below the level of significance. As such, a Mitigation Monitoring and Reporting Program has been prepared for the Project (Transmittal 2).

Record of Proceedings – When adopting an IS/MND as required by State CEQA Guidelines §15074, the public agency shall specify the location and custodian of the documents or other material, which constitute the record of proceedings upon which its decision is based. These records are in the care of the Director of Environmental Management, City of Los Angeles Harbor Department, 222 West 6<sup>th</sup> Street, San Pedro, CA.

Notice of Determination – In accordance with the State CEQA Guidelines §15075, a Notice of Determination will be filed with the Los Angeles City and County Clerks and the State of California Governor's Office of Planning and Research, State Clearinghouse after the proposed Project is approved. The filing of the Notice of Determination starts a 30-day statute of limitations on court challenges to the approval under CEQA.

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**FINANCIAL IMPACT:**

Certification of the Final IS/MND is an administrative action that would allow for implementation of the proposed Project. This Board action neither authorizes any expenditures related to the proposed Project nor commits the Harbor Department to complete the proposed Project. Award of any capital construction contract related to the proposed Project would require Board approval under separate future actions.

Consultant costs associated with the preparation of the Final IS/MND amounted to approximately \$250,000. A total of \$34,015,000 is programmed in the Harbor Department's 10-year Capital Improvement Program (actuals through June 2018) for the Terminal Island Railyard Enhancement Project. Of this total project cost estimate, the Harbor Department will be financially responsible for \$12,370,000 while the remaining \$21,645,000 would be funded by a Trade Corridor Enhancement Program grant awarded by the California Transportation Commission. As part of the FY 2019 budget adoption process, \$39,301 was programmed within work order 25435 to continue pre-construction efforts in FY 2019 related to the Terminal Island Railyard Enhancement Project. The Harbor Department's financial obligations beyond FY 2019 are contingent upon the Board's appropriation of funds.

**CITY ATTORNEY:**

Based on the information presented to the City Attorney's Office, the Board may find that the IS/MND for the Terminal Island Railyard Enhancement Project has been completed in accordance with CEQA.

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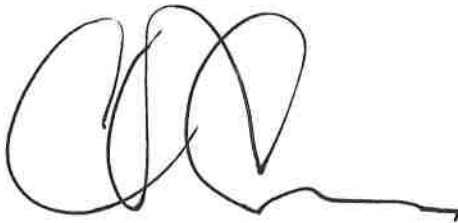
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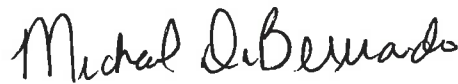
**TRANSMITTALS:**

1. Final Initial Study/Mitigated Negative Declaration
2. Mitigation Monitoring and Reporting Program

FIS Approval: MB  
CA Approval: ME



CHRISTOPHER CANNON  
Director of Environmental Management



MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA  
Executive Director

CC/YO  
AUTHOR: TARA TISOPULOS  
APP NO.: 171106-154

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