



Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: FEBRUARY 6, 2013**

**FROM: ENGINEERING**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ AMENDMENT NO. 1 – LETTER OF AGREEMENT NO. P00F3170 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY FOR THE BERTH 200 RAIL YARD PROJECT**

**SUMMARY:**

Letter of Agreement No. P00F3170 (LOA) between the City of Los Angeles Harbor Department (Harbor Department) and the Los Angeles County Metropolitan Transportation Authority (LACMTA) for award of LACMTA 2009 Call for Projects Regional Surface Transportation Program (RSTP) grant funds, in the amount of \$8,584,000, for the Berth 200 Rail Yard project was approved by the Board of Harbor Commissioners (Board) on December 15, 2011. Amendment No. 1 (Amendment) to the LOA will authorize an additional award of \$13,553,994 of Congestion Mitigation and Air Quality (CMAQ) improvement funding through the 2011 LACMTA Call for Projects, for the Berth 200 Rail Yard project.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Accept the Los Angeles County Metropolitan Transportation Authority 2011 Call for Projects Award No. F5204, for Congestion Mitigation and Air Quality funding in the amount of \$13,553,994 for the Berth 200 Rail Yard project, between the LACMTA and the Harbor Department;
2. Authorize the Executive Director to execute and the Board Secretary to attest to Amendment No. 1 to the Letter of Agreement for the Berth 200 Rail Yard project on behalf of the Board;
3. Authorize the Executive Director to execute and the Board Secretary to attest to future amendments to this LOA to account for revised project schedules and reduced project costs, for and on behalf of the Board; subject to the approval of the City Attorney as to form and legality; and
4. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background and Context: The West Basin (Berth 200) Rail Yard is a critical project for the Harbor Department, and is needed for the construction of the planned, adjacent TraPac container terminal on-dock rail yard. The Berth 200 Rail Yard project has been separated into two segments to advance construction and mitigate unexpected delays in securing outstanding permits and rights-of-way. A Notice to Proceed for construction was issued for Phase I, Berth 200 Rail Yard on August 27, 2012. Phase II Berth 200 Rail Yard Track Connections is currently in the final stages of design and is anticipated to start construction in July 2013.

On December 15, 2011, the Board approved LOA P00F3170 between the Harbor Department and LACMTA for award of LACMTA 2009 Call for Projects Regional Surface Transportation Program (RSTP) grant funds in the amount of \$8,584,000, for the Berth 200 Rail Yard project. On September 22, 2011, the Berth 200 Rail Yard project was awarded \$13,553,994 of CMAQ funding through the 2011 LACMTA Call for Projects. In order to receive this additional LACMTA administered funding per terms of the grant, the Harbor Department must execute an amendment to LOA P00F3170 (Transmittal 1) between the Harbor Department and LACMTA. The LACMTA reimbursement grants include a number of terms and conditions that must be adhered to in order for the grant recipient to be reimbursed. The Harbor Department must pay the project costs and then seek reimbursement on a monthly basis.

**ECONOMIC BENEFITS:**

Approval of the proposed Amendment will have no employment impact. The Berth 200 Rail Yard project associated with this Amendment is one of the projects approved on December 15, 2011 by the Board and economic benefit of the projects was stated to support approximately 1,640 direct and 1,210 secondary jobs for the five county region at the time of approval.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is an amendment to LOA P00F3170 between the City of Los Angeles Harbor Department and LACMTA for receipt of grant funding to support the Berth 200 Rail Yard project. The Berth 200 Rail Yard has already received State and federal environmental clearance via the TraPac Container Terminal Project Environmental Impact Statement/Environmental Impact Report (EIS/EIR) that was approved and certified by the Board in December 2007 (the Berth 200 Rail Yard is an element of the TraPac terminal project). Additionally, the State Department of Transportation (Caltrans) issued a Categorical Exclusion for the Berth 200 Rail Yard element on December 21, 2010. As an administrative activity for which the underlying activity has been previously assessed, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental

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Quality Act (CEQA) in accordance with Article II, Section 2(i) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of this Amendment will reaffirm commitment of the Harbor Department to fund the project discussed herein. The amount spent to date (as of October, 2012) on this project is \$11,053,984 million. The remaining Harbor Department funds needed for the project have been accounted for in the five-year capital improvement program. Pacific Harbor Line, a short-line railroad operating within the Port of Los Angeles (Port), has an agreement with the Harbor Department to operate and maintain the new rail yard in conjunction with moving cargo for Harbor Department customers (non-containerized), the Union Pacific Railroad and the BNSF Railway. The Harbor Department will therefore, not be responsible for operational and maintenance costs of the new rail yard; however, the Harbor Department will continue to be responsible to maintain the storm drain pump station that is located within the new rail yard site.

In addition to the \$8.584 million RSTP grant covered under the original LOA, and the \$13.554 CMAQ grant covered by this proposed Amendment, the following additional state and federal grants have been approved for the Berth 200 Rail yard project:

- \$51.230 million under the State Proposition 1B Trade Corridor Improvement Fund (TCIF) program
- \$16.000 million under the U.S. Department of Transportation Maritime Administration Transportation Investment Generating Economic Recovery II program.

The total estimated project construction cost for Berth 200 Rail Yard Phases I and II is \$117.2 million. The total grant funding approved for Berth 200 Rail Yard Phases I and II is \$89.4 million. The Harbor Department's construction cost share is therefore \$27.8 million.

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The following is a summary of grant funding approved for the Phase I Berth 200 Rail yard project and the Phase II Berth 200 Yard Track Connections Project:

*Phase 1: Berth 200 Rail Yard*

Funding Sources	Subtotal Funding Available per FY			Total
	11/12	12/13	13/14	
Trade Corridor Improvement Fund	\$ 13,856,370	\$ 26,861,630	\$ -	\$ 40,718,000
RSTP	\$ 2,417,300	\$ 6,167,400	\$ -	\$ 8,584,700
Transportation Investment Generating Economic Recovery II (TIGER II)	\$ 250,000	\$ 15,750,000	\$ -	\$ 16,000,000
CMAQ	\$ -	\$ 7,050,000	\$ 6,503,994	\$ 13,553,994
Harbor Department	\$ 199,000	\$ 5,256,000	\$ 10,178,647	\$ 15,633,647
<b>Sub Total Funds</b>	<b>\$ 16,722,670</b>	<b>\$ 61,085,030</b>	<b>\$ 16,682,641</b>	<b>\$ 94,490,341</b>

*Phase 2: Track Connections*

Funding Sources	Subtotal Funding Available per FY			Total
	11/12	12/13	13/14	
Transportation Investment Generating Economic Recovery II (TIGER II)	\$ -	\$ -	\$ 10,512,000	\$ 10,512,000
Harbor Department	\$ -	\$ 400,000	\$ 11,788,000	\$ 12,188,000
<b>Sub Total Funds</b>	<b>\$ -</b>	<b>\$ 400,000</b>	<b>\$ 22,300,000</b>	<b>\$ 22,700,000</b>

<b>Total Funds Available per FY</b>	<b>\$ 16,722,670.00</b>	<b>\$ 61,485,030</b>	<b>\$ 38,982,641</b>	<b>\$ 117,190,341</b>
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**CITY ATTORNEY:**

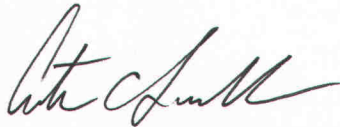
The proposed amendment has been approved as to form and legality.

**TRANSMITTAL:**

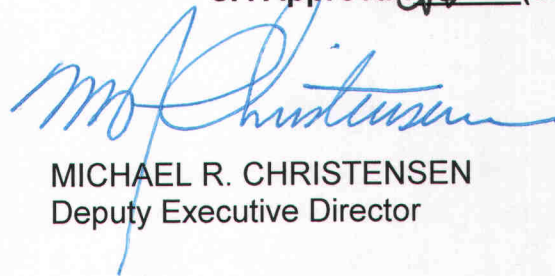
1. P00F3170 Amendment No. 1

FIS Approval: WR (initials)

CA Approval: MB (initials)

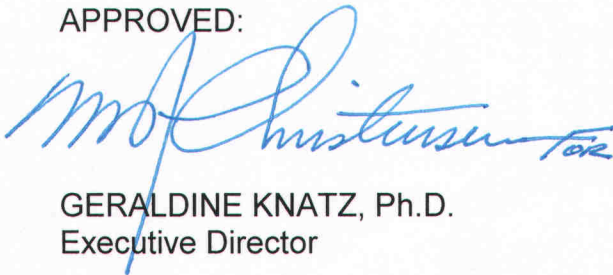


ANTONIO V. GIOIELLO, P.E.  
Chief Harbor Engineer



MICHAEL R. CHRISTENSEN  
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.  
Executive Director

RG:rj  
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Author: R. Groves