



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATIONAL PURPOSES ONLY

**DATE: JUNE 30, 2017**

**TO: AUDIT COMMITTEE OF THE BOARD OF HARBOR COMMISSIONERS**

**SUBJECT: GRANTS UPDATE**

The attached grants update for June 30, 2017 (Transmittal 1) provides the following information pertaining to the Port's grants program:

- an overview of grant receipts in the recently concluded fiscal year (FY 2016-17);
- a breakdown of grant funding received by major transportation project;
- a discussion of grant agreements pending Board approval;
- the status of outstanding grant applications; and
- a summary of potential grant funding opportunities.

Also included is a breakdown of all Port grant receipts through June 30, 2017 (Transmittal 2).

EUGENE D. SEROKA  
Executive Director

Transmittals:

1. Grants Update
2. Grant Receipts (as of June 30, 2017)

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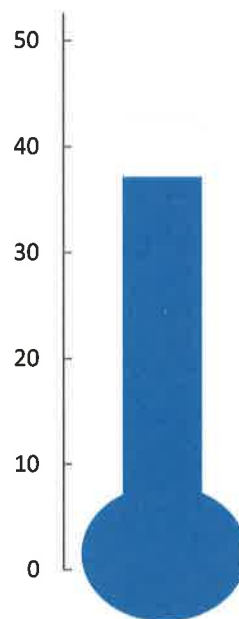
## **PORT OF LOS ANGELES – GRANTS UPDATE**

June 30, 2017

### **GRANT RECEIPTS**

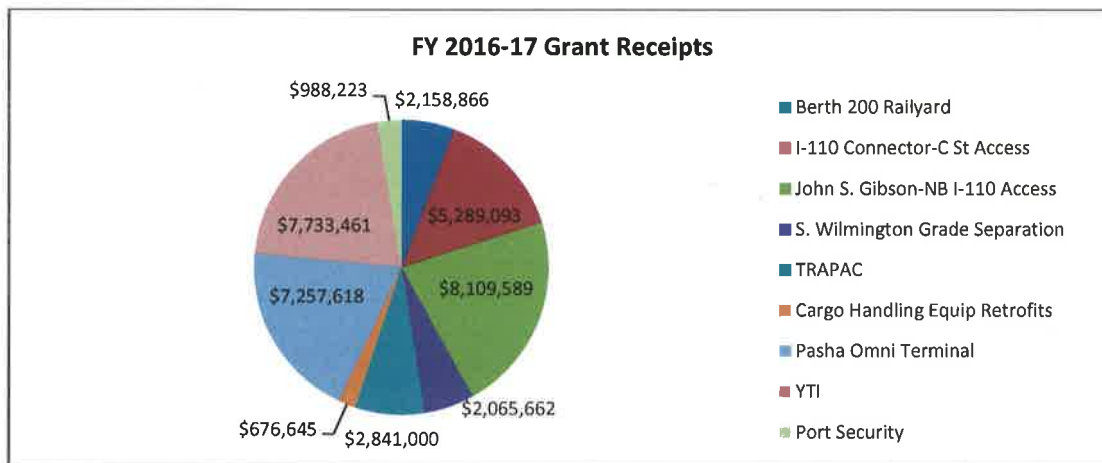
The Port received \$37.12M in grant funding in FY 2016-17. This is 86.4% of the total expected FY 2016-17 grant receipts of \$42.96M. The following chart shows the results from this fiscal year through the end of June 2017:

*Grant Funding Receipts FY 2016-17 (\$ million)*



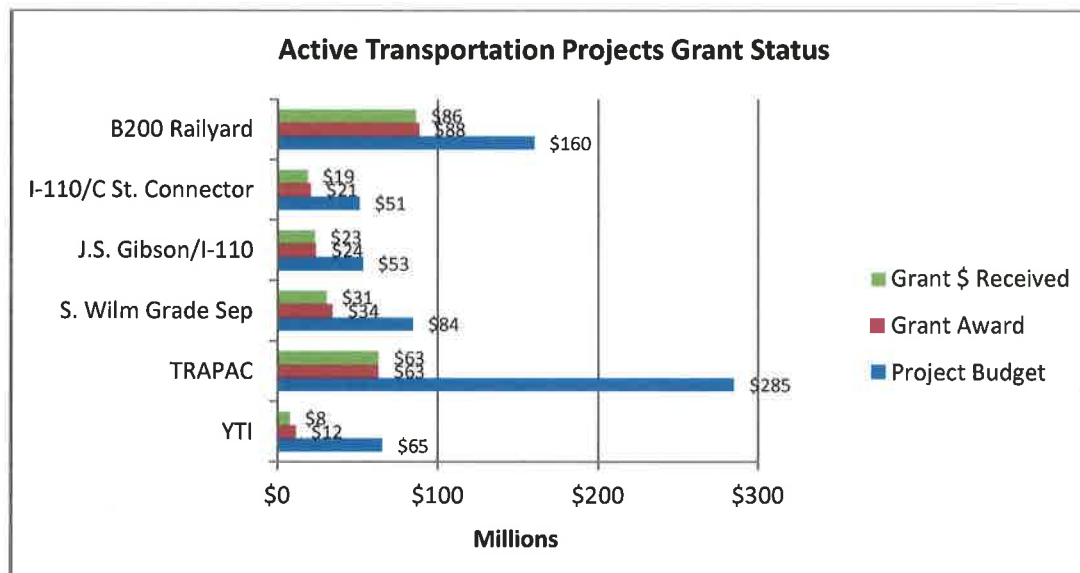
Approximately \$10M in projected grant funding was not received in FY 2016-17 primarily due to the timing of invoices. These funds are projected to be collected in FY 2017-18 or FY 2018-19. An additional \$2.85M in grant funds that was scheduled for receipt in FY 2017-18 was actually received in FY 2016-17 – again due to invoice timing and the speed of reimbursement by granting agencies. This results in a net \$6.44M in additional funds to be collected by the Harbor Department in FY 2017-18, increasing the projection for the fiscal year from \$27M to \$33.4M. The projected increase for FY 2018-19 is \$620,000, or from \$6.5M to \$7.1M.

The Port generally receives grant funding for transportation projects as capital reimbursements, for environmental projects as pass-through funds to third parties working with the Port, and for security projects as operational reimbursements. The majority of grant receipts in FY 2016-17 were for Port transportation projects. The following chart summarizes grant reimbursements in FY 2016-17:



The total amount received in FY 2016-17 included \$31.5M in state grants and \$5.62M in federal grants.

For all active transportation projects receiving grant funds, the following chart provides an update on how much funding has been reimbursed for each project across fiscal years. Note that the TRAPAC project has now been fully reimbursed and many other projects are nearing full reimbursement.



#### GRANTS PENDING BOARD APPROVAL

On July 10, 2017, the Port was notified that it has been approved for \$1.5M in federal funding from the U.S. Fish and Wildlife Service (USFWS) to fund construction of 600 feet of floating docks at the San Pedro Public Market Courtesy Docks between Berths 79-84 in San Pedro. This floating dock project will improve waterfront access and circulation and allow for the berthing of larger visiting vessels. The Port's capital budget will fund the remaining \$4.2M of the \$5.7M project. Project completion is estimated for June 2020.

On April 20, 2017, the Port was notified that it has been approved for \$500,000 in state funding from the California Workforce Development Board (CWDB) to fund development of a strategic plan, an assessment of workforce needs, a pilot curriculum, and initiate training programs to 're-skill' or 'up-skill' incumbent longshore workers to meet the needs of zero-emission, automated, high technology container terminals. The Port Workforce Training Center will be a partnership of the Harbor Department, the Economic Workforce Development Department, The Mayor's Office, the International Longshore and Warehouse Union (ILWU), and the Pacific Maritime Association (PMA).

On February 23, 2017, the Port was notified that it has been tentatively approved for state funding from the California Energy Commission (CEC) for demonstration of zero and near-zero emissions technologies on two battery electric top handlers and three electric yard trucks at Everport Terminal. The award is for \$4.52 million as part of a project totaling \$6.76 million. The Harbor Department will contribute \$1.1 million in capital funds (as part of the ten percent applicant matching requirement) and Everport, Taylor Machine Works and BYD Motors, Inc. will contribute a combined \$1 million.

#### **GRANT APPLICATIONS**

On July 5, the Port submitted an application for federal funding from the US Environmental Protection Agency (EPA) Office of Transportation and Air Quality under the Diesel Emissions Reduction Act (DERA). The request for \$1,461,400 will fund the replacement of 14 older engines with 2017 or newer engines for six Crowley tugboats, three Millennium tugboats, and five WBCT top picks. This is a pass-through grant whereby the three sub-recipients will match the EPA grant with \$2,178,600 in matching funds. The Harbor Department is not providing cost-share funding for this project. Grant awards will be announced in September 2017 with an estimated grant start date in December 2017.

On June 22, the Port submitted an application for federal funding from the US Department of Homeland Security Federal Emergency Management Agency (FEMA) under the FY 2017 Port Security Grant Program. The request for \$1,875,000 will focus on three key projects: Security System Maintenance and Repair (\$750,000) will facilitate maintenance and repair of security cameras and access control systems; Security System Integration (\$750,000) will provide for new and replacement cameras; and Information Technology Cybersecurity Enhancement and Critical Infrastructure Protection (\$375,000) will monitor the Waterside Surveillance System for cyber breaches. FEMA has funded these security projects for several years. The Port will provide matching funds of \$625,000 for the three combined projects over the projected 3 year award period ending in August 2020.

#### **GRANT APPLICATION UPDATE**

The Port was informed that the application submitted in October 2016 for the Japanese American Fishing Village archeology project was not selected for funding in the first round of grants. However, only half of the funds were allocated and the US National Park Service is expecting to award additional grants in the coming months.

#### **POTENTIAL GRANT FUNDING OPPORTUNITIES**

The Port continually monitors regional, state and federal agencies for opportunities to fund Port projects and programs. Among the possible projects and funding sources:

- State funds through CalTrans or Southern California Association of Governments for San Pedro Waterfront Promenade project;
- Proposition 1B funds through CARB for emissions reduction projects;
- Federal Transportation Investment Generating Recovery Program (TIGER) funds through the U.S. Department of Transportation for Evergreen and/or Yang Ming infrastructure projects (though the Trump administration is targeting this funding source for elimination);
- Federal FAST funds through the U.S. Department of Transportation for APMT or other major Port infrastructure projects;
- Federal Port Security Grant funds through FEMA for non-capital security projects;
- Federal funds through the US Department of Commerce for San Pedro Waterfront infrastructure (though the Trump administration is targeting this funding source for elimination);
- Los Angeles County Sales Tax Measure M (approved in November 2016) to possibly fund Port transportation projects;
- Volkswagen Consent Decree Mitigation Funds (approximately \$1.2 billion for California); and
- State funds of \$300 million per year in new gas tax/additional vehicle fees that would be set aside for transportation corridor projects.

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**City of Los Angeles Harbor Department  
Federal/State Grant Receipts - as of June 30, 2017**

	Total Project Budget	Total Construction Cost	Award Amount	Prior Years	Grant Receipts Actual in FY 2014/2015	Total Grant Reimbursements (thru 6/30/16)	Grant Receipts Actual in FY 2016/17	Total Grant Amount Remaining
<b>TRANSPORTATION PROJECTS</b>								
West Basin Railroad - 8300 WOF#24885	\$ 135,081,189	\$ 101,842,342						
8200 Railroad Track Connections WOF#25130	\$ 25,000,000	\$ 22,441,303						
Federal - Tier II US Dept of Transportation (USDOT) Maritime Administration (MARAD)			16,000,000	12,446,976	1,999,594	15,000,000	1,000,000	
State - TCF Phase II #32.1			40,765,675	-	3,860,603	3,860,603		
State - TCF Phase II #32.2 (Original Award \$10,512,000)			67,675	67,675	7,303,564	8,727,141	698,859	1,089,000
Federal - Regional Surface Transportation Program (RSTP)			8,984,000	5,316,676	1,750,949	7,893,078	175,534	
Federal - USDOT Congestion Mitigation & Air Quality Improvement (CMAQ) Program			13,553,000	7,671,067	2,764,003	11,741,038	203,473	
Total Grant Awards			89,434,675		37,700,293	47,221,879	2,158,866	1,089,000
1-110 Connector-C Street Access Ramp WOF#24852	\$ 51,000,000	\$ 37,564,816						
Federal (STPL)			5,927,000	-	833,706	4,516,777	1,246,210	114,013
State - Trade Corridor Improvement Fund (TCIF) Phase I #20			8,300,000	-	-	3,540,233	3,067,915	1,691,852
State - Metropolitan Transportation Authority (MTA) - Proposition C			6,647,000	-	2,415,359	5,339,683	974,967	311,350
Total Grant Awards			20,874,000		3,248,625	13,396,693	5,289,093	2,188,215
John S. Gibson Intersection & NB 1-110 Ramp Access Improvements WOF#24699	\$ 53,100,000	\$ 32,949,500						
1-110/SR 47 Connector Improvement WOF#24661								
Federal - USDOT Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)			3,599,600	6,653	1,354,717	2,304,795	1,242,897	51,908
State - TCF Phase I #19 (Original Award \$14,700,000)			13,205,000	-	7,267,208	7,267,208	5,797,516	157,351
State - Metropolitan Transportation Authority (MTA) - Proposition C			7,430,000	-	4,322,015	15,216,524	1,069,177	589,227
Total Grant Awards			24,224,600				6,109,589	798,467
South Wilmington Grade Separation WOF#24236	\$ 84,300,000	\$61,560,438						
State - Metropolitan Transportation Authority (MTA) - Proposition C			19,288,000	4,748,860	10,688,711	16,809,308	1,184,523	2,394,169
State - TCF Phase I #22 (Original Award \$17,000,000)			15,021,000	4,884,967	10,688,711	11,813,311	881,140	2,726,549
Total Grant Awards			34,309,000				2,065,662	3,610,718
TriPac								
State-Alameda Corridor West Terminal Intermodal Railway- 8300 (TCIF#80) WOF#24551	\$ 82,865,560	\$71,312,500	20,712,000		19,460,912	20,712,000		(0)
State-Cargo Transportation Improvement Emission Reduction Program-Rt 1 (TCIF #87.1) WOF#25131	\$ 50,034,694	\$40,589,494	12,705,000			12,705,000		
State-Cargo Transportation Improvement Emission Reduction Program-Rt 1 (TCIF #87.2) WOF#24498	\$ 143,432,465	\$12,302,888	26,664,000		26,664,000			
State-Tripac Terminal Automation-Automated Shuttle Car/Maint & Repair (TCIF#102) WOF#25177	\$ 5,680,302	\$4,214,025	2,841,000				2,841,000	
Total Grant Awards			62,922,000		46,124,912	60,081,000	2,841,000	(0)
Berths 214-220 Redevelopment (YTD) WOF# 25198	\$ 44,587,782	\$34,923,500						
Berths 214-220 Circuit Breaker Replacement WOF# 25315	\$ 1,500,000	\$1,300,000						
Berths 214-220 AMP Improvements WOF#25325	\$ 12,732,698	\$11,798,498						
Berths 214-220 TCF Expansion WOF# 25333	\$ 6,455,400	\$5,429,400						
State - YTI Terminal Efficiency Enhancements & Truck Trip Reduction Program (TCIF #106) 25198			8,401,000	-	-	-	7,733,461	667,539
State - YTI Terminal Efficiency Enhancements & Truck Trip Reduction Program (TCIF #106.1) 25313			1,132,000	-	-	-	-	1,132,000
Federal (CMAQ) - Metropolitan Transportation Authority (MTA) WOF# 25333			1,992,000	-	-	-	7,733,461	1,992,000
Total Grant Awards			11,525,000					3,791,539
Harbor Blvd/Simpson Way/7th St Reconfiguration WOF# 25094	\$ 12,684,160	\$10,000,000						
State - Metropolitan Transportation Authority (MTA)			4,951,400	-	-	-	-	4,951,400
Total Grant Awards			4,951,400					4,951,400
SR-47 (VTR)/Front St Connector Project - Design/Studies Only WOF# 25314	\$ 1,500,000							
County - MTA Measure 6 vs South Bay Cities COG			1,000,000	-	-	-	-	1,000,000
Total Grant Awards			1,000,000					1,000,000
<b>Total - Transportation Grants</b>	<b>\$ 712,933,810</b>	<b>\$ 557,934,705</b>	<b>249,240,675</b>	<b>\$ 47,952,874</b>	<b>82,084,557</b>	<b>164,838,715</b>	<b>28,197,672</b>	<b>17,439,359</b>
<b>ENVIRONMENTAL PROJECTS</b>								
Cargo Handling Equipment Retrofits (Including Admin Costs) WOF#78146	\$ 469,000	\$ -						
Federal - US Environmental Protection Agency (USEPA) Diesel Emission Reduction Act (DERA)			469,000	0	-	238,000	34,546	196,454
Clean Diesel Program - Crane Replacement (SA Recycling) WOF#78159	\$ 1,332,000	\$ -						
Federal - US EPA			1,332,000	0	-	1,312,000	9,463	10,537
Electric Yard Truck WOF#78134	\$ 1,000,000	\$ -						
State - California Air Resources Board (CARB) Air Quality Improvement Program			1,000,000	450,000	550,000	1,000,000	-	-
Pacific Ports Clean Air Collaborative (PPCAC) WOF#78172 (Pass through)	\$ 15,000							
Federal - US EPA			15,000			15,000		-
GHM Terminal - Pasha WOF#78190 (Pass through)	\$ 26,600,000	\$ 13,028,850						
State - CARB Air Quality Improvement Program (AQIP) - includes \$88,000 in admin			14,510,400		-	-	7,267,618	7,252,782
Alternative Maritime Power (AMP) Shore Side Installation - B121-126 WOF#25018	\$ 15,113,600	\$ 13,028,850						
State - South Coast Air Quality Mgmt District (SCAQMD) Proposition 18 Goods Movement Emission Reduction Program			5,000,000			5,000,000		-
Alternative Maritime Power (AMP) Shore Side Installation - B212-216 WOF#25011	\$ 19,460,000	\$ 16,815,535						
State - SCAQMD Proposition 18 Goods Movement Emission Reduction Program			5,000,000			5,000,000		-
Alternative Maritime Power (AMP) Shore Side Installation - B227-228 WOF#24621	\$ 4,981,403	\$ 2,679,050						



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State - SCAQMD Proposition 13 Goods Movement Emission Reduction Program			2,500,000		2,500,000	2,500,000		-
Alternative Maritime Power (AMP) Shore Side Installation - 8401-406 WOF#25019	\$ 40,380,000	\$ 36,978,289						-
State - SCAQMD Proposition 13 Goods Movement Emission Reduction Program			11,220,625		11,220,625	11,220,625		-
Clean Diesel Program - Equip Replacement (APM/TAAPAC) WOF#78199	\$ 3,014,000	\$ -	800,000		-	-	632,635	167,365
Federal - USPA Diesel Emission Reduction Act (DERA) - includes \$4,000 in admin								
Advanced Yard Tractor Deployment/Esor-FRATIS Drayage Project - no admin costs	\$ 7,237,000	\$ -	4,863,000		-	-		4,863,000
State - CA Energy Comm (CEC) Yard Tractors at Export WOF#78194	\$ 1,304,007	\$ -	970,000		-	-		970,000
State - CEC Esor-FRATIS Drayage Truck Effc. Prog (PAL, UCN, Inframagnus) WOF# 78194								
2 Top Handlers/3 Yard Trucks Zero Emissions Project WOF#78194	\$ 6,760,000	\$ -	4,520,000		-	-		4,520,000
State - CA Energy Comm (CEC) w/Port match at Export								
<b>Total - Environmental Grants</b>	<b>\$ 127,766,010</b>	<b>\$ 83,530,544</b>	<b>\$ 52,200,025</b>	<b>450,000</b>	<b>24,270,625</b>	<b>26,286,625</b>	<b>7,934,263</b>	<b>17,979,137</b>

**SECURITY PROJECTS**

Port Police Marine Unit Vessel Replacements WOF#68313	\$ 1,875,000	\$ -	1,875,000	0	1,875,000	1,875,000		-
Federal - Federal Emergency Management Agency (FEMA) Port Security Grant (PSG) - Round 12								
Security System Integration Maintenance and Repair WOF#68312	\$ 3,000,000	\$ -	3,000,000	778,974	1,939,310	3,000,000		-
Federal - FEMA PSG - Round 12								
Port Police Kennel Facility - Phase II WOF#25098	\$ 2,175,556	\$ 1,244,700	375,000	375,000	-	375,000		-
Federal - FEMA PSG - Round 12								
Information Technology Security WOF# 35220	\$ 2,564,000	\$ 2,348,152	1,650,000	590,489	954,335	1,544,824		-
Federal - FEMA PSG - Round 12								
IT Cybersecurity Improvements - Phase II WOF#35260	\$ 2,464,000	\$ -	1,500,000	0	596,362	1,310,599		-
Federal - FEMA PSG - Round 13								
LA Maritime Law Enforcement Training Center (MLETC) Training Equipment WOF# 68316	\$ 82,000	\$ -	82,000	0	78,624	78,624		-
State - Urban Area Security Initiative (UASI) FY 2012-13 California								
Table Top Exercises Planning WOF#68319	\$ 50,000	\$ -	50,000	0	42,499	42,499		-
State - UASI FY 2012-13 California								
Table Top Exercises Planning WOF#68319	\$ 100,000	\$ -	100,000	0	-	100,000		-
State - UASI FY 2012-13 California								
Securing the Cities from Dept of Homeland Security - Mayor's Office WOF#68322	\$ 210,000	\$ -	210,000	0	-	-		210,000
Federal - Dept of Homeland Security Domestic Nuclear Detection Office (FY 2012-13)								
Security System Integration Maintenance and Repair WOF#68327	\$ 1,000,000	\$ -	750,000	0	-	246,829	503,171	(0)
Federal - FEMA PSG - FY15								
Dept Operations Center Integration Phase I WOF#68328	\$ 1,000,000	\$ -	750,000	0	-	-	191,341	558,659
Federal - FEMA PSG - FY15								
Information Security Interdiction Phase I WOF#68329	\$ 500,000	\$ -	375,000	0	-	81,289	253,711	(0)
Federal - FEMA PSG - FY15								
Security System Integration Maintenance and Repair WOF#	\$ 1,000,000	\$ -	750,000	0	-	-	-	750,000
Federal - FEMA PSG - FY16								
Dept Operations Center Integration Phase I WOF#	\$ 1,000,000	\$ -	750,000	0	-	-	-	750,000
Federal - FEMA PSG - FY16								
Information Security Interdiction Phase I WOF#	\$ 500,000	\$ -	375,000	0	-	-	-	375,000
Federal - FEMA PSG - FY16								

**Total - Security Grants**

\$ 15,020,556 \$ 3,592,942 \$ 10,717,000 \$ 1,692,423 \$ 5,486,130 \$ 8,655,024 \$ 988,223 \$ 768,659

**Grand Total - Transportation/Environmental/Security Grants**

\$ 855,720,376 \$ 646,089,191 \$ 312,157,700 \$ 50,095,297 \$ 111,841,311 \$ 199,580,364 \$ 37,120,157 \$ 36,187,155