



THE PORT
OF LOS ANGELES
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: NOVEMBER 3, 2015

FROM: ENGINEERING

SUBJECT: RESOLUTION NO. _____ - PROPOSED TRADE CORRIDORS IMPROVEMENT FUND (TCIF) AGREEMENT FOR THE BERTHS 214-220 REDEVELOPMENT – YUSEN TERMINALS, INC. (YTI) TERMINAL EFFICIENCY ENHANCEMENT & TRUCK TRIP REDUCTION PROGRAM PHASE I (TCIF NO. 108) BETWEEN THE CITY OF LOS ANGELES, HARBOR DEPARTMENT AND THE STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION

SUMMARY:

The Engineering Division recommends the Board of Harbor Commissioners (Board) agree to the terms and conditions set forth by the attached Trade Corridors Improvement Fund (TCIF) Agreement (Agreement) for the Yusen Terminals, Inc. (YTI) Terminal Efficiency Enhancement & Truck Trip Reduction Program Phase I (TCIF No. 108).

The State of California, Department of Transportation (Caltrans) requires the City of Los Angeles, Harbor Department provide a resolution which agrees to the terms and conditions set forth by the Caltrans provided TCIF Agreement Yusen Terminals, Inc. Terminal Efficiency Enhancement & Truck Trip Reduction Program Phase I (TCIF No. 108) Agreement No. 75A0xxx for \$8,401,000 grant reimbursement and authorize our Executive Director to execute the Agreement.

Once approved, the resolution will be transmitted to Caltrans. Caltrans will then execute the Agreement and provide the Harbor Department a copy for final signature by our Executive Director. Thenceforth with a fully executed Agreement, the Harbor Department will seek reimbursement in the amount of \$8,401,000.

RECOMMENDATION:

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

1. Find that the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) and 2(i), of the Los Angeles City CEQA Guidelines;

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2. Agree to the terms and conditions set forth by the attached TCIF Agreement Yusen Terminals, Inc. Terminal Efficiency Enhancement & Truck Trip Reduction Program Phase I (TCIF No. 108) Agreement No. 75A0xxx (Agreement);
3. Authorize the Executive Director to sign and execute, and the Board Secretary to attest to the Agreement for and on behalf of the Board;
4. Authorize the Executive Director to execute future Amendments to the Agreement to account for revised project schedules and reduced project costs for and on behalf of the Board subject to approval of the City Attorney as to form and legality; and
5. Adopt Resolution No. _____.

DISCUSSION:

Background/Context – The Berths 214-220 Redevelopment Project consists of the dredging to -53 feet and installing an underwater bulkhead at Berths 214-217, extending approximately 1,485 linear feet of 100 ft. gauge crane rail, reconfiguring and upgrading switchgears at Berths 212, 214 and 217 electrical substations, installing Alternative Maritime Power facilities at Berths 218-220, resurfacing pavement on approximately five acres of backland, striping, relocating and modifying utilities and fire hydrants, as required.

On December 10, 2014, the Board adopted Resolution No. 14-7723 and Agreement No. 14-3284 to enter the State of California, Department of Transportation and the Harbor Department into a Project Baseline Agreement.

On March 26, 2015, the California Transportation Commission (CTC) approved programming of \$8,401,000 in State Proposition 1B TCIF program funds for the construction phase of the Harbor Department's: Berths 214-220 Redevelopment - YTI Terminal Efficiency Enhancement & Truck Trip Reduction Program Phase I (TCIF No. 108).

On June 18, 2015, the Board awarded and approved the construction contract to Manson Construction Company in the amount of \$40,561,100, plus a 10% contingency for a total authorization of \$44,617,210. The total Project budget, which includes design, construction management, and administrative cost, is \$58,780,280. The total reimbursement grant funding approved is \$8,401,000. Construction Notice to Proceed was issued on September 8, 2015.

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CTC has provided a copy of the TCIF Agreement for the YTI Terminal Efficiency Enhancement & Truck Trip Reduction Program – Phase I (TCIF No. 108), ((Agreement No. 75A0XXX) Transmittal 1). Upon Board approval, Caltrans will provide the final Agreement for execution. The Harbor Department’s cost share, net of reimbursement grant is \$50,379,280.

The work will be completed over the periods of Fiscal Year 2015/2016, Fiscal Year 2016/2017, and Fiscal Year 2017/2018. TCIF funds are paid on a monthly reimbursement basis, so the Harbor Department must first front-fund project costs.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a TCIF Agreement with Caltrans for the YTI Terminal Efficiency Enhancement & Truck Trip Reduction Program – Phase I. The project was assessed as part of a joint Environmental Impact Statement/Environmental Impact report which was certified by the Board on November 7, 2014. Therefore, as an administrative activity related to an activity for which the underlying project has previously been evaluated for environmental significance and processed according to the requirements of the California Environmental Quality Act (CEQA), the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II, Sections 2(f) and 2(i) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of this Agreement will affirm the Harbor Department’s commitment to fund the project discussed herein. The CTC allocation was approved on March 26, 2015, and reimbursable work must be made within three years of the project allocation date, of March 25, 2018, or the undisbursed grant balance will be reverted to the CTC and the Harbor Department will fully bear any costs not grant reimbursed.

		Berths 214-220 Redevelopment (TCIF No. 108)
Construction Contract with 10% contingency	\$	44,617,210
Design, Construction Management and Admin. Cost	\$	14,163,070
Total Project Cost	\$	58,780,280
Reimbursement Grant	\$	8,401,000
Harbor Department’s Cost Share	\$	50,379,280

Funds for the construction contract are expected to be expended as follows from Account No. 54510, Center No. 1165 and Program No. 000 over the next three fiscal years:

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Fiscal Year 2015/2016	\$17,674,068
Fiscal Year 2016/2017	\$26,515,300
Fiscal Year 2017/2018	\$ 427,842
Total	\$44,617,210

The operating and maintenance costs of the project, subsequent to completion, are the responsibility of the tenant.

CITY ATTORNEY:

The City Attorney has approved the proposed Agreement as to form and legality.

TRANSMITTAL:

1. Trade Corridors Improvement Fund (TCIF No. 108) Agreement No. 75A0XXX

FIS Approval: MB (initials)
 CA Approval: _____ (initials)



DAVID M. WALSH, P.E.
Chief Harbor Engineer



ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:


 EUGENE D. SEROKA
 Executive Director

Author: Ed Han

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