



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: DECEMBER 2, 2014

FROM: GOODS MOVEMENT

SUBJECT: RESOLUTION NO. _____ - 2015 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY CALL FOR PROJECTS GRANT APPLICATIONS AND CITY OF LOS ANGELES HARBOR DEPARTMENT MATCHING REQUIREMENTS

SUMMARY:

A portion of Los Angeles County's share of federal, State of California (State), and Los Angeles County transportation sales tax measure funds are programmed via a competitive grant process, termed the "Call for Projects (CFP)," which is issued every two years by the Los Angeles County Metropolitan Transportation Authority (Metro). Staff is requesting approval from the Board of Harbor Commissioners (Board) to submit CFP grant applications to Metro for the two projects listed below, which also require City of Los Angeles Harbor Department (Harbor Department) matching funds commitments.

Project	Total Cost (millions)	Minimum Match Required (millions)	Estimated Match Required (millions)	Board Project Funding Approval Status
Harbor Blvd./Sampson Way/7 th St. Reconfiguration	\$12.8	\$6.8	\$11.8	<ul style="list-style-type: none">• Design phase only• Contained in five-year Capital Improvement Program (CIP)
Yusen Terminals, Inc. (YTI) On-Dock Railyard Expansion	\$6.0	\$1.2	\$4.8	<ul style="list-style-type: none">• Design phase only• Contained in five-year CIP
Total	\$18.8	\$8.0	\$16.6	

For these two projects, staff will be seeking Board approval for construction phase funds in subsequent/separate Board requests or via Fiscal Year (FY) 2015-16 and subsequent FY budgets, regardless if Metro awards funds. Hence, potential grant funds would reduce the amount of Harbor Department funds needed for these two projects.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Authorize and direct the Executive Director to apply for funding from the Los Angeles County Metropolitan Transportation Authority for the following City of Los Angeles Harbor Department projects: Harbor Blvd./Sampson Way/7th St. Reconfiguration and YTI On-Dock Railyard Expansion;
2. Authorize and direct the Executive Director to negotiate and return to the Board of Harbor Commissioners for consideration of the grant agreement with the Los Angeles County Metropolitan Transportation Authority for any grant award; and

SUBJECT: 2015 METRO CALL FOR PROJECTS

3. Adopt Resolution No. _____.

DISCUSSION:

Staff is requesting approval from the Board to submit grant applications to Metro for two projects, which require Harbor Department matching fund commitments as summarized in the table below.

Project	Total Cost (millions)	Minimum Match Required (millions)	Estimated Match Required ¹ (millions)	Board Project Funding Approval Status
Harbor Blvd./Sampson Way/ 7th St. Reconfiguration	\$12.8	\$6.8	\$11.8	<ul style="list-style-type: none"> • Design phase only • Contained in CIP
<p>1) <u>Notes:</u></p> <ul style="list-style-type: none"> • Council District (CD) 15's highest priority for projects in this funding category • Maximum Metro award amount per project is the lower of \$6 million or 80% of project cost • Maximum award amount is not expected given the following: 1) amount of funds anticipated to be allocated countywide for this category of projects; 2) expected number of competing projects; and 3) amount of funds awarded in the past for Harbor Department projects • To be conservative, staff is estimating an award amount of \$1 million out of a possible \$6 million 				
YTI Terminal On-Dock Railyard Expansion	\$6.0	\$1.2	\$4.8	<ul style="list-style-type: none"> • Design phase only • Contained in CIP
<p>1) <u>Notes:</u></p> <ul style="list-style-type: none"> • Maximum Metro award amount is \$4 million (80% of the project cost) • Maximum award amount is not expected given the following: 1) amount of funds anticipated to be allocated countywide for this category of projects; 2) expected number of competing projects; and 3) amount of funds awarded in the past for Harbor Department projects • To be conservative, staff is estimating an award amount of \$1 million • Wharf/backland component not eligible for Metro funds; State Prop. 1B funds to be obtained for wharf/backland 				
Totals	\$18.8	\$8.0	\$16.6	

For these two projects, staff will be seeking Board approval for construction phase funds in subsequent/separate Board requests or via FY 2015-16 and subsequent FY budgets, regardless if Metro awards funds. Hence, potential grant funds would reduce the amount of Harbor Department funds needed for these two projects.

Applications are due to Metro by January 15, 2015. The Los Angeles City Council must approve all project nominations for the City of Los Angeles as a whole, including the Harbor Department's projects. The City Council has never rejected Harbor Department project nominations, which do compete with other City department applications. Council District 15 staff has preliminarily/unofficially approved our projects for nomination. Full City Council approval is expected in mid-December. The Metro Board will approve grant awards in July/or August 2015.

SUBJECT: 2015 METRO CALL FOR PROJECTS

ENVIRONMENTAL ASSESSMENT:

The Board has previously certified the environmental documentation for the projects as follows:

- Sampson Way Reconfiguration: San Pedro Waterfront Development Project Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) certification (SCH #2005061041, APP #041122-208), September 2009
- YTI On-dock Railyard: Berths 212-224 [YTI] Container Terminal Improvements Project EIS/EIR certification (SCH #2013041017, APP #130204-020), November 7, 2014

The proposed action herewith is approval to apply for grant funding from Metro for these two projects. As the proposed action is an administrative activity limited to applying for grant funding and as both projects has been previously evaluated for environmental significance and processed according to the requirements of California Environmental Quality Act (CEQA), the Director of Environmental Management has determined that the proposed action is exempt from CEQA in accordance with Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Approval of the proposed grant application submittal will have no employment impact. The projects associated with the proposed resolution are anticipated to have significant construction job impacts for the region. The job impacts would be quantified if full funding approval is sought from the Board.

FINANCIAL IMPACT:

The Board has approved funds for final design for the Sampson Way and YTI projects via the FY2014-15 Harbor Department budget. Staff will be seeking Board approval for construction phase funds in subsequent/separate Board requests or via FY 2015-16 and subsequent FY budgets, regardless if Metro awards funds. The table below summarizes the cash flow needs for the two projects.

Expenditure Forecasts (all \$ millions)							
Project	Operations & Maintenance Responsibility	Prior FY	FY 15/16	FY 16/17	FY 17/18	FY 18/19	Total
Harbor Blvd./Sampson Way/ 7 th St. Reconfiguration	Harbor Dep't. (Sampson Way only)	\$1.3	\$4.0	\$7.5	0	0	\$12.8
YTI Terminal On-Dock Railyard Expansion	YTI	\$0.5	\$1.7	\$3.8	0	0	\$6.0
Total		\$1.8	\$5.7	\$11.3	0	0	\$18.8

DATE: DECEMBER 2, 2014

PAGE 4 OF 4

SUBJECT: 2015 METRO CALL FOR PROJECTS

CITY ATTORNEY:

The Office of the City Attorney has reviewed this Board report and finds no legal issues present at this time.

TRANSMITTALS: None

FIS Approval:  (initials)
CA Approval:  (initials)




KERRY CARTWRIGHT, P.E.
Director of Goods Movement



MICHAEL R. CHRISTENSEN, P.E.
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director

Author: Kerry Cartwright, P.E.
Board meeting: December 18, 2014
KC:ss