



**THE PORT  
OF LOS ANGELES**

Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: DECEMBER 15, 2016**  
**FROM: ENGINEERING**  
**SUBJECT: RESOLUTION NO. \_\_\_\_\_ APPROVAL OF THE 2017  
ALAMEDA CORRIDOR OPERATIONS AND MAINTENANCE BUDGET**

**SUMMARY:**

Staff requests the Board of Harbor Commissioners adopt a Resolution approving the Alameda Corridor Operations and Maintenance Budget of \$10,882,432 for calendar year 2017. The source of funds for this budget will be from the two railroads operating on the Alameda Corridor and from the Alameda Corridor Transportation Authority (ACTA) Reserve Account.

**RECOMMENDATION:**

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

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve the 2017 Special Capital expenses in the amount of \$1,244,898 that will be charged to the Capital Maintenance Reserve Account and included in the 2017 Maintenance of Way (MOW) Budget;
3. Approve the 2017 Alameda Corridor MOW Budget in the amount of \$6,315,329 plus an additional \$200,000 contingency for estimated costs for routine maintenance of the ACTA facilities as deemed necessary by Port's and Railroad's staff;
4. Approve the overall 2017 Alameda Corridor Operations and Maintenance (O&M) Budget of \$10,882,432 containing both the MOW Budget and other estimated annual O&M expenses;
5. Direct the Executive Director to transmit this Resolution to ACTA for further action pursuant to the Amended and Restated Alameda Corridor Use and Operating Agreement; and
6. Adopt Resolution No. \_\_\_\_\_.

**SUBJECT: 2017 ALAMEDA CORRIDOR OPERATIONS & MAINTENANCE BUDGET**

**DISCUSSION:**

On October 24, 2016, the Board approved the Amended and Restated Alameda Corridor Use and Operating Agreement (Amended and Restated UOA) (See Transmittal No. 1). The Amended and Restated UOA included revisions to the original Use and Operating Agreement, and among other things, replaced the former Alameda Corridor Operating Committee comprised of one representative from the Port of Los Angeles and Port of Long Beach (Ports) and a representative from the Union Pacific Railroad and the Burlington Northern Santa Fe Railroad (Railroads) with direct decision making authority by the Ports and Railroads.

One requirement of the Amended and Restated UOA is for the Ports and Railroads to annually approve the Alameda Corridor (Corridor) Operations and Maintenance Budget. Therefore, on October 12, 2016, staff representatives from the Ports, Railroads, and Alameda Corridor Transportation Authority (ACTA) met to review the proposed 2017 Alameda Corridor Operations and Maintenance Budget. Minor revisions to various maintenance and capital budget items were discussed and it was agreed that the proposed 2017 budget would be presented to the Ports and Railroads for approval, in compliance with the requirements of the Amended and Restated UOA. Further refinements to the budget have been added by Railroads and ACTA staff during the past months.

The proposed \$10,882,432 2017 Alameda Corridor Operations and Maintenance Budget (See Transmittal No. 2) includes funding for Special Capital expenses (See Transmittal No.3) and Maintenance of Way expenditures (See Transmittal No. 4) and provides for routine Corridor infrastructure maintenance, capital improvement items such as track component replacements, track resurfacing and rail grinding as well as funds to cover Corridor security, dispatching, insurance and utility costs. Inclusive in this budget is a \$200,000 contingency.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of the 2017 Alameda Corridor Operations and Maintenance Budget. As an administrative activity, 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) of the City of Los Angeles CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of this proposed Board item is not expected to have a financial impact on the Harbor Department. The funds for this budget are provided by the Railroads and the ACTA Reserve Account. The Reserve Account is funded by fees collected from the Railroads. No Harbor Department funds are required.

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SUBJECT: 2017 ALAMEDA CORRIDOR OPERATIONS & MAINTENANCE BUDGET


**CITY ATTORNEY:**


The Office of the City Attorney has reviewed this Board Report and the proposed budget and has determined there are no legal issues at this time.

**TRANSMITTALS:**

1. Amended and Restated Alameda Corridor Use and Operating Agreement Board Report
2. 2017 Alameda Corridor Operations and Maintenance Budget
3. 2017 Special Capital Expenses
4. 2017 Maintenance of Way Budget and Detail

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

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

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

APPROVED:

  
EUGENE D. SEROKA  
Executive Director

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