



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

Board of Harbor Commissioners

DATE: MAY 30, 2012

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - COOPERATIVE AGREEMENT NO. DE-83467301-1 ASSISTANCE AMENDMENT WITH THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SUMMARY:

On July 22, 2010, the Board of Harbor Commissioners (Board) approved a Cooperative Agreement (Agreement) between the City of Los Angeles Harbor Department (Harbor Department) and U.S. Environmental Protection Agency (EPA) under the EPA's Emerging Technologies Program to fund the "The Port of Los Angeles/EcoPower EcoCrane Emerging Technologies Project" (Project). The Project is the repowering of a Ports America rubber tired gantry (RTG) crane at the West Basin Container Terminal (WBCT) with a hybrid system called "EcoCrane." The Project is expected to be completed by July 1, 2012. The outstanding Project tasks, as required by the contract, are the submission of the emissions data report to the EPA and the destruction of the old engine. The Agreement with the EPA was due to expire on April 30, 2012; however, in order to complete the remaining tasks, the EPA amended the Agreement to extend it to August 31, 2012. It is requested that the Board approve the Agreement that was amended by the EPA (Amendment).

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Approve the Cooperative Agreement Amendment between the U.S. Environmental Protection Agency and the City of Los Angeles Harbor Department to extend the term by four months, thereby changing the expiration date from April 20, 2012 to August 31, 2012;
2. Authorize the Executive Director to execute and the Board Secretary to attest to said Amendment for and on behalf of the Board; and
3. Adopt Resolution No. _____.

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SUBJECT: COOPERATIVE AGREEMENT ASSISTANCE AMENDMENT WITH THE U.S. EPA

DISCUSSION:

Background - On October 6, 2009, the EPA released a Request for Proposals for their Clean Diesel Emerging Technologies Funding Assistance Program (Program). The Harbor Department was approached by EcoPower and Ports America to partner on a proposal for funding under the Program. On June 9, 2010, the Harbor Department was awarded funding for the Project in the amount of \$731,298. The Harbor Department entered into contracts with the EPA on July 22, 2010 and with Ports America on November 18, 2010 to implement the Project. The Harbor Department has acted solely as the fiduciary agency accepting and distributing grant funds to Ports America as expenses have been incurred on the Project. The Harbor Department has not committed any funding towards the Project.

Project - Ports America installed and tested an EcoCrane on a RTG at WBCT. The EcoCrane technology involves replacing a conventional 685-horsepower diesel engine with a downsized 105-horsepower diesel engine that charges a battery pack. The battery pack drives the electric motor that raises and lowers the crane. Since the diesel engine only operates to maintain the battery charge, it is expected to reduce diesel particulate matter (DPM) up to 85 percent and greenhouse gases up to 70 percent. In addition to installing the EcoCrane, the EPA required that emissions testing be conducted before and after the installation of the EcoCrane and that the old engine be destroyed.

The EcoCrane installation and emissions testing were completed in March 2012. The outstanding Project tasks are the submission of the emissions data report to the EPA and the destruction of the old engine. It is anticipated that the emissions data report will be received from Ports America in May 2012. Ports America has committed to destroying the engine by July 1, 2012.

Agreement Amendment – The Amendment received from EPA extends the Project until August 31, 2012 (Transmittal 1) to accommodate the completion of the final tasks and submittal of final invoices. All administrative, program, and funding requirements remain the same.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an Amendment to a cooperative agreement with the EPA to extend the existing Agreement for funding of the Project to August 31, 2012. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

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SUBJECT: COOPERATIVE AGREEMENT ASSISTANCE AMENDMENT WITH THE U.S. EPA

FINANCIAL IMPACT:

This Board item approves extending the term of the existing Agreement with the EPA by four months, from April 30, 2012 to August 31, 2012. There are no other changes to the Agreement. The total grant award under this Agreement is \$731,298, of which the Harbor Department has received \$506,302. The estimated completion date for the Project is July 1, 2012.

ECONOMIC BENEFITS:

Approval of the proposed Amendment will have no employment impact.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Amendment as to form and legality.

TRANSMITTAL:

1. Cooperative Agreement Amendment



CHRISTOPHER CANNON
Director of Environmental Management

FIS Approval: ef (initials)

CA Approval: jm (initials)



MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.
Executive Director