THE PORT
OF LOS ANGELES

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: **JUNE 5, 2018**

FROM: **LABOR RELATIONS & WORKFORCE DEVELOPMENT**

SUBJECT: **RESOLUTION NO._____ - ACCEPTANCE OF HIGH ROAD TRAINING PARTNERSHIP GRANT UNDER FISCAL YEARS 2019 and 2020, GRANT NO. K8109478**

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) approve, accept and enter into a reimbursement Grant Award, Grant No. K8109478, with the California Employment Development Department (EDD) for the reimbursement of funds allocated to the Los Angeles Harbor Department (Harbor Department) for the Fiscal Years (FY) 2019 and 2020 under the High Road Training Partnership (HRTP) grant program. EDD and the California Workforce Development Board (CWDB) jointly administer the HRTP grant program. If approved, the proposed grant will be for $100,000 with an end date of July 31, 2019. This $100,000 award is an unsolicited supplement to a previous grant award of $500,000 awarded under the same HRTP grant program. In October 2017, the Board accepted the previous grant award of $500,000. The Harbor Department will use the funds to add to the previous awarded HRTP grants funds to: (1) hire a consultant to help create a curriculum for an ILWU-PMA pilot training program; (2) purchase equipment and provide funds for other costs associated with the pilot training program; and (3) conduct an industry sector assessment. As the grant is a reimbursement grant the Harbor Department is financially responsible for front-funding the $100,000 amount before requesting reimbursement from EDD.

RECOMMENDATION:

It is recommended that the Board:

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

2. Approve the Grant Award Agreement, Grant No. Grant No. K8109478, for FY 2019 and 2020 between the City of Los Angeles Harbor Department and the California Employment Development Department for reimbursement of funds allocated to the Harbor Department under the Fiscal Year 2019 and 2020 under the High Road Training Partnership grant program;

3. Authorize the Executive Director/designee to execute and the Board Secretary to attest to the Obligating Document for the Award;

4. Authorize the Harbor Department to implement the projects approved for funding by the California Workforce Development Board and the California Employment Development Department; and

SUBJECT: ACCEPTANCE OF HIGH ROAD TRAINING PARTNERSHIP GRANT UNDER FISCAL YEAR 2018, GRANT NO. K8109478

5. Adopt Resolution No. _____

DISCUSSION:

Background

The Port of Los Angeles is America's largest container port, handling a record 9.3 million twenty-foot equivalents (TEUs, a measure of container cargo) in 2017. In 2017, we estimate the cargo throughput at the Port of Los Angeles is related to more than 147,000 jobs (about one in 13 jobs) in the City of Los Angeles and 526,000 jobs (or one in 17 jobs) in the five-county Southern California region, and 1.6 million jobs nationally.

Maintaining our role as an economic and job creation engine, while navigating a rapidly changing maritime shipping industry, is the key to the future of the Port of Los Angeles and the region. Investment in human capital is a key component of this effort. Therefore, the Harbor Department is committed to developing new and innovative ways to develop a workforce training environment at the Harbor Department that supports workforce development in the San Pedro Bay community and across the entire goods movement sector in the greater Los Angeles area.

As a first step in creating this environment, the Harbor Department is working in partnership with the ILWU and PMA to develop the first of hopefully multiple jointly developed training programs for the longshore workforce in the San Pedro Bay ports.

High Road Training Partnership Grant Program

CWDB and EDD are administering the HRTP grant program. The purpose of the grant program is to promote the development of training programs created from innovative training partnerships such as between labor unions and their management counterparts. To support the Harbor Department's efforts to work with ILWU and PMA to create new and innovative training programs, the Harbor Department received a HRTP grant award. The grant was awarded in May 2017, and in October 2017, this Board approved receipt of the grant award for $500,000.

Upon notification of the award, the Harbor Department, ILWU, and PMA began to work to jointly develop a new training program for the longshore workforce as prescribed by the grant program. The ILWU and PMA are working together to develop a new innovative lashing-skill pilot training program. The proceeds of this initial grant are being used to develop new curriculum, a new training site, and provide training equipment for the pilot training program, as well as conduct a broader industry sector assessment.

SUBJECT: ACCEPTANCE OF HIGH ROAD TRAINING PARTNERSHIP GRANT UNDER FISCAL YEAR 2018, GRANT NO. K8109478

In January 2018, CWDB and EDD notified the Harbor Department that they would issue additional grant awards under the HRTP grant program to all recipients including the Harbor Department. Upon this Board's approval, the Harbor Department will receive an additional $100,000 from the HRTP grant program in the form of a new sub-grant.

The Harbor Department will use the proceeds from this additional grant award to supplement the existing budget to develop the joint training partnership between the ILWU and PMA and establish the new pilot training program.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval, acceptance, and entering into a grant award with CWDB and EDD for the reimbursement of funds. As an administrative activity, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

As the Harbor Department must front-fund all expenses related to this grant award before requesting reimbursement by EDD, $100,000 is budgeted within the Labor Relations and Workforce Development Division's Operating Expense Budget for FY 2018/19 in Center 0280, Program, 000, Account 54290 – Miscellaneous Professional Services. In addition, to record receipt of reimbursements from EDD, $100,000 is also budgeted within the Non-Operating Revenue Budget for FY 2018/19 in Center 6000, Program 000, Account 76081 – State Grants. If the program is not completed in FY 2018/19, and funds are required for FY 2019/20, the appropriate amounts within both Operating Expenses and Non-Operating Revenues will be requested as part of the FY 2019/20 Proposed Budget.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Grant Award Agreement as to form and legality.

SUBJECT: ACCEPTANCE OF HIGH ROAD TRAINING PARTNERSHIP GRANT UNDER FISCAL YEAR 2018, GRANT NO. K8109478

TRANSMITTAL(S):

1. Grant Award Agreement between the City of Los Angeles Harbor Department and the California Employment Development Department.

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

AVIN SHARMA
Director of Labor Relations & Workforce Development

DAVID LIBATIQUE
Deputy Executive Director, Stakeholder Engagement

APPROVED:

EUGENE D. SEROKA
Executive Director