

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 22-23, 2011

Reference No.: 2.1c.(5b)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Sharon Scherzinger
Division Chief
Transportation Planning

Subject: TRADE CORRIDORS IMPROVEMENT FUND-PROJECT BASELINE AMENDMENT
RESOLUTION TCIF-P-1011-28

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) amend the Trade Corridors Improvement Fund (TCIF) Project Baseline Agreement for the following two projects in Los Angeles County: Project 24, Ports Rail System – Tier 1, Pier F Support Yard project (PPNO TC24) and Project 25, Ports Rail System – Tier 1, Track Realignment at Ocean Boulevard project (PPNO TC25). The Southern California Consensus Group concurs with this amendment and the requested changes.

ISSUE:

The Port of Long Beach (Port) proposes to amend the TCIF Project Baseline Agreements for Project 24, Ports Rail System – Tier 1, Pier F Support Yard (Pier F) project (PPNO TC24) and Project 25, Ports Rail System – Tier 1, Track Realignment at Ocean Boulevard (Ocean Boulevard) project (PPNO TC25) to update the schedule, cost, and funding plan for both projects.

BACKGROUND:

The Pier F and Ocean Boulevard projects are included as part of the Middle Harbor Environmental Impact Report as certified by the Port's Board of Harbor Commissioners on April 13, 2009. Project cost increases due to additional work for the Pier F project in the amount of \$11.3 million and the Ocean Boulevard project for \$1.4 million will be covered by Port funds. Both projects were initially scheduled to advertise for construction in September 2010, but the Port now plans to delay advertising until September 2011. In order to meet the advertise date, the Port plans to request, at the Commission's August meeting, allocations and Letters of No Prejudice to advance Port funds with reimbursement by State funds at a later date. The projects are scheduled to be under construction by January 2012. By advancing Port funds, favorable construction bids are expected since the schedules for both projects are interlinked.

Pier F Support Yard Project

The Pier F project was originally programmed with \$10,000,000 under the TCIF Program of Projects adopted by the Commission on April 10, 2008 under Resolution TCIF-P-0780-01; however, a program amendment was adopted on March 23, 2011 under Resolution TCIF-P-1011-18, which reduced the TCIF funding to \$8,745,000. The project will construct two short storage tracks, with sufficient length for four rail cars each, on the existing Pier F Avenue easement, south of Pico Avenue and north of Harbor Plaza. This project involves relocating the existing utilities and roadway and will provide significant benefits by allowing for more efficient on-dock rail operations to occur at the Middle Harbor Container Terminal. By providing for more containers to be shipped by rail rather than by truck, this project will eliminate 70,000 truck trips per year.

Delays in the project milestones are due to unanticipated utilities and signalization issues, which will be resolved prior to construction. The table below lists project milestones with the current approved and proposed delivery schedules:

Project Milestone	Current Approved	Proposed	Change
Begin Environmental Phase	Oct. 2005	Oct. 2005	No Change
End Environmental Phase	Mar. 2009	Mar. 2009	Complete
Begin Design Phase	Apr. 2009	Apr. 2009	No Change
End Design Phase	Sep. 2010	Jul. 2011	1 Year
Begin Right of Way Phase	N/A	N/A	N/A
End Right of Way Phase	N/A	N/A	N/A
Begin Construction Phase	Oct. 2010	Jan. 2012	1 Year, 3 Months
End Construction Phase	Mar. 2012	Jun. 2013	1 Year, 3 Months
Begin Closeout Phase	Apr. 2012	Jul. 2013	1 Year, 3 Months
End Closeout Phase	Jun. 2012	Oct. 2013	1 Year, 4 Months

The increase in project cost are due to unanticipated utilities and signalization issues, extra track work, and additional construction work to replace a significant amount of asphalt concrete for a impacted roadway. The proposed modifications will not affect the total TCIF funds as the increases are being funded by the Port.

The Port proposes to update the project’s cost and funding plan as reflected in the table below:

(DOLLARS IN THOUSANDS) Pier F Support Yard										
FUND SOURCE	TOTAL	Totals by Fiscal Year					Totals by Project Phase			
		Prior	09/10	10/11	11/12	12/13	PA&ED	PS&E	R/W	CONST
State Funds (TCIF)										
Current Approved	10,000		2,000	7,000	1,000					10,000
Change	(1,255)		(2,000)	(7,000)	7,745					(1,255)
Proposed	8,745		0	0	8,745					8,745
Local Funds (Port Funds)										
Current Approved	14,140	2,320	2,610	6,630	2,580	0	1,020	2,670		10,450
Change	12,565	841	(1,886)	(5,906)	5,026	14,490	1,960	(680)		11,285
Proposed	26,705	3,161	724	724	7,606	14,490	2,980	1,990		21,735
TOTAL										
Current Approved	24,140	2,320	4,610	13,630	3,580	0	1,020	2,670		20,450
Change	11,310	841	(3,886)	(12,906)	12,771	14,490	1,960	(680)		10,030
Proposed	35,450	3,161	724	724	16,351	14,490	2,980	1,990		30,480

Track Realignment at Ocean Boulevard Project

The Ocean Boulevard project was originally programmed with \$27,000,000 under the TCIF Program of Projects adopted on April 10, 2008 under Resolution TCIF-P-0780-01. The project will create improved lead tracks to the Metropolitan Stevedoring Company (Metro) Rail Yard and the Pier F On-Dock Rail Yard. The area of proposed triple track begins north of Ocean Boulevard between Pico Avenue and Harbor Scenic Drive starting at Pier D Avenue to the north and ending at the northerly terminus of Pier F Avenue to the south. This project will also involve relocating existing utilities and roadways.

Delays in the project milestones are due to unknown utilities and signalization issues, which will be resolved prior to construction. The table below lists project milestones with the current approved and proposed delivery schedules:

Project Milestone	Current Approved	Proposed	Change
Begin Environmental Phase	Oct. 2005	Oct. 2005	No Change
End Environmental Phase	Mar. 2009	Mar. 2009	Complete
Begin Design Phase	Apr. 2009	Apr. 2009	No Change
End Design Phase	Sep. 2010	Jul. 2011	1 Year
Begin Right of Way Phase	N/A	N/A	N/A
End Right of Way Phase	N/A	N/A	N/A
Begin Construction Phase	Oct. 2010	Jan. 2012	1 Year, 3 Months
End Construction Phase	Mar. 2012	Jun. 2013	1 Year, 3 Months
Begin Closeout Phase	Apr. 2012	Jul. 2013	1 Year, 3 Months
End Closeout Phase	Jun. 2012	Oct. 2013	1 Year, 4 Months

The increase in project cost is primarily due to unanticipated utilities and signalization issues. The proposed modifications will not affect the total TCIF funds as the increases are being funded by the Port.

The Port proposes to update the project's cost and funding plan as reflected in the table below:

(DOLLARS IN THOUSANDS) Track Realignment at Ocean Boulevard										
FUND SOURCE	TOTAL	Totals by Fiscal Year					Totals by Project Phase			
		Prior	09/10	10/11	11/12	12/13	PA&ED	PS&E	R/W	CONST
State Funds (TCIF)										
Current Approved	27,000		5,000	20,000	2,000					27,000
Change	0		(5,000)	(20,000)	25,000					0
Proposed			0	0	27,000					27,000
Local Funds (Port Funds)										
Current Approved	38,840	5,040	8,210	17,690	7,900	0	1,020	8,250		29,570
Change	1,430	(511)	3,826	(11,154)	(1,831)	11,100	3,250	(5,400)		3,580
Proposed	40,270	4,529	12,036	6,536	6,069	11,100	4,270	2,850		33,150
TOTAL										
Current Approved	65,840	5,040	13,210	37,690	9,900	0	1,020	8,250		56,570
Change	1,430	(511)	(1,174)	(31,154)	23,169	11,100	3,250	(5,400)		3,580
Proposed	67,270	4,529	12,036	6,536	33,069	11,100	4,270	2,850		60,150

RESOLUTION TCIF-P-1011-28

Be it Resolved, that the California Transportation Commission does hereby amend the Trade Corridors Improvement Fund Baseline Agreements for Project 24, Ports Rail System – Tier 1, Pier F Support Yard project (PPNO TC24) and Project 25, Ports Rail System – Tier 1, Track Realignment at Ocean Boulevard project (PPNO TC25), in accordance with the changes described and illustrated above.

Attachment



Metro

May 25, 2011

Ms. Bimla G. Rhinehart
Executive Director
California Transportation Commission
1120 "N" Street, Mail Stop: 52
Sacramento, CA 94273-0001

Dear Ms. Rhinehart:

The Southern California Consensus Group has discussed and approved the request by our partner agency. It is our understanding that the Port of Long Beach is requesting approval to increase the total project cost and delay the project's schedule for Pier F Support Yard (Project #24) and the Track Realignment at Ocean Boulevard (Project #25).

Second, they are also requesting to seek approval on Letters of No Prejudice for both these projects. These requests will in no way increase the TCIF project funding programmed to each of the projects.

Please see the attached letter from POLB detailing the requested changes. Please direct any questions or comments regarding this issue to me at (213) 922-3061. We appreciate the ongoing support and guidance provided by you and your staff.

Sincerely,

Shahrzad Amiri
Deputy Executive Director

cc: Southern California Consensus Group
Andre Boutros
Maura Twomey