

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 22-23, 2011

Reference No.: 2.2c.(7)  
Action

From: BIMLA G. RHINEHART  
Executive Director

Subject: **APPROVAL OF PROJECT FOR FUTURE CONSIDERATION OF FUNDING  
FINAL ENVIRONMENTAL IMPACT REPORT FOR THE BERTHS 136-147 [TRAPAC]  
CONTAINER TERMINAL PROJECT (RESOLUTION E-11-41)**

## **ISSUE:**

Should the Commission, as a Responsible Agency, accept the Final Environmental Impact Report (FEIR), Findings of Fact and Statement of Overriding Considerations for the Berths 136-147 [TraPac] Container Terminal Project (TraPac Container Terminal Project) in Los Angeles County and approve the Alameda Corridor Terminus/West Basin Railyard Project (West Basin Railyard Project) for future consideration of funding?

## **RECOMMENDATION:**

Staff recommends that the Commission accept the FEIR, Findings of Fact and Statement of Overriding Considerations for the TraPac Container Terminal Project and approve the West Basin Railyard Project for future consideration of funding.

## **BACKGROUND:**

The City of Los Angeles Harbor Department (Port of Los Angeles or POLA) is the CEQA lead agency for the TraPac Container Terminal Project. The TraPac Container Terminal Project will construct an intermodal rail facility, a 30-acre buffer area at the northern boundary of the terminal, replace existing cranes, dredge deeper berthing areas, create 10 acres of new land, reconstruct existing wharves, construct 1,105 feet of new wharves, and other improvements. The West Basin Railyard Project programmed by the Commission in the Proposition 1B TCIF program is an element of the TraPac Container Terminal Project and, therefore, the scope of this project was included in the FEIR. The Environmental Impact Statement (EIS)/FEIR, was approved and certified by the Board of Harbor Commissioners in December 2007. The State Department of Transportation (Caltrans) issued a Categorical Exclusion for the West Basin Railyard element on December 21, 2010, which is needed for obligating federal RSTP funds.

The overall TraPac Container Terminal Project for which the FEIR covers will result in significant unavoidable impacts to air quality and meteorology, biological resources, geology, noise, transportation/circulation, and water quality sediments and oceanography. Specifically, the overall

project would result in increased criteria pollutants during construction; construction and operations producing greenhouse gas emissions that would exceed 2003 baseline levels; potential introduction of non-native species into the Harbor that could substantially disrupt local biological communities; increased exposure of people and property to seismic hazards from a major earthquake; temporary generation of noise that would substantially exceed existing ambient daytime noise levels; increased average vehicle delay at two crossings during peak operations; and pollution and/or contamination in harbor waters due to operations. Mitigation measures and/or alternatives to the proposed TraPac Container Terminal Project that would substantially reduce or avoid these significant unavoidable impacts are infeasible.

The POLA adopted the FEIR, Findings of Fact and a Statement of Overriding Considerations for the TraPac Container Terminal Project on December 6, 2007. The POLA found that there were several benefits that outweigh the unavoidable adverse environmental effects of the TraPac Container Terminal Project. These benefits include, but are not limited to, fulfilling the Port's Tidelands Trust and Coastal Act obligations to modernize and expand the Port, meeting the Mayor of Los Angeles' goal and the Port of Los Angeles' strategic objective to "grow the Port green"; helping with traffic congestion and reducing truck transit emissions; providing an additional 300 longshoreman jobs at the terminal; and providing needed open space and buffering between the terminal and residential areas. The POLA established a Mitigation Monitoring Program to ensure that the mitigation measures specified for the TraPac Container Terminal Project are implemented.

On March 18, 2011 the POLA provided written confirmation that the preferred alternative set forth in the final environmental document is consistent with the West Basin Railyard Project programmed by the Commission in the TCIF program. The POLA also provided written confirmation of its commitment to all of the mitigation measures stipulated in the FEIR and Mitigation Monitoring Program.

Since the FEIR includes the larger TraPac Container Terminal Project, the POLA requested that information beyond the CEQA document be provided to the Commission. Specifically, according to the POLA, "the West Basin Railyard Project entails construction of an intermodal railyard, which includes staging and storage tracks for adjacent on-dock railyards for the two greenest container terminals in the nation (China Shipping/West Basin Container Terminal and Trans Pacific Container Service Corp. (TraPac)), and a short-line railroad that switches for the Union Pacific (UP) Railroad, Burlington Northern Santa Fe (BNSF) Railway, and other POLA/Port of Long Beach (POLB) terminals. The project also includes the removal of two at-grade rail-highway crossings. The West Basin Railyard functions as a critical link between the POLA and the Alameda Corridor (*which carries about 15% of all waterborne containers entering/exiting the entire United States*), providing a staging and railcar storage area for trains entering from or departing to the Alameda Corridor. The project increases the Ports' capacity to load and unload trains on-dock, and thereby maximizes the number of containers moved directly via rail (which is a goal in the draft *United States Department of Transportation Strategic Plan*). The West Basin Railyard Project thus reduces truck trips on streets and freeways within the SCAG area, including I-710, I-110, SR 47/103, and Alameda Street. According to the POLA, the following summarizes the trip reductions:

- Reduces 2,300 daily truck trips by increased use of on-dock rail, 81,000 truck (passenger car equivalent or PCE)-miles traveled and 5,280 vehicle-hours traveled

- Reduces criteria pollutants and green-house gases as follows:

Emission Reductions (tons; over 20 years, 2013-2033)					
CO	CO <sub>2</sub>	NO <sub>x</sub>	PM <sub>10</sub>	SO <sub>x</sub>	VOC
1,411	589,985	2,221	95	6	264

- Combined with other Rail System train delays by around 50 train-hours/day, which also will reduce locomotive emissions.”

The POLA also noted that “the emission benefits in the FEIR are understated as the findings do not account for decreased rail locomotive operating hours as a result of the improved rail system infrastructure. These containers, that will now move via on-dock rail, will merely be added onto existing trains; i.e., this modal shift will not result in additional, new train movements (ergo train locomotives). It is expected that the increased trailing weight associated with these additional railcars will increase locomotive emissions in a nominal amount. Moreover, pursuant to the San Pedro Bay Ports CAAP, the railroads will be required to: operate the cleanest available technology for switcher, helper, and long-haul locomotives; and utilize idling shut-off devices, exhaust hoods, ultra-low sulfur diesel, or alternative fuels.”

The West Basin Railyard Project is estimated to cost \$130.231 million and is funded with TCIF (\$51.23 million), Local (\$54.417 million) and Federal (\$24.584 million) funds. Construction is estimated to begin in fiscal year 2011/12.

Attachment

- Resolution E-11- 41
- Findings of Fact & Statement of Overriding Considerations
- Project Location

# CALIFORNIA TRANSPORTATION COMMISSION

## Resolution for Future Consideration of Funding 07 – Los Angeles County Resolution E-11-41

- 1.1 **WHEREAS**, the City of Los Angeles Harbor Department (Port of Los Angeles or POLA) has completed a Final Environmental Impact Report pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines for the following project:
  - Berths 136-147 [TraPac] Container Terminal Project including the Port of LA Rail System: Alameda Corridor Terminus/West Basin Railyard Project
- 1.2 **WHEREAS**, the POLA has certified that the Final Environmental Impact Report has been completed pursuant to CEQA and the State CEQA Guidelines for its implementation; and
- 1.3 **WHEREAS**, the project will construct an intermodal rail facility and a 30-acre buffer area, replace existing cranes, dredge deeper berthing areas, create 10 acres of new land, reconstruct existing wharves and create new wharves; and
- 1.4 **WHEREAS**, the California Transportation Commission, as a Responsible Agency, has considered the information contained in the Final Environmental Impact Report; and
- 1.5 **WHEREAS**, Findings of Fact made pursuant to CEQA guidelines indicate that specific unavoidable significant impacts related to air quality and meteorology, biological resources, geology, noise, transportation/circulation and water quality sediments and oceanography make it infeasible to avoid or fully mitigate to a less than significant level the effects associated with the project; and
- 1.6 **WHEREAS**, the POLA adopted a Statement of Overriding Considerations for the project; and
- 1.7 **WHEREAS**, the POLA adopted a Mitigation Monitoring Program for the project; and
- 1.8 **WHEREAS**, the above significant effects are acceptable when balanced against the facts as set forth in the Statement of Overriding Considerations.
- 2.1 **NOW, THEREFORE, BE IT RESOLVED** that the California Transportation Commission does hereby accept the Final Environmental Impact Report, Findings of Fact and Statement of Overriding Considerations and approve the above referenced project to allow for future consideration of funding.

## IV. Statement of Overriding Considerations

Pursuant to Section 15093 of the CEQA Guidelines, the Board must balance the benefits of the proposed Project against unavoidable environmental risks in determining whether to approve the project. The proposed project would result in significant unavoidable impacts to Air Quality and Meteorology, Biological Resources, Geology, Noise, Transportation/Circulation and Water Quality Sediments and Oceanography.

### **Air Quality:**

The proposed project would result in significant unavoidable impacts to air quality during construction and operation even with the adoption and implementation of mitigation measures. Specifically, construction emissions would exceed SCAQMD thresholds for both Phase I and Phase II both with and without mitigation (Impact AQ-1 and AQ-2). In addition, operation emissions would exceed daily SCAQMD thresholds for all years without mitigation (Impacts AQ-3 through AQ-6). With mitigation however, emissions are reduced to below significance for all years except for 2008 (Figure 5). This result is because mitigation measures cannot be applied quickly enough to reduce emissions in the first few project years. Due to lack of clear regulatory guidance, the Port adopted for this project a no net increase significance criteria for GHG emissions. Impacts from GHG emissions would be significant for both construction and all years of operation (Impact AQ-8). The Port will implement mitigation measures for direct impacts that will substantially reduce impacts, however, the impacts would still remain significant and unavoidable (Impacts AQ-1 through AQ-8).

As provided in the Findings above, there will be cumulative air quality construction and operational impacts (see Cumulative Impact AQ-1 through AQ-8) that would remain significant and unavoidable. Further, construction of the buffer would provide the opportunity for the public to utilize a presently vacant area as a park, which could expose them to higher levels of emissions. While the proposed project would result in less than significant health impacts (cancer, acute and chronic non-cancer health hazards) to users of the Buffer area, people visiting the park would be entering an area of high existing health risk from air emissions from the Port facilities in general, local roadways and the Harbor Freeway (I-110), which is similar to other areas in Wilmington and surrounding communities (see Draft EIS/EIR pp. 3.2-200 and 3.2-201). In addition, particulate concentrations could be higher adjacent to Harry Bridges Blvd. and affect sensitive uses of the buffer including children and the elderly which is considered a significant cumulative/indirect effect of permitting public use of the public buffer area (Cumulative Impact AQ-6).

### **Biological Resources:**

The amount of ballast water discharged into the West Basin and, thus, the potential for introduction of invasive exotic species (Port 1999) could increase because more and larger container ships would use the Port as a result of the proposed Project. In addition, it is also possible that exotic species could enter harbor waters on the ship hulls, anchors and anchor chains. These vessels would come primarily from outside the EEZ and would be subject to regulations to minimize the introduction of non-native species in ballast water as described in Draft EIS/EIR Section 3.3.3.8 and most ships utilize bottom paint that is resistant to accumulation of fouling organisms. In addition, container ships coming into the Port loaded would be taking on local water while unloading and discharging when reloading. This would also diminish the opportunity for discharge of non-native species. Thus, ballast water discharges during cargo transfers in the Port would be unlikely to contain non-native

species but is still a possibility as is the potential introduction of non-native species on ship hulls. No feasible mitigation is currently available to totally prevent introduction of invasive species via vessel hulls or even ballast water, due to the lack of a proven technology. New technologies are being explored, and if methods become available in the future, they would be implemented as required at that time through State and Federal regulation. Therefore, as provided in the findings above for Impact BIO-4 and Cumulative Impact BIO-4, the introduction of invasive species in ballast water or on the hulls of ships are significant, unavoidable impacts.

### **Geology:**

In regards to geology, the project site lies in the vicinity of the Palos Verdes Fault Zone. Strands of the fault may pass beneath the perimeter and immediately west of the proposed Project area, in the vicinity of Berths 131/132 and 147 (Figure 3.5-1 in the DRAFT EIS/EIR ). Strong-to-intense ground shaking, surface rupture, and liquefaction could occur in these areas, due to the location of the fault beneath the proposed Project area and the presence of water-saturated hydraulic fill. An earthquake within this fault zone could cause strong-to-intense ground shaking, and surface rupture. As discovered during the 1971 San Fernando Earthquake and the 1994 Northridge Earthquake, existing building codes are often inadequate to protect engineered structures from hazards associated with liquefaction, ground rupture, and large ground accelerations. Consequently, designing new facilities based on existing building codes may not prevent significant damage to structures from a major or great earthquake on a nearby fault. Therefore, as provided in the findings above for Impact GEO-2, seismic hazards related to future major or great earthquakes are significant, unavoidable impacts.

### **Noise:**

The proposed Project would result in significant noise impacts during construction (NOI-1). The construction activities at the Harry Bridges Buffer Area would cause temporary and periodic noise levels substantially above existing ambient noise levels in the Wilmington neighborhood north of "C" Street, resulting in a significant impact. The construction activities at the proposed Pier A rail yard near the Berth 200-202 Marinas would generate construction noise levels that would cause temporary and periodic noise levels substantially above existing ambient noise levels in nearby marinas where people live, resulting in a significant impact. These significant impacts would be short-term. Therefore, as provided in the findings above for NOI-1, the Port will implement mitigation measures that would substantially reduce impacts, however, the impacts would still remain significant and unavoidable.

### **Transportation and Circulation:**

There would be one direct significant, unavoidable operational transportation/circulation impact at the Henry Ford Avenue and Avalon Boulevard grade crossings as a result of the proposed Project (TRANS-5). Between the proposed Project rail yards and the beginning of the corridor, there are two local grade crossings (Avalon Boulevard and Henry Ford Avenue). The rail impact analysis is based on peak hour vehicle delay at those two affected rail crossings. Although proposed Project operations alone would not result in an additional train during the peak hour on a regular basis, it is possible that the cumulative development of the West Basin (Berths 97-109, Berths 121-131, Berths 136-147) may together result in an added train during the peak hour. Therefore, it is assumed that one additional train would occur during the peak hour. An additional train would result in additional vehicle delay at the two crossing locations. Therefore as provided in the findings above for TRANS-5 and Cumulative TRANS-5, there are no feasible mitigation measures for this impact.

Further, during construction, implementation of Mitigation Measure TRA-1 would reduce the contribution of the proposed Project on intersection LOS due to construction traffic. However, as provided in the findings above, the residual contribution of the proposed Project would remain cumulatively considerable and unavoidable when considered together with other construction projects and traffic levels for Cumulative TRA-1.

### **Water Quality Sediments and Oceanography:**

In regards to impacts on water quality, stormwater runoff from the project site could contain particulate debris from operation of the project facilities. Discharges of stormwater would comply with the NPDES discharge permit limits. However, there is potential for an increase in incidental spills and illegal discharges at the facilities and due to increased vessel calls at the facility. Leaching of contaminants such as copper, from anti-fouling paint could also cause increased loading in the harbor which is listed as impaired with respect to copper. Therefore as provided in the findings above for WQ-1, the impact to water quality from in-water vessel spills, discharges and leaching is significant under CEQA. The Port will implement mitigation measures that would substantially reduce impacts, however, the impacts would still remain significant and unavoidable.

While specific regulatory programs are in place to abate discharge to State and local surface waters, as provided in the findings above, there would be cumulative considerable discharge effects to water and sediment quality (Cumulative WQ-1).

### **Project Benefits**

The proposed project offers several benefits that outweigh the unavoidable adverse environmental effects of the project. The Board of Harbor Commissioners adopts the following Statement of Overriding Considerations. The Board recognizes that significant and unavoidable impacts will result from implementation of the Project, as discussed above. Having (i) adopted all feasible mitigation measures, (ii) rejected as infeasible alternatives to the Project discussed above, (iii) recognized all significant, unavoidable impacts, and (iv) balanced the benefits of the Project against the Project's significant and unavoidable impacts, the Board hereby finds that the benefits outweigh and override the significant unavoidable impacts for the reasons stated below.

The below stated reasons summarize the benefits, goals, and objectives of the proposed Project and provide the rationale for the benefits of the Project. These overriding considerations justify adoption of the Project and certification of the completed Final EIR. Many of these overriding considerations individually would be sufficient to outweigh the adverse environmental impacts of the Project. These benefits include the following:

- **Fulfills Port legal mandates and objectives.** The proposed Project would fulfill the Port's Tidelands Trust to promote and develop commerce, navigation and fisheries, and other uses of statewide interest and benefit including industrial, and transportation uses (Draft EIS/EIR Table 2-5), The Coastal Act identifies the Port as an essential element of the national maritime industry and obligates the Port to modernize and construct necessary facilities to accommodate deep-draft vessels and to accommodate the demands of foreign and domestic waterborne commerce and other traditional and water dependent and related facilities in order to preclude the necessity for developing new ports elsewhere in the state (see Draft EIS/EIR Table 2-5). Further the Coastal Act provides that the Port should give highest priority to the use of existing land space within harbors for port purposes, including, but not limited to navigational facilities, shipping industries

and necessary support and access facilities. The proposed project meets these requirements by modernizing the channels, wharves and backlands at Berth 136-147 to accommodate/maximize anticipated growth in water dependent maritime cargo (see Draft EIS/EIR Section 1.1.3), and does so by modernizing and existing terminal/land space and by providing facilitated support and access facilities such as truck gates, road improvements and on-dock rail to allow for the effective import and export of maritime cargo. The project would also meet the Mayor's goal and the Port's strategic objectives including the goal to "grow the Port green" (see Draft EIS/EIR Table 2-5) which for this project includes minimization of land use conflicts (e.g. see buffer discussion below) maximizing the efficiency and the capacity of facilities (e.g., on-dock rail, new cranes, improved truck gates and increased terminal throughput) maintaining financial self-sufficiency through the long term lease while raising environmental standards and enhancing public health. The strategic plan also calls for developing more and higher quality jobs. The Proposed Project provides significant high quality operational (Figure 5 and employment benefits below) and construction employment while still providing for long-term air quality improvements (Figures 1, 2 and 6) as provided below. While the cargo throughput at the terminal grows from 0.9 million TEUs/year to approximately 2.4 million TEU's per year there will be a long-term reduction in the number of criteria air pollutants (see below) and reduction in estimated cancer risk.

- **Diverts containers from truck to on-dock rail.** The Berth 136-147 Container Terminal is the only container terminal at the Port that does not have direct access to an on-dock rail facility. A portion of the current and future cargo would be diverted from trucks to the new on-dock rail yard avoiding the drayage to near dock yards or downtown. In accordance with Project Objective 2, the project includes an on-dock rail yard to promote the direct transfer of cargo between ship and rail. The on-dock rail facility will be serviced by electric RMGs. The on-dock rail facility is a benefit because it lowers the number of trucks that would otherwise be required to carry discretionary cargo to near-dock rail yards and to downtown rail yards. This reduced roadway congestion at the Port and in and around these rail facilities and reduces the emissions that would come from trucks enroute to these other rail yards. Utilization of electric RMGs reduces emissions of criteria pollutants and GHGs.
- **Improves traffic flow through realignment of Harry Bridges Blvd.** Realignment of Harry Bridges Blvd. will facilitate vehicular traffic along the periphery of the Port, provide easier access to the C Street off ramp, and provide through turn pockets off of Harry Bridges Blvd. Improving traffic flow on Harry Bridges Blvd. will reduce the number of trucks entering residential areas in search of alternative routes to avoid traffic. In addition, a number of streets will be closed between Harry Bridges Blvd. and C Street to accommodate the new Buffer area. The Buffer will therefore create an additional barrier to truck traffic entering residential streets in Wilmington.
- **Removes truck cue on public streets through new terminal gates.** The truck entry and exit at Harry Bridges and Figueroa will be removed which, combined with Harry Bridges Blvd. transition to C Street, will remove the truck queues that occurs at this location during rail movements. These queues can result in blocked intersections, more traffic congestion, and unnecessary vehicle idling, which results in excess air emissions. Removing such queues will therefore improve emissions
- **Includes energy efficiency in building/construction/operation.** The proposed Project includes construction of a Leadership in Energy and Environmental Design (LEED) certified "Gold" administration building and other efficiency measures including: use of compact fluorescent light

bulbs, conducting third-party energy audits, use of solar panels on the main terminal building, implementing recycling and planting trees around the main building. LEED-certified buildings will be more energy efficient, thereby reducing GHG emissions compared to a conventional building design (Draft EIS/EIR p. 3.2-105 -107).

- **Provides a buffer between the terminal and Wilmington.** The proposed Project includes a 30-acre landscaped buffer between the container terminal and the community, which has been designed in concept with the help of the Wilmington Community. This area was originally planned for container storage and is being dedicated to open space. Implementation of this buffer is consistent with Project Objective 3, which is to “provide a landscaped area as a community amenity and to provide physical separation between Port operations and residential areas.” Providing such a buffer also implements the Wilmington Community Plan’s goal of establishing appropriate buffers between Port operations and the Wilmington Community. The buffer provides opportunity for elevated views of a working port, shields the residential community from direct views of moving traffic on Harry Bridges and ground level container terminal activities, significantly reduces noise incursions in the community, helps eliminate errant Port truck incursions into the community, and provides open space recreational opportunities for the community.
- **Implements the San Pedro Bay Clean Air Action Plan (CAAP).** Project-specific standards implemented through CEQA are one of several mechanisms for meeting CAAP requirements (see CAAP Executive Summary p. 23). For Project Specific Standards identified in the CAAP (see Executive Summary p. 19), the project meets the 10 in a million excess residential cancer risk threshold (see below), implements feasible mitigation measures to meet SCAQMD significance thresholds for facility operation (see Impacts AQ-1 through AQ-24 and Findings above for feasibility discussion), and will help meet San Pedro Bay Standards. While the San Pedro Bay Standards have not been established, the proposed project results in the long-term reduction of criteria pollutants and health risk below existing levels and therefore will contribute to overall reduction of emissions in San Pedro Bay (see Figures 5 and 7 below). The Project is also in compliance with the CAAP source specific standards for trucks, ships cargo handling equipment, harbor craft and railroad locomotives as described in Final EIR Table 3.2-24.
- **Reduces criteria pollutants from terminal operations.** Approval of the proposed project will reduce criteria pollutant emissions below baseline levels as a result of mitigation during project operations (Figure 5; Section 3.2 of the DRAFT EIS/EIR ). By 2015, project emissions of VOC, NO<sub>x</sub>, SO<sub>x</sub>, PM<sub>10</sub> and PM<sub>2.5</sub> will be cut approximately 50% relative to the project baseline emissions in 2003 (see Figure 5 below). Benefits of this include reduction in adverse health effects including acute and chronic cardiovascular and respiratory impairments, especially to sensitive groups such as the elderly and children, decrease in deaths and adverse birth outcomes including low birth weight, and resulting reduction in hospitalizations and lost work and school days (see Draft EIS/EIR Table 3.2-1).
- **Reduces estimated health risk from terminal operation.** Project operations will cause a cancer health risk of less than 10 in 1 million, which is the threshold of significance identified in the EIR/EIS. Project operations will also reduce the estimated cancer risk for sensitive, student and recreational receptors below existing levels by increments of 2.5 in a million, 0.1 in a million and 2 in a million respectively, at the maximum predicted impact location (see Final EIR Table 3.2.-30). In addition, based on isopleths of residential cancer risk under the mitigated project, the residential cancer risks are reduced by as much as 50 in a million in a portion of Wilmington and between 50 in a million and 5 in a million in large portions of Wilmington and San Pedro (see

Figure 6). These reductions represent a decrease below the project baseline and therefore reduce emissions below baseline levels (2003).

- **Provides new jobs during the life of the project.** Net changes in employment attributable to terminal operations under the proposed Project could reach 5,433 jobs annually over the No Project conditions by the year 2038 (see EIS/EIR Section 7.3.1.13 and Table 7.3-9 and Figure 4 for a comparison of alternatives). Aggregate wages and salaries would total about \$515 million in 2008 and reach about \$1,127 million annually by 2038 Draft EIS/EIR Section 7.3.1.5.2). This equates to an average annual wage or salary for each project-related worker (both direct and secondary) of over \$60,000 per year (in 2005 dollars) (EIS/EIR Section 7.3.1.5.2).
- **Provides new construction jobs.** Construction would result in a maximum annual employment of over 2,800 jobs (direct and secondary) (EIS/EIR Section 7.3.1.2.1). Aggregate wages and salaries during 2008/2009 would reach over \$156 million annually. This equates to an average annual wage or salary for each worker related to the proposed project (both direct and secondary) of \$55,500 per year (2005 dollars) (EIS/EIR Section 7.3.1.2.2). Absent construction contract approvals associated with this project, there would be not construction, and therefore there would be no additional jobs or wages.
- **Approval of a lease with terminal operator will provide Harbor Fund Revenues.** The Berth 136-147 container terminal operation will generate approximately \$1.5 to \$1.8 billion in revenues to the Port of Los Angeles over the life of the project. These funds are included in the Harbor Revenue fund for the purposes of operating, maintaining and improving the Port in accordance with the Tidelands Trust. Revenues from Container Terminal operation also provides for environmental improvements, including incentive programs associated with the CAAP for reduction of truck emissions and advancing clean technology, and form the basis for the ability to construct infrastructure necessary to implement waterfront commercial and recreational improvements in Wilmington and San Pedro.
- **The project would provide indirect tax revenues.** Annual tax revenues contributed to construction workers for the peak activity year would reach \$24.1 million in federal taxes, \$5.6 million in state taxes, and \$2.4 million in local taxes (EIS/EIR Section 7.3.1.2.2).
- **Efficient Accommodation of Increased Throughput.** In accordance with project objectives, the proposed project provides for improved efficiencies in the accommodation of containerized cargo in the following ways: improved gate facilities to facilitate truck ingress and egress from the facility, new on-dock rail facility (see above), new electric container cranes to allow for efficient unloading of the larger container ships, and more berth capacity and deeper berths to maximize the use of the deep channel of the Port by larger container ships (see Draft EIS/EIR Section 1.1.2 and Draft EIS/EIR Figure 1-4). It would not be possible to achieve these efficiencies or to reach maximum terminal capacity absent implementation of these improvements through project approval.

In summary, the Project will allow the Port to meet its legal mandates to accommodate growing international commerce, while reducing Port air emissions, and provide jobs to the local economy. The Board hereby finds that the benefits of the proposed project described above outweigh the significant and unavoidable environmental effects of the project, which are therefore considered acceptable.

# Port of Los Angeles Rail System: Alameda Corridor Terminus/West Basin Railyard Project Location Maps

