

RESOLUTION 2018-135

RESOLUTION AUTHORIZING A BASELINE AGREEMENT WITH THE CALIFORNIA TRANSPORTATION COMMISSION FOR THE PURPOSES OF FUNDING THE TENTH AVENUE MARINE TERMINAL BEYOND COMPLIANCE ENVIRONMENTAL ENHANCEMENT PROJECT WITH \$5,600,000 FROM THE TRADE CORRIDOR ENHANCEMENT PROGRAM (TCEP), AND OBLIGATING \$2,400,000 IN MATCHING FUNDS

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1, (Port Act); and

WHEREAS, the Board of Port Commissioners (BPC) adopted BPC Policy No. 110 to establish a policy governing the processing and administration of public projects, consulting and service agreements, the purchasing of supplies, materials, and equipment, and grants; and

WHEREAS, On October 18, 2017, the California Transportation Commission (CTC) released a notice of funding opportunity for the Trade Corridor Enhancement Program (TCEP); and

WHEREAS, this program is funded as a part of the Senate Bill 1 Road Repair and Accountability Act (SB1); and

WHEREAS, TCEP consolidates funds from the Trade Corridor Enhancement Account, the federal National Highway Freight Program, and funds from the Budget Act of 2015 to create a \$1.3B fund to address transportation infrastructure needs in the state over a five year period, with a 30% match requirement for projects receiving TCEP funds; and

WHEREAS, projects funded using state transportation funds require individual Baseline Agreements with CALTRANS; and

WHEREAS, the Baseline Agreement outlines project specifics, including: scope of work, schedule, budget, and fiscal years, and also acknowledges the project match funding requirements; and

WHEREAS, the District will receive \$5.6M, out of a total project cost of approximately \$8M, to expand the terminal's existing shore power system and

implement an Advanced Marine Emission Control System, also known as a “bonnet system;” and

WHEREAS, shore power systems reduce vessel emissions by providing power to the vessel from the grid, allowing the ship to turn off on-board generators; and

WHEREAS, a portion of the funds will be used to expand Tenth Avenue Marine Terminal’s (TAMT) shore power system to provide a second point of connection; and

WHEREAS, the District will continue to work with tenants and SDG&E, to manage electrical load demands to serve vessels that are required to use shore power when at berth; and

WHEREAS, the bonnet system is a mitigation measure in 2016 Final Environmental Impact Report (EIR) for the TAMT Redevelopment Plan and Demolition and Initial Rail Component Project and is required to be implemented to reduce vessel emissions while they are at berth regardless of shore power; and

WHEREAS, the bonnet system reduces air emissions from vessels by using equipment to capture the emissions directly from the vessel’s exhaust stack; and

WHEREAS, the TCEP funds are intended to allow the District to utilize a “bonnet” in order to capture vessel exhaust from vessels that are not shore power capable, or are not required to use shore power systems; and

WHEREAS, the “bonnet” system will be barge-based, so that it can be moved alongside vessels regardless of the terminal berth, and remain away from landside cargo operations; and

WHEREAS, the Baseline Agreement serves as the grant terms and conditions; and

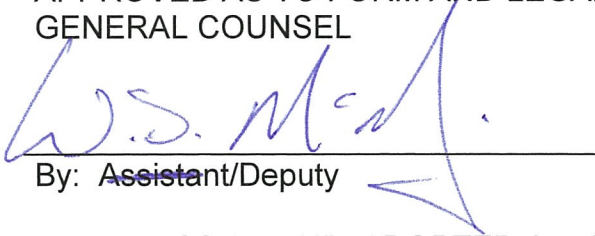
WHEREAS, grant funds will become available for disbursement to the District during FY20, and match funding source will be identified at that time.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That the Executive Director or her designated representative is hereby authorized and directed on behalf of the San Diego Unified Port District, to enter into a Baseline Agreement with the California Transportation Commission to fund the Tenth Avenue Marine Terminal Beyond Compliance Environmental

Enhancement project with \$5,600,000 from the Trade Corridor Enhancement program, and obligating \$2,400,000 in matching funds.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL



W.S. Morales

By: ~~Assistant~~/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 17th day of July, 2018, by the following vote:

AYES: Castellanos, Malcolm, Merrifield, Moore, Valderrama, and Zucchet

NAYS: None.

EXCUSED: Bonelli

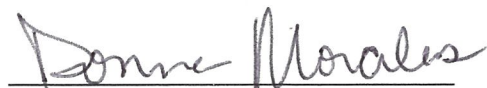
ABSENT: None.

ABSTAIN: None.



Rafael Castellanos, Chairman
Board of Port Commissioners

ATTEST:



Donna Morales

Donna Morales
District Clerk

(Seal)