



AUDIT COMMITTEE


Report to the
Board of Harbor Commissioners

Item #3

DATE: AUGUST 14, 2015
TO: AUDIT COMMITTEE OF THE BOARD OF HARBOR COMMISSIONERS
SUBJECT: CAPITAL IMPROVEMENT PROGRAM REPORT

The following items are transmitted to the Audit Committee:

1. Fiscal Year 2014/2015 CIP Budget to Actual Expenditure Report Expenditures– This document compares Fiscal Year 2014/2015 CIP budget to actual expenditures through June 2015.
2. CIP Status Report – This document lists current CIP projects, project status, design and construction finish dates, budget, budget and schedule trends, project budget spent to date, percent of project budget spent to date, and comments.



FOR EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: Fiscal Year 2014/2015 CIP Budget to Actual Expenditure Report

Transmittal 2: CIP Status Report (Actuals thru June 2015)

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Fiscal Year 2014/2015 CIP Budget to Actual Expenditure Report

	<u>Budget</u>		<u>Actuals Thru June 2015</u>	<u>Percentage Spent</u>
<u>In-House Labor</u>				
Engineering	\$ 7,886,015	\$	6,102,734	77.4%
Construction	\$ 8,251,780	\$	7,300,451	88.5%
Environmental	\$ 544,708	\$	224,619	41.2%
Const. and Maint.	\$ 2,587,915	\$	1,135,723	43.9%
<u>Consultants</u>				
Design Services	\$ 15,973,478	\$	9,010,637	56.4%
Env. Services	\$ 13,546,969	\$	2,465,863	18.2%
Construction Mgmt.	\$ 14,084,825	\$	9,435,909	67.0%
Misc. Prof Services	\$ 1,224,211	\$	214,127	17.5%
<u>Construction</u>	\$ 177,944,799	\$	165,977,704	93.3%
<u>Miscellaneous</u>				
Materials/Equipment	\$ 8,042,785	\$	3,638,391	45.2%
Other	\$ 30,875,533	\$	13,826,526	44.8%
<u>Grand Total</u>	\$ 280,963,018	\$	219,332,684	78.1%
			Time Elapsed	100.0%




Summary of Audit Committee Status Report

Total No. of CIP Projects	117
Total Value of CIP Projects	\$1,337,739,887

Schedule

Number of projects on schedule	102		87%
Number of projects at risk of falling behind schedule	6		5%
Number of projects behind schedule	9		8%
Total dollar value of projects on schedule	\$1,042,538,661		
Percent of total dollar value on schedule	78%		

Budget

Number of projects on budget	115		98%
Number of projects which may exceed budget	0		0%
Number of projects requiring budget adjustment	2		2%
Total dollar value of projects on budget	\$1,336,624,662		
Percent of total dollar value on budget	100%		

The Engineering Division is currently tracking a total of 117 active Capital projects representing just over \$1.33B in total project value. From a budget perspective, 115 of these projects, or roughly 98% of all projects, are currently tracking on budget.

The 2 projects that are either over budget or at risk of being over budget are:

- 1) The Port Pilot Station Backup Generator and Electrical System Upgrade which may require additional service equipment upgrade at the request of DWP;
- 2) The Cabrillo Beach Eel Grass Mitigation Site. Contractor quote exceeded estimate and is under evaluation;

From a schedule tracking perspective, projects at risk of falling behind schedule include:

- 1) Six projects in the MOTEMS Program that are currently working through the lease/permit extension process and staff has decided not to advance the projects until the Board of Harbor Commissioners approve the new permits;

Projects that are behind schedule include:

- 1) Three projects for the B. 121-131 (Yang Ming) Terminal Improvements are under re-evaluation of the projects alignment with the Business Development Plan; and also there are new scope elements under consideration for the EIR/EIS;
- 2) The Cabrillo Beach Eel Grass Mitigation Site project is under evaluation and has been deferred to next fiscal year;
- 3) Four projects in the SNAP Program that are delayed due to a re-evaluation of the space needs of the HAB Building;
- 4) The Port Pilot Station Backup Generator and Electrical System Upgrade is on hold pending Port Pilot facility study results which is expected by the end of this calendar year;

Audit Committee Status Report

Actuals Thru: June 2015

Project Title	Project Status	Design Finish	Percent Design Complete	Construction Finish	Percent Constr. Complete	Schedule Trend	Projected Cost	Spent To Date	Percent Spent To Date	Budget Trend	Comments
I. Terminals											
Berth 90-93 - World Cruise Center											
1. B. 93 - Cruise Terminal - Customs and Border Protection Improvements (2525300)	Design	06/30/16	40%	02/28/18	0%	✓	\$2,740,000	\$134,470	5%	✓	
2. B. 91-93 - Alternative Maritime Power (AMP) Upgrade and Retrofit (2527300)	Design	10/27/15	60%	09/19/17	0%	✓	\$12,890,000	\$183,572	1%	✓	
3. B. 91-92 - Replacement of Elevator No. 1 (2528400)	Bid and Award		N/A	06/30/16	0%	✓	\$96,600	\$7,433	8%	✓	
4. B. 93 - Replacement of Elevator No. 1 (2528600)	Construction		N/A	06/30/16	5%	✓	\$90,000	\$17,914	20%	✓	
5. B. 93 - Replacement of Elevator No. 6 (2528700)	Bid and Award		N/A	06/30/16	0%	✓	\$200,000	\$0	0%	✓	
6. B. 93 - Cruise Terminal Water Line Replacement (2529700)	Construction		N/A	09/30/15	55%	✓	\$750,000	\$467,423	62%	✓	
7. B. 93 - Elevator No. 4 Modernization (2534600)	Bid and Award		N/A	06/24/16	0%	✓	\$200,000	\$0	0%	✓	
8. B. 90-93 Cruise Terminal - Conceptual Planning and Preliminary Engineering (2535200)	Construction		N/A	09/09/15	65%	✓	\$95,000	\$0	0%	✓	
9. B. 53-55 - Cruise Ship Fendering Improvements (2535600)	Bid and Award	06/10/15	100%	10/02/15	0%	✓	\$260,000	\$0	0%	✓	
BERTH 90-93 - WORLD CRUISE CENTER TOTAL							\$17,321,600	\$810,812	5%		
Berth 100-102 - China Shipping Container Terminal											
1. B. 100-102 - Marine Operations Building (2454300)	Bid and Award	08/31/14	100%	04/30/17	0%	✓	\$13,800,000	\$2,069,074	15%	✓	
2. B. 100-102 - Crane Maintenance Building (2502600)	Bid and Award	08/31/14	100%	04/30/17	0%	✓	\$5,700,000	\$601,285	11%	✓	
OTHER TOTAL							\$19,500,000	\$2,670,359	14%		
BERTH 100-102 - CHINA SHIPPING CONTAINER TERMINAL TOTAL							\$19,500,000	\$2,670,359	14%		
Berth 121-131 - Yang Ming Container Terminal											
1. Phase I & II											
1. B. 121-131 - Wharf Upgrades (2449000)	Design	04/10/16	5%	04/10/18	0%	✗	\$106,700,000	\$2,419,823	2%	✓	
2. B. 121-131 - West Basin Intermodal Container Transfer Facility (WBICTF) Expansion (2481000)	Hold	04/10/16	0%	04/10/18	0%	✗	\$11,100,000	\$434,548	4%	✓	
4. B. 121-131 - Terminal Redevelopment - Planning and Environmental (2523200)	Environmental		N/A	04/15/16	40%	✗	\$3,200,000	\$949,594	30%	✓	

Audit Committee Status Report

Actuals Thru: June 2015

Project Title	Project Status	Design Finish	Percent Design Complete	Construction Finish	Percent Constr. Complete	Schedule Trend	Projected Cost	Spent To Date	Percent Spent To Date	Budget Trend	Comments
5. B. 121 - Yang Ming Administration Building Re-roof (2528800)	Bid and Award		N/A	06/30/16	0%	✓	\$255,000	\$1,765	1%	✓	
6. B. 121-126 - Electrical Upgrades - Vacuum Breakers (2533600)	Bid and Award		N/A	06/24/16	0%	✓	\$550,000	\$0	0%	✓	
PHASE I & II TOTAL							\$121,805,000	\$3,805,730	3%		
<i>BERTH 121-131 - YANG MING CONTAINER TERMINAL TOTAL</i>							\$121,805,000	\$3,805,730	3%		
Berth 135-147 - TRAPAC Container Terminal											
2. B. 142-143 - Backland Improvements - Phases 2-4 (2449800)	Construction	09/09/13	100%	03/22/17	46%	✓	\$143,422,405	\$68,445,729	48%	✓	
3. B. 142-147 - ICTF (2455100)	Construction	09/08/13	100%	02/02/16	65%	✓	\$85,865,560	\$44,832,306	52%	✓	
4. RB 136-139 - Terminal Buildings & Main Gate (2458500)	Construction	08/22/12	100%	11/20/15	90%	✓	\$80,000,000	\$68,093,486	85%	✓	
6. B. 134-135 - Backland Expansion (5-acre) (2513800)	Design	01/27/16	80%	04/21/17	0%	✓	\$10,753,500	\$258,049	2%	✓	
8. B. 142 - Crane Maintenance Building (2517700)	Bid and Award	01/31/15	100%	08/02/17	0%	✓	\$9,480,302	\$634,312	7%	✓	
<i>BERTH 135-147 - TRAPAC CONTAINER TERMINAL TOTAL</i>							\$329,521,767	\$182,263,881	55%		
Berth 212-224 - YTI Container Terminal											
3. B. 214 - 220 - Redevelopment (2519800)	Bid and Award	03/25/15	100%	05/12/17	0%	✓	\$49,575,140	\$3,921,806	8%	✓	NTP August 31, 2015
5. B. 214-220 - Alternative Maritime Power (AMP) Improvements (2532500)	Bid and Award	03/25/15	100%	05/12/17	0%	✓	\$7,705,140	\$12,744	0%	✓	
6. B. 212-224 - Intermodal Container Transfer Facility (ICTF) Expansion (2533300)	Design	04/29/16	80%	10/02/17	0%	✓	\$6,455,400	\$34,940	1%	✓	
7. B. 214-220 - 480V Main Breakers Replacement (2533500)	Bid and Award	02/12/15	100%	05/12/17	0%	✓	\$1,500,000	\$6,199	0%	✓	
8. B. 212 - Underground Valves Replacement (2534300)	Construction		N/A	03/31/16	1%	✓	\$81,820	\$0	0%	✓	
<i>BERTH 212-224 - YTI CONTAINER TERMINAL TOTAL</i>							\$65,317,500	\$3,975,688	6%		
Berth 222-236 - Development											
4. B. 226-236 - Leak Detection And Warning System (2519400)	Construction	03/24/14	100%	06/12/16	10%	✓	\$300,000	\$149,686	50%	✓	
5. B. 226-236 - Terminal Improvements - Planning and Environmental (2524200)	Environmental	09/04/14	N/A	07/01/16	20%	✓	\$3,360,000	\$910,296	27%	✓	
8. B. 226-232 - EverPort Wharf Pavement Resurfacing and Striping (2527700)	Construction	08/15/14	100%	06/30/16	40%	✓	\$1,600,000	\$3,153	0%	✓	Project completed under budget

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9. B. 228-230 - Alternative Maritime Power (AMP) Upgrade and Retrofit (2529400)	Design	06/10/16	30%	12/10/18	0%	✔	\$7,000,000	\$18,799	0%	✔	
10. B. 226-236 Terminal Improvements - Wharf and Backlands (2531200)	Design	08/05/16	40%	02/04/19	0%	✔	\$36,110,035	\$31,248	0%	✔	
BERTH 222-236 - DEVELOPMENT TOTAL							\$48,370,035	\$1,113,182	2%		
Berth 300-306 - Development											
1. RB 301-305 - Buildings, Gates, and Backland Development (2489000)	Hold	08/04/17	2%	01/21/20	0%	✔	\$30,000,000	\$617,429	2%	✔	
2. B. 306 - Wharf and Backland Development (2489100)	Design	02/01/17	20%	01/21/20	0%	✔	\$163,000,000	\$487,482	0%	✔	
5. B. 306 - Alternative Maritime Power (AMP) (2506800)	Design	02/01/17	45%	01/31/20	0%	✔	\$9,090,000	\$38,027	0%	✔	
6. B. 302-305 - Fender Replacement (2527900)	Construction		N/A	08/23/15	40%	✔	\$367,400	\$69,262	19%	✔	
7. B. 300 - Fire Life Safety System Replacement (2533800)	Construction		N/A	02/29/16	10%	✔	\$1,131,459	\$0	0%	✔	
8. B. 300 - Rail Yard Equipment Replacement (2536100)	Bid and Award		N/A	06/30/16	0%	✔	\$50,000	\$0	0%	✔	
BERTH 300-306 - DEVELOPMENT TOTAL							\$203,638,859	\$1,212,201	1%		
Berth 400-409 - Development											
2. Pier 400 - Pavement Replacement (2521800)	Construction	03/19/14	100%	12/31/15	40%	✔	\$700,000	\$210,576	30%	✔	
BERTH 400-409 - DEVELOPMENT TOTAL							\$700,000	\$210,576	30%		
Motems											
1. B. 238 - MOTEMS- ExxonMobil (2489900)	Planning	05/02/16	0%	09/25/17	0%	⚠	\$25,675,000	\$2,281,392	9%	✔	
2. B. 167-169 - MOTEMS- Shell (2493600)	Design	09/04/15	40%	01/27/17	0%	⚠	\$22,540,338	\$2,625,025	12%	✔	
3. B. 163 - MOTEMS- NuStar (2493700)	Planning	12/23/16	0%	05/18/18	0%	⚠	\$23,976,000	\$1,315,628	5%	✔	
4. B. 148-151 - MOTEMS- Phillips 66 (2493800)	Planning	02/13/17	0%	07/09/18	0%	⚠	\$24,626,142	\$1,975,793	8%	✔	
5. B. 164 - MOTEMS - Valero (2493900)	Environmental	05/30/16	0%	10/23/17	0%	⚠	\$11,225,000	\$1,378,908	12%	✔	
6. B. 187-191 - MOTEMS- Vopak (2494000)	Planning	02/16/17	0%	01/10/19	0%	⚠	\$61,561,271	\$2,720,419	4%	✔	
8. B. 163 - MOTEMS Repairs - Nustar (2524400)	Construction	05/31/14	100%	08/09/16	80%	✔	\$850,000	\$375,157	44%	✔	

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9. B. 164 - MOTEMS Repairs - Valero (2524500)	Construction	05/31/14	100%	08/09/16	50%	✔	\$960,000	\$88,618	9%	✔	
10. B. 187-190 - MOTEMS Repairs (2524600)	Hold	03/03/15	0%	03/03/16	0%	✔	\$3,575,000	\$375	0%	✔	
MOTEMS TOTAL							\$174,988,751	\$12,761,315	7%		
Miscellaneous Terminal Improvements											
2. B. 196-199 & 200A - Wharf Rehabilitation (2516600)	Design	11/10/15	90%	09/11/17	0%	✔	\$12,311,500	\$1,525,647	12%	✔	
4. B. 179-180 - Warehouse Re-roof (2529000)	Bid and Award		N/A	06/30/16	0%	✔	\$550,000	\$9,871	2%	✔	
6. B. 194 - Sea Wall Improvements (2530100)	Construction		N/A	09/30/15	10%	✔	\$200,000	\$925	0%	✔	
9. B. 153-155 - Sewer Line Replacement (2535900)	Construction		N/A	04/30/16	1%	✔	\$125,000	\$0	0%	✔	
MISCELLANEOUS TERMINAL IMPROVEMENTS TOTAL							\$13,186,500	\$1,536,444	12%		
TERMINALS TOTAL							\$994,350,012	\$210,360,187	21%		
II. Transportation											
Transportation Improvements											
3. I-110/SR 47 Connector Improvement (2466100)	Construction	06/19/13	100%	06/26/16	50%	✔	\$21,000,000	\$10,475,459	50%	✔	
4. John S. Gibson Intersection & NB I-110 Ramp Access Improvements (2469900)	Construction	06/19/13	100%	06/26/16	50%	✔	\$32,100,000	\$17,379,560	54%	✔	
5. C Street/I-110 Access Ramp Improvements (2485200)	Construction	07/31/13	100%	01/05/17	53%	✔	\$51,000,000	\$21,735,986	43%	✔	
7. B. 200 - Rail Yard Track Connections (2513000)	Construction	12/12/12	100%	04/30/17	90%	✔	\$25,000,000	\$21,527,879	86%	✔	
8. Avalon and Fries Street Closures Environmental Assessment (2516700)	Hold		N/A	12/31/14	60%	✔	\$575,172	\$432,346	75%	✔	
11. At-Grade Rail Crossing Protection System for Anaheim St. Rail Crossing of McFarland Lead Track (2524100)	Design	08/31/15	85%	12/31/16	0%	✔	\$288,623	\$123,966	43%	✔	
15. SCIG Bridge and Road Review (2532200)	Design	06/30/16	65%	06/30/16	N/A	✔	\$199,910	\$25,820	13%	✔	
16. State Route 47/Vincent Thomas Bridge & Front St./Harbor Blvd Interchange Reconfiguration - Study Reports (2533400)	Design	02/28/17	1%	02/28/17	N/A	✔	\$1,500,000	\$0	0%	✔	
TRANSPORTATION IMPROVEMENTS TOTAL							\$131,663,705	\$71,701,014	54%		
TRANSPORTATION TOTAL							\$131,663,705	\$71,701,014	54%		

Audit Committee Status Report

Actuals Thru: June 2015

Project Title	Project Status	Design Finish	Percent Design Complete	Construction Finish	Percent Constr. Complete	Schedule Trend	Projected Cost	Spent To Date	Percent Spent To Date	Budget Trend	Comments
III. Security											
Homeland Security											
5. IT Cyber Security Improvements - Phase II (2526000)	Construction		N/A	08/31/15	70%	✓	\$2,464,000	\$2,045,268	83%	✓	
HOMELAND SECURITY TOTAL							\$2,464,000	\$2,045,268	83%		
SECURITY TOTAL							\$2,464,000	\$2,045,268	83%		
IV. Public Access/Environmental Enhancements											
Port-Wide Public Enhancements											
1. Front Street Beautification (2504700)	Design	08/31/15	90%	07/31/17	0%	✓	\$6,850,000	\$1,167,092	17%	✓	
PORT-WIDE PUBLIC ENHANCEMENTS TOTAL							\$6,850,000	\$1,167,092	17%		
Los Angeles Waterfront											
1. San Pedro Waterfront											
7. San Pedro Waterfront - B. 57 - Wharf Retrofit and Signal Street Improvements (2500600)	Design	04/02/17	12%	03/29/19	0%	✓	\$58,216,476	\$2,599,582	4%	✓	
10. San Pedro Waterfront - Sampson Way Roadway Improvements - 7th Street & Harbor Blvd. Intersection (2509400)	Design	10/22/15	40%	09/12/17	0%	✓	\$13,600,000	\$1,231,363	9%	✓	
15. Fanfare Fountain Palm Tree Drainage Repair and Tree Installation (2527400)	Completed		N/A	07/24/15	100%	✓	\$360,000	\$10,901	3%	✓	Project completed
18. San Pedro Waterfront - B. 57 - AltaSea Environmental Assessment (2531800)	Environmental		N/A	06/30/16	5%	✓	\$1,000,000	\$39,101	4%	✓	
19. San Pedro Waterfront - Ports O' Call Promenade and Town Square (2532100)	Design	12/31/16	5%	12/31/18	0%	✓	\$32,900,000	\$48,524	0%	✓	
20. San Pedro Waterfront - Paid Parking for Ports O'Call Village and Bluff Parking Lot (2532300)	Hold	03/31/16	0%	06/30/17	0%	✓	\$5,700,000	\$3,882	0%	✓	
21. B. 80 - Fisherman Seafood Building Demolition (2535500)	Design	09/15/15	75%	02/15/16	0%	✓	\$275,000	\$0	0%	✓	
22. San Pedro Waterfront - Downtown Harbor - Dedication Plaque (2536200)	Design	01/30/16	1%	05/29/16	0%	✓	\$25,000	\$0	0%	✓	
SAN PEDRO WATERFRONT TOTAL							\$112,076,476	\$3,933,353	4%		
2. Wilmington Waterfront Development											
3. Wilmington Waterfront Park Street Vacations (2525600)	Design	07/02/16	59%		N/A	✓	\$140,000	\$73,957	53%	✓	

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4. Wilmington Waterfront Park Slope Improvements (2532600)	Design	08/31/15	50%	06/30/16	0%	✓	\$260,000	\$1,779	1%	✓	
5. Wilmington Waterfront Promenade (2533000)	Design	06/30/17	3%	12/31/20	0%	✓	\$52,200,000	\$21,139	0%	✓	
6. B. 184-185 - Catalina Freight Demolition (2533100)	Design	12/31/15	1%	09/30/17	0%	✓	\$500,000	\$0	0%	✓	
7. Banning's Landing - Building Upgrades (2535000)	Bid and Award		N/A	06/24/16	0%	✓	\$20,000	\$0	0%	✓	
WILMINGTON WATERFRONT DEVELOPMENT TOTAL							\$53,120,000	\$96,875	0%		
LOS ANGELES WATERFRONT TOTAL							\$165,196,476	\$4,030,228	2%		
Environmental Enhancements											
2. 2013 Biological Surveys of Los Angeles and Long Beach Harbors (2518700)	Environmental		N/A	02/28/16	75%	✓	\$548,580	\$431,458	79%	✓	
3. Pier 300/Seaplane Lagoon - Eelgrass Mitigation Site - Preliminary Design and Planning (2525700)	Hold	12/31/15	2%		N/A	✓	\$400,000	\$8,325	2%	✓	
4. Cabrillo Beach Eelgrass Mitigation Site (2527200)	Bid and Award	09/30/14	100%	05/15/15	0%	✗	\$654,725	\$91,031	14%	✗	
6. DWP Recycled Water Line - San Pedro (2532700)	Hold	09/01/18	0%	03/01/21	0%	✓	\$10,000,000	\$0	0%	✓	
ENVIRONMENTAL ENHANCEMENTS TOTAL							\$11,603,305	\$530,814	5%		
PUBLIC ACCESS/ENVIRONMENTAL ENHANCEMENTS TOTAL							\$183,649,781	\$5,728,133	3%		
V. Maritime Services											
Harbor Department Facilities											
1. B. 161 - Marine Ways Modifications (2486100)	Design	12/31/15	90%	04/30/17	0%	✓	\$2,020,000	\$338,885	17%	✓	
4. Harbor Administration Building - 3rd, 4th, and 5th Floor Restrooms (2509200)	Construction	05/27/14	100%	10/30/15	75%	✓	\$870,000	\$638,766	73%	✓	
5. Harbor Administration Building - HVAC Replacement (2509600)	Design	03/28/16	80%	09/30/17	0%	✓	\$5,100,000	\$398,187	8%	✓	
8. B. 68 - Port Pilot Station Dispatch Center Window Replacement (2517300)	Bid and Award	07/30/15	100%	06/30/16	0%	✓	\$165,000	\$65,439	40%	✓	
9. Harbor Administration Building - 4th Floor Furniture Purchase (2517900)	Hold	12/31/14	10%	12/31/16	0%	✗	\$1,975,250	\$71,638	4%	✓	
10. Harbor Administration Building - 1st Floor and Mail Room Furniture (2518000)	Hold	12/31/14	10%	12/31/16	0%	✗	\$221,000	\$30,490	14%	✓	
11. Harbor Administration Building - 2nd Floor Information Technology Furniture (2518100)	Hold	12/31/14	10%	12/31/16	0%	✗	\$221,000	\$17,322	8%	✓	

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Project Title	Project Status	Design Finish	Percent Design Complete	Construction Finish	Percent Constr. Complete	Schedule Trend	Projected Cost	Spent To Date	Percent Spent To Date	Budget Trend	Comments
12. Harbor Administration Building - 3rd Floor Furniture Removal & Installation (2518200)	Hold	12/31/14	30%	12/31/16	0%	✘	\$1,065,000	\$79,261	7%	✔	
13. Harbor Administration Building - Light Fixture Upgrade - 1st & 2nd Floors (2521900)	Construction	05/31/14	100%	10/30/15	65%	✔	\$488,000	\$245,663	50%	✔	
14. B. 161 C&M - Carpenter's Shop Remodel - Design Only (2522900)	Design	09/30/15	80%		N/A	✔	\$226,286	\$103,500	46%	✔	
17. B. 68 - Port Pilot Station Back Up Generator and Electrical Upgarde (2524300)	Hold	07/02/14	15%	02/02/15	0%	✘	\$460,500	\$26,744	6%	✘	
18. B. 68 - Port Pilot Station Portable Buildings Replacement (2526100)	Planning		N/A	07/31/16	5%	✔	\$500,000	\$65,381	13%	✔	
19. Harbor Administration Building - Drain Mainlines Replacement (2526900)	Construction	06/23/14	100%	09/30/15	75%	✔	\$1,350,000	\$950,995	70%	✔	
20. Harbor Administration Building - 2nd Floor & 5th Floor Kitchen Remodel (2527500)	Construction	02/28/15	100%	08/23/15	5%	✔	\$160,000	\$49,247	31%	✔	
25. B. 161 - Boat Maintenance Cradle Modifications (2530600)	Bid and Award		N/A	06/30/16	0%	✔	\$370,000	\$0	0%	✔	
28. Liberty Hill Plaza - Fire Life Safety System Replacement (2531300)	Completed		N/A	05/21/15	100%	✔	\$281,291	\$281,291	100%	✔	Project Completed
29. 338 Cannery Street - Administration Building AC Replacement (2531900)	Bid and Award	04/15/15	100%	05/31/16	0%	✔	\$100,000	\$43,329	43%	✔	
30. B. 161 - Electrical Equipment Retrofit - Phase 2 (2532000)	Construction		N/A	12/01/15	5%	✔	\$70,000	\$0	0%	✔	
31. Klein Billing and Port Pilot Systems Enhancement (2532400)	Construction		N/A	03/31/18	1%	✔	\$680,800	\$0	0%	✔	
32. Web-Based Construction Management System (2532900)	Bid and Award		N/A	03/31/16	0%	✔	\$150,000	\$0	0%	✔	
34. B. 161 - Repave Yard and Remove Rail (2533700)	Bid and Award		N/A	06/24/16	0%	✔	\$168,000	\$0	0%	✔	
36. B. 73C - Restroom Re-Roof (2534000)	Bid and Award		N/A	04/05/16	0%	✔	\$17,936	\$0	0%	✔	
37. B. 73X - Restroom Re-Roof (2534100)	Bid and Award		N/A	04/12/16	0%	✔	\$17,936	\$0	0%	✔	
38. Liberty Hill Plaza - Replacement of all Doors (2534200)	Bid and Award		N/A	06/24/16	0%	✔	\$85,000	\$0	0%	✔	
39. B. 161 - Boat Shop Dust Filtration System (2534800)	Bid and Award		N/A	06/24/16	0%	✔	\$36,000	\$0	0%	✔	
40. Harbor Administration Building - Elevator Gearbox Replacement (2535100)	Bid and Award		N/A	06/24/16	0%	✔	\$145,000	\$0	0%	✔	
41. B. 161 - Marine Ways Bridge Crane Electrical Infrastructure (2535800)	Bid and Award		N/A	06/23/16	0%	✔	\$74,000	\$0	0%	✔	
42. B. 161 - Replacement of Under Wharf Waterline (2536000)	Construction		N/A	06/30/16	1%	✔	\$25,000	\$0	0%	✔	
HARBOR DEPARTMENT FACILITIES TOTAL							\$17,042,999	\$3,406,140	20%		

Audit Committee Status Report

Actuals Thru: June 2015

Project Title	Project Status	Design Finish	Percent Design Complete	Construction Finish	Percent Constr. Complete	Schedule Trend	Projected Cost	Spent To Date	Percent Spent To Date	Budget Trend	Comments
Miscellaneous Projects											
5. Badger Avenue Bridge Rehabilitation (2525000)	Design	08/31/15	90%	09/30/16	0%	✓	\$1,715,200	\$241,457	14%	✓	
6. B. 84 - Maritime Museum Wharf Rehabilitation (2526200)	Design	12/31/15	72%	06/30/17	0%	✓	\$3,900,000	\$90,288	2%	✓	
8. Liberty Hill Plaza HVAC System Upgrade (2528300)	Construction		N/A	11/23/15	5%	✓	\$210,000	\$659	0%	✓	
10. 300 Water Street - Office Building Re-Roof (2528900)	Hold		N/A	06/24/15	1%	✓	\$231,500	\$0	0%	✓	
12. Ports O'Call - American Disability Act Compliant Restrooms (2531700)	Design	08/30/15	60%	03/31/16	0%	✓	\$841,240	\$14,925	2%	✓	
13. B. 73-93 - Pipeline Support Hangers Replacement (2534400)	Bid and Award		N/A	06/24/16	0%	✓	\$189,755	\$0	0%	✓	
14. 2001 John S. Gibson Blvd. - Fire Life Safety System Replacement (2534500)	Bid and Award		N/A	06/24/16	0%	✓	\$331,694	\$0	0%	✓	
15. B. 68 - Wharf Upgrades and Deck Replacement (2534700)	Bid and Award		N/A	06/24/16	0%	✓	\$150,000	\$0	0%	✓	
16. B. 85 - Port Police Float System Replacement (2534900)	Bid and Award		N/A	06/24/16	0%	✓	\$630,000	\$0	0%	✓	
17. B. 95 - Catalina Channel Express - Waterside Improvements (2535400)	Bid and Award		N/A	12/31/15	0%	✓	\$280,000	\$0	0%	✓	
18. B. 95 - Catalina Channel Express - Environmental Clean-up (2535700)	Construction		N/A	08/20/15	90%	✓	\$90,000	\$0	0%	✓	
MISCELLANEOUS PROJECTS TOTAL							\$8,569,389	\$347,329	4%		
MARITIME SERVICES TOTAL							\$25,612,388	\$3,753,469	15%		
CIP TOTAL COST							\$1,337,739,887	\$293,588,071	22%		



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: June 5, 2015
TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE
SUBJECT: REPORT FROM PROJECT DEVELOPMENT COMMITTEE (PDC)

JUNE 2015 PDC MEETING RESULTS

Attached for your review is the June 2015 PDC Report. There was no May PDC meeting. This report highlights the actions taken by staff to initiate, review, and resolve items related to Harbor Department project schedules, scopes, and costs.

On June 3, 2015, the PDC met to consider twelve project items. Of those twelve items, four were schedule-related and five were budget-related, and three were new projects. Administrative reports related to work order and the unallocated budget line item were also reviewed. The Unallocated CIP Fund report and meeting minutes are attached for your review.

The following are the results of this meeting (detailed in Transmittal 1):

- 1) Schedule-related – Four schedule-related items were submitted and all were approved. Schedule shifts involve changes in cash flow without changing total project cost. The net effect of these changes was a slight reduction in anticipated FY 2014/2015 capital spending. No items require Board action.
- 2) Budget-related – Five budget-related items were submitted and four were approved. One item was placed on hold for further discussion.
- 3) New project related – Three new projects were submitted and all were approved.

The following summarizes the use of the Unallocated CIP Program Fund Report FY 14/15 (Transmittal 2).

The Board of Harbor Commissioners (Board) approved \$14,662,787 in the Fiscal Year 2014/2015 Capital Improvement Program budget for unallocated capital improvements. This budget is used to either begin new multi-year projects or fully fund projects within the current fiscal year. New projects \$100,000 or above are presented to and approved by the Project Development Committee (PDC). Projects under \$100,000 are reported to the PDC for discussion. Meeting minutes of the PDC are transmitted monthly to the Board for information.

Transmittal 2 lists the new projects that have utilized the Unallocated CIP budget for the current fiscal year to date. The following summarizes these new projects:

- 22 Deferred Maintenance projects for a total of \$4,741,500
- 20 new projects greater than \$100,000 for a total of \$5,676,185
- 1 project requiring a transfer to operating budget for a total of \$2,908,000
- 6 new projects less than \$100,000 for a total of \$386,750

The balance of the Unallocated CIP budget as May 29, 2015 is \$950,352.

Also submitted in Transmittal 2 is the Unallocated CIP Program Fund Report for FY 15/16 (Transmittal 2). The amount for the Fiscal Year 2015/16 Capital Improvement Program budget for unallocated capital improvements is \$15,874,226.

The following summarizes these new projects:

- 21 Deferred Maintenance projects for a total of \$5,109,600
- 4 new projects greater than \$100,000 for a total of \$1,169,000
- 0 project requiring a transfer to operating budget
- 1 new projects less than \$100,000 for a total of \$95,000

The balance of the Unallocated CIP budget as May 29, 2015 is \$9,500,626.

There are various Board approved resources available to move these projects forward. These include in-house staff, on-call consultant contracts, on-call site and marine improvement contracts, annual contracts for supplies and materials to name a few. All these are approved by the Board either as part of the annual budget approval process or multi-year contracts that have received separate Board approval.



EUGENE D. SEROKA
Executive Director

Attachment(s):

Transmittal 1: June 2015 PDC Pandect

Transmittal 2: Unallocated CIP Fund Reports for FY 14/15 and FY15/16

AVG/tz

BUDGET CHANGE

SUBJECT

ORIGINAL PROJECT COST \$148,623

AT-GRADE "QUIET ZONE" RAIL CROSSING PROTECTION SYSTEM FOR ANAHEIM STREET RAIL CROSSING OF MCFARLAND AVENUE LEAD TRACK – COST INCREASE AND TIME EXTENSION REQUEST

SUMMARY

Staff requests approval to increase the project budget by \$140,000 to incorporate the necessary "G" Street rail crossing protection system design upgrades into the scope of work, and provide design support services during construction for the Anaheim Street crossing and "G" Street crossing protection system designs. The City of Los Angeles Department of Transportation (LADOT) will reimburse the City of Los Angeles Harbor Department (Harbor Department) for all design related costs via project federal grant funding.

In addition, staff requests approval to revise the project schedule as follows:

Revise Design Finish Date from June 30, 2014 to August 31, 2015

Revise Construction Finish Date from June 30, 2014 to December 31, 2016

The additional time is required to complete the "G" Street rail crossing protection system design upgrades and provide design support services during the project construction.

PDC ACTION Approved

COMMENT This project is fully reimburseable by LADOT.

SUBJECT

ORIGINAL PROJECT COST \$378,000

HARBOR ADMINISTRATION BUILDING (HAB)-LIGHTING FIXTURE UPGRADE-1ST AND 2ND FLOORS

SUMMARY

On October 17, 2012, PDC approved the Engineering Work Order (EWO) No. 2521900, which provided funds and time to prepare design drawings, procure materials, and furnish labor to install new Light Emitted Diode (LED) lighting fixtures at HAB's 1st and 2nd floor offices. The approved EWO was budgeted at the amount of \$378,000, with a March 2015 completion date.

During the construction, the Construction and Maintenance (C&M) Division has encountered numerous unforeseen conditions that has increased the project budget from \$378,000 to \$488,000, and has required additional seven months to complete the project.

PDC ACTION Approved

COMMENT Include an update in the July report back to PDC on comprehensive building improvements.

SUBJECT**ORIGINAL PROJECT COST** \$1,950,000**BERTH 161 MARINE WAYS MODIFICATION****SUMMARY**

Berth 161 Marine Ways is a facility located at the Construction & Maintenance (C&M) Yard and is used to provide maintenance, repair and improvements on Port of Los Angeles marine vessels. Debris from maintenance of vessels currently falls onto a mud foundation that is either washed away with the tide or seeps into the soil. It has been requested to design and construct pavement, grade the area, and perform miscellaneous modifications at the Marine Ways to contain work debris, capture and treat contaminated runoff. Improvements will provide compliance with existing water quality regulations. The proposed improvements were originally going to be constructed under the new Marine Improvement's contract. In order to receive a competitive bid, the project will now be bid, awarded and constructed under a separate construction contract. The project will be combined with the Berth 200 Rail Yard Track Connections – Phase 2.

PDC ACTION Approved**COMMENT****SUBJECT****ORIGINAL PROJECT COST** \$8,794,300**BERTHS 196-199 WHARF REHABILITATION****SUMMARY**

On July 10, 2012, the Project Development Committee (PDC) approved the project scope, budget, and schedule for this wharf rehabilitation. Staff has since identified contaminated utilities under the deck of the wharf that require removal. Additionally, the existing potable water lines need to be replaced and the wharf is proposed to be strengthened to support HS-20 traffic loading.

PDC ACTION On Hold**COMMENT** Bring back to August PDC meeting. Senior Managers will meet to discuss issues, business deal, and project. This item was approved by PDC in the past.**NEW PROJECT****SUBJECT****ORIGINAL PROJECT COST** \$260,000**BERTHS 53-55 – CRUISE SHIP FENDERING IMPROVEMENTS PROJECT****SUMMARY**

On October 3, 2015, there will be four cruise ships that will be berthing at the Port of Los Angeles. Two cruise ships will be berthed at the existing Cruise Terminal at Berths 90-93, one ship at Outer Harbor Berths 45-47, and the fourth ship will be berthed at the Berths 53-55 Fruit Terminal. Since a cruise ship has never berthed at this terminal, the Berths 53-55 Cruise Ship Fendering Improvements Project is necessary to provide proper fendering for berthing and operations of the cruise ship. This berth will be used again for future cruise calls as needed. These fenders can be easily removed and stored when the fruit ships berth at this terminal. The Construction & Maintenance Division (C&M) will perform all work on this project.

PDC ACTION Approved**COMMENT** Walk-on during the meeting.

SUBJECT**ORIGINAL PROJECT COST** \$275,000**PORTS O' CALL IMPROVEMENT – BERTH 80 FISHERMAN SEAFOOD BUILDING DEMOLITION****SUMMARY**

The Harbor Department Real Estate Division requested the Engineering Division prepare plans and a cost estimate to demolish the vacant Fisherman Seafood Building at the north end of Ports O' Call Village starting October 2015. Demolition of this structure will be the first step in clearing the way for the proposed Ports O' Call Promenade.

PDC ACTION Approved**COMMENT** Should be considered a public access project.**SUBJECT****ORIGINAL PROJECT COST** \$280,000**CATALINA CHANNEL EXPRESS-- WATERSIDE IMPROVEMENTS****SUMMARY**

On April 9, 2015, the Board of Harbor Commission approved the second amendment to Catalina Channel Express (Catalina Express) to construct an office/warehouse facility adjacent to Regan Street. As part of the negotiation with Catalina Express constructing the proposed office/warehouse entirely with their own funds, the Port of Los Angeles agreed to procure and install thirty-four (34) piles at Berth 95 so that Catalina Express can moor their barges that will be used to transport the freight under contract with Santa Catalina Island Company.

PDC ACTION Approved**COMMENT****SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$7,365,450**FISCAL YEAR 2015-16 C&M DEFERRED MAINTENANCE PROJECTS - UPDATES****SUMMARY**

The Construction & Maintenance Division (C&M) is requesting changes to project schedules and funding within its deferred maintenance Capital Improvement Program (CIP) and Maintenance Improvement Program (MIP) that were delayed in Fiscal Year (FY) 2014-15 and have been shifted to FY 2015-16. Several roofing and elevator replacement projects are among those that will shift to the next fiscal year. Overall funding for the CIP and MIP deferred maintenance projects will not change from what PDC approved in December 2014, and department management subsequently modified in February 2015.

PDC ACTION Approved**COMMENT** These shifts have been reported in Audit Committee. Mike Galvin proxy vote for Mike D.

SUBJECT**ORIGINAL PROJECT COST \$670,000****HARBOR ADMINISTRATION BUILDING: 3RD, 4TH AND 5TH FLOOR RESTROOMS REMODEL****SUMMARY**

Staff requests approval to revise the project schedule as follows:

☐

Revise Construction Finish Date from June 5, 2015 to October 30, 2015.

Staff requests additional time to mitigate time required to procure long lead items, develop drawing clarifications to address accessibility requirements, substitute tile subcontractor, and specify alternate materials to keep the project within budget.

PDC ACTION Approved

COMMENT Proxy vote by Mike Galvin.

SUBJECT**ORIGINAL PROJECT COST \$500,000****PORTS O'CALL REDEVELOPMENT CONCEPTUAL PLANNING – TWO MONTH TIME EXTENSION****SUMMARY**

The Port of Los Angeles is preparing various planning concepts for the Town Square and Promenade in Ports O' Call and is finalizing a Request for Proposal (RFP) for design of these improvements in coordination with the Los Angeles Waterfront Alliance team to successfully redevelop Ports O' Call. An additional two months of time is needed to complete the RFP and select a design consultant.

PDC ACTION Approved

COMMENT Proxy vote by Mike Galvin.

SUBJECT**ORIGINAL PROJECT COST****BERTH 200 RAIL YARD TRACK CONNECTIONS – PHASE 2 CONSTRUCTION CONTRACT****SUMMARY**

Staff requests approval to revise the project schedule as follows:

Revise Construction Finish Date from June 19, 2015 to April 30, 2017

Staff requests additional time to prepare new plans, specifications and estimates (PS&E) for the Berth 200 Rail Yard locomotive fueling drainage improvements and Los Angeles Department of Water and Power (DWP) waterline relocation and protection improvements that were deleted from the Berth 200 Rail Yard Track Connections construction contract, and competitively re-bid this work out under a separate construction contract.

PDC ACTION Approved

COMMENT Proxy vote by Mike Galvin

SUBJECT

ORIGINAL PROJECT COST \$841,240

PORTS O' CALL – AMERICANS DISABILITY ACT COMPLIANT RESTROOMS – THREE MONTH TIME EXTENSION FOR DESIGN

SUMMARY

The Engineering Division request the Project Development Committee's approval to extend design completion date of the Ports O' Call public restrooms retrofit by three months. On November 5, 2014, the Project Development Committee approved the design and construction retrofit of the Ports O' Call public restrooms to make them ADA compliant. The recent resignation of the architect from the Engineering Division has necessitated the project to be reassigned to another architect. It is requested that the design schedule be extended by three months. The construction schedule remains the same.

PDC ACTION Approved

COMMENT Typo to baseline date corrected from May 2016 to May 2015. Proxy vote by Mike Galvin.

ADMINISTRATIVE ITEM

None

ACTION ITEM FOLLOW UP

- 4. Web-based construction management systems status update. Division is starting up an RFQ with selection of a vendor by December. Return to PDC Jan. 2016 for further update.
- 5. Need additional cost estimates. Will return to PDC with full report in July.
- 6. Info Item and whitepaper will be presented to the Board on Zero emissions cargo handling for drayage at second meeting in June. This Item is complete.
- 7. Received info in a board report. Item Complete.
- 8. Getting background to Gene. Looking into funding mechanisms and performing a market study to get reliminary results. Return to PDC in Sept.

WORK ORDER REPORT

REVIEWED

UNALLOCATED BUDGET REPORT

REVIEWED

ADDITIONAL DISCUSSION

- Need to include in future reports change in cash flows even to items that are just schedule change items.
- Reviewed a presentation on the financial model.

Antonio V. Gioiello
Deputy Executive Director

Michael DiBernardo
Deputy Executive Director

Unallocated Capital Improvement Program Fund FY 14/15
(Budget reset in May)

\$ 14,662,787.00

Deferred Maintenance Projects

B. 154-155 - Paint Warehouses (25282)	\$	(800,000.00)
B. 183-184 - Bannings Landing HVAC System Upgrade (25283)	\$	(150,000.00)
B. 91-92 - Replacement of Elevator No. 1 (25284)	\$	(85,000.00)
Wilmington/San Pedro Fencing Upgrades - Phase 2 (25285)	\$	(150,000.00)
B. 93 - Replacement of Elevator No. 1 (25286)	\$	(60,000.00)
B. 93 - Replacement of Elevator No. 6 (25287)	\$	(180,000.00)
B. 121 - Yang Ming Administration Building Re-roof (25288)	\$	(255,000.00)
300 Water Street - Office Building Re-roof (25289)	\$	(231,500.00)
B. 179-180 - Warehouse Re-roof (25290)	\$	(600,000.00)
Cabrillo Beach - Sewerage Pump Station Modification and Upgrade (25291)	\$	(60,000.00)
B. 93 - Cruise Terminal Water Line Replacement (25297)	\$	(75,000.00)
B. 121-126 - Crane Trench Retrofit (25298)	\$	(100,000.00)
B. 161 - Maintenance Dock Extension (25300)	\$	(130,000.00)
B. 194 - Sea Wall Improvements (25301)	\$	(125,000.00)
B. 161 - CNG Detection System for Garage (25302)	\$	(100,000.00)
Harbor Administration Bldg. - 2nd Floor IT PreAction Fire Life Safety System (25305)	\$	(145,000.00)
B. 161 - Boat Maintenance Cradle Modification (25306)	\$	(370,000.00)
Harbor Administration Bldg. - Backflow Replacement (25307)	\$	(10,000.00)
B. 161 - Electrical Equipment Retrofit (25308)	\$	(140,000.00)
Liberty Hill Plaza - Fire Life Safety System Replacement (25313)	\$	(425,000.00)
Banning's Landing - Fire Life Safety System Replacement (25314)	\$	(250,000.00)
B. 153-155 - Water and Sewer Line Replacement (25315)	\$	(300,000.00)
<i>Subtotal Deferred Maintenance Projects</i>	\$	(4,741,500.00)

PDC Approved Projects

Cabrillo Way Marina Phase I, Floating Docks Class I Fire System and Pipe Hanger Repairs (25281)	\$	(350,000.00)
Everyport "Evergreen" Terminal Alternative Maritime Power (AMP) Vault Addition (25294)	\$	(100,000.00)
B. 118-119 Marine Oil Terminal - Fender Replacement (25295)	\$	(385,000.00)
Harbor Administration Building - Drains Mainline Replace (25269) - Increase	\$	(300,000.00)
B. 84 Rock Slope (25310)	\$	(150,000.00)
Fanfare Fountain Palm Tree Drainage Repair and Tree Installation (24274) - Increase	\$	(185,000.00)
B. 226-236 Terminal Improvements Wharf and Backland (25312) AMP (24311)	\$	(601,450.00)

Cabrillo Way Marina - Long Dock Fire Line Support Replacement (25316)	\$	(135,000.00)
Cabrillo Way Marina - V Dock Fire Line Replacement and Pipe Hanger Repairs (25281)	\$	(980,000.00)
Ports O' Call - American Disability Act Compliant Restrooms (25317)	\$	(400,000.00)
Altasea Environmental Assessment (25318)	\$	(750,000.00)
B. 212-216 YTI/NYK Existing Switchgear Circuit Breakers Replacement (25335)	\$	(25,000.00)
B. 217-220 - AMP (25325)	\$	(50,000.00)
Klein Billing and Port Pilot System Enhancement (25324)	\$	(60,800.00)
Harbor Administration Bldg - Fuel Cell System (25215)	\$	(234,000.00)
Review of Southern CA International Gateway (SCIG) Project (25322)	\$	(25,000.00)
Everport "Evergreen" Terminal Alternative Maritime Power (AMP) Vault (25294)	\$	(25,000.00)
Enterprise Resource Planning (ERP) Software Licenses (25332)	\$	(889,935.00)
Caltrans Project Study Report & Env. Doc. For Proposed Caltrans Route 47 & Front Street/Harbor Blvd Interchange (25334)	\$	(25,000.00)
Ports O' Call - Fisherman Seafood Bldg Demolition (_____)	\$	(5,000.00)
Subtotal PDC Approved Projects	\$	(5,676,185.00)

Projects Under \$150,000

Port of Los Angeles Police Headquarters - Garage Electrical Outlets (25296)	\$	(25,000.00)
Harbor Adm. Bldg. - 5th Floor Sunshade Roller Blinds (25304)	\$	(85,000.00)
Fire Station 112 - Fire Protection System Installation (24309)	\$	(96,750.00)
338 Cannery Street - Administration Bldg AC Replacement (25319)	\$	(60,000.00)
B. 161 - Electrical Equipment Retrofit - Phase 2 (25320)	\$	(70,000.00)
B. 46 - Power Pole Relocation (24328)	\$	(50,000.00)
Subtotal Projects Under \$150,000	\$	(386,750.00)

CIP Budget Transfers

Transfer to ENV's operating budget for SCIG and Front St. Remediation	\$	(2,908,000.00)
	\$	(2,908,000.00)

Balance as of May 29, 2015 **\$ 950,352.00**

Unallocated Capital Improvement Program Fund FY 15/16
(Budget set in April)

\$ 15,874,226.00

Deferred Maintenance Projects

Liberty Hill Plaza - HVAC System Upgrade (24283)	\$	(225,000.00)
B. 91-92 - Replacement of Elevator No. 1 (25284)	\$	(85,000.00)
B. 93 - Replacement of Elevator No. 1 (25286)	\$	(60,000.00)
B. 93 - Replacement of Elevator No. 6 (25287)	\$	(180,000.00)
B. 121 - Yang Ming Adm. Bldg. Re-roof (24288)	\$	(130,000.00)
B. 179-180 - Warehouse Re-roof (25290)	\$	(600,000.00)
B. 121-126 - Electrical Upgrade - Vacuum Breakers (25336)	\$	(550,000.00)
B. 161 - Repave Yard and Remove Rail (25337)	\$	(168,000.00)
B. 300 - Fire Life Safety System Replacement (25338)	\$	(1,131,459.00)
B. 161 - Warehouse Roof Improvement (25339)	\$	(140,975.00)
B. 73C - Restroom Re-roof (25340)	\$	(17,936.00)
B. 73X - Restroom Re-roof (25341)	\$	(17,936.00)
Liberty Hill Plaza - Replacement of all Doors (25342)	\$	(85,000.00)
B. 212 - Underground Valves Replacement (25343)	\$	(81,820.00)
B. 73-93 - Replacement of Pipeline Hangers (25344)	\$	(323,780.00)
2001 John s. Gibson Blvd. - Fire Life Safety System Replacement (25345)	\$	(331,694.00)
B. 68 - Wharf Upgrade and Deck Replacement (25347)	\$	(150,000.00)
B. 161 - Boat Shop Dust Filtration System (25348)	\$	(36,000.00)
B. 84 - Marina Improvements (25349)	\$	(630,000.00)
Bannings Landing - Building Upgrade (25350)	\$	(20,000.00)
Harbor Administration Bldg - Elevator Gearbox Replacement (25351)	\$	(145,000.00)

Subtotal Deferred Maintenance Projects \$ ***(5,109,600.00)***

PDC Approved Projects

B. 196-199 -Wharf Rehabilitation (25166)	\$	(500,000.00)
Ports O' Call Improvement - Fisherman Seafood Bldg Demolition (_____)	\$	(270,000.00)
Catalina Channel Express - Waterside Imps. (_____)	\$	(280,000.00)
At Grade "Quiet Zone" Rail Crossing Protection... (25241)	\$	(119,000.00)

Subtotal PDC Approved Projects \$ ***(1,169,000.00)***

Projects Under \$100,000

B. 90-93 Cruise Terminal - Conceptual Planning & Preliminary Engineering (25352)	\$	(95,000.00)
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Subtotal Projects Under \$100,000 \$ ***(95,000.00)***

Balance as of May 29, 2015

\$ 9,500,626.00



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: July 1, 2015
TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE
SUBJECT: REPORT FROM PROJECT DEVELOPMENT COMMITTEE (PDC)

JULY 2015 PDC MEETING RESULTS

Attached for your review is the July 2015 PDC Report. This report highlights the actions taken by staff to initiate, review, and resolve items related to Harbor Department project schedules, scopes, and costs.

On July 1, 2015, the PDC met to consider eight project items. Of those eight items, four were schedule-related and four were budget-related, and none were new projects. Administrative reports related to work order and the unallocated budget line item were also reviewed. The Unallocated CIP Fund report and meeting minutes are attached for your review.

The following are the results of this meeting (detailed in Transmittal 1):

- 1) Schedule-related – Four schedule-related items were submitted and all were approved. Schedule shifts involve changes in cash flow without changing total project cost. The net effect of these changes was a slight reduction in anticipated FY 2015/2016 capital spending. No items require Board action.
- 2) Budget-related – Four budget-related items were submitted and four were approved.
- 3) New project related – No new projects were submitted this month.

The following summarizes the use of the Unallocated CIP Program Fund Report FY 15/16 (Transmittal 2).

The Board of Harbor Commissioners (Board) approved \$15,874,226 in the Fiscal Year 2015/2016 Capital Improvement Program budget for unallocated capital improvements. This budget is used to either begin new multi-year projects or fully fund projects within the current fiscal year. New projects \$100,000 or above are presented to and approved by the Project Development Committee (PDC). Projects under \$100,000 are reported to the PDC for discussion. Meeting minutes of the PDC are transmitted monthly to the Board for information.

Transmittal 2 lists the new projects that have utilized the Unallocated CIP budget for the current fiscal year to date. The following summarizes these new projects:

- 21 Deferred Maintenance projects for a total of \$5,109,600

- 6 new projects greater than \$100,000 for a total of \$3,025,846
- 2 new projects less than \$100,000 for a total of \$195,000

The balance of the Unallocated CIP budget as June 25, 2015 is \$7,543,780.

There are various Board approved resources available to move these projects forward. These include in-house staff, on-call consultant contracts, on-call site and marine improvement contracts, annual contracts for supplies and materials to name a few. All these are approved by the Board either as part of the annual budget approval process or multi-year contracts that have received separate Board approval.



EUGENE D. SEROKA
Executive Director

Attachment(s):

Transmittal 1: July 2015 PDC Pandect

Transmittal 2: Unallocated CIP Fund Reports for FY 15/16

AVG/tz

Project Development Committee Pandect

JULY 2015

BUDGET CHANGE

SUBJECT **ORIGINAL PROJECT COST** \$2,364,000

CYBER SECURITY OPERATIONS CENTER – PHASE II, WORK ORDER 2526000

SUMMARY

The Information Technology (IT) Division is requesting Project Development Committee (PDC) approval to increase the budget for Work Order 2526000, Cyber Security Operations Center – Phase II, by \$100,000 to a not-to-exceed amount of \$2,464,000. This requested budget increase is an administrative adjustment to match the not-to-exceed amounts of the contract agreements. The estimated actual expenditures remain unchanged at \$2,364,000, which the PDC previously approved at its January 21, 2014 meeting.

PDC ACTION Approved

COMMENT

SUBJECT **ORIGINAL PROJECT COST** \$7,365,450

FISCAL YEAR 2014-15 AND 2015-16 C&M DEFERRED MAINTENANCE PROJECTS - UPDATES

SUMMARY

The Construction & Maintenance Division (C&M) is requesting changes to project schedules and funding within its deferred maintenance Capital Improvement Program (CIP) and Maintenance Improvement Program (MIP) that were delayed in Fiscal Year (FY) 2014-15 and have been shifted to FY 2015-16, or shifts within the approved FY 2015-16 projects. Overall funding for the CIP and MIP deferred maintenance projects will not change from what PDC approved in December 2014 and June 2015.

PDC ACTION Approved

COMMENT

JULY 2015

SUBJECT

ORIGINAL PROJECT COST \$5,680,302

BERTH 142 CRANE MAINTENANCE BUILDING – SCHEDULE AND BUDGET CHANGE REQUEST

SUMMARY

The Berth 142 Crane Maintenance Building is part of the TraPac Container Terminal Expansion Program. The Board of Harbor Commissioners (Board) approved the Second Amendment to TraPac's Permit No. 881 and Revised Budget on September 19, 2013.

As authorized by the Executive Director on February 26, 2015 the project was advertised and received four bids on May 21, 2015. The announced lowest bidder withdrew his bid, subsequently, the second lowest bidder failed to fully complete the bid proposal as required by the Harbor Department. The Construction Division obtained Board approval to reject all bids and re-bid the contract at the June 18, 2015 Board Meeting.

This re-bid process requires an extension to the original bid and award schedule by five months. In addition, the Engineering Division is recommending an increase of seven months to the original construction schedule to allow for subsurface exploration, procurement of long lead items, and the installation of overhead cranes. The five month time extension due to the re-bid and seven month time increase to the original construction schedule extends the construction completion date by 12 months total.

The Engineering Division also recommends increasing the budget by \$3,800,000 based on the revised cost estimate due to the recent bids, material cost increases, inflation, and additional administrative costs for the schedule extension. Based on the recent construction bids of \$4,953,000, \$6,803,450, \$6,998,070, and \$7,053,950, the Engineering Division revised the construction budget from \$4.2 million to \$7.7 million, a \$3.5 million increase, which includes contingency, and increased the administrative costs by \$300,000 due to the schedule extension for a total budget increase of \$3.8 million.

The funds will come from the TraPac Container Terminal Expansion Program budget. The Berth 142 Crane Maintenance Building is partially funded under the Proposition 1B, State Trade Corridor Improvement Fund, through the State of California Department of Transportation, in the amount of \$2,841,000.

PDC ACTION Approved

COMMENT

SUBJECT

ORIGINAL PROJECT COST \$8,794,300

BERTHS 196-199 WHARF REHABILITATION

SUMMARY

On July 10, 2012, the Project Development Committee (PDC) approved the project scope, budget, and schedule for this wharf rehabilitation. Staff has since identified contaminated utilities under the deck of the wharf that require removal. Additionally, the existing potable water lines need to be replaced and the wharf needs to be strengthened to support HS-20 traffic loading. This will increase the budget from \$8,794,300 to \$12,311,500 and extend the construction completion date from 11/1/16 to 9/11/17.

PDC ACTION Approved

COMMENT This item was put on hold from the June PDC meeting for additional financial discussions. These discussions took place.

SCHEDULE CHANGE

JULY 2015

SUBJECT ORIGINAL PROJECT COST \$6,455,400

BERTHS 212-224 INTERMODAL CONTAINER TRANSFER FACILITY (ICTF) EXPANSION

SUMMARY

The Berths 212-224 ICTF Expansion consists of one new loading track that will be added to the existing Terminal Island Container Transfer Facility (TICTF) yard. The work was originally included with the Berths 214-220 Redevelopment project, but was removed for grant funding purposes. The work cannot be advertised until grant funds are in place. The work will now be bid and awarded as a separate construction contract. Staff is requesting project schedule approval for the Berths 212-224 ICTF Expansion project.

PDC ACTION Approved

COMMENT

SUBJECT ORIGINAL PROJECT COST \$1,600,000

BERTHS 226-232 EVERPORT PAVEMENT RESURFACING AND STRIPING

SUMMARY

On May 20, 2014, the Project Development Committee (PDC) approved the Berths 226-232 Everport Pavement Resurfacing and Striping project. The work consists of resurfacing three inches of asphalt concrete pavement (AC) on the wharf from Berths 226 to 232; 100 feet between the crane rails and 70 feet of backland behind the crane rail.

The project was delayed due to challenges by Everport in finding an opportunity to complete the resurfacing while minimizing impacts to terminal operations. The Port's recent container congestion also added to this challenge. The container congestion has abated and standard operations are now being observed.

Staff requests approval of the revised schedule to proceed with the resurfacing and striping project at the request of the tenant.

PDC ACTION Approved

COMMENT

SUBJECT ORIGINAL PROJECT COST \$140,000

WILMINGTON WATERFRONT PARK STREET VACATIONS

SUMMARY

The Wilmington Waterfront Park Street Vacations Project provides the mapping and permitting necessary to complete the street and alley vacations and dedications for the Wilmington Waterfront Park and the Harry Bridges Boulevard Voluntary Improvements projects. Construction is complete on both projects, and this project is necessary to close out the permits with the City of Los Angeles.

The schedule is delayed 12 months due to unanticipated delays in permit processing. No increase in budget is required.

PDC ACTION Approved

COMMENT

JULY 2015

SUBJECT

ORIGINAL PROJECT COST \$165,000

BERTH 68 - PORT PILOT DIVISION'S REPLACEMENT OF WINDOWS AT DISPATCH CENTER TIME EXTENSION REQUEST

SUMMARY

Staff requests approval to revise the project schedule as follows:

1. Revise Design Finish Date from April 30, 2015 to July 30, 2015.
2. Revise Construction Finish Date from October 15, 2015 to June 30, 2016.

Staff requests additional time for the Engineering Division to complete Construction Documents, and for the Contracts & Purchasing Division to advertise and issue a purchase order for this project in lieu of utilizing Construction and Maintenance (C&M) staff to perform the work.

The project budget remains at \$165,000.

PDC ACTION Approved

COMMENT An indepth exploration of alternative options occurred.

ADMINISTRATIVE ITEM

Policies and procedures will be changing, including what is included in the reports. Reports will be more of a team effort among divisions and need to justify/defend why we are doing the project, include a stronger business case, a more robust financial analysis, language on whether or not the project is in line with the stratetic and master plans, information on future maintenance or support costs, an environmental section describing issues for the site and if CEQA is needed, and any legal comment related to settlement or litigation. Also, will work with IT on creating a Sharepoint site.

ACTION ITEM FOLLOW UP

The Comprehensive HAB improvements plan presentation will be moved to the August PDC meeting.

WORK ORDER REPORT

REVIEWED

UNALLOCATED BUDGET REPORT

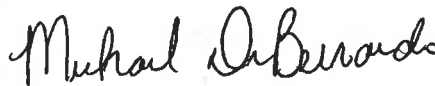
REVIEWED

ADDITIONAL DISCUSSION

Discussion on bringing grants and remediation items to PDC for approval.



Antonio V. Gioiello
Deputy Executive Director



Michael DiBernardo
Deputy Executive Director

Unallocated Capital Improvement Program Fund FY 15/16

(Budget set in April)

\$ 15,874,226.00

Deferred Maintenance Projects

Liberty Hill Plaza - HVAC System Upgrade (24283)	\$	(225,000.00)
B. 91-92 - Replacement of Elevator No. 1 (25284)	\$	(85,000.00)
B. 93 - Replacement of Elevator No. 1 (25286)	\$	(60,000.00)
B. 93 - Replacement of Elevator No. 6 (25287)	\$	(180,000.00)
B. 121 - Yang Ming Adm. Bldg. Re-roof (24288)	\$	(130,000.00)
B. 179-180 - Warehouse Re-roof (25290)	\$	(600,000.00)
B. 121-126 - Electrical Upgrade - Vacuum Breakers (25336)	\$	(550,000.00)
B. 161 - Repave Yard and Remove Rail (25337)	\$	(168,000.00)
B. 300 - Fire Life Safety Sytem Replacement (25338)	\$	(1,131,459.00)
B. 161 - Warehouse Roof Improvement (25339)	\$	(140,975.00)
B. 73C - Restroom Re-roof (25340)	\$	(17,936.00)
B. 73X - Restroom Re-roof (25341)	\$	(17,936.00)
Liberty Hill Plaza - Replacement of all Doors (25342)	\$	(85,000.00)
B. 212 - Underground Valves Replacement (25343)	\$	(81,820.00)
B. 73-93 - Replacement of Pipeline Hangers (25344)	\$	(323,780.00)
2001 John s. Gibson Blvd. - Fire Life Safety System Replacement (25345)	\$	(331,694.00)
B. 68 - Wharf Upgrade and Deck Replacement (25347)	\$	(150,000.00)
B. 161 - Boat Shop Dust Filtration System (25348)	\$	(36,000.00)
B. 84 - Marina Improvements (25349)	\$	(630,000.00)
Bannings Landing - Building Upgrade (25350)	\$	(20,000.00)
Harbor Administration Bldg - Elevator Gearbox Replacement (25351)	\$	(145,000.00)

Subtotal Deferred Maintenance Projects \$ **(5,109,600.00)**

PDC Approved Projects

Ports O' Call Improvement - Fisherman Seafood Bldg Demolition (25355)	\$	(270,000.00)
Catalina Channel Express - Waterside Imps. (25354)	\$	(280,000.00)
At Grade "Quiet Zone" Rail Crossing Protection... (25241)	\$	(119,000.00)
B. 53-55 - Cruise Ship Fendering Improvements (25356)	\$	(260,000.00)
B. 226-232 Everport Pavement Resurfacing and Striping (25277)	\$	(1,596,846.00)
B. 196-199 Wharf Rehabilitation (25166)	\$	(500,000.00)

Subtotal PDC Approved Projects \$ **(3,025,846.00)**

Projects Under \$100,000

B. 90-93 Cruise Terminal - Conceptual Planning & Preliminary Engineering (25352)	\$	(95,000.00)
B. 97-109 - China Shipping Container Terminal Supplemental EIR (25353)	\$	(100,000.00)

Subtotal Projects Under \$100,000 \$ **(195,000.00)**

Balance as of June 25, 2015

\$ 7,543,780.00