



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE: SEPTEMBER 6, 2018**

**TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE**

**SUBJECT: SEPTEMBER 2018 PROJECT DEVELOPMENT COMMITTEE REPORT**

This report highlights the actions taken by the Project Development Committee (PDC) at its September meeting. On September 5, 2018, the PDC met to consider thirteen project items. The committee also reviewed administrative reports regarding recently opened work orders and the status of the unallocated Capital Improvement Program (CIP) fund budget. The meeting minutes (Transmittal 1) and Unallocated CIP Fund Report FY 2018/2019 (Transmittal 2) are attached for your review.

The following is a summary of the meeting minutes by category:

- 1) Schedule change – Eight items were submitted and approved.
- 2) Budget/Schedule/Scope change – Four items were submitted and approved.
- 3) New project – One item was submitted and approved.

The Board of Harbor Commissioners (Board) approved \$15,000,000 in the fiscal year 2018/2019 CIP budget for unallocated capital improvements. This budget is used to fund new multi-year projects or fully fund projects within the current fiscal year. New projects at or in excess of \$100,000 are presented to the PDC for consideration. Projects under \$100,000 are reported to the PDC for information. The PDC meeting minutes are then transmitted to the Board for information.

The following is a summary of projects that are expected to utilize the unallocated CIP budget for fiscal year 2018/2019 to date:

- Six PDC-approved project totaling \$1,832,600
- Three projects under \$100,000 totaling \$163,500

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, and annual contracts for supplies and materials. All of these are approved by the Board either as part of the annual budget approval process or as multi-year contracts that have received separate Board approval.



EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: August 2018 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2018/2019

AVG/mz

**BUDGET CHANGE**

**SUBJECT** **ORIGINAL PROJECT COST** \$268,000  
**BERTH 226 – ELECTRICAL INFRASTRUCTURE FOR E-TRUCK CHARGING STATION – COST INCREASE**

**SUMMARY**

Staff requests approval for additional funds to complete the Berth 226 – Electrical Infrastructure for E-Truck Charging Station project.

The scope of work includes the installation of five E-Truck charging stations and an electrical connection for one LNG fueling trailer at an original cost of \$200,000 and was approved by the Project Development Committee (PDC) on May 3, 2017. During construction, additional spare conduits and electrical pull boxes were included to be utilized for a future electric yard tractors and top picks for the “Advanced Cargo Handling Truck” CEC funded project. Many unforeseen existing substructures were encountered which required hand digging to avoid damaging existing substructures. Some construction work was required to be performed during off hours/holidays to minimize impact to terminal operations.

PDC approved increasing the project budget from \$200,000 to \$268,000 on March 7, 2018 to accommodate unforeseen conditions. However, during construction we encountered additional unforeseen conditions, and revised the scope to better accommodate the future yard tractor charging element. This requires the total project cost to increase from \$268,000 to \$380,000, but without delaying the construction completion of December 31, 2018.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT** **ORIGINAL PROJECT COST** \$1,743,500  
**BERTHS 97-109 – CHINA SHIPPING CONTAINER TERMINAL SUPPLEMENTAL EIR – COST INCREASE**

**SUMMARY**

Staff requests approval for a cost increase of \$83,000 for the Berths 97-109 [China Shipping] Container Terminal China Shipping Project Supplemental Environmental Impact Report (SEIR).

The additional funds are necessary to perform an analysis of on-road vehicle emissions using the latest emissions inventory model developed by the California Air Resource Board (CARB), the Emissions Factors (EMFAC) 2017 model. The analysis for on-road vehicles emissions for the SEIR was completed using the 2014 CARB model but re-evaluation under the new model is necessary to ensure that the City of Los Angeles Harbor Department reports the pollutant concentrations and health risk under the newly established CARB parameters. The Draft SEIR, targeted for public release at the end of September 2018 will incorporate the latest finding from this updated emissions evaluation. Staff will return to the Project Development Committee (PDC) at a future date for a budget and schedule request for completion of the Final SEIR.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$307,000

**HARBOR ADMINISTRATION BUILDING GARAGE DOORS REPLACEMENT - COST INCREASE**

**SUMMARY**

Staff requests approval to increase the approved project total for the Harbor Administration Building Garage Doors Replacement project by \$87,000.

The Engineering Division recommends increasing the budget from \$307,000 to \$394,000 to account for the actual cost of the bid received and to provide for additional Engineering staff time in support of the project.

**PDC ACTION** Approved

**COMMENT** No comment.

**BUDGET CHANGE, SCHEDULE CHANGE, SCOPE CHANGE**

**SUBJECT**

**ORIGINAL PROJECT COST** \$7,400,000

**BERTHS 177-178 WHARF RESTORATION - SCOPE, BUDGET, AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval for additional scope, cost increase, and schedule change to the Berths 177-178 Wharf Restoration.

The proposed scope of work consists of designing and constructing approximately 382 linear feet of concrete wharf (62-foot-wide). The wharf will be upgraded to 1,000 pounds per square foot (psf) and will include additional seismic analysis to comply with the Port of Los Angeles seismic code.

The Engineering Division recommends increasing the project budget by \$2,020,000 to account for additional costs for analysis and increased scope for design and construction of an upgraded wharf.

The Engineering Division recommends adding six months to provide for analysis and design.

The total project cost is \$9,420,000 and the project will be completed by April 30, 2020.

**PDC ACTION** Approved

**COMMENT** No comment.

**NEW PROJECT**

**SUBJECT****ORIGINAL PROJECT COST** \$600,000**ACCESS ROAD ADJACENT TO PRAXAIR, INC. RESURFACING – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to repair and repave the City of Los Angeles Harbor Department-owned (Harbor Department) street directly adjacent to the northern perimeter of Praxair, Inc. (Praxair) premises located at 2300 E. Pacific Coast Highway in the City of Wilmington.

The proposed work includes repair and reconstruction of both the north side (westbound direction) and the south side (eastbound direction) of the street directly adjacent to the northern perimeter of Praxair. See Transmittal 1 for project location and Transmittal 2 for project limits.

The total project cost is \$600,000 and the project will be completed by March 31, 2020.

**PDC ACTION** Approved**COMMENT** No comment.**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$779,650**AVALON BOULEVARD AND FRIES STREET CLOSURES ENVIRONMENTAL ASSESSMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Avalon Boulevard and Fries Street Closures Environmental Assessment schedule by 30 additional months with no additional increase in the budget.

On August 15, 2012, the Engineering Division opened Work Order #25167 for the permanent street closures of Avalon Boulevard and Fries Avenue between A Street and Water Street to eliminate at-grade rail crossings at these locations. This project did not need PDC approval at the time, as it was part of the Berth 200 Rail Yard/TraPac Project. The environmental review process for the project was set to begin in August 2012 and finish by September 2013. The project's budget was \$779,650 for consultant services and for in-house labor. A Mitigated Negative Declaration (MND) was prepared for the project but was never finalized or adopted by the Board of Harbor Commissioners due to concerns by Wilmington residents over the addition of a pedestrian bridge as part of the project. Approximately \$435,066 was spent out of the \$779,650 budget before the environmental document was placed on hold in 2014.

The Environmental Management Division recommends adding 30 additional months to the schedule due to the project being placed on hold for several years.

**PDC ACTION** Approved**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$150,000**514 PIER A STREET – SOILS LAB ELEVATOR MODERNIZATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the 514 Pier A Street - Soils Lab Elevator Modernization project schedule by six additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding six additional months to the schedule to allow for delays due to time needed to contract with an elevator services provider.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$800,000**272 SOUTH FRIES AVE. – BUILDING IMPROVEMENTS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the building improvements at 272 South Fries Avenue schedule by six additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding six additional months to the schedule to allow for delays due to the availability of the window materials and subsequent installation of the windows.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$52,700,000**WILMINGTON WATERFRONT PROMENADE - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Wilmington Waterfront Promenade schedule by four additional months with no additional increase in the budget.

The Engineering Division recommends adding four additional months to the schedule to allow for delays due to the following:

1. Ongoing real estate negotiations to secure property rights to a vital parcel currently owned by the Los Angeles Department of Water and Power (LADWP),
2. Ongoing negotiations with the Port of Long Beach (POLB) to secure sole property rights to a jointly owned parcel which is vital for the new Water Street alignment,
3. Delays by LADWP to complete their design for undergrounding the existing overhead power lines, and
4. Delays in obtaining the necessary environmental approvals and permits for the in-water work.

**PDC ACTION** Approved**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$850,000**SWINFORD STREET, FRONT STREET, AND REGAN STREET RESURFACING - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the schedule for Swinford Street, Front Street, and Regan Street Resurfacing Project by six months with no additional increase in the budget. This project has been delayed due to availability of design resources.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$310,000**SAN PEDRO WATERFRONT - DOWNTOWN HARBOR WATER CUT SHEET PILING MOVEMENT INVESTIGATION FOR REPAIR - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Downtown Harbor Water Cut Sheet Piling Movement Investigation for Repair schedule by six additional months with no additional increase in the budget. The additional time is required to support the continuing litigation with the original project design consultants.

The Engineering Division recommends adding six additional months to the schedule for mediation and investigation.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$940,000**HAB EXTERIOR STEEL FRAME REPAIR - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the HAB Exterior Steel Frame Repair schedule by six additional months with no additional increase in the budget.

The Engineering Division recommends adding six additional months to the schedule to allow for delays due to work demands on higher priority projects causing limited availability of staffing resources.

**PDC ACTION** Approved**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$10,056,000

**ALAMEDA CORRIDOR SOUTHERN TERMINUS GAP CLOSURE -TITLE AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the Alameda Corridor Southern Terminus Gap Closure, previously referred to as the West Basin Lead Track Gap Closure, schedule by five additional months with no additional increase in the budget.

This schedule extension enables the project to conform to the project schedule outlined in the Trade Corridor Enhancement Program (TCEP) grant. On May 16, 2018, the California Transportation Commission awarded \$5.992 million to the Alameda Corridor Southern Terminus Gap Closure, as part of the joint TCEP application for six Southern California rail projects. On July 17, 2018, the Board of Harbor Commissioners approved the TCEP Baseline Agreement and Master Agreement including the project schedule. This schedule change results in an extension of six months to the design and environmental phases and moves the construction finish date by five months. The project title is also changed to match the TCEP grant application.

**PDC ACTION** Approved

**COMMENT** No comment.

**ADMINISTRATIVE ITEM** No Grants Report.

**ACTION ITEM FOLLOW UP**

**WORK ORDER REPORT** REVIEWED

**UNALLOCATED BUDGET REPORT** REVIEWED

**ADDITIONAL DISCUSSION**



Antonio V. Gioiello  
Development



Marla Bleavins  
Finance & Administration



**Unallocated Capital Improvement Program Fund FY 18/19**

**(Budget set in February)**

**\$ 15,000,000.00**

**PDC Approved Projects**

C&M Yard Wi-Fi Expansion (25503)	\$	(167,600.00)
B. 95 - Catalina Channel Express - Parking Improvements (25509)	\$	(30,000.00)
Harbor Administration Building - 2nd Floor Workspace Solutions (25510)	\$	(240,000.00)
Harbor Administration Building - 5th Floor Workspace Solutions (25511)	\$	(1,300,000.00)
San Pedro Waterfront - Town Square Public Restrooms (25513)	\$	(50,000.00)
Access Road Adjacent to Praxair Resurfacing (_____)	\$	(45,000.00)
<b><i>Subtotal PDC Approved Projects</i></b>	<b>\$</b>	<b><i>(1,832,600.00)</i></b>

**Projects Under \$100,000**

Pier 400 - Pavement Replacement (25504)	\$	(98,500.00)
B. 240X So Cal Ship Services - Parking Lot Design (25506)	\$	(40,000.00)
B. 84 - Port Police Marine Office -Two Workstation Installation - Phase II (25512)	\$	(25,000.00)
<b><i>Subtotal Projects Under \$100,000</i></b>	<b>\$</b>	<b><i>(163,500.00)</i></b>

***Balance as of August 29, 2018***

**\$ 13,003,900.00**