



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: NOVEMBER 2, 2017

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: NOVEMBER 2017 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its November meeting. On November 1, 2017, the PDC met at its regularly scheduled time to consider two project items. The committee also reviewed administrative reports regarding grants, 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 2017/2018 (Transmittal 2) are attached for your review.

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

- 1) Schedule change – One item was submitted and approved.
- 2) Budget/Scope/Schedule change – One item was submitted and approved.

The Board approved \$15,000,000 in the fiscal year 2017/2018 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 and discussion. 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 2017/2018 to date:

- 11 PDC-approved projects for a total of \$4,884,000

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: November 2017 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2017/2018

AVG/mz

SCHEDULE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$2,020,000

BERTH 161 MARINE WAYS MODIFICATION – SCHEDULE CHANGE

SUMMARY

Staff requests approval to revise the design and construction completion schedule for the Berth 161 Marine Ways Modification project. On July 6, 2016, the Project Development Committee (PDC) placed the project on hold to provide the Construction and Maintenance (C&M) Division time to re-evaluate the use and operation of their yard. The adjacent Dinko's site had become available, and was being considered as a potential location for Marine Ways operation. Based on the layout of the area it was confirmed that the current Marine Ways site would still be needed in order to maintain the larger vessels. The Engineering Division was further delayed by the need to extend a permit from the Los Angeles Regional Water Quality Control Board (LARWQCB), which has now been resolved.

The Engineering Division requests that the project schedule be revised to add 21 months.

PDC ACTION Approved

COMMENT No comments.

SCHEDULE CHANGE, BUDGET CHANGE, SCOPE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$58,216,476

BERTH 57 WHARF RETROFIT, GROUND IMPROVEMENTS, AND SIGNAL STREET IMPROVEMENTS – SCOPE COST, AND SCHEDULE CHANGES

SUMMARY

The Engineering Division (Engineering) requests the Project Development Committee's (PDC) approval to modify the project scope, extend the project completion date and reduce the project budget for the Berth 57 Wharf Retrofit, Ground Improvements and Signal Street Improvements (project). Engineering previously obtained PDC approval on October 23, 2012 for the seismic retrofit of the Berth 57 warehouse shed, wharf structure and ground improvements. Due to AltaSea's new lease amendment and restated lease approved by the Board of Harbor Commissioners on August 7, 2017, the project scope, schedule, and budget needs to be revised.

The Engineering Division requests approval of a 40-month time extension to revise the project schedule completion date from February 22, 2019 to June 30, 2022. The revised project scope includes Signal Street Improvements at Warehouse 57, Berth 57 wharf removal and seawall repair, and soil remediation at Berth 57. The project budget is being reduced from \$58,216,476 to \$21,725,000, of which \$3,100,000 has been spent. The reduction in budget reflects the deletion of a new wharf at Berth 57 and deletion of ground improvements.

These changes are consistent with the new AltaSea lease amendment and restated lease approved by the Board of Harbor Commissioners on August 7, 2017, but does not include the realignment of 22nd Street at Berth 56 which comes into acceptance by AltaSea December 2023.

PDC ACTION Approved

COMMENT No comment.

ADMINISTRATIVE ITEM Department Grants Report reviewed.

ACTION ITEM FOLLOW UP

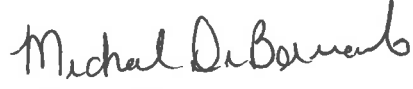
WORK ORDER REPORT REVIEWED

UNALLOCATED BUDGET REPORT REVIEWED

ADDITIONAL DISCUSSION



Antonio V. Gioiello
Development



Michael DiBernardo
Marketing and Customer Relations

Unallocated Capital Improvement Program Fund FY 17/18

(Budget set in February)

\$ 15,000,000.00

PDC Approved Projects

Berth 174-181 - Pasha Terminal Improvements (25441)	\$	(500,000.00)
Berth 212-224 - Terminal Lighting Replacement (25446)	\$	(1,350,000.00)
ILWU Dispatch Hall Traffic Signal (25449)	\$	(100,000.00)
B. 161 C&M Maintenance Yard - Carpenter Shop Remodal (25452)	\$	(850,000.00)
Berth 226-236 Everport Terminal Advanced Cargo Handling Demonstration Project (25453)	\$	(200,000.00)
Wilmington Waterfront Environmental Assessments (25456)	\$	(450,000.00)
Harbor Administration Building Garage Doors Replacement (25455)	\$	(151,000.00)
Berth 91-92 - Passenger Terminal Fire Panel Installation (25454)	\$	(340,000.00)
POLA Sidewalk Repair Program - Withith Port Property (25463)	\$	(500,000.00)
Port Police System Improvements - Catalina Island Radio Repeater Site (25465)	\$	(343,000.00)
B. 218-220 Concrete Wharf Improvements (25466)	\$	(100,000.00)

Subtotal PDC Approved Projects \$ ***(4,884,000.00)***

Projects Under \$100,000

HAB New Skylight at Penthouse Roof (25451)	\$	(93,000.00)
Port Police - LAPD LAN Network Connection (25461)	\$	(88,525.00)
B. 91-93 Cruise Terminal - Passenger Access (25469)	\$	(100,000)
HAB - Exterior Landscaping (25470)	\$	(100,000)

Subtotal Projects Under \$100,000 \$ ***(381,525.00)***

Balance as of October 25, 2017

\$ 9,734,475.00