



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE: MARCH 5, 2021**

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

**SUBJECT: MARCH 2021 PROJECT DEVELOPMENT COMMITTEE REPORT**

This report highlights the actions taken by the Project Development Committee (PDC) at its March meeting. On March 3, 2021, the PDC met to consider thirteen project items. The committee also reviewed standing reports regarding newly opened work orders, the status of the unallocated Capital Improvement Program (CIP) fund budget, the financial model, grants, and the GASB 49 project list. Attached for review are the meeting minutes (Transmittal 1) and Unallocated CIP Fund Report FY 2020/2021 (Transmittal 2).

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

- 1) Schedule change – Five items were submitted and approved.
- 2) Budget/Schedule/Scope change – Five items were submitted and approved.
- 3) New project – Three items were submitted and approved.

The Board of Harbor Commissioners (Board) approved \$12,000,000 in the fiscal year 2020/2021 CIP budget for unallocated capital improvements. The department uses this budget 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. Staff presents projects under \$100,000 to the PDC for information and discussion. Staff then transmits the PDC meeting minutes to the Board for information.

The following is a summary of projects expected to utilize the unallocated CIP budget for fiscal year 2020/2021 to date:

- 24 PDC-approved project totaling \$4,664,000
- 10 projects under \$100,000 totaling \$682,500

Various resources are 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. The Board approves these resources either through the annual budget process or as contracts that receive separate Board approval.

*Mark Blewins*

EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: March 2021 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2020/2021

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**BUDGET CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$1,700,000**SAN PEDRO WATERFRONT-TOWN SQUARE RESTROOMS - BUDGET INCREASE****SUMMARY**

Staff requests approval to increase the project budget for the San Pedro Waterfront- Town Square Restrooms Project.

The Engineering Division recommends increasing the project budget by \$500,000 for additional scope of work and construction administration required to incorporate building permit corrections and respond to unforeseen site conditions encountered during construction.

If approved by the Project Development Committee (PDC), the revised project budget would be \$2,200,000.

**PDC ACTION** Approved

**COMMENT** No comment.

**NEW PROJECT****SUBJECT****ORIGINAL PROJECT COST** \$2,140,000**FY 2020-21 C&M DEFERRED MAINTENANCE CIP PROJECTS – NEW PROJECTS****SUMMARY**

The Construction & Maintenance Division (C&M) requests \$2,140,000 in Fiscal Year (FY) 2020-2021 Capital Improvement Program (CIP) funding for five major repair, remodel, and upgrade projects throughout the Port that largely have been deferred for years due to budgetary limitations. C&M has identified over 24 deferred maintenance projects currently valued at approximately \$26 million that needs attention. In coordination with the Engineering, Cargo & Industrial Real Estate, and Waterfront & Commercial Real Estate Divisions, five projects were identified for initiation and completion next fiscal year (see the attached list). Projects may be added or removed from the C&M deferred maintenance program due to changing priorities and circumstances as the FY proceeds.

**PDC ACTION** Approved

**COMMENT** Committee approved the item minus the Neptune building re-roof project, which will be further evaluated and resubmitted to PDC at a later date.

**SUBJECT****ORIGINAL PROJECT COST** \$327,500**PORT OF LOS ANGELES POLICE HEADQUARTERS – UPS BATTERIES REPLACEMENTS - NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace Uninterrupted Power Supply (UPS) batteries needed for the generators at the Port of Los Angeles Police Headquarters (PPHQ).

The proposed work includes the purchase and installation of the UPS system batteries.

The total project cost is \$327,500 and the project will be completed by June 30, 2021.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$175,000**NEW FIBER OPTIC LINES FROM PORT OF LOS ANGELES HARBOR ADMINISTRATION BUILDING (HAB) TO 110 FREEWAY ON/OFF RAMP– NEW PROJECT****SUMMARY**

Staff requests approval to open a new work order which will install new fiber optic lines within existing spare conduits located between the Harbor Administration Building (HAB) and the 110 Freeway On/Off Ramp at John S. Gibson Blvd.

The proposed work includes in-house project management costs, labor, and materials to install the new fiber optic lines to serve the proposed North Gaffey Street Beautification Phase 2A project.

If approved by the Project Development Committee (PDC), the total project cost is \$175,000 and will be completed by March 31, 2023.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$1,521,800**BERTH 182 - SLOPE EROSION REPAIR – SCHEDULE CHANGE****SUMMARY**

Staff is requesting approval for an extension of five months to the project schedule. The schedule extension is needed due to delays in review and approval of the 401 Water Quality Certification by the Los Angeles Regional Water Quality Control Board (LARWQCB), and to finalize the construction documents. The new completion date will be Mach 31, 2022.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$1,500,000**BERTH 115 – RAIL CROSSING REPLACEMENT- SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 115 – Rail Crossing Replacement schedule by five additional months with no additional increase in the budget.

The Engineering Division recommends adding five months to the schedule to allow for delays due to tenant requested changes and to allow time for approval of traffic control plans by the Los Angeles Department of Transportation (LADOT) and Caltrans.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$7,250,000**BERTHS 176-179 (PASHA) - ELECTRICAL INFRASTRUCTURE IMPROVEMENTS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the construction schedule for the Berths 176-179 Electrical Infrastructure Improvements Project by ten months.

The Engineering Division recommends adding ten months to the construction schedule to account for delays caused by the COVID-19 pandemic, including longer than anticipated delivery times for the electrical switchgear.

If approved by the Project Development Committee (PDC), the new Construction Finish date would be August 31, 2023.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$160,000**BERTH 68 - PORT PILOT STATION – HVAC UPGRADES - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the schedule of the Berth 68 Port Pilot Station HVAC Upgrades project by five additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding five additional months to the schedule to allow for contractor delays caused by their personnel changes and their staffing shortages due to COVID-19.

**PDC ACTION** Approved**COMMENT** No comment.**SCHEDULE CHANGE, BUDGET CHANGE**

**SUBJECT****ORIGINAL PROJECT COST** \$200,000**BERTH 93 ELEVATOR NO. 2 RENOVATION - BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the budget and change the schedule for renovating Elevator No. 2 at Berth 93.

The Construction & Maintenance Division (C&M) recommends increasing the budget by \$76,000 to account for a Fire Life Safety (FLS) interface that is required and the abatement, removal, and installation of new (Monokote) fireproofing.

C&M recommends adding two additional months to the schedule to allow for delays due to installation of the FLS interface and the replacement fireproofing.

The total project cost is \$276,000 and the project will be completed by September 30, 2021.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$745,000**BERTH 84 – MARITIME MUSEUM – PLUMBING UPGRADES - BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the budget and change the schedule for the plumbing upgrades project at the Berth 84 Maritime Museum.

The Construction & Maintenance Division (C&M) recommends increasing the budget by \$100,000 to account for changes in labor rates and additional costs of materials.

C&M recommends adding six additional months to the schedule to allow for delays due to staffing shortages caused by the worldwide pandemic.

The total project cost is \$845,000 and the project will be completed by October 31, 2021.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$540,000**BERTH 91-93 – PASSENGER TERMINAL MOBILE GANGWAYS HYDRAULIC CYLINDER REPLACEMENT – BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the budget and change the schedule for the replacement of the hydraulic cylinders on the mobile gangways at the Berth 91-93 Passenger Terminal.

The Construction & Maintenance Division (C&M) recommends increasing the budget by \$900,000 to account for the cost of materials.

C&M recommends adding twelve additional months to the schedule to allow for delays due to acquiring the materials and to accommodate shipping schedules.

The total project cost is \$1,440,000 and the project will be completed by December 31, 2022.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$560,000**WILMINGTON WATERFRONT – SITE CHARACTERIZATION ASSESSMENTS – COST AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for a cost increase and schedule change to the Wilmington Waterfront – Site Characterization Assessments.

The proposed work continues support to the Waterfront & Commercial Real Estate Division (WCRED) for the property exchange with the Los Angeles Department of Water and Power (LADWP). The Environmental Management Division (EMD) will perform additional sampling to delineate detected contamination. EMD will continue to coordinate with LADWP’s environmental group on sampling plans for both Port-owned and LADWP-owned parcels and negotiates areas that require remediation prior to property exchange. In addition, EMD will continue to support the Engineering and Construction Divisions on environmental considerations throughout the Wilmington Waterfront Development Project, including but not limited to oil pipeline removal, waste characterizations, import fill data confirmation, and infiltration assessment.

EMD recommends increasing the budget from \$560,000 to \$680,000 for additional delineation of subsurface contamination, negotiation with LADWP, and support for the Engineering and Construction Divisions.

EMD recommends extending the project end date to April 30, 2024, matching the Wilmington Waterfront Development Project end date for Pedestrian Bridge Construction, to provide as-needed support to Engineering and Construction Divisions through the end of project completion.

The total project cost is \$680,000 and the project will be completed by April 30, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE, SCOPE CHANGE**

**SUBJECT**

**ORIGINAL PROJECT COST** \$150,000

**HARBOR ADMINISTRATION BUILDING – 1ST FLOOR GARAGE LED LIGHTING UPGRADE – SCOPE AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to change the scope and to add a three month schedule extension to the Harbor Administration Building (HAB) – 1st Floor Garage LED Lighting Upgrade project with no additional change to the budget.

The Construction & Maintenance Division (C&M) recommends adding three additional months to the schedule to allow for delays due to acquiring the material.

The proposed work includes upgrading and replacing additional light fixtures in the utility, electrical, and storage rooms that maintenance staff utilize in the garage.

The total project cost is \$150,000 and the project will be completed by September 30, 2021.

**PDC ACTION** Approved

**COMMENT** No comment.

**ADMINISTRATIVE ITEM** GASB49 reviewed. 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 20/21**

**(Budget set in February)**

**\$ 12,000,000**

**PDC Approved Projects**

B. 84 - Maritime Museum - Fire Sprinkler (25625)	\$	(540,000)
B. 84 - Maritime Museum - Fire Alarm and Mass Notification System (25629)	\$	(490,000)
B. 54-55 - Building Cover Replacement (25630)	\$	(650,000)
B. 161 - Construction & Maintenance - Natural Gas Line Replacement (25631)	\$	(192,500)
B. 186-191 - MOTEMS - Vopak Environmental Assessment (24633)	\$	(250,000)
22nd Street, Via Cabrillo Marina, & Shoshonean Road - Lighting Upgrade (25636)	\$	(70,000)
B. 115 - Rail Crossing Replacement (25637)	\$	(100,000)
Harbor Administrative Building - 1st Floor Garage LED Lighting Upgrade (25639)	\$	(150,000)
B. 95 - Barge Landing Ramp Upgrade at Catalina Express (25640)	\$	(100,000)
B. 200 - Marine Improvements Contractor Laydown Area (25643)	\$	(200,000)
B. 161 - Former Administration Building Remodel (25644)	\$	(300,000)
Terminal Way and Barracuda Street - Removal of Abandoned Railroad Track (25645)	\$	(30,000)
Oracle ERP Cloud Migration (25648)	\$	-
Rear Berths 301 - Pavement Improvements (25649)	\$	(146,000)
B. 93A & B - World Cruise Center - Photovoltaic System Inverter Replacement (25656)	\$	(28,000)
B. 206-209 - Electrical Sub-Meter Installation (25657)	\$	(35,000)
B. 57-60 Wharf Reconstruction (25658)	\$	(180,000)
B. 153-155 - Wharf Repair (25659)	\$	(180,000)
B. 158-160 - C&M Employee Parking Lot Electrical Service Relocation (25660)	\$	(225,000)
Pavement Imps and Demolition of Southwest Marine Administration Bldg (25661)	\$	(50,000)
Wilmington Waterfront - Avalon Gateway (25662)	\$	(200,000)
HAB - 2nd Floor Remodel for Port Cyber Resilience Center (25664)	\$	(150,000)
B. 161 - Compressed Natural Gas (CNG) Compressor Replacement (25666)	\$	(70,000)
Port of Los Angeles Police Headquarters - UPS Battereis Replacement (_____)	\$	(327,500)

***Subtotal PDC Approved Projects*** \$ ***(4,664,000)***

**Projects Under \$100,000**

Harbor Administrative Building - Patio Lighting Solution (25632)	\$	(60,000)
Port of Los Angeles Police Headquarters - Roll Up Doors Replacement (25634)	\$	(86,800)
272 S Fries Avenue - Overflow Parking Lot (25635)	\$	(72,500)
1410 S.Barracuda Steet - Fire Alarm System (25638)	\$	(55,200)
Anchorage Road Lighting Upgrade (24641)	\$	(98,000)
B. 91-92 - Passener Terminal - Emergency Lighting Inverter Replacement (25642)	\$	(99,000)
Port Of Los Angeles Police Headquarters - Handwashing Station(24646)	\$	(23,000)
South Access Road Speed Caliming Improvements (25647)	\$	(44,000)
Wilmington Waterfront Park - Camera Poles Replacement (25651)	\$	(47,000)
B. 161 - Floating Dock Electrical Upgrades (25653)	\$	(97,000)

***Subtotal Projects Under \$100,000*** \$ ***(682,500)***

***Balance as of February 24, 2021***

**\$ 6,653,500**












# Audit Committee Report Packet March 2021

Final Audit Report

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