



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: JANUARY 11, 2017

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: JANUARY 2017 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its January meeting. On January 9, 2017, the PDC met to consider twenty-four project items. The committee also reviewed administrative reports related to grants, new work orders, and the status of the fiscal year 2016/2017 unallocated budget. The meeting minutes (Transmittal 1) and unallocated Capital Improvement Program (CIP) fund report (Transmittal 2) are attached for your review.

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

- 1) Budget/Schedule change – Four items were submitted and approved.
- 2) Budget/Schedule/Scope change – One item was submitted and approved.
- 3) Schedule change – Eight items were submitted and approved.
- 4) New Project – Eleven items were submitted. Seven were approved, one was denied, and three were deferred pending further review.

The Board of Harbor Commissioners (Board) approved \$10,000,000 in the Fiscal Year 2016/2017 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.

Transmittal 2 lists the projects that have utilized the unallocated CIP budget for fiscal year 2016/2017 to date. The following summarizes these new projects:

- 16 PDC-approved projects for a total of \$4,585,295
- 10 projects under \$100,000 for a total of \$404,300

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: January 2017 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report for FY 2016/2017

AVG/mz

BUDGET CHANGE, SCHEDULE CHANGE**SUBJECT****ORIGINAL PROJECT COST \$841,240****PORTS O' CALL – AMERICANS WITH DISABILITY ACT COMPLIANT RESTROOMS – SIX MONTH TIME EXTENSION AND BUDGET INCREASE****SUMMARY**

The Engineering Division requests the Project Development Committee's (PDC) approval to extend the project completion date of the Ports O' Call public restrooms retrofit by six months and approval to add \$350,000 for construction. On November 5, 2014, the PDC approved the design and construction retrofit of the Ports O' Call public restrooms, which includes six public restroom locations, to make them Americans with Disability Act (ADA) compliant. This project was initiated due to a lawsuit against the Harbor Department for a public restroom facility that was not ADA compliant in Ports O' Call.

The Engineering Division requests approval to revise the project budget and schedule as follows:

1. Revise Project budget from \$841,240 to \$1,191,240, an increase of \$350,000.
2. Revise the project completion date from December 31, 2016 to June 30, 2017.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST \$3,070,000****BERTH 93 CRUISE TERMINAL – CUSTOMS AND BORDER PROTECTION IMPROVEMENTS PROJECT – COST AND TIME INCREASE****SUMMARY**

On February 4, 2015, the Project Development Committee (PDC) approved the Berth 93 Cruise Terminal - Customs and Border Protection (CBP) Project to design and construct improvements at the Berth 93 Cruise Terminal. These improvements are necessary to correct the security deficiencies and to comply with modified CBP security requirements for Cruise Terminals.

Staff requests the approval of the revised budget and schedule due to lengthy CBP review and approval processes. This lengthy CBP process caused the design time to increase significantly.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$3,758,740**BERTHS 226-236 EVERPORT TERMINAL IMPROVEMENTS PROGRAM EIR/EIS SCHEDULE AND BUDGET REVISION****SUMMARY**

The City of Los Angeles Harbor Department (Harbor Department) is preparing an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Berths 226-236 [Everport] Container Terminal Improvements Project (proposed Project), in accordance with the requirements of the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA). The EIS/EIR is encompassed in Project No. 25242 – Berths 226-236 Terminal Improvements – Planning and Environmental. The most recent schedule approved by the PDC had an EIR/EIS completion date of July 18, 2017.

Since the last PDC approval in July 2016, there have been some additional scope changes, prioritization of unplanned projects, and staffing issues that have resulted in the need for additional time and money to complete the EIS/EIR. With regard to staffing, the Environmental Division has requested the services of an environmental consultant, Environmental Compliance Solutions to act as the project manager for the completion of the EIS/EIR, due to a staffing change in environmental in-house staff. This service results in \$150,000 of additional funds for calendar year 2017.

In addition, during the preparation of the Draft EIS/EIR, a scope change including new dredging amounts and an increased number of cranes required revising technical analyses and sections of the document that were already underway. This scope change occurred in August 2016. Subsequent to these changes, the Environmental Management Division was requested to reprioritize the work so that another unplanned project could receive environmental clearance expeditiously. This caused work to be delayed on the EIS/EIR through the end of October 2016. Recently, it was recognized that several in process EIRs must be consistent with one another; so in order to clarify the documents and minimize public comment, the EIS/EIR document is being restructured and standardized. These changes have resulted in the need for \$360,996 of additional funds.

In summary, a budget increase to Project No. 25242, in the amount of \$510,996, and a 5-month schedule extension with a completion date of December 31, 2017 is being requested at this time. The proposed changes will affect three additional projects to be brought to the PDC at a later date.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,817,436**BERTH 181 – PASHA WAREHOUSE RE-ROOF****SUMMARY**

Staff requests approval of a revised project schedule and budget for the Berth 181 – Warehouse Re-roof project, a Deferred Maintenance Capital Improvement Program (CIP) project, approved for Fiscal Year 2016-17.

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

SUBJECT**ORIGINAL PROJECT COST** \$400,000**DOWNTOWN HARBOR PUBLIC RESTROOMS****SUMMARY**

With the completion of the Downtown Harbor public dock and promenade this area is gaining popularity and seeing an increase in public use. This area is also being used by the Port of Los Angeles (Port) as programmed space for public events; therefore the need for a public restroom nearby is increasing. An existing restroom is located within the Maritime Museum on the backside (north east side of the building), but can only be accessed through a secured gate on the north side of the Museum. This restroom will be renovated for public use. Staff requests approval for funding the Port's capital work to design and construct a public accessible pathway to this restroom and to renovate the restroom for public use and include appropriate security and signage. The budget is estimated at \$400,000 with a scheduled completion date of June 2018.

PDC ACTION Not Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$2,500,000**BERTH 93 CRUISE TERMINAL – TWO NEW ELEVATORS****SUMMARY**

The cruise terminals operations at the Berth 93 Cruise Terminal are being impacted by a lack of elevator capacity for the volume of passengers moving through the terminal. The solution identified is to have the Port add larger and faster elevators at two key locations that can relieve the bottlenecks and allow for improved passenger experience especially for the high volume of wheelchair passengers. The total cost of the project is \$2,500,000 and will be completed by June 2019.

PDC ACTION On Hold**COMMENT** Deferred

SUBJECT
NETWORK REDESIGN

ORIGINAL PROJECT COST \$4,120,500

SUMMARY

The Information Technology Division (ITD) is requesting funds to redesign the Harbor Department's IT network.

The Harbor Department's current IT network requires reconfiguration and modernization in order to support the Department's growing reliance on IT based services. The proposed reconfiguration would create a more flexible, reliable and secure network.

The current networks basic and out-of-date design creates security vulnerabilities that are inherent to the design. The current design contains bottlenecks and single-points of failure that leave the entire network vulnerable to outages, failures, or interference. Older equipment lacks the most up-to-date security features and protections required to keep a network safe and accessible.

Due to the increase in applications and services on the network, and the growing operational importance of those applications, the network requires modernization in order to provide reliable and secure access for department employees, and to protect the Department's data from corruption or theft.

By the end of fiscal year 16/17 the Information Technology Division will complete construction of a fiber optic cable loop connecting HAB, MLETC and C&M.

With the fiber loop in place, the IT network has the ability to reconfigure the network to a more reliable configuration by placing redundant links and services at the MLETC training facility.

The total cost for labor and materials associated with the redesign is \$4,120,500.00.

PDC ACTION On Hold

COMMENT Deferred

SUBJECT
PIER A STREET RESURFACING – NEW PROJECT

ORIGINAL PROJECT COST \$1,200,000

SUMMARY

Staff requests approval to initiate a new project to reconstruct portions of Pier A Street (between the southern terminus of the South Wilmington Grade Separation and Pier A Place) that have heavily damaged pavement for a project budget of \$1,200,000 and a completion date of July 31, 2018.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$7,980,000**FY 2017-18 C&M DEFERRED MAINTENANCE CIP PROJECTS****SUMMARY**

The Construction & Maintenance Division (C&M) requests \$7,980,000 in Fiscal Year (FY) 2017-2018 Capital Improvement Program (CIP) funding for 14 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 90 deferred maintenance projects, currently valued at approximately \$53 million, as being needed. In coordination with the Engineering, Cargo & Industrial Real Estate, and Waterfront & Commercial Real Estate Divisions, 14 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** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,140,000**BERTHS 179-181- WHARF AND BOLLARD REPAIR****SUMMARY**

Staff requests approval to initiate a new project to replace and repair deteriorated elements, including, piles, beams, connectors, and bollards, of the timber wharves at Berths 179-181 (Pasha). The components in question have exceeded their useful life, and the proposed project will extend the life of the structure. The requested project budget is \$1,140,000, and construction is anticipated to be completed by March 2018.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$481,000**WEST END WILMINGTON PARK IMPROVEMENTS- NEW PROJECT****SUMMARY**

The West End Wilmington Park Improvements consist of landscaping and minor grading along the new slope that borders the re-aligned Harry Bridges Boulevard and the recently constructed I-110/C Street Interchange at the west end of the Wilmington Waterfront Park. The West End Wilmington Park Improvements project will provide a safer environment for pedestrians and drivers on Harry Bridges Boulevard as well as users of Wilmington Waterfront Park. The total project cost is \$481,000 and is to be completed in September 2019.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$850,000**SWINFORD STREET, FRONT STREET AND REGAN STREET RESURFACING – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project entitled the Swinford Street, Front Street and Regan Street Resurfacing Project. This project proposes to resurface the existing asphalt concrete pavement of Swinford Street (east of Harbor Boulevard), Front Street (between Regan Street and Swinford Street), and Regan Street (east of Harbor Boulevard). The total cost for this project is \$850,000 and construction will be completed by June 2018.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$6,000,000**SAN PEDRO WATERFRONT - HARBOR BOULEVARD FROM MINER STREET TO SP SLIP ROADWAY IMPROVEMENTS – NEW PROJECT****SUMMARY**

As part of the San Pedro Waterfront Program, this new project is proposed to realign and expand Harbor Boulevard (formerly known as Sampson Way) starting at the new intersection at Miner Street and ending at the SP Slip, transforming it into a scenic boulevard along the west perimeter of the new San Pedro Public Market. This project will improve public access throughout the waterfront area to better connect the waterfront with downtown San Pedro and the surrounding community.

Total project cost is \$6,000,000 and is scheduled for completion in July 2019. Staff requests approval to fund this project by transferring monies from Engineering Project Number 2488200 "San Pedro Waterfront – Sampson Way (7th St. to 22nd St.) Roadway Improvements" into this new capital work order.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$600,000**ELECTRICAL VEHICLE CHARGING STATIONS – NEW PROJECT****SUMMARY**

The Port of Los Angeles (Port) is planning on expanding its Electrical Vehicle (EV) charging stations to provide wider availability of EV chargers for the public as well as the employees. This plan supports Mayor Garcetti's "Sustainable City pLAN", a first-of-its-kind blueprint to make Los Angeles more sustainable. Under this plan, the City of Los Angeles (City) commits to ensure that 50 percent of the City's annual light-duty vehicle purchases are EVs by 2017.

With the advent of EVs, the City will expand its charging infrastructure and charging stations. To accommodate adequate electrical charging stations for current as well as future EVs, the Port recommends establishing a three-year EV infrastructure installation program. This program will identify all the potentially suitable sites within the Port where EV chargers can be installed and then prioritize installation to maximize the benefit for EV charging.

PDC ACTION On Hold**COMMENT** Deferred.

SUBJECT**ORIGINAL PROJECT COST** \$248,000**DREDGE MATERIAL DISPOSAL SITE – NEW PROJECT****SUMMARY**

The Port of Los Angeles (Port) currently has a dredge disposal site at the former Southwest Marine Facility for placement of dredge material not suitable for ocean disposal. This site was constructed under the Channel Deepening project and has been receiving dredge material over the last few years. We are estimating that the site will be full in the next five years and the Port will have to find alternate means for the disposal of unsuitable dredge material. One option would be construction of a new dredge disposal site. We estimate that it will take 4-8 years to get the facility fully permitted and recommend that the process begin now.

The Port will be requesting the Board approve a Memorandum of Agreement with the Corps of Engineers for transfer of excess Harbor Maintenance Fee's from the Harbor Maintenance Trust for maintenance dredging and related work to non-federal berths and/or environmental remediation related to dredging berths and the Federal navigation channel. One item of work identified is funding for site planning for this facility. The Port will use these funds to pay for all the work necessary for design and construction of the facility.

The total cost will be dependent on a number of factors including location of the facility, regulatory requirements for containment of material, design, and construction of the facility. Staff will return to PDC at appropriate times to request additional funds to continue the work as necessary.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$8,900,000**WEST BASIN LEAD TRACK GAP CLOSURE – SCHEDULE CHANGE****SUMMARY**

The West Basin Lead Track Gap Closure was approved by the Project Development Committee (PDC) on January 14, 2016. On December 9, 2016, the project was submitted as an applicant for the United States Department of Transportation Fiscal Year '17 FASTLANE grant. Grant applicants will be notified by March 2017 of the grantee's decision. If the Port of Los Angeles (Port) is successful in obtaining this grant, the project team will need to amend design and environmental documents to comply with federal funding guidelines.

The Engineering Division requests that the project schedule be revised to add seven months to the design and environmental phases to obtain a National Environmental Policy Act (NEPA) clearance. As a result, ten months need to be added to the construction finish date.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$800,000**WATER STREET RESURFACING – SCHEDULE CHANGE****SUMMARY**

The Project Development Committee (PDC) approved the Water Street Resurfacing project on February 3, 2016. Staff requests approval to revise the design and construction schedule to utilize the upcoming 2017-2019 Site Improvement Contract to construct the project.

The Engineering Division requests the project schedule be revised to add two months to the design schedule and seven months to the construction schedule.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$245,780**BERTH 93 – ELEVATOR NO. 4 MODERNIZATION****SUMMARY**

Staff requests approval of a revised project schedule for the Berth 93 Elevator No. 4 Modernization project, a Deferred Maintenance Capital Improvement Program (CIP) project, approved for Fiscal Year 2015-16.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,500,000**STATE ROUTE 47 (SR47)/VINCENT THOMAS BRIDGE AND FRONT STREET/HARBOR BOULEVARD INTERCHANGE RECONFIGURATION STUDIES PROJECT – REVISED SCHEDULE****SUMMARY**

The Project Development Committee (PDC) approved the State Route 47 (SR47)/Vincent Thomas Bridge and Front Street/Harbor Boulevard Interchange Reconfiguration Studies project on March 4, 2015. Staff placed the Environmental work on hold in March 2016 to stay within budget and reduce risks by deferring the majority of the Environmental work until the planning work was completed. Staff substantially completed the planning work in December 2016 and is ready to re-start the Environmental Documentation work. Staff anticipates completing the Environmental Documentation by February 28, 2018.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$253,796**BERTH 93 – REPLACEMENT OF ELEVATOR NO. 6****SUMMARY**

Staff requests approval of a revised project schedule for the Berth 93 Replacement of Elevator No. 6 project, a Deferred Maintenance Capital Improvement Program project approved for Fiscal Year 2015-16.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$200,000**HARBOR ADMINISTRATION BUILDING – ELEVATOR GEARBOX REPLACEMENT****SUMMARY**

Staff requests approval of a revised project schedule for the Harbor Administration Building-Elevator Gearbox Replacement project, a Deferred Maintenance Capital Improvement Program (CIP) project approved for Fiscal Year 2015-16.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$660,000**REEVES AVENUE RESURFACING PROJECT – SCHEDULE CHANGE****SUMMARY**

The Project Development Committee (PDC) approved the Reeves Avenue Resurfacing project on February 3, 2016. Staff requests approval to revise the Design and Construction schedule, to utilize the upcoming 2017-2019 Site Improvement Contract to construct the project.

The Engineering Division requests that the project schedule be revised to add one month to the Design schedule and seven months to the Construction schedule.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$420,000**NAVY WAY SPEED HUMP RECONSTRUCTION AND RESTRIPIING PROJECT – REVISED SCHEDULE****SUMMARY**

The Project Development Committee (PDC) approved the Navy Way Speed Hump Reconstruction and Restriping Project on February 3, 2016. Staff must revise the design and construction schedule in order to utilize the upcoming 2017-2019 Site Improvement Contract to construct the project and avoid the least tern nesting season.

The Engineering Division requests that the project schedule be revised to add two months to the design schedule and seven months to the construction schedule.

PDC ACTION Approved**COMMENT** No comment.

SCOPE CHANGE, SCHEDULE CHANGE, BUDGET CHANGE, TITLE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$14,900,000

WILMINGTON WATERFRONT DEVELOPMENT PROGRAM – PEDESTRIAN BRIDGE – SCOPE CHANGE, COST INCREASE, TIME EXTENSION REQUEST AND TITLE CHANGE

SUMMARY

On January 13, 2016, the Project Development Committee (PDC) approved the Wilmington Waterfront Development Program (WWDP) Pedestrian Bridge Project. The work consists of constructing a pedestrian bridge along Avalon Boulevard that improves pedestrian access to the Wilmington Waterfront Promenade.

The Engineering Division is requesting approval to increase the project budget by \$8,900,000 to fund the addition of the 12 acres Entry Plaza and Gateway. A rendering of the project is included as Transmittal No. 1. The entry plaza includes the Avalon Triangle Park which was identified as a potential additional project in the Public Access Investment Plan. Due to additional planning needed to incorporate the new scope, it is recommended that the design start date be pushed out by four months and that the construction completion date be pushed out ten months to account for the added scope. Finally, it is recommended that the project title be revised to the Avalon Promenade and Gateway in order to simplify the identity of the project.

PDC ACTION Approved

COMMENT No comment.

ADMINISTRATIVE ITEM Department Grants Update presented

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 16/17

(Budget set in February)

\$ 10,000,000.00

PDC Approved Projects

B. 226-232 Everport Terminal Concrete Wharf Inspection and Reconstruction (25394)	\$	(785,000.00)
B. 148-149 (Phillips 66) Marine Oil Terminal Repairs (25398)	\$	(250,000.00)
B. 127-131 - Alternative Maritime Power (AMP) Caddy System (25401)	\$	(980,000.00)
Pier 400 Rail Storage Yard - Light Fixture Replacement (25406)	\$	(375,000.00)
B. 73-90 Pipeline Support Hangers Replacement (25407)	\$	(145,200.00)
B. 200 Rail Yard and Track Connection Enhancement (25408)	\$	(200,000.00)
B. 270-271 - Seawall Repair (25409)	\$	(225,000.00)
Metro Bike Share at the Port of Los Angeles - Site Preparation (25413)	\$	(155,000.00)
B. 97-109 China Shipping Container Terminal Supplemental EIR (25353)	\$	(1,000,000.00)
Port Police 700 MHz Radio System - Phase 1 (25420)	\$	(8,095.00)
Port Police 700 MHz Radio System - Phase 2 (25421)	\$	-
San Pedro Waterfront - Harbor Boulevard From Miner Street to SP Slip Roadway Improvements (_____)	\$	(250,000.00)
Downtown Harbor Public Restrooms (_____)	\$	(40,000.00)
B. 93 Cruise Terminal - 2 New Elevators (_____)	\$	(77,000.00)
Network Redesign (_____)	\$	(25,000.00)
Berths 179-181 - Wharf and Bollard Repair (_____)	\$	(70,000.00)
<i>Subtotal PDC Approved Projects</i>	\$	<i>(4,585,295.00)</i>

Projects Under \$100,000

HAB - Fourth Floor Graphics Workstations Remodel (25402)	\$	(39,000.00)
B. 72 - Municipal Fish Market - Chiller Unit Electrical Replacement (25403)	\$	(92,000.00)
B. 90-93 - Cruise Terminal Emergency Evacuation Plan Signs (25404)	\$	(25,000.00)
133 East Seaside Avenue Directional Signage (25405)	\$	(10,000.00)
Port of Los Angeles Police Headquarters - First Floor Kitchen Modifications (25411)	\$	(36,800.00)
Port of Los Angeles Police Headquarters - Garage Entrance Safety Lighting (25416)	\$	(13,000.00)
B. 161 -C & M Admin. Bldg. Parking Lot Improvements (25417)	\$	(41,000.00)
HAB - Office Cubicles Reconfiguration for Financial Control Section (25418)	\$	(29,000.00)
B. 214-220 - Driveway Access (25422)	\$	(48,500.00)
Waterside Emergency Access - Various Locations (25424)	\$	(70,000.00)
<i>Subtotal Projects Under \$100,000</i>	\$	<i>(404,300.00)</i>

Balance as of December 28, 2016

\$ 5,010,405.00