



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE:** JUNE 1, 2022

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

**SUBJECT:** JUNE 2022 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its June 2022 meeting. On June 1, 2022, the PDC met to consider seven 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, and the GASB 49 project list. Attached for review are the meeting minutes (Transmittal 1) and Unallocated CIP Fund Report FY 2021/2022 (Transmittal 2).

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


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

The Board of Harbor Commissioners (Board) approved \$12,000,000 in the fiscal year 2021/2022 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 2021/2022 to date:

- 21 PDC-approved projects totaling \$5,374,140
- 11 projects under \$100,000 totaling \$544,117

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.

  
Marla Bleavins (Jun 2, 2022 17:21 PDT)

EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: June 2022 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2021/2022

  
AVG

AVG/mz

**BUDGET CHANGE, SCHEDULE CHANGE**

**SUBJECT** ORIGINAL PROJECT COST \$95,000  
**BERTHS 52-53 S.S. LANE VICTORY RELOCATION - BUDGET AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to increase the cost and change the schedule for the Berths 52-53 S.S. Lane Victory Relocation project.

The Engineering Division recommends increasing the budget from \$95,000 to \$635,000 to account for additional labor that was required for the expeditious relocation of the S.S. Lane Victory to Berths 52-53 for arrival of the new Discovery Princess cruise ship. The budget increase also accounts for added scope to provide permanent utility connections to power, communication, water, and sewer for the relocated S.S. Lane Victory. Relocation of the S.S. Lane Victory accommodates future cruise operations at Berth 50.

The Engineering Division recommends adding sixteen additional months to the schedule from August 31, 2022 to December 31, 2023 to allow for additional time to provide permanent utility connections including time for DWP to design and construct power service.

The total project cost is \$635,000 and the project will be completed by December 31, 2023.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT** ORIGINAL PROJECT COST \$573,200  
**AIR QUALITY MONITORING STATIONS UPGRADE – COST INCREASE AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to increase the approved project total and change the schedule for the Air Quality Monitoring Stations Upgrade project.

The project encompasses the upgrade of the Harbor Department's four air monitoring stations with new equipment. The improvement to the monitoring stations requires the purchase and installation of equipment to monitor and collect data for particulate matter, black carbon, nitrogen dioxide, carbon monoxide, ozone, sulfur dioxide, wind speed, wind direction, temperature, and relative humidity.

The Environmental Management Division (EMD) recommends increasing the budget from \$573,200 to \$651,200 to account for additional materials and specialized instrumentation, inflation and changes in pricing, and inclusion of sales tax.

EMD recommends adding five additional months to the schedule to allow for extended lead times and delays in instrument delivery due to supply chain disruptions.

The total project cost is \$651,200 and the project will be completed by March 31, 2023.

**PDC ACTION** Approved

**COMMENT** No comment.

## NEW PROJECT

**SUBJECT** **ORIGINAL PROJECT COST** \$310,000

**BERTH 121-131 – RESTORATION WORK – BUILDINGS AND BULL RAIL – NEW PROJECT**

### SUMMARY

Staff requests approval to initiate a new Capital Improvement Program (CIP) project to perform restoration work of buildings and bull rail at Berth 121-131 Everglades Terminal's Repair & Maintenance, Administration and Marine Tower Buildings. A Maintenance Improvement Program (MIP) project (Engineering Work Order No. 3936800) was previously opened to replace only the damaged sheet metal panels on the Berth 121-131 Everglades Terminal's Repair & Maintenance and Marine Tower Buildings. The proposed work expands on the original scope to replace all of the sheet metal panels at Berth 121-131 Everglades Terminal Marine Tower Building, changing the project from MIP to CIP.

The total project budget is \$310,000 and the project will be completed by September 30, 2022. Staff requests an additional 3 months to complete the project due to delays in removing the old screws from the sheet metal panels.

**PDC ACTION** Approved

**COMMENT** No comment.

## SCHEDULE CHANGE

**SUBJECT** **ORIGINAL PROJECT COST** \$1,516,000

**HARBOR ADMINISTRATION BUILDING- 1ST FLOOR EMPLOYEE RESTROOMS AND SHOWER REMODEL- SCHEDULE CHANGE**

### SUMMARY

Staff requests approval to add seven months to schedule for HAB 1st Floor Employee Restrooms and Shower Remodel project with no increase to budget.

Engineering Division recommends adding seven months to schedule to account for delays incurred for materials on back order, time for distributors to resolve lighting quality control issues, and delays receiving finish materials.

**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 - SCHEDULE CHANGE**

### SUMMARY

Staff requests approval to add eleven months to schedule for New Fiber Optic Lines from Port of Los Angeles Harbor Administration Building (HAB) to 110 Freeway On/Off Ramp project with no additional increase to budget.

Engineering Division recommends adding eleven months to the schedule to match the schedule for North Gaffey St. Beautification Phase 2A project.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$1,000,000

**SAN PEDRO WATERFRONT – B. 57 – ALTASEA ENVIRONMENTAL ASSESSMENT - SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the AltaSea Project schedule by 39 additional months with no additional increase in the budget.

The Environmental Management Division recommends adding 39 additional months to the schedule to continue as-needed environmental support.

**PDC ACTION** Approved

**COMMENT** No comment.

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

**SUBJECT**

**ORIGINAL PROJECT COST** \$3,100,000

**WILMINGTON YOUTH SAILING AND AQUATIC CENTER - SCOPE, BUDGET, AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to revise scope, increase cost, and change schedule for Wilmington Youth Sailing and Aquatic Center (WYSAC) project.

Engineering Division recommends revising scope of project to construct a 1,710sf building, increase budget from \$3,100,000 to \$4,600,000 to account for costs spent since 2009 on studies, reports, architectural plans, and construction documents, to include utilities required for project, and incorporate inflationary increases to construction costs.

Engineering Division recommends adding 38 months to schedule to allow for delays incurred to develop current recommendation of 1,710sf building, including discussions with WYSAC operator to reassess needs and confirm WYSAC can run successful program with 1,710sf building.

If approved by PDC, total project cost under this work order would be \$4,600,000 and project would be completed by September 25, 2025. Total project cost includes an additional \$2,600,000 in China Shipping Mitigation funds via separate work order, and overall project cost to complete project is \$7,200,000.

**PDC ACTION** Approved

**COMMENT** No comment.

**ADMINISTRATIVE ITEM** GASB 49 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 21/22**

**(Budget set in June)**

**\$ 12,000,000**

**PDC Approved Projects**

B. 120 - WBCT - Placement of CAB (25677)	(\$ 148,000)
Port Pilot Radio Upgrade (25678)	(\$ 920,000)
Air Quality Monitoring Stations Upgrade (25680)	(\$ 521,280)
B. 153- Clock Tower Water Damage Repair (25681)	(\$ 200,000)
B. 68 - Port Pilot Station Wharf Modifications (25682)	(\$ 344,000)
Good Movement Workforce Training Facility (25684)	(\$ 500,000)
LAXT Cargo Support Facility (25686) (Estimate Taken from PICS Report)	(\$ 494,836)
B. 161 - Block Wall Removal and Ice Machine Installation (25692)	(\$ 157,833)
B. 93 - Escalator No. 3 Modernization (25691)	(\$ 228,257)
B. 120 - Site Development (25695)	(\$ 600,000)
POLA Electric Vehicle Charging Station Program - Phase 1 (25696)	(\$ 200,000)
B. 44 Boatyard Site Preparations (25699)	(\$ 100,000)
Mormon Island Street Reconstruction Program Phase 1 (25700)	(\$ 50,000)
Everport Mitigation Cultural Resource Investigation (25701)	(\$ 30,000)
1025 S. Seaside Avenue - Demolition and Lot Conversion (25704)	(\$ 150,000)
B. 212-225 - Yusen Terminal Electric Utility Tractor Rig Chargers (25706)	(\$ 10,000)
B. 195-199 - WWL Terminal AMP (25708)	(\$ 89,934)
B. 306 Wharf and Backland (25709)	(\$ 500,000)
Harbor Administration Building - Third Floor Workspace Solutions (25710)	(\$ 50,000)
R.B. 197 Site Improvements (25711)	(\$ 30,000)
B. 121-131 - Restoration Work - Building and Bull Rail ( )	(\$ 50,000)

***Subtotal PDC Approved Projects*** ***(\$ 5,374,140)***

**Projects Under \$100,000**

1500 Minor Street - Fence Installation (24683)	(\$ 17,551)
Harbor Administration Building - Spare Conduits for Telecommunication Requirements (25685)	(\$ 45,000)
LAXT Storm Water Discharge Line (24687)	(\$ 40,664)
B. 174-181 - Administration Building In-Ground Roof Drain Piping (25688)	(\$ 93,931)
Wilmington Waterfront - Avalon Pedestrian Bridge - DWP Marine Tank Farm Coordination (24690)	(\$ 50,000)
Navy Way/Seaside Avenue Street Light Fixture Replacement (25693)	(\$ 31,604)
B. 90-91 - Baggage Handling Building Emergency Ballast Replacement (25694)	(\$ 85,160)
LAXT Access - Preliminary Engineering (25697)	(\$ 31,597)
B. 45-47 - Mooring Upgrade Preliminary Engineering (25698)	(\$ 52,589)
B. 52-53 - S.S. Lane Victory Relocation (25703)	(\$ 95,000)
705 N. Front Street Lighting Upgrade (25713)	(\$ 1,021)

***Subtotal Projects Under \$100,000*** ***(\$ 544,117)***

***Balance as of May 24, 2022***

**\$ 6,081,743**

**Unallocated Capital Improvement Program Fund FY 21/22**

**(Budget set in June)**

**\$ 12,000,000**












# Audit Committee Report Packet June 2022

Final Audit Report

2022-06-03

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