



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: FEBRUARY 5, 2021

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: FEBRUARY 2021 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its February meeting. On February 3, 2021, the PDC met to consider eleven 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 2020/2021 (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 – Four items were submitted and approved.
- 3) New project – Four items were submitted. Two were approved and two were deferred.

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:

- 23 PDC-approved project totaling \$4,336,500
- 9 projects under \$100,000 totaling \$585,500

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.


Marla Bleavins (Feb 10, 2021 11:22 PST)

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: February 2021 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2020/2021


AVG

AVG/mz

NEW PROJECT

SUBJECT**ORIGINAL PROJECT COST** \$750,000**BERTH 161 COMPRESSED NATURAL GAS (CNG) COMPRESSOR REPLACEMENT – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace a compressor for the Compressed Natural Gas (CNG) fueling system located at the Berth 161 Construction & Maintenance (C&M) Yard.

The proposed work includes replacing both CNG compressors used in the system to fuel Port of Los Angeles (Port) sedans, medium duty vehicles and heavy duty on road vehicles. The current compressors are consistently failing and are no longer supported by maintenance vendors due to their poor performance and difficulty to acquire replacement parts.

The total project cost is \$750,000 and the project will be completed by June 30, 2023.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$21,100,000**BERTH 153 – CARGO SHED SEISMIC RETROFIT & CLOCK TOWER BUILDING IMPROVEMENTS – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to seismically retrofit the cargo shed building at Berth 153. The 74,000 square foot building was designed and constructed in the 1950's. The cargo shed needs to undergo extensive seismic retrofitting in order to safely continue using the building for another 50 years. The existing clock tower currently has extensive water damage, including the existing exterior wall assembly being deteriorated and will need to be completely replaced. Other portions of the tower requiring significant repair, replacement or new installations are balconies, windows, doors, stairs, lights, and air horn system.

The total project cost is \$21,100,000 and the project will be completed by December 10, 2025.

PDC ACTION On Hold

COMMENT

SUBJECT**ORIGINAL PROJECT COST** \$350,000**HARBOR ADMINISTRATION BUILDING 2ND FLOOR REMODEL FOR CYBER RESILIENCE CENTER (CRC) – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to remodel office space on the 2nd Floor of the Harbor Administration Building (HAB). The space will be utilized for the Cyber Resilience Center (CRC). The Project Development Committee (PDC) approved the CRC project on February 25, 2019.

The proposed work includes designing, permitting, and constructing new walls, ceiling, door, power, lighting, and air conditioning improvements.

The total project cost is \$350,000 and the project will be completed by September 30, 2021.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$12,000,000**MORMON ISLAND STREET RECONSTRUCTION – NEW PROJECT****SUMMARY**

The Engineering staff requests approval to initiate a new project to reconstruct the network of Port-owned roadways located on Mormon Island.

The proposed scope includes the planning, design, and construction of new roadway pavement, curb and gutter, sidewalk, and drainage improvements on South Fries Avenue, asphalt and concrete pavement repair on La Paloma Avenue, new pavement on Falcon Street, and new pavement and storm drain system improvements on Hermosa Street.

The total project cost is \$12,000,000 and the project will be completed by July 31, 2024.

PDC ACTION On Hold

COMMENT

SCHEDULE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$1,775,000**BERTHS 302-305 CRANE SWITCHGEAR MODERNIZATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the schedule to modernize two crane switchgears at Berths 302-305 (Fenix Marine Terminal) by fifteen additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding fifteen additional months to the schedule to allow for time to coordinate scheduled power outages with the terminal and also allow for manufacturing delays caused by COVID-19.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$313,200**BADGER AVENUE BRIDGE – MITER JOINTS PURCHASE - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the schedule of purchasing the miter joints for the Badger Avenue Bridge 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 in manufacturing caused by the pandemic.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$596,000**BERTH 161 – FLOATING DOCK REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 161 Floating Dock Replacement schedule by three additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding three additional months to the schedule to allow for delays due to the COVID-19 pandemic and the pile driving crane being serviced.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE, BUDGET CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$49,825,000**PIER 400 CORRIDOR STORAGE TRACKS EXPANSION - BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the cost and change the schedule for the Pier 400 Corridor Storage Tracks Expansion project.

The Engineering Division recommends increasing the budget from \$49,825,000 to \$61,395,000 to account for an increase to the estimated cost to construct the project.

The Engineering Division also recommends adding six months to the construction schedule to allow for delays incurred by updating the construction documents, performing the constructability review, preparing a detailed cost estimate verified by a third-party estimator, obtaining a United States Coast Guard Bridge Permit and Army Corp Permit, and the anticipated long lead time required to procure 39,000 track feet of rail material during the construction of the project.

If approved, the total project cost would be \$61,395,000 and the project would be completed by January 5, 2024.

PDC ACTION Approved**COMMENT** No comment.

SCHEDULE CHANGE, BUDGET CHANGE, SCOPE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$11,490,000

1050 S. WAYS STREET – STARKIST DEMOLITION AND STORAGE LOT CONVERSION SCOPE, BUDGET, AND SCHEDULE CHANGES

SUMMARY

Staff requests approval of a twelve-month schedule extension, a \$1,664,445 budget increase, and a decrease in the scope of work for the Starkist Demolition and Storage Lot Conversion Project.

In order to accommodate a conflict with an adjacent project, the project limits are being revised to remove the southeast area (see attached site plan). A twelve-month schedule extension is being requested to allow for completion of the environmental assessment and the design. An increase of \$1,420,000 is requested to account for an updated lead and asbestos survey, addition of fencing and gates, and updated unit prices based on recent bids; and, \$244,445 is requested to complete the Mitigated Negative Declaration document, for a total of \$1,664,445.

The new total project cost is \$13,154,445 and the project will be completed by March 5, 2023.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$650,000**BERTHS 54-55 BUILDING COVER REPLACEMENT PROJECT – SCOPE, BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the scope, increase the budget, and revise the schedule for the Berths 54-55 Building Cover Replacement Project.

This project was approved by the Project Development Committee (PDC) on May 6, 2020. On September 3, 2020, the Board of Harbor Commissioners (BHC) approved Resolution No. 20-9693 for a sole source contract (No. 39931) with Rubb Inc. for the purchase, delivery, and installation/replacement of the membrane cover at the Berths 54-55 building.

Prior to the start of construction, the contractor discovered that some areas where the membrane cover was attached to the building, were inaccessible due to drywall covering parts of the attachments. In order to gain access, the Construction and Maintenance Division (C&M) assisted by removing the dry wall prior to the start of construction. This drywall was originally installed by the tenant to meet Fire Code requirements and must be replaced at the completion of this project.

In addition, exterior lights of the building and some pedestrian door frames and fire doors were rusted beyond repair and should be replaced.

The above items were unforeseen and were not included in the Rubb contract and the project budget. C&M has agreed to purchase the necessary materials and perform this additional work.

Since C&M will complete the additional work, the Rubb contract is not being revised or extended. The original scope of work in the Rubb contract will be completed in accordance with the terms of the awarded contract as approved by the BHC.

The Engineering Division recommends increasing the budget from \$650,000 to \$900,000 and adding six months to the schedule to allow for completion of these unforeseen items.

If approved by PDC, the revised project budget would be \$900,000 and the project would be completed by June 30, 2021.

PDC ACTION Approved

COMMENT No comment.

SUBJECT

ORIGINAL PROJECT COST \$4,163,180

BERTHS 121-131 CONTAINER TERMINAL REDEVELOPMENT EIS/EIR SCOPE, COST, AND SCHEDULE CHANGES

SUMMARY

Staff requests approval for an additional scope, cost increase, and schedule change for the completion of a Draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Berths 121-131 (Yang Ming) Container Terminal Redevelopment Project (Project).

This Project involves finalization of an EIS/EIR for the Yang Ming Container Terminal Redevelopment Project. Since 2014, a series of scope and technical changes have resulted in significant revisions to the project. The project has recently been on hold for over two years. Previous PDC actions have provided funding through release of the Draft EIR/EIS. This current PDC request provides a schedule change and cost increase for additional work required to release the Draft EIR/EIS, as well as an early estimate of the cost to bring the Final EIS/EIR to the Board of Harbor Commissioners and support the US Army Corps of Engineers in the completion of its Record of Decision (ROD). The estimated cost increase is \$185,000 to complete the Draft EIR/EIS, conduct a public hearing, and commence review of public comments once they are received. The increased cost to complete the EIS/EIR is needed to assure this document is consistent with other environmental analyses recently completed for property in the same area as this project. Additional funds are also requested to assure adequate resources are available to begin responding to public comments once they are received. An early estimate of \$470,590 is further provided for the cost to complete the Final EIS/EIR and bring it to the Board of Harbor Commissioners for consideration. The overall estimated proposed schedule extension for completion of the Final EIS/EIR, accounting for the recent two-year hold on this project, is for 49 months.

The total project cost is \$4,818,770 and the project will be completed by December 31, 2022.

PDC ACTION Approved

COMMENT No comment.

ADMINISTRATIVE ITEM GASB49 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 (_____)	\$	(150,000)
B. 161 - Compressed Natural Gas (CNG) Compressor Replacement (_____)	\$	(70,000)

Subtotal PDC Approved Projects \$ ***(4,336,500)***

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)

Subtotal Projects Under \$100,000 \$ ***(585,500)***

Balance as of January 27, 2021

\$ 7,078,000












Audit Committee Report Packet February 2021

Final Audit Report

2021-02-10

Created:	2021-02-09
By:	Karine Lurvey (klurvey@portla.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAudEOQihvgFID-iTBHxji0yxbLto6YbAf

"Audit Committee Report Packet February 2021" History

-  Document created by Karine Lurvey (klurvey@portla.org)
2021-02-09 - 8:53:47 PM GMT- IP address: 199.245.255.5
-  Document emailed to Michael DiBernardo (mdibernardo@portla.org) for signature
2021-02-09 - 8:57:29 PM GMT
-  Email viewed by Michael DiBernardo (mdibernardo@portla.org)
2021-02-09 - 9:14:56 PM GMT- IP address: 199.245.255.5
-  Document e-signed by Michael DiBernardo (mdibernardo@portla.org)
Signature Date: 2021-02-09 - 9:15:24 PM GMT - Time Source: server- IP address: 199.245.255.5
-  Document emailed to Tony Gioiello (tgioiello@portla.org) for signature
2021-02-09 - 9:15:26 PM GMT
-  Email viewed by Tony Gioiello (tgioiello@portla.org)
2021-02-10 - 0:42:21 AM GMT- IP address: 199.245.255.5
-  Document e-signed by Tony Gioiello (tgioiello@portla.org)
Signature Date: 2021-02-10 - 0:44:35 AM GMT - Time Source: server- IP address: 199.245.255.5
-  Document emailed to Marla Bleavins (mbleavins@portla.org) for signature
2021-02-10 - 0:44:37 AM GMT
-  Email viewed by Marla Bleavins (mbleavins@portla.org)
2021-02-10 - 7:21:20 PM GMT- IP address: 199.245.255.5
-  Document e-signed by Marla Bleavins (mbleavins@portla.org)
Signature Date: 2021-02-10 - 7:22:41 PM GMT - Time Source: server- IP address: 199.245.255.5
-  Agreement completed.
2021-02-10 - 7:22:41 PM GMT