



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: NOVEMBER 8, 2018

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: NOVEMBER 2018 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its November meeting. On November 7, 2018, the PDC met to consider fifteen project items. The committee also reviewed administrative reports regarding 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 2018/2019 (Transmittal 2) are attached for your review.

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

- 1) Schedule change – Seven items were submitted and approved.
- 2) Budget/Schedule/Scope change – Four items were submitted. Three were approved and one was deferred.
- 3) New project – Four items were submitted and approved.

The Board of Harbor Commissioners (Board) approved \$15,000,000 in the fiscal year 2018/2019 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. 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 2018/2019 to date:

- Twelve PDC-approved project totaling \$2,924,600
- Five projects under \$100,000 totaling \$263,500

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 ^{FOR}
Executive Director

Attachments:

Transmittal 1: November 2018 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2018/2019

AVG/mz

BUDGET CHANGE

SUBJECT

ORIGINAL PROJECT COST \$2,820,000

BERTH 161 MARINE WAYS MODIFICATION - COST INCREASE

SUMMARY

Staff requests approval to increase the cost for the Berth 161 Marine Ways Modification.

The Engineering Division recommends increasing the budget from \$2,820,000 to \$3,070,000 to account for unforeseen field conditions, which have complicated the construction of the project and modified the scope of work.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE, SCOPE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$39,700,000

SAN PEDRO WATERFRONT PORTS O' CALL PROMENADE AND TOWN SQUARE - PHASE I – SCOPE, COST, AND SCHEDULE CHANGES

SUMMARY

Staff requests approval for scope, cost, and schedule changes to the San Pedro Waterfront Promenade and Town Square project. The overall project delivery for Port improvements for the San Pedro Public Market development will be completed in phases with two separate construction contracts.

The Engineering Divisions recommends the following:

- 1.San Pedro Waterfront Ports O'Call Promenade and Town Square project work order be separated into two projects: (1) San Pedro Waterfront Ports O'Call Promenade and Town Square Phase I project (Phase I), and (2) San Pedro Waterfront Ports O'Call Promenade Phase II project (Phase II);
- 2.Modify the project scope by moving the Fish Market and Jankovich promenade areas to Phase II, which are dependent on third parties' construction completion;
- 3.Reduce Phase I budget by \$7,500,000 and transfer \$7,500,000 to the new San Pedro Waterfront Ports O'Call Promenade Phase II project (new project work order);
- 4.Revise the Phase I project schedule by adding two and a half months for design and subtracting ten and a half months for construction.

The new total project cost for Phase I is reduced from \$39,700,000 to \$32,200,000 and the project will be completed January 29, 2021.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$998,575**BERTH 155A – BUILDING IMPROVEMENTS - SCOPE, COST AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for additional scope, cost increase, and schedule change to the building improvements at Berth 155A.

The proposed work includes addressing structural deficiencies to the building.

The total project cost is \$2,003,575 and the project will be completed by December 31, 2019.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$7,884,574**PORT POLICE 700 MHZ RADIO SYSTEM RE-BANDING – PHASE 2 (WO 2542100) – SCOPE, COST, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for additional scope, cost increase and schedule change to the Port Police 700 Mhz Radio System Re-Banding Phase 2 project (WO 2542100).

The requested budget increase is from \$7,884,574 to \$17,468,453 to account for a revised project scope that now includes Urban Area Security Initiative (UASI) requirements from the Mayor's Office. The revised scope qualifies the Harbor Department for UASI grant reimbursements of \$6,958,841.48. The requested schedule change is to change the completion date from September 30, 2020 to June 30, 2021.

PDC ACTION On Hold

COMMENT Deferred.

NEW PROJECT

SUBJECT**ORIGINAL PROJECT COST** \$1,500,000**SAN PEDRO WATERFRONT – BERTH 78 CHEVRON CLEAN UP PHASE II – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to remediate the soil at Berth 78 under the Fish Market Restaurant which allows for a phased delivery of the overall promenade improvements in Port's O Call based on coordination with the San Pedro Public Market (SPPM) development.

Initially, the soil remediation was to occur as one phase at the mudflat area. After further investigation, it was determined that the remediation area at the mudflat had increased in size and would need to be split into two phases.

The proposed work includes soil remediation at Berth 78 under the Fish Market restaurant after the demolition of the restaurant building.

The total project cost is \$1,500,000 and will be completed by September 30, 2022, and will be bid as part of the San Pedro Waterfront Promenade Phase II improvement project.

The remediation project costs for Berth 78 Chevron Clean Up Phase II will be reimbursed by Chevron.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$8,200,000**SAN PEDRO WATERFRONT PORTS O' CALL PROMENADE - PHASE II – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project for the San Pedro Waterfront Ports O'Call Promenade Phase II project. This will implement a phased delivery of the overall Port improvements based on coordination with the San Pedro Public Market (SPPM) development.

Work for this phase includes design and construction of the promenade at B. 74 (Jankovich) and B. 78-79 (San Pedro Fish Market) areas, which are dependent on third parties' construction completion.

The total project cost is \$8,200,000. Staff will transfer \$7,500,000 from the San Pedro Waterfront Ports O'Call Promenade and Town Square Phase I project (Project Number 2532100) and \$700,000 from the San Pedro Waterfront—Berth 79 Buildings Demolition (Project Number 2538000).

The project is scheduled for completion by September 30, 2022 and is dependent on third parties' construction completion. When the SPPM schedule is better defined, modifications to schedule and budget may be requested in the future.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$1,335,000**PORT OF LOS ANGELES POLICE HEADQUARTERS – AIR CONDITIONING REPLACEMENT - NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace two failing air conditioning units at the Port Police Headquarters (PPHQ).

The proposed work includes removing two water-cooled air conditioning units on the roof of the Port Police Headquarters and replacing them with two air-cooled units.

The total project cost is \$1,335,000 and the project will be completed by January 2020.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$700,000**SOUTHERN CALIFORNIA INTERNATIONAL GATEWAY (SCIG) PROJECT ENVIRONMENTAL ASSESSMENT – NEW PROJECT****SUMMARY**

Staff requests approval of the scope, cost and schedule to prepare an environmental assessment for the Southern California International Gateway (SCIG) Project as required pursuant to a Court Order. The scope of work includes additional air quality analyses in a revised environmental assessment in accordance with the California Environmental Quality Act (CEQA), publication and circulation of a Draft environmental assessment, and preparation of a Final environmental assessment, including a limited number of responses to comments and related documents.

The total project cost is approximately \$700,000 and is estimated to be completed within 12 months or by December 2019. A breakdown of the scope, cost, and schedule is provided, which is dependent on legal and technical factors to comply with the Court Order as well as the nature and extent of public comments received on the Final document.

- Preparation of Draft Environmental Assessment - \$490,000

- Consultant costs to perform technical analysis and prepare and publish Draft documentation is \$460,000 (includes \$35,000 contingency for limited out-of-scope tasks)

- Staff costs to oversee and review Draft documentation is \$20,000

- Miscellaneous publication and filing fees is \$10,000

- Schedule is approximately 6-8 months

- Preparation of Final Environmental Assessment - \$210,000

- Consultant costs to prepare and publish Final documentation and responses to comments (no new technical analysis assumed) is \$200,000

- Staff costs to oversee and review Final documentation is \$5,000

- Miscellaneous filing fees is \$5,000

- Schedule is approximately 4-6 months

The cost of the environmental assessment is 100% reimbursable through the Harbor Department's Reimbursement Agreement with BNSF Railway that was approved by the Board on October 11, 2018.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$1,000,000**BERTH 161 – EQUIPMENT OPERATIONS BUILDING RENOVATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the renovation project schedule for the Equipment Operations Building, Berth 161, by ten additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding ten additional months to the schedule to allow for delays due to design changes.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,833,500**HARBOR ADMINISTRATION BUILDING - 5TH FLOOR WORKSPACE SOLUTIONS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Harbor Administration Building's (HAB) Fifth Floor Workspace Solutions Project schedule by four months with no increase to the budget.

The Engineering Division recommends adding four months to the schedule to allow for delays incurred developing numerous Test Fit plans to accommodate multiple Division's requests prior to receiving direction from the Executive Office for final office space layout.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,240,000**BERTHS 179-181 WHARF AND BOLLARD REPAIR- SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 179-181 Wharf and Bollard Repairs project schedule by 15 additional months with no additional increase in the budget and scope.

The Engineering Division recommends adding 15 additional months to the schedule to allow for delays due to the existing Marine Improvement Contract (MIC) expiring at the end of November 2018. This project will utilize the new Marine Improvements Contract starting next year.

The total project cost is \$1,240,000 and the project will be completed by February 28, 2020.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$4,218,660**SAN PEDRO WATERFRONT – BERTHS 80-83 – WATERSIDE IMPROVEMENTS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the San Pedro Waterfront – Berths 80-83 – Waterside Improvements schedule by two and one half months for design and extend the construction duration by ten months with no additional increase in the budget.

The Engineering Division recommends adding two and one half months to the design schedule to allow for delays due to plan revisions and coordination with the San Pedro Public Market developer and adding ten months to the construction schedule to allow for construction phasing.

This project will receive a \$1,349,623 grant from the California State Division of Boating and Waterways.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$14,300,000**BERTHS 196-199 – WHARF REHABILITATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 196-199 – Wharf Rehabilitation schedule by eight additional months with no additional increase in the budget.

The Engineering Division recommends adding eight months to the schedule to accommodate unforeseen delays to the structural repairs and workload-related delays to the water line replacement. The structural repair of the project started August 7, 2017, and will finish in December 2018. Due to a large backlog of work, the plumbing team of Construction and Maintenance Division is unable to finish the wharf water line pipe replacement job until July 2019.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$3,667,200**HARBOR ADMINISTRATION BUILDING FOURTH FLOOR WORK SPACE SOLUTIONS PROJECT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Harbor Administration Building's (HAB) Fourth Floor Workspace solutions project design finish schedule by three months with no increase to the budget.

The Engineering Division recommends adding three months to the design finish schedule to allow for delays incurred developing Test Fit Plans to accommodate multiple Division's requests prior to receiving direction from the Executive Office for final office space layout.

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

SUBJECT

ORIGINAL PROJECT COST \$1,500,000

SAN PEDRO WATERFRONT – BERTH 78 – CHEVRON CLEAN UP PHASE I – SCOPE AND SCHEDULE CHANGE

SUMMARY

Staff requests approval for scope and schedule changes to the San Pedro Waterfront – Berth 78 – Chevron Clean Up Project. The overall project delivery for Port of Los Angeles (Port) improvements for the San Pedro Public Market development will be completed in phases with two separate construction contracts.

After further investigation it was determined that the remediation area had increased in size. Splitting the remediation into two phases allows for a phased delivery of the overall promenade improvements to the San Pedro Public Market (SPPM) Development.

This phase I remediation will focus on the southern portion of the mudflat area and a portion of the previously demolished Ports O’Call Village area and will be completed May 1, 2019. The \$1,500,000 budget will remain the same and takes into account for the increase in size of the phase I remediation area.

The remediation under the Fish Market will be the Chevron Clean Up Phase II (new project) which required separate PDC approval.

The remediation project costs for this Chevron Clean Up phase I will be reimbursed by Chevron.

PDC ACTION Approved

COMMENT No comment.

ADMINISTRATIVE ITEM No Grants Report.

ACTION ITEM FOLLOW UP

WORK ORDER REPORT REVIEWED

UNALLOCATED BUDGET REPORT REVIEWED

ADDITIONAL DISCUSSION GASB 49 reviewed.


for Antonio V. Gioiello
Development


Marla Bleavins
Finance & Administration

Unallocated Capital Improvement Program Fund FY 18/19

(Budget set in February)

\$ 15,000,000.00

PDC Approved Projects

C&M Yard Wi-Fi Expansion (25503)	\$	(167,600.00)
B. 95 - Catalina Channel Express - Parking Improvements (25509)	\$	(30,000.00)
Harbor Administration Building - 2nd Floor Workspace Solutions (25510)	\$	(240,000.00)
Harbor Administration Building - 5th Floor Workspace Solutions (25511)	\$	(1,300,000.00)
San Pedro Waterfront - Town Square Public Restrooms (25513)	\$	(50,000.00)
Access Road Adjacent to Praxair Resurfacing (25514)	\$	(45,000.00)
Pacific Maritime Association - Lashing Training Station (25517)	\$	(287,000.00)
Harbor Department Building - Board Hearing Room and Executive Session Room Improvements (25519)	\$	(75,000.00)
Liberty Plaza - Parking Lot System (25520)	\$	(40,000.00)
San Pedro Waterfront - Berth 78 Chevron Cleanup Phase II (_____)	\$	(100,000.00)
Port of Los Angeles Police Headquarters - Air Conditioning Replacement (_____)	\$	(100,000.00)
Southern California International Gateway (SCIG) Project Environmental Assessment (_____)	\$	(490,000.00)
<i>Subtotal PDC Approved Projects</i>	\$	<i>(2,924,600.00)</i>

Projects Under \$100,000

Pier 400 - Pavement Replacement (25504)	\$	(98,500.00)
B. 240X So Cal Ship Services - Parking Lot Design (25506)	\$	(40,000.00)
B. 84 - Port Police Marine Office -Two Workstation Installation - Phase II (25512)	\$	(25,000.00)
Henry Ford Avenue and Anchorage Road Improvements (25516)	\$	(50,000.00)
B. 161 - C&M Administration Building - Fall Protection System (25522)	\$	(50,000.00)
<i>Subtotal Projects Under \$100,000</i>	\$	<i>(263,500.00)</i>

Balance as of October 31, 2018

\$ 11,811,900.00