



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: SEPTEMBER 7, 2017

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: SEPTEMBER 2017 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its September meeting. On September 6, 2017, the PDC met at its regularly scheduled time to consider three 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 2017/2018 (Transmittal 2) are attached for your review.

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

- 1) Schedule change – One item was submitted and approved.
- 2) Budget change – One item was submitted and was deferred.
- 3) New Project – One item was submitted and approved.

The Board approved \$15,000,000 in the fiscal year 2017/2018 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.

The following is a summary of projects that are expected to utilize the unallocated CIP budget for fiscal year 2017/2018 to date:

- 9 PDC-approved projects for a total of \$4,441,000

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.


FOR EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: September 2017 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2017/2018

AVG/mz

BUDGET CHANGE

SUBJECT ORIGINAL PROJECT COST \$3,600,000
BERTHS 121-131 CONTAINER TERMINAL REDEVELOPMENT EIS/EIR BUDGET REVISION

SUMMARY

The project involves the preparation of an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Berths 121-131 (Yang Ming) Container Terminal Redevelopment Project. The Notice of Preparation/Notice of Intent (NOP/NOI) for the EIS/EIR was completed in April 2014. From December 2014 to December 2015, work on the EIS/EIR was put on hold under the direction of Port management. This project was brought to PDC in December of 2015 to reconcile the budget and schedule to account for the year-long stoppage of work. At that time, PDC directed staff to restart work on the Yang Ming EIS/EIR in early 2016.

Once the work was reinitiated, scope changes were required to revise work previously initiated in 2014. These changes included 1) the removal of "Phase 2" from the scope, 2) a change of the baseline from 2013 to 2014 and 3) a decision to assess traffic and air quality impacts both with and without SCIG in light of the court ruling on the SCIG CEQA document. In addition, the strategy to sequence other West Basin environmental assessment activity to occur ahead of this EIR/EIS further slowed down progress. Based on these scope changes and schedule delays, staff came to PDC on November 2, 2016 to request a budget increase of \$597,000 and a 14-month schedule extension to certify the EIS/EIR by April 2018 (including an additional four months to complete the ROD in August 2018). At that time, PDC decided to defer consideration of these issues until a future date.

The project was brought to PDC in May 2017 and staff requested a budget increase of \$637,000 and the same 14-month schedule extension to certify the EIS/EIR by April 2018, which included an additional four months to complete the ROD in August 2018. The cost increase of approximately \$40,000 from what was presented in the November 2016 PDC meeting is due to additional staff labor funds required for the review and processing of the Draft EIR/EIS through Board Certification. The schedule extension also accounted for the approval of the Record of Decision by the U.S. Army Corps of Engineers.

The schedule revision was approved by the PDC in May 2017, however, only a portion (\$50,000) of the total budget request was approved. Staff was asked to return to PDC to request approval of the remaining budget request of \$587,000. The Project was brought to PDC in July 2017, and another portion (\$150,000) of the remaining budget request was approved. Staff now returns to PDC to request approval of the remaining budget request of \$437,000.

PDC ACTION On Hold

COMMENT EMD will report back to PDC in October 2017.

NEW PROJECT

SUBJECT**ORIGINAL PROJECT COST** \$3,600,000**POLA SIDEWALK REPAIR PROGRAM - WITHIN PORT PROPERTY****SUMMARY**

In response to City Council Motion (C.F. #14-0163-S4) and the Willits vs. City of Los Angeles Settlement (Agreement), the City of Los Angeles (City) has committed to repair City facilities, including pedestrian rights-of-way adjacent to facilities owned or operated by the City. As requested by the Bureau of Engineering, in support of the City Sidewalk Repair Program, proprietary departments, including the City's Harbor Department (Department), are to identify, plan, design, and repair sidewalks adjacent to their facilities. This new project will include all the public sidewalks within the Department controlled streets. A separate maintenance Project Number (393320) has been opened for all public sidewalks adjacent to Department property, within the City controlled streets. This new project will provide the necessary design and construction needed to comply with the Agreement for a project budget of \$3,600,000 and is to be completed by December 2022.

PDC ACTION Approved**COMMENT****SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$150,000**BERTH 161 –INSTALLATION OF ELECTRICAL VEHICLE CHARGERS – TIME EXTENSION****SUMMARY**

The Engineering Division (Engineering) requests the Project Development Committee's (PDC) approval to extend the project completion date of the Berth 161 Installation of Electrical Vehicle Chargers by six months. Engineering requests approval for a six-month time extension to revise the project schedule completion date from August 16, 2017 to February 16, 2018, to account for the additional time needed to purchase materials.

PDC ACTION Approved**COMMENT****ADMINISTRATIVE ITEM** No Grants Report presented at this meeting.**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 17/18

(Budget set in February)

\$ 15,000,000.00

PDC Approved Projects

Berth 174-181 - Pasha Terminal Improvements (25441)	\$	(500,000.00)
Berth 212-224 - Terminal Lighting Replacement (25446)	\$	(1,350,000.00)
ILWU Dispatch Hall Traffic Signal (25449)	\$	(100,000.00)
B. 161 C&M Maintenance Yard - Carpenter Shop Remodal (25452)	\$	(850,000.00)

Berth 226-236 Everport Terminal Advanced Cargo Handling Demonstration Project (25453)	\$	(200,000.00)
Wilmington Waterfront Environmental Assessments (25456)	\$	(450,000.00)
Harbor Administration Building Garage Doors Replacement (25455)	\$	(151,000.00)
Berth 91-92 - Passenger Terminal Fire Panel Installation (25454)	\$	(340,000.00)
POLA Sidewalk Repair Program - Withith Port Property (_____)	\$	(500,000.00)

***Subtotal PDC Approved Projects* \$ (4,441,000.00)**

Prrojects Under \$100,000

HAB New Skylight at Penthouse Roof (25451)	\$	(93,000.00)
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***Subtotal Projects Under \$100,000* \$ (93,000.00)**

Balance as of August 30, 2017

\$ 10,466,000.00