



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: MARCH 1, 2023

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: MARCH 2023 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its March 2023 meeting. On March 1, 2023, the PDC met to consider nine project items. The committee also reviewed standing reports regarding newly opened work orders, the status of the unallocated Capital Improvement Program (CIP) fund budget, completed CIP projects, the financial model and the GASB 49 project list. Attached for review are the meeting minutes (Transmittal 1), Unallocated CIP Fund Report FY 2022/2023 (Transmittal 2), and CIP Status Report – Completed Projects (Transmittal 3).

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

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


The Board of Harbor Commissioners (Board) approved \$12,000,000 in the fiscal year 2022/2023 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 2022/2023:

- 19 PDC-approved projects totaling \$7,134,782
- 5 projects under \$100,000 totaling \$195,984

As of February 22, 2023, the remaining balance is \$4,669,234.

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 (Mar 2, 2023 17:36 PST)

EUGENE D. SEROKA
Executive Director

Attachments:

- Transmittal 1: March 2023 PDC Pandect
- Transmittal 2: Unallocated CIP Fund Report FY 2022/2023
- Transmittal 3: CIP Status Report – Completed Projects


MB

MB/mz

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT ORIGINAL PROJECT COST \$2,450,000
BERTH 91-92 PASSENGER TERMINAL ROOF REPLACEMENT- BUDGET AND SCHEDULE CHANGE

SUMMARY

Staff requests approval to increase the budget and change the schedule for the Berth 91-92 Passenger Terminal Roof Replacement.

The Construction & Maintenance Division recommends increasing the budget by \$361,000 to account for the increase in materials cost, labor cost and equipment rental costs. Material costs increased by 17% due to material shortages and inflation. The labor costs rose by 18% compared to the original estimate because of unforeseen conditions and lengthened scheduled duration. Equipment rental costs increased by 83% compared to the original equipment costs. This increase in cost arose because of extended duration of rental as a result of inaccessibility to sites during ship docking and additional equipment rental cost to access plumbing for roof drains from below.

The Construction & Maintenance Division recommends adding 18 additional months to the schedule to allow for delays due to project being put on hold due to diminished purchasing support staff resulting from staff reductions caused by purchasing staff opting for the Separation Incentive Plan. Furthermore, delays in schedule resulted from terminal discouraging work during the time ships are docked at the terminals. The original estimate was based on a standard workweek. The schedule was extended by 7 months from the original estimate due to this reason. Unforeseen circumstances, such as drainage pipe access and window leaks contributed to further delays.

The total project budget is \$2,811,000 and the project will be completed by January 2, 2025.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT

SUBJECT ORIGINAL PROJECT COST \$2,100,000
HARBOR ADMINISTRATION BUILDING SECOND FLOOR WORKSPACE SOLUTIONS – NEW PROJECT

SUMMARY

Staff requests approval to initiate a new project to improve the Harbor Administration Building's (HAB) Second (2nd) Floor Workspace.

The proposed work includes upgrades to the Information Technology Division's (IT) staff workspaces with new office furniture that meets Harbor Department office size standards. The project would maintain the current number of workspaces on the second floor for current budgeted positions, including student and consultant staff. Project will convert the existing mailroom space into a conference room. Staff will seek approval for first floor upgrades for mailroom staff under a separate PDC project.

The total project cost is \$2,100,000, and the project completion date is January 31, 2027.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$9,440,000**FY 2023-24 C&M DEFERRED MAINTENANCE CIP PROJECTS – NEW PROJECTS****SUMMARY**

The Construction & Maintenance Division (C&M) requests \$9,440,000 in Fiscal Year (FY) 2023-2024 Capital Improvement Program (CIP) funding for seven major repair, remodel, and upgrade projects throughout the Port that largely have been deferred for years due to budgetary limitations. In coordination with the Engineering, Cargo & Industrial Real Estate, and Waterfront & Commercial Real Estate Divisions, four projects were identified this fiscal year and three projects were identified for initiation 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** \$720,000**HARBOR ADMINISTRATION BUILDING FIRST FLOOR MAILROOM RELOCATION – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to relocate the Harbor Administration Building (HAB) mailroom to the First (1ST) Floor, including installing new workspace office furniture.

The proposed work includes relocating the HAB mailroom from second floor to the first floor, upgrading staff workspaces with new office furniture that meets Harbor Department office size standards, and constructing mail package handling area and storage. The project would maintain the current number of workspaces for current budgeted positions including student staff. The existing second floor mailroom space will convert into a conference room under a separate PDC project.

The total project cost is \$720,000 and the project completion date is June 30, 2025.

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

SUBJECT**ORIGINAL PROJECT COST** \$703,200**AIR QUALITY MONITORING STATIONS UPGRADE –SCHEDULE CHANGE****SUMMARY**

Staff requests approval to 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.

EMD recommends adding six 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 remains at \$703,200 and the project will be completed by September, 30, 2023.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$14,300,000**PILE-DRIVING BARGE, BARGE-MOUNTED CRANE, AND BARGE-SUPPORT WORKBOAT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Pile-Driving Barge, Barge-Mounted Crane, and Barge-Support Workboat schedule by 27 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 27 additional months to the schedule to allow for delays due to procurement delays.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$750,000**BERTH 161 – COMPRESSED NATURAL GAS COMPRESSOR REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 161 – Compressed Natural Gas Compressor Replacement schedule by 30 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 30 additional months to the schedule to allow for delays due to procurement delays.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$70,800,000**WILMINGTON WATERFRONT PROMENADE - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Wilmington Waterfront Promenade schedule by seven additional months with no additional increase in the project budget of \$70,800,000.

The Engineering Division recommends adding seven months to the schedule to allow for delays occurring during construction.

Due to various reasons such as COVID-19 related delays, material shortages and long lead items, unforeseen conditions, third-party coordination, and slope issues regarding rip-rap/rock placement the contractor will not be able to complete all contract items within the contract time.

The new completion date is September 30, 2023.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$2,000,000**BERTH 115 RAIL CROSSING REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 115 Rail Crossing Replacement schedule by nine months with no additional increase in the project budget of \$2,000,000.

The Engineering Division recommends adding nine months to the schedule to allow for delays in receiving approval of traffic control plans by Los Angeles Department of Transportation (LADOT) and Caltrans. The new completion date is January 31, 2025.

PDC ACTION Approved

COMMENT No comment.

ADMINISTRATIVE ITEM GASB 49 Report and Completed Projects CIP Report Reviewed

ACTION ITEM FOLLOW UP

WORK ORDER REPORT REVIEWED

UNALLOCATED BUDGET REPORT REVIEWED

ADDITIONAL DISCUSSION

Marla Bleavins

Marla Bleavins (Mar 2, 2023 17:36 PST)

Michael DiBernardo

Marla Bleavins
Finance and Administration

Michael DiBernardo
Marketing and Customer Relations

Unallocated Capital Improvement Program Fund FY 22/23

(Budget set in July)

\$ 12,000,000

PDC Approved Projects

B. 302-305 Rail Mounted Gantry (RMG) Crane Rail and Foundation (2571600)	\$	(2,000,000)
B. 93 - Escalator Nos. 1 & 2 Renovation (2571700)	\$	(800,000)
Portwide Leak Detection Expansion Program (2572300)	\$	(140,000)
Portwide Skylights Replacement (2572200)	\$	(415,193)
B. 208-209 - CFS Building Demolition (2572400)	\$	(1,000,000)
Fixed Automated License Plate Recognition (ALPR) System to Supplement Port Police Existing ALPR Systems (2572700)	\$	(497,745)
B. 72 Parking Lot Lights Replacement (2572900)	\$	(30,000)
Knoll Drive Street Lighting (2573100)	\$	(63,000)
Navy Way & Seaside Ave. Interchange Improvements (2573200)	\$	(400,000)
PMA/ILWU Local 13 Dispatch Hall Surplus Parking Lot Improvements (2573300)	\$	(50,000)
Terminal Island Maritime Support Facility (2573500)	\$	(200,000)
B.93 Vehicular Ramp Fire Sprinkler System Upgrade (2573600)	\$	(160,000)
B. 212-Yusen Administration Building Fire Suppression System Replacement (2573700)	\$	(180,000)
208 East 22nd St. Parking Lot Improvements (2573900)	\$	(200,000)
Badger Aveue Bridge Grading Replacement (2574000)	\$	(109,000)
Badger Aveue Bridge Wire Ropes Replacement (2574100)	\$	(289,844)
Electrical Infrastructure Improvement Program (2574200)	\$	(500,000)
HAB - 1st Floor Office Workspace Remodel ()	\$	(50,000)
HAB - 2nd Floor Office Workspace Remodel ()	\$	(50,000)

Subtotal PDC Approved Projects \$ ***(7,134,782)***

Projects Under \$100,000

B. 212-223 - YTI East Gate Rail Signal Improvements (25719)	\$	(39,805)
B. 161 - Marine Ways Gate Modifications (25725)	\$	(11,746)
Harbor Administration Building - Conference Room Teleconference Solutions (2572800)	\$	(35,933)
Harbor Administration Building - Fifth Floor Office Enclosure (2573400)	\$	(24,000)
22nd Street Park Surveillance (2573800)	\$	(84,500)

Subtotal Projects Under \$100,000 \$ ***(195,984)***

Balance as of Febuary 22, 2023

\$ 4,669,234

CIP Status Report

COMPLETED PROJECTS

Actuals Thru: December 2022

Where Construction Finish Date is: >= 1/26/2023 <= 2/22/2023

Expend. Org.	Project No.	Project Title	Project Manager	Status	Projected Cost	Design				Percent Design Complete	Construction				Percent Const. Complete
						Start		Finish			Start		Finish		
						Baseline	Projected	Baseline	Projected	Baseline	Projected	Baseline	Projected		

Grand Total: \$0.00










Audit Committee Report Packet March 2023

Final Audit Report

2023-03-03

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