



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE: MAY 5, 2017**

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

**SUBJECT: MAY 2017 PROJECT DEVELOPMENT COMMITTEE REPORT**

This report highlights the actions taken by the Project Development Committee (PDC) at its May meeting. On May 3, 2017, the PDC met to consider six project items. The committee also reviewed administrative reports regarding grants, recently opened work orders, and the status of the unallocated Capital Improvement Program (CIP) fund budget. The meeting minutes (Transmittal 1), Unallocated CIP Fund Report FY 2016/2017 (Transmittal 2), and Unallocated CIP Fund Report FY 2017/2018 (Transmittal 3) are attached for your review.

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

- 1) Schedule change – Two items were submitted and approved.
- 2) Budget/Schedule change – Two items were submitted. One was approved and one was deferred.
- 3) New Project – Two items were submitted and approved.

The Board of Harbor Commissioners (Board) approved \$10,000,000 in the fiscal year 2016/2017 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 the projects that have utilized the unallocated CIP budget for fiscal year 2016/2017 to date:

- 17 PDC-approved projects for a total of \$4,720,295
- 17 projects under \$100,000 for a total of \$801,425

As the close of fiscal year 2016/2017 approaches, projects are being earmarked for the proposed 2017/2018 unallocated CIP budget of \$15,000,000. The following summarizes these new projects:

- Two PDC-approved projects for a total of \$1,850,000

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.



EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: May 2017 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2016/2017

Transmittal 3: Unallocated CIP Fund Report FY 2017/2018

AVG/mz

## NEW PROJECT

## SUBJECT

ORIGINAL PROJECT COST \$200,000

BERTH 226 – ELECTRICAL INFRASTRUCTURE FOR E-TRUCK CHARGING STATION

## SUMMARY

The Port of Los Angeles (Port) Environmental Division with Everport Marine Terminal secured a \$5.8 million state grant from California Energy Commission (CEC) to fund the Advanced Yard Tractor Deployment and Eco-FRATIS Drayage Truck Efficiency Projects. The grant will fund the purchase and evaluation of five zero emission yard tractors, and 20 liquefied natural gas (near zero emission) yard tractors, which will be owned and operated by Everport Terminal.

On December 15, 2016, Harbor Commissioners approved the implementation of the grant requirements with Resolution No. 16-8031. Part of the project requirement is to build the necessary infrastructure for five electrical truck stations, and one Liquefied Natural Gas (LNG) filling station at Everport Terminal. The total cost is \$200,000 and to be completed in March of 2018.

PDC ACTION Approved

## COMMENT

## SUBJECT

ORIGINAL PROJECT COST \$1,400,000

BERTHS 212-224 TERMINAL LIGHTING REPLACEMENT

## SUMMARY

The Port of Los Angeles (Port) is planning to replace the Berths 212-224 terminal lighting with new Light Emitting Diode (LED) high mast lighting and control system. The existing lighting system utilizes High Pressure Sodium (HPS) technology, which is outdated and is energy inefficient. The new LED high mast system with its associated state-of-the-art internet based remote control and asset management system delivers more than 55% efficiency, better illumination and visibility, and four times longer system life, with no lamp or light source replacement requirement over 25 years of its life expectancy.

PDC ACTION Approved

## COMMENT

## SCHEDULE CHANGE

## SUBJECT

ORIGINAL PROJECT COST \$350,000

BERTHS 91-92 – CRUISE CENTER TERMINAL WALKING DECK AND ROOF REPAIR

## SUMMARY

Staff requests approval of a revised scope of work and project schedule for the Berths 91-92 Cruise Center Terminal Walking Deck and Roof Repair project, a Deferred Maintenance Capital Improvement Program project approved for Fiscal Year 2016-17.

PDC ACTION Approved

## COMMENT

**SUBJECT****ORIGINAL PROJECT COST** \$3,000,000**BERTH 200 RAIL YARD TRACK CONNECTIONS ENHANCEMENTS – SCHEDULE CHANGE****SUMMARY**

The Berth 200 Rail Yard Track Connections Enhancements Project was approved by the Project Development Committee (PDC) on August 3, 2016. On December 7, 2016, PDC approved the schedule and budget change to reduce the scope to accommodate the phasing needs of the project and to minimize major track outages impacting Pacific Harbor Line's (PHL) rail service to the Trapac and Yang Ming terminals.

At this time, the Engineering Division requests an additional five months to finish the design. The consultant design team's engineering services contract expired on February 28, 2017 and the in-house project manager retired. The project has been re-assigned to a new project manager. Currently, the Engineering Division is in the process of procuring the same consultant design team through the new on-call engineering services contract to complete the plans and specifications.

**PDC ACTION** Approved**COMMENT****SCHEDULE CHANGE, BUDGET CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$3,550,000**BERTHS 121-131 CONTAINER TERMINAL REDEVELOPMENT EIS/EIR SCHEDULE AND 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.

Staff now returns to PDC to revisit the Yang Ming schedule and budget discussion. Staff now requests a budget increase of \$637,000 and the same 14-month schedule extension to certify the EIS/EIR by April 2018, which includes 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 accounts for the approval of the Record of Decision by the U.S. Army Corps of Engineers.

**PDC ACTION** On Hold**COMMENT**

**SUBJECT**

**ORIGINAL PROJECT COST** \$12,311,500

**BERTHS 196-199 WHARF REHABILITATION**

**SUMMARY**

On January 13, 2016, the Project Development Committee (PDC) approved a revised project schedule for the wharf rehabilitation. The bids of the project were previously opened on June 16, 2016, but due to irregularities in the Bid Documents, the City Attorney and the Board of Commissioners rejected all bids. The project specifications were modified to comply with new requirements for small and very small businesses. The project was re-advertised and bids were opened on March 9, 2017. As a result of the bid delay, an 11 month extension is being requested as well as an increase of \$1,988,500 due to higher than anticipated bids.

**PDC ACTION** Approved

**COMMENT**

**ADMINISTRATIVE ITEM** Department Grants Update 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 16/17****(Budget set in February)****\$ 10,000,000.00****PDC Approved Projects**

B. 226-232 Everport Terminal Concrete Wharf Inspection and Reconstruction (25394)	\$	(785,000.00)
B. 148-149 (Phillips 66) Marine Oil Terminal Repairs (25398)	\$	(250,000.00)
B. 127-131 - Alternative Maritime Power (AMP) Caddy System (25401)	\$	(980,000.00)
Pier 400 Rail Storage Yard - Light Fixture Replacement (25406)	\$	(375,000.00)
B. 73-90 Pipeline Support Hangers Replacement (25407)	\$	(145,200.00)
B. 200 Rail Yard and Track Connection Enhancement (25408)	\$	(200,000.00)
B. 270-271 - Seawall Repair (25409)	\$	(225,000.00)
Metro Bike Share at the Port of Los Angeles - Site Preparation (25413)	\$	(155,000.00)
B. 97-109 China Shipping Container Terminal Supplemental EIR (25353)	\$	(1,000,000.00)
Port Police 700 MHz Radio System - Phase 1 (25420)	\$	(8,095.00)
Port Police 700 MHz Radio System - Phase 2 (25421)	\$	-
San Pedro Waterfront - Harbor Boulevard From Miner Street to SP Slip Roadway Improvements (25430)	\$	(250,000.00)
Berths 179-181 - Wharf and Bollard Repair (25433)	\$	(70,000.00)
Berth 72 - Municipal Fish Market Door Replacement (25438)	\$	(100,000.00)
Berth 93 Cruise Terminal - Two New Elevators (25439)	\$	(77,000.00)
Berth 174-181 - Electrical Infrastructure Improvements (25441)	\$	(50,000.00)
Berth 212-224 - Terminal Lighting Replacement ( )	\$	(50,000.00)
<b>Subtotal PDC Approved Projects</b>	<b>\$</b>	<b>(4,720,295.00)</b>

**Projects Under \$100,000**

HAB - Fourth Floor Graphics Workstations Remodel (25402)	\$	(39,000.00)
B. 72 - Municipal Fish Market - Chiller Unit Electrical Replacement (25403)	\$	(92,000.00)
B. 90-93 - Cruise Terminal Emergency Evacuation Plan Signs (25404)	\$	(25,000.00)
133 East Seaside Avenue Directional Signage (25405)	\$	(10,000.00)
Port of Los Angeles Police Headquarters - First Floor Kitchen Modifications (25411)	\$	(36,800.00)
Port of Los Angeles Police Headquarters - Garage Entrance Safety Lighting (25416)	\$	(13,000.00)
B. 161 -C & M Admin. Bldg. Parking Lot Improvements (25417)	\$	(41,000.00)
HAB - Office Cubicles Reconfiguration for Financial Control Section (25418)	\$	(29,000.00)
B. 214-220 - Driveway Access (25422)	\$	(48,500.00)
Waterside Emergency Access - Various Locations (25424)	\$	(70,000.00)
B. 210-211 - Access Road Improvements (25434)	\$	(85,000.00)
Pier 400 - Storage Tracks Expansion (25435)	\$	(25,000.00)
HAB - First Floor Lobby Security Sunshade Installation (25436)	\$	(17,000.00)
Warehouse No. 1 - Installation of Concrete Masonry Walls in Elevator (25437)	\$	(60,000.00)
B. 226 - Electrical Infrastructure for E-Truck Charging Stations (25440)	\$	(95,000.00)
Inner Cabrillo Beach - Installation of Tidal Gate at Storm Drain (SD-01) (25442)	\$	(16,000.00)
Waterfront Gateway - Fanfare Fountain Animation Control and PLC Upgrade (25443)	\$	(99,125.00)
<b>Subtotal Projects Under \$100,000</b>	<b>\$</b>	<b>(801,425.00)</b>

**Balance as of April 26, 2017****\$ 4,478,280.00**

**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 ( )

\$ (1,350,000.00)

***Subtotal PDC Approved Projects*** \$ ***(1,850,000.00)***

**Projects Under \$100,000**

***Subtotal Projects Under \$100,000*** \$ ***-***

***Balance as of April 26, 2017***

**\$ 13,150,000.00**