



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: DECEMBER 12, 2018

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: DECEMBER 2018 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its December meeting. On December 11, 2018, the PDC met to consider nine 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 – One item was submitted and approved.
- 2) Budget/Schedule/Scope change – Two items were submitted and approved.
- 3) New project – Six 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:

- Eighteen PDC-approved project totaling \$5,114,600
- Six projects under \$100,000 totaling \$358,500

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.

Mark Bleavin FOR

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: December 2018 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2018/2019

AVG/mz

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT ORIGINAL PROJECT COST \$3,500,000
BERTH 200 RAIL YARD AND TRACK CONNECTIONS ENHANCEMENT- COST AND SCHEDULE CHANGE

SUMMARY

Staff requests approval to increase the cost and change the schedule for the Berth 200 Rail Yard and Track Connections Enhancement.

The Engineering Division recommends increasing the budget from \$ 3,500,000 to \$6,700,000 to account for an increase in construction cost based on the recent bids received on November 15, 2018. The main reasons for this cost increase are the design/build element of the steel detention tank and increases in cost of steel. Additionally, only two construction bids were received for this project which is indicative of a tightening local construction market.

The Engineering Division recommends adding four additional months to the construction schedule.

The total project cost is \$ 6,700,000 and the project will be completed by April 1, 2020.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE, SCOPE CHANGE

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 (including expanded interoperability capabilities), cyber security, extended comprehensive warranty and an additional transmit site for redundancy and enhanced coverage. The revised scope qualifies the Harbor Department for UASI grant reimbursements of \$6,958,841.48. The requested schedule change is to revise the completion date from September 30, 2020 to June 30, 2021.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT**Transmittal 1**

SUBJECT

ORIGINAL PROJECT COST \$936,000

BERTH 93 PASSENGER TERMINAL – VEHICULAR-PEDESTRIAN RAMP REPAIR – NEW PROJECT

SUMMARY

Staff requests approval to initiate a new project to repair the vehicular-pedestrian ramp at the Berth 93 passenger terminal, World Cruise Center.

The proposed work includes repairing water-damaged areas underneath the ramp to Berth 93 and waterproofing these areas.

The total project cost is \$936,000 and the project will be completed by December 31, 2019.

PDC ACTION Approved

COMMENT No comment.

SUBJECT

ORIGINAL PROJECT COST \$1,775,000

BERTHS 302-305 - CRANE SWITCHGEAR MODERNIZATION – NEW PROJECT

SUMMARY

Staff requests approval to initiate a new project to modernize and extend the life of two 25-year old switchgears at the Eagle Marine Terminal at B34ths 302-305.

The proposed work includes retrofitting and modernizing the switchgear.

The total project cost is \$1,775,000 and the project will be completed by April 30, 2021.

PDC ACTION Approved

COMMENT No comment.

SUBJECT

ORIGINAL PROJECT COST \$1,560,000

BERTH 73 – FENDER PILE REPLACEMENT AND CAMEL LOG PLACEMENT – NEW PROJECT

SUMMARY

Staff requests approval to initiate a new project to replace fender piles at S. P. Slip, Berth 73, and place new camel logs to protect the Berth 73 wharf. The proposed work includes replacing approximately 250 piles, wrapping the piles, and placing and wrapping 33 camel logs.

The total project cost is \$1,560,000 and the project will be completed by December 31, 2019.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$975,000**BERTHS 179-181 – WINDOW UPGRADE AND ROLL UP DOOR REPLACEMENT – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project for window upgrade and roll up door replacement to the transit shed at Berth 179-181, Pasha Terminal.

The proposed work includes upgrading the existing windows, replacing roll up cargo doors that are broken due to normal use, and replacing broken doors and jambs.

The total project cost is \$975,000 and the project will be completed by June 30, 2020.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$5,700,000**WILMINGTON YOUTH SAILING AND AQUATIC CENTER – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new capital work order to provide \$3,100,000 additional in capital funding for construction of the Wilmington Youth Sailing and Aquatic Center - a 3,800 square foot (SF) community building with a roof deck and canopy. The scope of work also includes paving, fencing, striping, site lighting, signage, and installation of a boat hoist and gangway.

The Board of Harbor Commissioners (BOHC) approved the construction of a youth sailing center in Wilmington in 2006 and in 2010 approved a budget of \$3,100,000, including \$500,000 for the first three years' operating and \$2,600,000 for design and construction costs using China Shipping Mitigation Funds. The original funding approval and cost estimate was completed almost ten years ago and anticipated 2,600 square foot building with water access. Due to the prolonged process of identifying a feasible development site, this project was delayed and the initial cost estimate is no longer valid.

Inflation, construction cost increases, difficulties with site selection and remediation factors, have all added to the need for additional funding to complete this long overdue project for the community.

Staff requests approval to increase the design and construction budget by adding \$3,100,000 of capital funds to supplement the previously approved \$2,600,000 of China Shipping Mitigation Funds. The new project funding is denoted below:

China Shipping Mitigation Funds \$2,600,000 WO 79340

Supplement CIP Funds \$3,100,000 WO to be assigned

Total Funding Forth Project \$5,700,000

The project will be located within the new Wilmington Waterfront Promenade Park.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$250,000**BERTHS 46-72 - UNDERWHARF PIPELINE HANGERS REPLACEMENT- NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace aging underwharf pipeline hangers from Berths 46-72. The proposed work includes replacing approximately 316 pipeline hangers, with their associated rods and seismic bracing.

The total project cost is \$250,000 and the project will be completed by December 31, 2019.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$200,000**PACIFIC HARBOR LINE LOCOMOTIVE ELECTRIC CHARGER - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Pacific Harbor Line (PHL) Locomotive schedule by eight additional months with no additional increase in the budget.

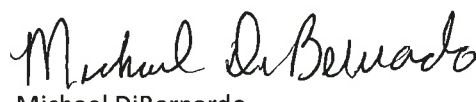
The Engineering Division is constructing a locomotive charger for PHL to charge an electric locomotive PHL is acquiring as part of a demonstration grant from the California Air Resource Board. During the design and planning process, PHL informed the Port of Los Angeles (Port) that the locomotive would be delivered January 2019. Recently PHL has informed the Port that the electric locomotive's new delivery date is June 2019. Staff is requesting an additional eight months to allow for delays in delivering the electric locomotive. Staff will have to request additional time under a separate PDC action if the electric locomotive is delivered after August 2019.

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. Chris Cannon reported on the status of the China Shipping EIR. The team is currently reviewing comments that have been received to the Draft EIR and is preparing to develop responses to the comments for the Final EIR. Chris reported the team has sufficient budget to conduct this work, and will come to PDC in January with a proposed budget and schedule to complete the Final EIR and bring it to the Board of Harbor Commissioners for consideration.



Antonio V. Gioiello
Development



Michael DiBernardo
Marketing and Customer Relations

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 (25523)	\$	(100,000.00)
Port of Los Angeles Police Headquarters - Air Conditioning Replacement (25524)	\$	(100,000.00)
Southern California International Gateway (SCIG) Project Environmental Assessment (25525)	\$	(490,000.00)
B. 179-181 - Window Upgrade and Roll-Up Door Replacement (_____)	\$	(300,000.00)
B. 93 - Vehicular Pedestrian Ramp Repair (_____)	\$	(100,000.00)
B. 300 - Crane Switchgear Modernization (_____)	\$	(100,000.00)
Wilmington Youth Sailing and Aquatic Center (_____)	\$	(750,000.00)
B. 46-72 - Underwharf Pipeline Hangers Replacement (_____)	\$	(80,000.00)
B. 73 - Fender Pile Replacement and Camel Log Placement (_____)	\$	(860,000.00)
<i>Subtotal PDC Approved Projects</i>	\$	(5,114,600.00)

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)
C Street/I-110 Access Ramp Improvements Right of Way Transfer (25528)	\$	(95,000.00)
<i>Subtotal Projects Under \$100,000</i>	\$	(358,500.00)

Balance as of November 28, 2018

\$ 9,526,900.00