



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: JULY 8, 2021

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: JULY 2021 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its July meeting. On July 7, 2021, the PDC met to consider six project items. The committee also met on June 16, 2021 to consider an ad hoc item that is recorded in this report. The committee reviewed standing reports regarding newly opened work orders, the status of the unallocated Capital Improvement Program (CIP) fund budget, the financial model, and the GASB 49 project list. Attached for review are the meeting minutes (Transmittal 1) and Unallocated CIP Fund Report FY 2021/2022 (Transmittal 2).

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

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

The Board of Harbor Commissioners (Board) approved \$12,000,000 in the fiscal year 2021/2022 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 2021/2022 to date:

- 2 PDC-approved project totaling \$1,068,000

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

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: July 2021 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2021/2022

AVG

AVG

AVG/mz

BUDGET CHANGE

SUBJECT

ORIGINAL PROJECT COST \$31,399,340

**BERTHS 226-236 (EVERPORT) TERMINAL IMPROVEMENTS – WHARF AND BACKLAND
PROJECT NO. 25312 - BUDGET INCREASE**

SUMMARY

On June 20, 2019 the Board of Harbor Commissioners awarded the Berths 226-236 (Everport) Terminal Improvements Program construction contract in the amount of \$50,301,380, to Manson Construction Company. The program consists of multiple project work orders. Along with contract award, the Board approved a 10% construction contingency. This 10% construction contingency was not included in the previous PDC report for a budget adjustment. During construction, we encountered unforeseen costs resulting in utilization of the 10% board approved contingency. Staff requests approval to increase the approved project total for the Berths 226-236 (Everport) Terminal Improvements Wharf and Backland Project.

The Engineering Division recommends increasing the budget from \$31,399,340 to \$34,500,000 to account for unforeseen costs encountered during construction.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT

PORT PILOT RADIO UPGRADE PROJECT – NEW PROJECT**SUMMARY**

Staff requests approval to initiate a new project to upgrade the Los Angeles Harbor Department Port Pilots Service (Port Pilots) voice and data communications system. The purpose for the request to upgrade voice and data communications is for improved coverage, functionality, resiliency, redundancy, safety and reliability at the Pilot House, pilot vessels and handheld radios in the Los Angeles Harbor, at sea in a Port Pilot vessel and while on-board a ship calling or leaving the Port of Los Angeles (POLA). The upgraded radio system will also facilitate enhanced interoperability with the United States Coast Guard on the VHF band and Port Police on the 700 MHz band, when needed, in an emergency situation.

The proposed work includes:

- Significant enhancement of the Marine Radio Communications on Very High Frequency (VHF) including coverage locally in the Port of Los Angeles and extended range to 25 nautical miles from the Pilot House to communicate with incoming and outgoing cargo vessels and the United States Coast Guard
- Access to the Port Police 700 MHz radio system (segregated in a separate talk group exclusively for Port Pilot communications) for data and voice communications with Port Pilots Dispatchers & on an as needed basis, voice and data communications with Port Police Dispatchers
- Global Positioning System (GPS) data communications to/from Port Pilot handheld and mobile vessel radios for safety and security of Port Pilots at sea or in the harbor,
- Replacement handheld, mobile vessel and base station radios for enhanced communications on multiple frequency bands with added safety features including:
 - o Waterproof handheld radios capable of 4 hours of submersion up to 2 meters
 - o Intrinsically safe radios for use in hazardous classified atmospheres (e.g. tank vessels)
 - o Multi-frequency capable for communicating on VHF and 700 MHz
 - o GPS enabled for communicating location information
 - o Blue-tooth enabled for external speaker integration
 - o Wi-Fi enabled for data communications
 - o Drop resistant
- Extended range with the installation of enhanced radio equipment, long-range antennas and microwave dishes at the Port Police radio site at the Marine Exchange site, Pilot House and Warehouse 1
- Integration with the Port Police upgraded 700 MHz radio system
- Access to the Port Police Catalina Island radio site for improved range off the coast of the Port of Los Angeles on the 700 MHz band
- Improved radio equipment and antennas at the Pilot House for improved coverage locally in the Los Angeles Harbor and extended range of the coast

The total project cost is \$1,518,571 and the project is estimated to be completed within 10 months from contract execution with the Harbor Department.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$148,000**BERTH 120 WBCT PLACEMENT OF CAB****SUMMARY**

Staff requests approval to initiate a new project to place crush aggregate base (CAB) to provide additional temporary employee parking for Personal Operated Vehicles (POV) for West Basin Container Terminal (WBCT).

The proposed work includes the following:

1. Work by Construction & Maintenance Division: Clear and remove vegetation.
2. Work On Call Contractor: 6" of subgrade preparation, compaction and placing CAB.

The total project cost is \$148,000 and the project will be completed by July 9, 2021.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$550,000**BERTH 178 - OFFICE BUILDING RE-ROOF - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 178 – Office Building Re-Roof schedule by four additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding four additional months to the schedule to allow for delays in obtaining quotes for the re-roof project from a new contractor, as previous contractor no longer qualified for the job, and in obtaining materials due to the Covid-19 pandemic. Furthermore, the City of Los Angeles, Department of Building and Safety has not issued a permit to commence the work as the building may be deemed to be a historical building.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$300,000**TERMINAL WAY AND BARRACUDA STREET REMOVAL OF ABANDONED RAILROAD TRACKS – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to add nine months to the project schedule for the Terminal Way and Barracuda Street Removal of Abandoned Railroad Tracks project with no additional increase to the budget.

Engineering Division recommends adding nine months to the project schedule allowing for delays due to staff resources and for time to secure a new Site Improvements contractor.

If approved by PDC, revised design finish date would be February 28, 2022, and revised construction finish date would be December 30, 2022.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$596,000**BERTH 161 – FLOATING DOCK REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 161 Floating Dock Replacement schedule by six additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding six additional months to the schedule to allow for C&M's contract diving service to be able to wrap 21 newly repositioned timber fender piles required to secure the new floats installed at Berth 161.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE, BUDGET CHANGE, SCOPE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$1,075,000**SOUTH SEASIDE AVENUE STORM DRAIN RESTORATION – SCOPE, BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for the revised scope, cost increase, and schedule change to the South Seaside Avenue Storm Drain Restoration.

The proposed work includes design and construction to replace the existing South Seaside Avenue storm drain system in order to provide proper drainage of South Seaside Avenue and the surrounding properties (Al Larson Boat Shop, Southern California Ship Services parking lot, and the former Southwest Marine property).

The Engineering Division recommends revising the project scope to construct a new storm drain system that replaces the existing system instead of retaining a portion of the existing system which has reached its 50-year life expectancy. This change provides the opportunity to install the storm drain pipe at a higher elevation, minimizing the risk of encountering groundwater contamination during construction and the resulting additional unforeseen cost for disposal.

The Engineering Division recommends increasing the budget from \$1,075,000 to \$1,425,000 to account for additional costs for the design and construction of the new system.

The Engineering Division recommends adding 13 additional months to the schedule to align the project schedule with the advertisement of the 2021-2023 On-Call Remediation and Demolition contract, the Construction Division's method of project delivery. The time extension provides an opportunity to incorporate design changes.

The total project cost is \$1,425,000 and the project will be completed by July 31, 2023.

PDC ACTION Approved**COMMENT** No comment.

ADMINISTRATIVE ITEM GASB 49 Report
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 21/22

(Budget set in June)

\$ 12,000,000

PDC Approved Projects

B. 120 - WBCT - Placement of CAB (25677)

\$ (148,000)

Port Pilot Radio Upgrade (_____)

\$ (920,000)

Subtotal PDC Approved Projects \$ ***(1,068,000)***

Projects Under \$100,000

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

Balance as of June 30, 2021

\$ 10,932,000












Audit Committee Report Packet July 2021

Final Audit Report

2021-07-08

Created:	2021-07-08
By:	Karine Lurvey (klurvey@portla.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAIwKWprQo-WO6uQYC5enHhcjOp_pGEyYe

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Signature Date: 2021-07-08 - 9:12:18 PM GMT - Time Source: server- IP address: 199.245.255.5
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2021-07-08 - 9:12:20 PM GMT
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2021-07-08 - 10:53:29 PM GMT- IP address: 54.215.213.243
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