



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: JANUARY 10, 2019

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: JANUARY 2019 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its January meeting. On January 8, 2019, the PDC met to consider six project items. The committee also reviewed administrative reports regarding recently opened work orders, the status of the unallocated Capital Improvement Program (CIP) fund budget, and the GASB 49 project list. 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 – Two items were submitted and approved.
- 2) Budget/Schedule/Scope change – Three items were submitted. Two were approved and one was deferred.
- 3) New project – One item was 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:

- Nineteen PDC-approved project totaling \$5,139,600
- Eight projects under \$100,000 totaling \$422,500

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: January 2019 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2018/2019

AVG/mz

NEW PROJECT

SUBJECT
PORT CYBER RESILIENCE CENTER – NEW PROJECT

ORIGINAL PROJECT COST \$7,600,000

SUMMARY

Staff requests approval to initiate a new project for a Port Cyber Resilience Center (CRC). The CRC will be a centralized port-wide system that will reduce the ecosystem risk of a cyber incident that could disrupt the flow of cargo at the Port of Los Angeles. The CRC will also be a single source of other information relevant to the Port’s operation. A system such as this that protects the ecosystem does not exist today.

Multiple efforts have been made to engage stakeholder interest since this project was previously submitted to the PDC in February 2018. In addition, efforts are also underway to seek possible grant funding from federal and state sources.

The total project cost is \$7,600,000 and the project will be completed by June 30, 2022. The proposed work includes computer hardware, software, other materials/equipment and services to build, operate and maintain the CRC.

PDC ACTION On Hold

COMMENT Pulled.

SUBJECT
BERTH 200 ROADWAY IMPROVEMENTS & EXTENSION - NEW PROJECT

ORIGINAL PROJECT COST \$6,390,000

SUMMARY

Staff requests approval to initiate a new project to widen the existing Berth 200 roadway and extend the roadway to North Henry Ford Avenue.

The proposed work includes widening the approximately 4,000 linear feet existing Berth 200 roadway by 11 feet in order to provide eight foot shoulders on both sides of the roadway and extending the roadway approximately 3,000 linear feet in order to connect to North Henry Ford Avenue.

The total project cost is \$6,390,000 and the project will be completed by February 28, 2023.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$25,675,000**BERTHS 238-239 MARINE OIL TERMINAL ENGINEERING AND MAINTENANCE STANDARDS – PBF ENERGY - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 238-239 Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) – PBF Energy schedule by seven months with no additional increase in the budget.

The Engineering Division recommends adding seven months to the schedule to allow for tenant delays due the time required to evaluate changes in the Basis of Design document previously agreed upon by the tenant during the design process. These include changes to the list of vessels and barges, platform deflection requirements, locations of mooring and berthing dolphins, and platform fender system. Also addition time is needed for the California State Lands Commission to review and provide comments on the plans and reports.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$23,800,000**WILMINGTON WATERFRONT - AVALON PROMENADE AND GATEWAY - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Avalon Promenade and Gateway schedule by 12 months with no additional increase in the budget.

The Engineering Division recommends adding 12 months to the schedule to allow for delays due to the following:

1. Ongoing real estate negotiations with the Los Angeles Department of Water and Power (LADWP) to secure property rights to LADWP owned parcels that are needed for this project;
2. Delays by LADWP in making a final determination on the need and required set-back for a containment berm for the westerly tank which is proposed to remain;
3. Delays in finalizing the pedestrian bridge alignment and length to accommodate the clearances that will be required by LADWP in order for them to keep the westerly tank; and
4. Ongoing dialogue with the Wilmington Neighborhood Council (WNC) to resolve outstanding items from the May 4, 2018 Wilmington Neighborhood Council Board approved Resolution to the Port, and the subsequent response by the Port dated November 8, 2018. In particular, resolution is needed on whether or not there will be an alternative to the sundial concept for the entry plaza.

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

SUBJECT**ORIGINAL PROJECT COST** \$195,000**WILMINGTON WATERFRONT PARK STREET VACATIONS - COST AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval to increase the budget and extend the schedule for the Wilmington Waterfront Park Street Vacations project, which will finalize the vacations of the streets that were closed for construction of the Wilmington Waterfront Park.

The Engineering Division recommends increasing the budget from \$195,000 to \$265,000 to provide an additional \$40,000 for the higher than expected street vacation resubmittal fee, an additional \$20,000 for an engineering consultant to modify and finalize legal descriptions, and an additional \$10,000 of In-House Engineering labor.

The Engineering Division recommends adding 18 additional months to the schedule to allow for the typical two-year process for street vacations. The application process was restarted in October of 2018.

The total project cost is \$265,000 and the project will be completed by January 5, 2021.

PDC ACTION Approved

COMMENT No comment.

SCOPE CHANGE, BUDGET CHANGE, SCHEDULE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$1,826,500**BERTHS 97-109 – CHINA SHIPPING CONTAINER TERMINAL SUPPLEMENTAL EIR – SCOPE, COST AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval of the China Shipping Container Terminal Supplemental Environmental Impact Report (SEIR) scope, cost, and schedule change.

The Recirculated Draft SEIR was released for public review and comment from September 28, 2018 to November 16, 2018. Staff is now returning to the Project Development Committee (PDC) for a scope, budget, and schedule request for completion of the Final SEIR and a noise mitigation study. The estimated cost increase is \$475,000 and a six-month schedule extension.

The total project cost is now \$2,301,500 and the project schedule will be extended by six months from December 31, 2018 to June 30, 2019.

PDC ACTION Approved

COMMENT Committee approved a \$550,000 budget increase and a 9 month extension.

SUBJECT

ORIGINAL PROJECT COST \$4,163,180

BERTHS 121-131 CONTAINER TERMINAL REDEVELOPMENT EIS/EIR SCOPE, COST, AND SCHEDULE CHANGES

SUMMARY

Staff requests approval for additional scope, cost increase, and schedule change the completion of a Draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Berths 121-131 (Yang Ming) Container Terminal Redevelopment Project (Project).

This Project involves preparation of an EIS/EIR for the Yang Ming Container Terminal Redevelopment Project. Since 2014, a series of scope and technical changes have resulted in significant revisions to the project. Previous PDC actions have provided funding through release of the Draft EIR/EIS. This current PDC request provides a schedule change and cost increase for additional work required to release the Draft EIR/EIS, as well as an early estimate of the cost to bring the Final EIS/EIR to the Board of Harbor Commissioners and support the US Army Corps of Engineers in the completion of its Record of Decision (ROD). The estimated cost increase is \$185,000 to complete the Draft EIR/EIS, conduct a public hearing, and commence review of public comments once they are received. The increased cost to complete the EIS/EIR is needed to assure this document is consistent with other environmental analyses recently completed for property in the same area as this project. Additional funds are also requested to assure adequate resources are available to begin responding to public comments once they are received. An early estimate of \$470,590 is further provided of the cost to complete the Final EIS/EIR and bring it to the Board of Harbor Commissioners for consideration. The overall estimated proposed schedule extension for completion of the Final EIS/EIR is for 13 months.

The total project cost is \$4,818,770 and the project will be completed by December 31, 2019.

PDC ACTION On Hold

COMMENT Project will be resubmitted at the February 2019 meeting.

- ADMINISTRATIVE ITEM** No Grants Report.
- ACTION ITEM FOLLOW UP**
- WORK ORDER REPORT** REVIEWED
- UNALLOCATED BUDGET REPORT** REVIEWED
- ADDITIONAL DISCUSSION** GASB 49 reviewed and approved.

Mark Blewett FOR

Antonio V. Gioiello
Development

Michael DiBernardo

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. 300 - Crane Switchgear Modernization (25529)	\$	(100,000.00)
B. 93 - Vehicular Pedestrian Ramp Repair (25530)	\$	(100,000.00)
B. 179-181 - Window Upgrade and Roll-Up Door Replacement (25531)	\$	(300,000.00)
B. 46-72 - Underwharf Pipeline Hangers Replacement (25533)	\$	(80,000.00)
Wilmington Youth Sailing and Aquatic Center (25536)	\$	(750,000.00)
B. 73 - Fender Pile Replacement and Camel Log Placement (25537)	\$	(860,000.00)
B. 200 - Roadway Improvements & Extension (_____)	\$	(25,000.00)

Subtotal PDC Approved Projects \$ ***(5,139,600.00)***

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)
Wilmington Waterfront Park Methane Alarm Replacement (25534)	\$	(25,000.00)
801 Reeves Avenue - Fire Alarm Panel Replacement (25535)	\$	(39,000.00)

Subtotal Projects Under \$100,000 \$ ***(422,500.00)***

Balance as of December 28, 2018

\$ 9,437,900.00