



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: SEPTEMBER 2, 2020

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: SEPTEMBER 2020 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its September meeting. On September 2, 2020, the PDC met to consider fifteen project items. The committee also reviewed administrative reports regarding recently opened work orders, the status of the unallocated Capital Improvement Program (CIP) fund budget, the GASB 49 project list, and projects for discussion. Attached for review are the meeting minutes (Transmittal 1) and Unallocated CIP Fund Report FY 2020/2021 (Transmittal 2).

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 – Seven items were 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 2020/2021 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 2020/2021 to date:

- 9 PDC-approved project totaling \$2,542,500
- 4 projects under \$100,000 totaling \$274,500

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.

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EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: September 2020 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2020/2021

AVG/mz

BUDGET CHANGE

SUBJECT ORIGINAL PROJECT COST \$5,388,000
HARBOR ADMINISTRATION BUILDING (HAB) - FOURTH FLOOR WORKSPACE SOLUTIONS – BUDGET CHANGE

SUMMARY

Staff requests approval to increase the budget for the Harbor Administration Building’s (HAB) Fourth Floor Workspace Solutions Project by transferring unused money from Second Floor Workspace Solutions Project (WO# 2551000) into the HAB Fourth Floor Workspace Solutions Project (WO# 2517900).

The Engineering Division recommends increasing the budget by \$160,000 from \$5,388,000 to \$5,548,000 as contingency for additional workspace items not included in the original estimate, such as:

- 4th Floor: Add Overhead cabinets to OS1 Workspaces
- 4th Floor: Install additional Lateral File Cabinets
- 4th Floor: Install 2nd network port for IT & Extra Common Area Electrical Outlets
- 4th Floor Phase 7: Graphics: Install partitions around large plotter
- 4th Floor: Rent Extra Moving Bins (Approximately 50 Count)
- Additional C&M labor hours associated with above items

If approved by PDC, the total project cost would be \$5,548,000. The project is on schedule to be completed by November 30, 2021.

PDC ACTION Approved

COMMENT No comment.

SUBJECT ORIGINAL PROJECT COST \$320,000
HARBOR ADMINISTRATION BUILDING (HAB) - SECOND FLOOR WORKSPACE SOLUTIONS – BUDGET CHANGE

SUMMARY

Staff requests approval to decrease the project budget for the Harbor Administration Building (HAB) Second Floor Workspace Solutions Project (WO# 2551000) as this project was completed under budget.

The Engineering Division recommends decreasing the project budget from \$320,000 to \$160,000, and transferring \$160,000 to the Harbor Administration Building’s (HAB) Fourth Floor Workspace Solutions Project (WO# 2517900).

Staff proposes to utilize the \$160,000 as contingency for the HAB Fourth Floor Workspace Solutions Project.

The HAB Second Floor Workspace Solutions project was budgeted at \$320,000. This project was completed under budget at \$156,272.16 and on schedule by September 6, 2019.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE

Transmittal 1

SUBJECT**ORIGINAL PROJECT COST \$1,207,310****PORT POLICE 700 MHZ RADIO SYSTEM RE-BANDING PHASE I – BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval for budget and schedule changes to the Port Police 700 MHz Radio System Re-Banding Phase I Project due to delays in obtaining electrical services and extra installation costs from the Department of Water and Power (DWP) to the Marine Exchange communications shelter. The Information Technology Division recommends increasing the budget by \$72,500 and adding twelve (12) months to the project schedule.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST \$1,000,000****BANNING'S LANDING WATER LEAKS AND DAMAGE REPAIR - BUDGET INCREASE & SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the budget and change the schedule to repair water leaks and associated water damage at Banning's Landing (100 East Water Street, Wilmington, CA 90744).

The Engineering Division recommends increasing the budget from \$1,000,000 to \$1,200,000. The recommended increase is based on the 80% Drawings and the corresponding 80% Cost Estimate developed by Construction & Maintenance Division (C&M). Staff based the original budget on a technical report and the existing record drawings. C&M has performed additional investigative work and much more information is now known about the existing building deficiencies causing the water leaks, including the amount of skilled labor required to complete the repair work.

The Engineering Division recommends adding 2 and a half months to the schedule to allow for additional design work required to develop solutions in response to supplementary information obtained through C&M's investigative work.

If approved by PDC, the total project budget would increase to \$1,200,000 and the project will be completed by January 4, 2022.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$53,400,000**WILMINGTON WATERFRONT - BUILDING DEMOLITION AND PROMENADE - BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the cost and change the schedule for the Wilmington Waterfront – Building Demolition and Promenade.

The Port of Los Angeles received construction bids for the project on June 18, 2020 and awarded the contract on August 20, 2020. The Engineering Division recommends increasing the budget from \$53,400,000 to \$70,800,000 to account for a cost differential between our cost estimate and the contractor's bid amount and additional soft costs. The differential is due to a combination of underestimation of certain bid items and escalation of costs over 3 years. In addition, the current impact of COVID-19 may have affected the contractor's construction costs.

The Engineering Division recommends adding four additional months to the schedule to account for delays due to design addendums and awarding of the construction contract.

The total project cost is \$70,800,000 and the project will be completed by February 28, 2023.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT

SUBJECT**ORIGINAL PROJECT COST** \$750,000**BERTH 95 – BARGE LANDING RAMP UPGRADE AT CATALINA EXPRESS- NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to address loading and unloading issues that occur during high and low tides at the Catalina Channel Express terminal.

The proposed work includes concrete demolition, construction of a 75' concrete grade beam, dredging, and rip-rap upgrades.

The total project cost is \$750,000, and the project will be completed by November 30, 2022.

PDC ACTION Approved

COMMENT PDC approval is conditional subject to Board approval of the Catalina Express rent credits agreement, which is expected to be presented to the Board of Harbor Commissioners in October 2020.

SUBJECT**ORIGINAL PROJECT COST** \$150,000**HARBOR ADMINISTRATION BUILDING – 1ST FLOOR GARAGE LED LIGHTING UPGRADE – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace and upgrade the existing lighting of the first floor garage of the Harbor Administration Building.

The proposed work includes replacing the existing lights with Light Emitting Diode (LED) efficient lighting and fixtures.

The total project cost is \$150,000 and will be completed by June 30, 2021.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$370,000**22ND STREET, VIA CABRILLO MARINA, AND SHOSHONEAN ROAD LIGHTING UPGRADE – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace and upgrade the existing lighting fixtures on 22nd Street, Via Cabrillo Marina, and the Shoshonean Road pedestrian pathway in San Pedro.

The proposed work includes replacing the existing lights with Light Emitting Diode (LED) efficient light fixtures, mounting hardware, and broken arms and components.

The total project cost is \$370,000 and will be completed by June 30, 2022.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$250,000**BERTHS 158 AND 160 – CONSTRUCTION AND MAINTENANCE EMPLOYEE PARKING LOT IMPROVEMENTS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 158 and 160 – Construction and Maintenance (C&M) Employee Parking Lot Improvements schedule by four months with no additional increase to the budget.

The Engineering Division recommends adding four additional months to the schedule to allow for delays incurred to obtain a Los Angeles Department of Building and Safety (LADBS) permit for striping work and to develop the signature set of drawings.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$2,556,715**PORT POLICE - INTEGRATED COMPUTER AIDED DISPATCH/RECORDS MANAGEMENT SYSTEM (CAD/RMS) - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the implementation schedule for the Computer Aided Dispatch (CAD)/Records Management System (RMS) project by twelve months with no additional increase to the budget.

The Port Police Division recommends adding twelve months to the project schedule, to allow for a likely delay in the project "go-live" date, training requirements, development of third party interfaces, integration with the Los Angeles Police Department's (LAPD) law enforcement systems message switch and completion of data conversion from legacy CAD RMS to the new system.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$3,500,000**BERTH 161 – EQUIPMENT OPERATIONS BUILDING RENOVATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 161 Equipment Operations Building Renovation project schedule by four additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding four additional months to the schedule to allow for delays in receiving materials due to the worldwide pandemic and for obtaining final inspection approvals.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$2,000,000**ALTERNATIVE MARITIME POWER (AMP) CONTAINER SHIP EARTH SWITCHGEARS RETROFIT AT ALL PORT TERMINALS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to add seven months to the project schedule with no increase to project budget.

Staff needs additional design time to perform extensive field verification of existing equipment with assistance from Construction and Maintenance (C&M) staff. The COVID-19 pandemic has made scheduling site field investigations difficult, and C&M has been completing higher priority activities. Staff may return to PDC in the future if we are unable to complete the necessary activities necessary due to higher priority work.

If approved by PDC, the total project budget remains at \$2,000,000, however project completion would be extended by seven months to July 31, 2022.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$160,000**BERTH 68 – PORT PILOT STATION HVAC UPGRADE - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the heating, venting, and air conditioning (HVAC) upgrade project at the Port Pilot Station schedule by seven additional months with no additional increase in the budget.

The Construction & Maintenance Division (C&M) recommends adding seven additional months to the schedule to allow for delays due to COVID-19.

PDC ACTION Approved**COMMENT** No comment.**SCOPE CHANGE, BUDGET CHANGE, SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$650,000**HARBOR DEPARTMENT ADMINISTRATION BUILDING (HAB) 1ST FLOOR EMPLOYEE RESTROOMS AND SHOWERS REMODEL – SCOPE, BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval to add scope, increase the project budget, and extend the project schedule for the Harbor Department Administration Building (HAB) 1st Floor Employee Restrooms and Showers Remodel Project.

The current scope of work includes constructing new male and female shower facilities and fixtures, adding an additional women's shower/changing area to accommodate current staff use, and constructing one single user unisex restroom, including, new plumbing, lighting, and finishes.

Staff requests approval to increase the scope of work to replace the main sewer line for the restroom/shower facilities which needs to be replaced for the plumbing system to function properly. The additional work to replace the main sewer line is currently unfunded and is estimated to cost \$251,000. Staff has also determined that the currently approved work is underfunded by \$260,000 due to a recent increase to the Labor Hourly Rates. Therefore, staff requests approval to increase the project budget by \$511,000. The Engineering Division also recommends adding three additional months to the schedule to allow for delays incurred identifying replacement costs for the main sewer line.

If approved by PDC, the total project cost would be \$1,161,000 and the project will be completed by December 5, 2021.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT

ORIGINAL PROJECT COST \$500,000

BERTH 87-93 – HIGH MAST POLE LIGHTING UPGRADE – SCOPE, BUDGET, AND SCHEDULE CHANGES

SUMMARY

Staff requests approval for additional scope, budget increase, and schedule change to the High Mast Poles Lighting Upgrade Project at Berths 87-93.

The current project includes upgrading nine (9) high mast poles with LED light fixtures, install lighting controls, and replace compromised wiring and enclosures. Construction & Maintenance Division (C&M) is requesting scope, budget, and schedule extension for nine (9) months to address deficiencies in low mast lighting poles as well.

The total project cost is \$550,000 and the project will be completed by June 30, 2021.

PDC ACTION Approved

COMMENT No comment.

ADMINISTRATIVE ITEM Projects for Discussion reviewed. GASB49 reviewed and item approved.

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 20/21

(Budget set in February)

\$ 12,000,000

PDC Approved Projects

B. 84 - Maritime Museum - Fire Sprinkler (25625)	\$	(540,000)
B. 84 - Maritime Museum - Fire Alarm and Mass Notification System (25629)	\$	(490,000)
B. 54-55 - Building Cover Replacement (25630)	\$	(650,000)
B. 161 - Construction & Maintenance - Natural Gas Line Replacement (25631)	\$	(192,500)
B. 186-191 - MOTEMS - Vopak Environmental Assessment (24633)	\$	(250,000)
B. 115 - Rail Crossing Replacement (25637)	\$	(100,000)
Harbor Administrative Building - 1st Floor Garage LED Lighting Upgrade (_____)	\$	(150,000)
B. 95 - Barge Landing Ramp Upgrade at Catalina Express (_____)	\$	(100,000)
22nd Street, Via Cabrillo Marina, & Shoshonean Road - Lighting Upgrade (_____)	\$	(70,000)

Subtotal PDC Approved Projects \$ ***(2,542,500)***

Projects Under \$100,000

Harbor Administrative Building - Patio Lighting Solution (25632)	\$	(60,000)
Port of Los Angeles Police Headquarters - Roll Up Doors Replacement (25634)	\$	(86,800)
272 S Fries Avenue - Overflow Parking Lot (25635)	\$	(72,500)
1410 S. Barracuda Steet - Fire Alarm System (25638)	\$	(55,200)

Subtotal Projects Under \$100,000 \$ ***(274,500)***

Balance as of August 26, 2020

\$ 9,183,000