



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: OCTOBER 8, 2021

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: OCTOBER 2021 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its October meeting. On October 6, 2021, the PDC met to consider seven project items. The committee also 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 – Five items were submitted and approved.
- 2) Budget/Schedule – One item was submitted and approved.
- 3) New project – One item was 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:

- 6 PDC-approved project totaling \$2,633,280
- 1 project under \$100,000 totaling \$17,551

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 Blewins

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: October 2021 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2021/2022

AVG
AVG

AVG/mz

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT ORIGINAL PROJECT COST \$146,000

REAR BERTH 301 PAVEMENT IMPROVEMENTS - BUDGET AND SCHEDULE CHANGE

SUMMARY

Staff requests approval to increase the cost and extend the schedule for the Rear Berth 301 Pavement Improvements project.

The Engineering Division recommends increasing the budget from \$146,000 to \$213,000 to account for construction bids received from the Construction Division's on-call Marine Improvements contractor and increased labor charges.

The Engineering Division recommends adding four additional months to the schedule to allow for scheduling with the Construction Division's on-call Marine Improvement Contract and delivery of the test equipment.

The total project cost is \$213,000 and the project will be completed by November 29, 2021.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT

SUBJECT ORIGINAL PROJECT COST \$37,800,000

INTERNATIONAL LONGSHORE WORKERS UNION (ILWU) WORKFORCE TRAINING FACILITY PHASE I- NEW PROJECT

SUMMARY

Staff requests approval to initiate a new \$37,800,000 project to design and construct the ILWU Workforce Training Facility Phase I Project. The Phase I project will consist of soil improvements at the Anchorage Road site. Soil improvements will strengthen the existing soil for future construction of a 20-acre training facility, dedicated to educating and developing current and future workforce members in the maritime and goods movement industry. The training center will provide indoor and outdoor facilities focusing on skilled training programs such as the use and operation of ship-to-shore cranes, transtainers, top handlers, side picks, forklifts and heavy lifts.

The proposed Phase I work includes the construction of wick drains and surcharge over 20 acres, removal and disposal of contaminated soil, and grading and compacting of on-site material. It also includes the preparation of an Environmental Impact Report (EIR) for the full project and a master plan amendment for the eventual full buildout of the project. The preliminary project cost estimate for the full build out of the facility, including the work proposed in this report, is \$146,544,000. The Engineering Division will return to PDC for subsequent approvals before proceeding beyond the work included in this report.

The total project cost is \$37,800,000 and the project will be complete by June 30, 2025.

PDC ACTION Approved

COMMENT The committee approved funding up to \$2.5 million for environmental, engineering, and geotechnical work. Anything beyond that limit must return to PDC for additional approval.

SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$770,000**LIBERTY HILL PLAZA ATRIUM SKYLIGHT REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Liberty Hill Plaza (LHP) atrium skylight replacement schedule by six additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding six additional months to the schedule as vendor has scheduling problems and cannot start the construction phase until February 2022.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$240,000**BADGER AVENUE BRIDGE GEARBOX REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Badger Avenue Bridge Gearbox Replacement schedule by 12 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 12 additional months to the schedule to allow for delays due to the gearbox manufacturer going out of business and the resulting delay in selecting a contractor that can perform the gearbox replacement.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$889,500**CALTRANS PEDESTRIAN PATH AND PARKING RESTRIPIING - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to add six months to design schedule for Caltrans Pedestrian Path and Parking Restriping project with no change to construction finish date.

Engineering Division recommends adding six months to design finish date to allow time to develop one common specification for subject project and North Gaffey Street Beautification – Phase II project. Staff will advertise both projects as one construction contract utilizing common specification. Construction Finish date remains November 30, 2023.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$250,000**BERTHS 206-209 (PASHA) - ELECTRICAL SUB-METER INSTALLATION- SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the BERTHS 206-209 (PASHA) - Electrical Sub-Meter Installation- schedule by three additional months.

Engineering Division recommends adding three additional months to project schedule for delays resulting from working on higher priority projects.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$11,380,000**BERTHS 177-178 (PASHA STEVEDORING TERMINALS) WHARF RESTORATION – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 177-178 Wharf Restoration schedule by five additional months with no additional increase in the budget.

The Engineering Division recommends adding five additional months to the schedule to allow delays to complete the design. Additional time is required to accommodate reallocation of staff resources.

PDC ACTION Approved

COMMENT No comment.

ADMINISTRATIVE ITEM GASB49 Report 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 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 (25678)	\$	(920,000)
Air Quality Monitoring Stations Upgrade (25680)	\$	(521,280)
B. 153- Clock Tower Water Damage Repair (25681)	\$	(200,000)
B. 68 - Port Pilot Station Wharf Modifications (25682)	\$	(344,000)
International Longshore Workers Union (ILWU) Workforce Training Facility (_____)	\$	(500,000)

Subtotal PDC Approved Projects \$ ***(2,633,280)***

Projects Under \$100,000

1400 S. Harbor Blvd - Fence Installation (24683)	\$	(17,551)
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Subtotal Projects Under \$100,000 \$ ***(17,551)***

Balance as of September 29, 2021

\$ 9,349,169












Audit Committee Report Packet October 2021

Final Audit Report

2021-10-13

Created:	2021-10-12
By:	Karine Lurvey (klurvey@portla.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAuivZwQvu99g3a7i-S-aEurL5H5YETdrq

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