



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE:** APRIL 5, 2023  
**TO:** THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE  
**SUBJECT:** APRIL 2023 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its April 2023 meeting. On April 5, 2023, the PDC met to consider eleven project items. The committee also reviewed standing reports regarding newly opened work orders, the status of the unallocated Capital Improvement Program (CIP) fund budget, completed CIP projects, the financial model and the GASB 49 project list. Attached for review are the meeting minutes (Transmittal 1), Unallocated CIP Fund Report FY 2022/2023 (Transmittal 2), and CIP Status Report – Completed Projects (Transmittal 3).

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

- 1) Schedule change – Seven items were submitted and approved.
- 2) Budget/Schedule/Scope change – Three items were 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 2022/2023 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 2022/2023:

- 20 PDC-approved projects totaling \$7,154,782
- 6 projects under \$100,000 totaling \$209,087

As of March 29, 2023, the remaining balance is \$4,636,131.

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*

Marla Bleavins (Apr 10, 2023 18:14 PDT)

EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: April 2023 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2022/2023

Transmittal 3: CIP Status Report – Completed Projects

AVG

AG/mz

**BUDGET CHANGE, SCHEDULE CHANGE****SUBJECT** ORIGINAL PROJECT COST \$95,000**BERTHS 58-60 – ALTASEA SOIL TESTING AND DISPOSAL - BUDGET AND SCHEDULE****SUMMARY**

Staff requests approval to increase the budget and change the schedule for the Berths 58-60 – AltaSea Soil Testing and Disposal project.

The Engineering Division recommends increasing the budget by \$5,905,000 from \$95,000 to \$6,000,000 to account for current and future contaminated soil testing and disposal of soil and building materials related to AltaSea (tenant) improvements at Berths 58-60. The significant increase also accounts for current lease obligations to reimburse AltaSea up to \$6,000,000 for hazardous materials for the Berths 58-60 improvements project.

The Engineering Division recommends adding 11 months to the schedule to allow for completion of AltaSea’s Berths 58-60 improvements and process invoices for reimbursement under the lease obligations.

The total project cost is \$6,000,000 and the project completion date is June 30, 2025.

**PDC ACTION** Approved**COMMENT** No comment.**BUDGET CHANGE, SCHEDULE CHANGE, SCOPE CHANGE****SUBJECT** ORIGINAL PROJECT COST \$875,000**INNER CABRILLO BEACH PARKING LOT – STORMWATER IMPROVEMENTS – SCOPE, BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for additional scope, cost increase, and schedule change to the Inner Cabrillo Beach Parking Lot – Stormwater Improvements project. This project is currently on hold.

The additional work includes the design and construction of a weir structure to prevent backflow of ocean water into the storm drain system and installation of a system to divert dry weather flows to the sanitary sewer system. Additional time is needed to continue to coordinate the discharge requirements with the Los Angeles Regional Water Quality Control Board (LARWQCB), to design and construct LARWQCB approved project.

The budget is increased by \$545,000 from \$875,000 to a new project budget of \$1,420,000. The schedule is increased by 36 months to a new completion date of June 30, 2026.

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

**SUBJECT****ORIGINAL PROJECT COST** \$13,863,939**PORT POLICE 700 MHZ RADIO SYSTEM RE-BANDING – PHASE 2 (WO 2542100) –SCHEDULE, SITE SCOPE AND BUDGET CHANGE****SUMMARY**

Staff requests approval to extend the implementation schedule for the Port Police 700 MHz Radio System Re-banding Phase 2 project (WO2542100), by 15 months to December 31, 2024 and to increase the Project Development Committee (PDC) approved budget by \$1,070,069.94 for unanticipated costs for site preparation at two City managed radio sites to support interoperability related equipment.

The Port Police Division recommends approval for extending the implementation schedule and additional funding to support the Mayor's Office objective of land mobile radio (LMR) interoperable communications between Los Angeles City public safety agencies. The two City radio sites (Baldwin Hills and Mount Lee) are managed by the City of Los Angeles Information Technology Agency (ITA). ITA is requiring extensive site preparation at each site inclusive of additional power, multiple tower studies and remediation to support added equipment for the Port Police LMR system.

The PDC approved \$384,161.32 on December 1, 2021 for these improvements, based on an estimate for the remediation at these sites from our contractor, Motorola. The actual remediation required by ITA was finally provided recently by ITA's contractor after input from ITA's contract engineer. Those remediation requirements and costs are reflected in the additional amount requested and documented in a project change order from Motorola #007 (attached for reference).

ITA is mandating using the City of Los Angeles General Services Department (GSD) for all power upgrades and their approved third party contractor for all site preparation and remediation. The Port Police will be using its contractor for the radio upgrade project, Motorola, to coordinate, manage and collaborate with ITA for the site preparation requirements, including the remediation that is required. Port Police and Motorola have met with ITA, GSD, ITA's contract engineer and contractor and the Mayor's Office to ensure the requirements are necessary and to negotiate the best cost available. Motorola has prepared an additional new draft change order with all required work and costs associated with that work.

The additional time for implementation is recommended based on the need to amend the existing Master Services Agreement and contract with Motorola, return to the Board of Harbor Commissioners (BOARD) for amended contract approval and time required for the site remediations. The additional funding of \$384,161.32 that was authorized by the PDC is still awaiting approval for the amendment to the Master Services Agreement with Motorola, City Attorney review and Board approval. It will now be combined with this request if approved by the PDC.

**PDC ACTION** Approved

**COMMENT** Committee approved rounding up the budget to \$14,950,000.

**NEW PROJECT**

**SUBJECT****ORIGINAL PROJECT COST** \$370,000**BERTHS 90-93 CRUISE TERMINAL PAVEMENT REPAIRS – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to design and repair the pavement at the Berths 90-93 Cruise Terminal.

The proposed work includes pothole patching, crack sealing and resurfacing damaged pavement at three locations throughout Berths 90-93 Cruise Terminal.

The total project cost is \$370,000 and the project completion date is June 30, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$512,837**BERTH 93 – ESCALATOR NO. 3 MODERNIZATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 93 – Escalator No. 3 Modernization schedule by 10 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 10 additional months to the schedule to allow for delays due to unforeseen delays in procurement of equipment and materials.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$500,000**BERTHS 212-224 (YUSEN TERMINAL) LEAK DETECTION EXPANSION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 212-224 Leak Detection Expansion schedule by eight months with no additional increase in the project budget of \$500,000.

The Engineering Division recommends adding eight months to the schedule to allow for delays due to material availability and limited staff resources to complete the work. The new completion date is December 31, 2023.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$334,000**BERTH 93 - ELEVATOR NO. 2 RENOVATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 93 – Elevator No. 2 Renovation schedule by 10 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 10 additional months to the schedule to allow for delays due to vendor delays in issuing valid insurance documentation and unforeseen delays in procuring materials.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,369,985**BERTH 93 – ESCALATOR NOS. 1 & 2 RENOVATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 93 – Escalator Nos. 1 & 2 Renovation schedule by 5 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 5 additional months to the schedule to allow for delays due to unforeseen delays in procurement of equipment and materials.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,410,000**BERTH 93 – ESCALATOR NOS. 4 & 5 MODERNIZATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 93 – Escalator Nos. 4 & 5 Modernization schedule by 4 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 4 additional months to the schedule to allow for delays due to unforeseen delays in the procurement of equipment and materials.

**PDC ACTION** Approved**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$1,520,000**REAR BERTH 197 SITE IMPROVEMENTS – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Rear Berth 197 Site Improvements schedule by five months with no additional increase in the project budget of \$ 1,520,000.

The Engineering Division recommends adding five months to the schedule to provide the contractor enough time to allocate resources from the Wilmington Waterfront Promenade project to complete the work. The new completion date is August 31, 2023.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,250,000**PORT OF LOS ANGELES POLICE HEADQUARTERS – PERIMETER SECURITY ENHANCEMENTS – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Port Police Headquarters Perimeter Security Enhancements project schedule by eight months with no additional increase to the budget.

The Engineering Division recommends adding eight months to the schedule to allow for procurement, installation and painting of custom metal gate and fencing. The revised completion date is June 30, 2024

**PDC ACTION** Approved**COMMENT** No comment.**ADMINISTRATIVE ITEM**

GASB 49 Report and Completed Projects CIP 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 22/23****(Budget set in July)****\$ 12,000,000****PDC Approved Projects**

|  |           |                           |
|--|-----------|---------------------------|
| B. 302-305 Rail Mounted Gantry (RMG) Crane Rail and Foundation (2571600)   | \$        | (2,000,000)               |
| B. 93 - Escalator Nos. 1 & 2 Renovation (2571700)  | \$        | (800,000)                 |
| Portwide Leak Detection Expansion Program (2572300)  | \$        | (140,000)                 |
| Portwide Skylights Replacement (2572200)   | \$        | (415,193)                 |
| B. 208-209 - CFS Building Demolition (2572400)   | \$        | (1,000,000)               |
| Fixed Automated License Plate Recognition (ALPR) System to Supplement Port Police Existing ALPR Systems ( 2572700) | \$        | (497,745)                 |
| B. 72 Parking Lot Lights Replacement (2572900)   | \$        | (30,000)                  |
| Knoll Drive Street Lighting (2573100)  | \$        | (63,000)                  |
| Navy Way & Seaside Ave. Interchange Improvements (2573200)   | \$        | (400,000)                 |
| PMA/ILWU Local 13 Dispatch Hall Surplus Parking Lot Improvements (2573300)   | \$        | (50,000)                  |
| Terminal Island Maritime Support Facility (2573500)  | \$        | (200,000)                 |
| B.93 - Vehicular Ramp Fire Sprinkler System Upgrade (2573600)  | \$        | (160,000)                 |
| B. 212 - Yusen Administration Building Fire Suppression System Replacement (2573700)                               | \$        | (180,000)                 |
| 208 East 22nd St. Parking Lot Improvements (2573900)   | \$        | (200,000)                 |
| Badger Aveue Bridge Grading Replacement (2574000)  | \$        | (109,000)                 |
| Badger Aveue Bridge Wire Ropes Replacement (2574100)   | \$        | (289,844)                 |
| Electrical Infrastructure Improvement Program (2574200)  | \$        | (500,000)                 |
| HAB - 1st Floor Mailroom Relocation (2574600)  | \$        | (50,000)                  |
| HAB - 2nd Floor Workspace Solutions (2574700)  | \$        | (50,000)                  |
| B. 90-92 - Cruise Terminal Pavement Repairs ( )  | \$        | (20,000)                  |
| <b><i>Subtotal PDC Approved Projects</i></b>   | <b>\$</b> | <b><i>(7,154,782)</i></b> |

**Projects Under \$100,000**

|   |           |                         |
|---|-----------|-------------------------|
| B. 212-223 - YTI East Gate Rail Signal Improvements (25719)                         | \$        | (39,805)                |
| B. 161 - Marine Ways Gate Modifications (25725)                                     | \$        | (11,746)                |
| Harbor Administration Building - Conference Room Teleconference Solutions (2572800) | \$        | (35,933)                |
| Harbor Administration Building - Fifth Floor Office Enclosure (2573400)             | \$        | (24,000)                |
| 22nd Street Park Surveillance (2573800)   | \$        | (84,500)                |
| B. 58-60 - AltaSea Soil Testing and Disposal (2574800)                              | \$        | (13,103)                |
| <b><i>Subtotal Projects Under \$100,000</i></b>                                     | <b>\$</b> | <b><i>(209,087)</i></b> |

***Balance as of March 29, 2023*****\$ 4,636,131**



# CIP Status Report

Completed Projects

Actuals Thru January 2023

Where Construction Finish Date is: >= 2/23/2023 <= 3/29/2023

| Project No. | Project Title | Status | Projected Cost | Design         |           |                 |           | Construction   |           |                 |           | Close Out |
|-------------|---------------|--------|----------------|----------------|-----------|-----------------|-----------|----------------|-----------|-----------------|-----------|-----------|
|             |               |        |                | Start Baseline | Projected | Finish Baseline | Projected | Start Baseline | Projected | Finish Baseline | Projected |           |
|             |               |        |                |                |           |                 |           |                |           |                 |           |           |

**Grand Total: \$0.00**












# Audit Committee Report Packet April 2023

Final Audit Report

2023-04-11

|                 |  |
|-----------------|--|
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