



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: DECEMBER 2, 2021

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: DECEMBER 2021 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its December meeting. On December 1, 2021, the PDC met to consider thirteen 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 – Eight items were submitted and approved.
- 2) Budget/Schedule change – Two 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 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:

- 11 PDC-approved projects totaling \$4,314,206
- 5 projects under \$100,000 totaling \$247,146

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: December 2021 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2021/2022

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BUDGET CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$1,479,810**PORT POLICE 700 MHZ RADIO SYSTEM RE-BANDING PHASE I – BUDGET CHANGE****SUMMARY**

Staff requests approval to increase the budget of the Port Police 700 MHz Radio System Re-Banding Phase I.

The Information Technology Division recommends increasing the budget by \$130,000 to pay for the Port of the Los Angeles Construction and Maintenance (C&M) change Order #003, labor, and parts, due to additional groundwork and additional Bollards requested by DWP in the latest inspection, and to repair/straighten up existing buried conduits and to repair/replace existing conduit feeds in the Marine Exchange location. C&M Change Orders #001, #002, and #004 were paid by existing contingency funds. This work is required to complete the DWP power connection to the Port Police Communications Shelter at Marine Exchange site.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT**SUBJECT****ORIGINAL PROJECT COST** \$157,833**C&M YARD PLAN PARTIAL BLOCK WALL REMOVAL & ICE MACHINE INSTALLATION – NEW PROJECT****SUMMARY**

Staff requests approval to initiate two new projects in support of the ongoing C&M Yard Plan: (1) partial removal of a cinder block wall, and (2) installation of an ice machine

The proposed work includes removal of a portion of cinder block wall and relocating the utilities underground. Work includes installing a new ice machine and utilities on a new concrete slab.

The total project budget is \$157,833 and the project will be completed by April 30, 2022.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$456,514**BERTH 93 ESCALATOR NO. 3 MODERNIZATION – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to modernize escalator number 3 at Berth 93.

The proposed work includes the modernization of escalator number 3 for continued use without disruption to cruise ship operations.

The total project budget is \$456,514 and the project will be completed by January 4, 2023.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$600,000**BERTH 120 SITE DEVELOPMENT – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to develop a 7-acre site at Berth 120 for the storage of empty containers.

The proposed work includes clearing and grubbing, grading and compaction, soil stabilization, and placement of k-rail.

The total project cost is \$600,000 and the project will be completed by 1/31/2022.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$34,500,000**BERTHS 226-236 (EVERPORT) TERMINAL IMPROVEMENTS WHARF AND BACKLANDS
PROJECT NO. 25312 - SCHEDULE CHANGE****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 work orders. Staff requests approval to extend the Berths 226-236 (Everport) Terminal Improvements Program schedule by five additional months with no additional increase to the budget.

The Engineering Division recommends adding five additional months to the schedule to allow for delays incurred by DWP construction to energize the new electrical industrial station.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$327,500**PORT POLICE HEAD QUARTERS - UPS BATTERIES REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the UPS Battery Replacement at Port Police Head Quarters schedule by 6 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 6 additional months to the schedule to allow for delays due to supply chain disruptions which have resulted in the UPS batteries not being delivered.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,430,000**HARBOR BOULEVARD PARKWAY REMOVALS -1ST STREET TO 3RD STREET PROJECT- SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Harbor Boulevard Parkway Removals Project schedule by four additional months with no additional increase in the budget.

This project was originally intended to be constructed by a Construction Division on-call contract which are currently unavailable. The Construction and Maintenance Division has agreed to perform the necessary work. The Engineering Division recommends adding four additional months to the schedule with construction complete April 30, 2022.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$13,330,000**BERTHS 228-230 (EVERPORT) ALTERNATIVE MARITIME POWER (AMP) UPGRADE AND RETROFIT PROJECT NO. 25294 - SCHEDULE CHANGE****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 work orders. Staff requests approval to extend the Berths 226-236 (Everport) Terminal Improvements Program schedule by 5 additional months with no additional increase to the budget.

The Engineering Division recommends adding five additional months to the schedule to allow for delays incurred by Department of Water & Power (DWP) construction to energize the new electrical industrial station.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$2,950,000**BERTHS 226-236 (EVERPORT) ADVANCED CARGO HANDLING DEMONSTRATION****PROJECT NO. 25453 - SCHEDULE CHANGE****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 work orders. Staff requests approval to extend the Berths 226-236 (Everport) Terminal Improvements Program schedule by five additional months with no additional increase to the budget.

The Engineering Division recommends adding five additional months to the schedule to allow for delays incurred by Department of Water & Power (DWP) construction to energize the new electrical industrial station.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$17,292,000**ALAMEDA CORRIDOR SOUTHERN TERMINUS GAP CLOSURE – SCHEDULE CHANGE****SUMMARY**

On December 17, 2020 the Board of Harbor Commissioners awarded the Alameda Corridor Southern Terminus Gap Closure construction contract to Griffith Company. Staff requests approval to extend the schedule for the Alameda Corridor Southern Terminus Gap Closure by four additional months with no additional increase in budget.

The Engineering Division recommends adding four months to the current project schedule in order to accommodate the construction contract completion date.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$812,000**SOUTHERN CALIFORNIA INTERNATIONAL GATEWAY (SCIG) PROJECT ENVIRONMENTAL ASSESSMENT – SCHEDULE CHANGE****SUMMARY**

Staff requests approval of a 22-month schedule extension from January 4, 2022 to November 4, 2023 for the Southern California International Gateway (SCIG) Project environmental assessment required pursuant to a Court Order. The schedule extension is needed to complete the Final environmental assessment. There is no change to the project budget at this time.

The cost of the environmental assessment is 100% reimbursable through the Harbor Department's Reimbursement Agreement with BNSF Railway that was approved by the Board on October 11, 2018 and amended on September 28, 2021. Pursuant to the Agreement, BNSF Railway agreed to a new term through the end of October 2023, which aligns with the schedule change requested by staff under legal direction.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$17,484,900**BERTHS 226-236 (EVERPORT) TERMINAL INFRASTRUCTURE RECONSTRUCTION
PROJECT NO. 25394 - SCHEDULE CHANGE****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 work orders. Staff requests approval to extend the Berths 226-236 (Everport) Terminal Improvements Program schedule by five additional months with no additional increase to the budget.

The Engineering Division recommends adding five additional months to the schedule to allow for delays incurred by DWP construction to energize the new electrical industrial station.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE, BUDGET CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$13,479,778**PORT POLICE 700 MHZ RADIO SYSTEM RE-BANDING – PHASE 2 (WO 2542100) –SCHEDULE 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 12 months to September 30, 2023, and to increase the approved budget by \$384,161 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 County 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 likely remediation to support added equipment for the Port Police LMR system.

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 any remediation that may be required. Port Police and Motorola have met with ITA, GSD, ITA’s contractor and the Mayor’s Office to ensure the requirements are necessary and to negotiate the best cost available. Motorola has prepared a draft change order with all required work and costs associated with that work (attached for reference).

The additional time for implementation is recommended based on the need to amend the existing contract with Motorola, return to the Board of Harbor Commissioners (BOARD) for amended contract approval and time required for the site preparations.

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)
Good Movement Workforce Training Facility (25684)	\$	(500,000)
LAXT Cargo Support Facility (25686) (Estimate Taken from PICS Report)	\$	(494,836)
B. 161 - Block Wall Removal and Ice Machine Installation (_____)	\$	(157,833)
Electric Vehicle Charging Stations Program (_____)	\$	(200,000)
B. 93 - Escalator No. 3 Modernization (_____)	\$	(228,257)
B. 120 - Site Development (_____)	\$	(600,000)

Subtotal PDC Approved Projects \$ ***(4,314,206)***

Projects Under \$100,000

1500 Minor Street - Fence Installation (24683)	\$	(17,551)
Harbor Administration Building - Spare Conduits for Telecommunication Requirements (25685)	\$	(45,000)
LAXT Storm Water Discharge Line (24687)	\$	(40,664)
B. 174-181 - Administration Building In-Ground Roof Drain Piping (25688)	\$	(93,931)
Wilmington Waterfront - Avalon Pedestrian Bridge - DWP Marine Tank Farm Coordination (24690)	\$	(50,000)

Subtotal Projects Under \$100,000 \$ ***(247,146)***

Balance as of November 17, 2021

\$ 7,438,648












Audit Committee Report Packet December 2021

Final Audit Report

2021-12-07

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