



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE:** APRIL 5, 2018  
**TO:** THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE  
**SUBJECT:** APRIL 2018 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its April meeting. On April 4, 2018, the PDC met to consider nine project items. The committee also reviewed administrative reports regarding recently opened work orders and the status of the unallocated Capital Improvement Program (CIP) fund budget. The meeting minutes (Transmittal 1) and Unallocated CIP Fund Report FY 2017/2018 (Transmittal 2) are attached for your review.

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

- 1) Schedule change – Three items were submitted and approved.
- 2) Budget/Schedule/Scope change – Six items were submitted and approved.

The Board approved \$15,000,000 in the fiscal year 2017/2018 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 and discussion. 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 2017/2018 to date:

- Twenty-five PDC-approved projects for a total of \$6,149,900

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.

EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: April 2018 PDC Pandect  
Transmittal 2: Unallocated CIP Fund Report FY 2017/2018

AVG/mz

**BUDGET CHANGE**

**SUBJECT** ORIGINAL PROJECT COST \$1,241,240

**PORTS O' CALL – AMERICANS DISABILITY ACT COMPLIANT RESTROOMS – COST INCREASE**

**SUMMARY**

Staff requests approval to increase the approved project total for the Americans with Disability Act (ADA) Compliant Restrooms.

The Engineering Division recommends increasing the budget by \$50,000 from \$1,241,240 to \$1,291,240 to account for additional coordination effort with the platform ramp vendor providing custom ramps for the three modular restroom buildings.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT** ORIGINAL PROJECT COST \$14,800,000

**SAMPSON WAY ROADWAY IMPROVEMENTS - 7TH STREET & HARBOR BOULEVARD INTERSECTION PROJECT - COST INCREASE**

**SUMMARY**

Staff requests approval to increase the approved project total for the Sampson Way Roadway Improvements - 7th Street Intersection Project.

The Engineering Division recommends increasing the budget from \$14,800,000 to \$15,665,000 to account for unforeseen cost increases during construction.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE**

**SUBJECT** ORIGINAL PROJECT COST \$460,329

**BADGER AVENUE BRIDGE CONLEY JOINTS PURCHASE – SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the purchase and delivery of eight rail track miter joints for the Badger Avenue Bridge by nine months.

The Construction and Maintenance Division recommends adding nine additional months to the schedule to allow for delays due to problems manufacturing the joint castings.

**PDC ACTION** Approved

**COMMENT** No comment.

**Transmittal 1**

**SUBJECT****ORIGINAL PROJECT COST** \$170,000**BERTH 161 WAREHOUSE LIGHTING OVERHAUL – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 161 Warehouse lighting overhaul schedule by ten months.

The Construction and Maintenance Division recommends adding ten additional months to the schedule to allow for delays due to the procurement and delivery of materials.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$1,202,310**PORT POLICE 700 MHZ RADIO SYSTEM RE-BANDING PHASE I - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Port Police 700 MHz Radio System Re-Banding Phase 1 Project schedule by twelve additional months with no additional increase in the budget.

The Information Technology Division recommends adding twelve additional months to the schedule to allow for delays due to obtaining approvals from federal and state agencies for Marine Exchange and San Pedro Hill leases and facilities.

**PDC ACTION** Approved**COMMENT** No comment.**SCHEDULE CHANGE, BUDGET CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$3,000,000**BERTH 200 RAIL YARD AND TRACK CONNECTIONS ENHANCEMENT – COST AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval for a cost increase and schedule change to the Berth 200 Rail Yard Track Connections Enhancement project. The Engineering Division requests an additional \$500,000 for Department of Water and Power (DWP) plan check and inspection fees for the DWP waterline relocations and in-house construction support. Staff also requests extending the schedule by four months to incorporate final review comments and finalize the construction documents for advertisement as well as increase the bid and award phase to the typical six-month duration.

The total project cost is \$3,500,000 and the project will be completed by December 1, 2019.

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

**SUBJECT**

**ORIGINAL PROJECT COST \$30,000**

**SAN PEDRO WATERFRONT – DOWNTOWN HARBOR WATER CUT SHEET PILING MOVEMENT INVESTIGATION FOR REPAIR - COST AND SCHEDULE CHANGE PDC DOWNTOWN WATER CUT**

**SUMMARY**

Staff requests approval to increase the cost and change the schedule for the San Pedro Waterfront – Downtown Harbor Water Cut Sheet Piling Movement Investigation for Repair project.

The Engineering Division recommends increasing the budget by \$280,000 to provide for an independent evaluation, additional field investigation, and staff time.

The Engineering Division recommends adding six additional months to the schedule to allow for completion of the independent evaluation and field investigation.

The total project cost is \$310,000 and this next phase will be completed by September 30, 2018. Upon completion of the phase, a design alternative will be selected and a subsequent Project Development Committee (PDC) Report will be prepared requesting additional funds and time to complete the design and execute construction.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE, BUDGET CHANGE, SCOPE CHANGE**

**SUBJECT****ORIGINAL PROJECT COST \$56,421,035****BERTHS 226-236 (EVERPORT) TERMINAL IMPROVEMENTS PROJECT – SCOPE, COST, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for additional scope, cost increase, and schedule change to the Berths 226-236 (Everport) Terminal Improvements Project.

On December 21, 2017, Everport requested additional scope to be added to the project. The scope was revised and finalized on February 16, 2018. The added scope includes the installation of new bollards, new fenders, upgrades to existing bollards to allow berthing of a 14,000 TEU vessel, and the demolition of two marine buildings. Everport has requested to use the Tenant Specific Improvements (TSI) funds to pay for the additional scope. The current balance of the TSI funds is \$5,201,805. The completion of this work will reduce the TSI fund balance to \$0. This additional scope requires a three-month schedule extension to provide time to design and incorporate into the contract documents, and an increase to the project budget of \$5,201,805. The three-month schedule extension will also provide the Real Estate Division an opportunity to complete Everport's lease agreement prior to advertising the project.

This timeline coincides with the Regional Water Quality Control Board's (Water Board) Waste Discharge Requirements (WDR) permit approval. The Water Board experienced staffing complications after the retirement of Michael Lyons. On December 14, 2017, the Water Board assigned Jun Zhu the responsibilities of WDR. The Berths 226-236 Terminal Improvements project WDR is anticipated to be presented to the Water Board for approval on May 10, 2018.

Additionally, the Construction and Maintenance Division has requested that Engineering add Everport's panzerbelt trench replacement, and the replacement of the underground wiring for all the high mast light poles, to the project scope. The Port of Los Angeles is contractually obligated to maintain the panzerbelt and high mast pole wiring as part of the lease agreement. The project will be constructed in two phases reducing Everport to one operational berth. The phasing will provide an opportunity to replace the panzerbelt trench and high mast pole wiring with minimal operational impacts. This additional scope will increase the project budget in the amount of \$3,541,400.

Combined with the tenant-requested increase, the total proposed increase in budget is \$8,743,205, including contingency and soft costs.

The total project cost is \$65,164,240 and the construction will be completed by January 2021.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST \$1,650,000**

**CHINA SHIPPING SUPPLEMENTAL EIR - SCOPE, COST, AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval for additional scope, cost increase, and schedule change for the Berths 97-109 [China Shipping] Container Terminal Project Supplemental Environmental Impact Report (SEIR).

The proposed work includes performing technical analysis and documentation for the China Shipping Draft SEIR and a noise mitigation study. In December 2017 under legal direction, the scope was limited to performing additional air quality and greenhouse gas analysis, which was covered under the existing budget. In February 2018, staff was requested by legal and management to expand the scope in the areas of air quality, greenhouse gases, and now ground transportation. In addition, a noise mitigation study needs to be completed. This work requires a cost increase of \$93,500 for staff charges and consultants and a schedule change of two months. This request will allow for continuation of work on the Draft SEIR, which is targeted for public release at the end of August 2017 and for limited technical support during the public review and comment period. Staff will return to PDC at a future date for a budget and schedule request for completion of the Final SEIR.

The total project cost is now \$1,743,500 and the project schedule will be extended by two months from October 31, 2018 to December 31, 2018.

**PDC ACTION** Approved

**COMMENT** No comment.

**ADMINISTRATIVE ITEM** No Grants Report.

**ACTION ITEM FOLLOW UP**

**WORK ORDER REPORT** REVIEWED

**UNALLOCATED BUDGET REPORT** REVIEWED

**ADDITIONAL DISCUSSION**



Antonio V. Gioiello  
Development



Marla Bleavins  
Finance and Administration

**Unallocated Capital Improvement Program Fund FY 17/18**

**(Budget set in February)**

**\$ 15,000,000.00**

**PDC Approved Projects**

Berth 174-181 - Pasha Terminal Improvements (25441)	\$	(500,000.00)
Berth 212-224 - Terminal Lighting Replacement (25446)	\$	(1,350,000.00)
ILWU Dispatch Hall Traffic Signal (25449)	\$	(100,000.00)
B. 161 C&M Maintenance Yard - Carpenter Shop Remodal (25452)	\$	(850,000.00)
Berth 226-236 Everport Terminal Advanced Cargo Handling Demonstration Project (25453)	\$	(200,000.00)
Wilmington Waterfront Environmental Assessments (25456)	\$	(450,000.00)
Harbor Administration Building Garage Doors Replacement (25455)	\$	(151,000.00)
Berth 91-92 - Passenger Terminal Fire Panel Installation (25454)	\$	(340,000.00)
POLA Sidewalk Repair Program - Withith Port Property (25463)	\$	(500,000.00)
Port Police System Improvements - Catalina Island Radio Repeater Site (25465)	\$	(343,000.00)
B. 218-220 Concrete Wharf Improvements (25466)	\$	(100,000.00)
B. 243-245 - Confined Disposal Facility Modifications (25477)	\$	(100,000.00)
B. 206-209 - Demolition (25478)	\$	(350,000.00)
Fixed License Plate Reader (25480)	\$	(40,000.00)
Integrated Computer Aided Dispatch System and Records Management System (25479)	\$	(40,000.00)
Rear Berth 147-151 Sanitary Sewer Rehabilitation (25482)	\$	(50,000.00)
Berth 163 and Berth 164 - Marine Oil Terminal Repairs (25483)	\$	(100,000.00)
San Pedro Waterfront - 34.5Kv Overhead Electric Utility Service (25484)	\$	(200,000.00)
Cabrillo Marina Gazebo & Sidewalk Repair (25489)	\$	(200,000.00)
120 W "C" Street Port Police Canine Training Site Improvements (25490)	\$	(55,000.00)
Pacific Harbor Line Locomotive Electric Charger (25492)	\$	(25,000.00)
B. 51 - Access Improvements (25493)	\$	(13,900.00)
B. 200 - Roadway Improvements (25494)	\$	(5,000.00)
Harbor Administration Building - Exterior Frame Repair (25495)	\$	(60,000.00)
Pilot Boat Replacement (25496)	\$	(27,000.00)
<b>Subtotal PDC Approved Projects</b>	<b>\$</b>	<b>(6,149,900.00)</b>

**Projects Under \$100,000**

HAB New Skylight at Penthouse Roof (25451)	\$	(93,000.00)
Port Police - LAPD LAN Network Connection (25461)	\$	(88,525.00)
B. 91-93 Cruise Terminal - Passenger Access (25469)	\$	(100,000)
HAB - Exterior Landscaping (25470)	\$	(100,000)
B. 144-145 - Storm Drain Improvements (25472)	\$	(58,300)
Harbor Administration Building - 3rd Floor Conference Rooms Upgrades (25473)	\$	(30,000)
San Pedro Waterfront - Downtown Harbor Water Cut Sheet Piling Movement Investigation for Repair (25475)	\$	(30,000)
Vincent Thomas Bridge Air Gap Sensor Electrical Installation (25476)	\$	(98,000)
Cabrillo Way Marina - Electrical Service Meter Separation (25481)	\$	(81,000)
Warehouse No. 1 - Elevator No. 4 Door Replacement (25486)	\$	(98,792)
<b>Subtotal Projects Under \$100,000</b>	<b>\$</b>	<b>(777,617.00)</b>

**Balance as of March 28, 2018**

**\$ 8,072,483.00**

**Transmittal 2**