CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

DATE:

July 24, 2018

TO:

Honorable Mayor Eric Garcetti Office of the Mayor, Mail Stop 370

Honorable Members of the Trade, Travel, and Tourism Committee

c/o Ms. Holly L. Wolcott, City Clerk

Office of the City Clerk, Mail Stop 160-01

Honorable Ron Galperin, City Controller Office of the City Controller, Mail Stop 183

FROM:

Eugene D. Seroka, Executive Director Fox

Harbor Department, Mail Stop 260

SUBJECT

FISCAL YEAR 2018/19 STATEMENT OF DEBT ACCOUNTABILITY

AND CAPITAL IMPROVEMENT PLAN

In accordance with Section 610 of the City of Los Angeles Charter Code, attached are the Harbor Department's Fiscal Year 2018/19 Statement of Debt Accountability (Attachment 1) and Capital Improvement Plan (Attachment 2).

Should you have any questions or require additional information, please contact Marla Bleavins, Deputy Executive Director & Chief Financial Officer at (310) 732-7706.

ES/AVG/MB/JS/FK:jy

Attachments (1 & 2)

Sharon M. Tso, Chief Legislative Analyst Richard Llewellyn, City Administrative Officer Mandana Khatibshahidi, Chief Legislative Analyst

Sarai M. Bhaga, CAO's Office Alvin B. Newman, CAO's Office David M. Reich, Mayor's Office **Board of Harbor Commissioners**

Antonio Gioiello, Deputy Executive Director, Harbor

Marla B. Bleavins, Deputy Executive Director & CFO, Harbor

Soheila Sajadian, Director of Debt and Treasury, Harbor

Erick J. Martell, Legislative Representative, Harbor



Port of Los Angeles (Harbor Department, City of Los Angeles) Statement of Debt Accountability Fiscal Year 2018-19 Budget

<u>Description</u> Existing Bonded Debt:	Original Amount <u>Issued/Borrowed</u>	Amount Outstanding 6-30-2018	Debt Service <u>FY 2018-19</u>
Harbor Revenue Bonds, Issue 2009, Series A	100,000,000	70,315,000	7,878,475
Harbor Revenue Bonds, Issue 2009, Series C	230,160,000	169,310,000	8,728,963
Harbor Revenue Bonds, Issue 2011, Series A	58,930,000	42,175,000	9,767,375
Harbor Revenue Bonds, Issue 2011, Series B	32,820,000	32,820,000	1,618,300
Harbor Revenue Bonds, Issue 2014, Series A	203,280,000	192,990,000	14,392,875
Harbor Revenue Bonds, Issue 2014, Series B	89,105,000	84,840,000	5,692,150
Harbor Revenue Bonds, Issue 2014, Series C	44,890,000	42,545,000	2,852,700
Harbor Revenue Bonds, Issue 2015, Series A	37,050,000	31,460,000	4,434,500
Harbor Revenue Bonds, Issue 2016, Series A	97,970,000	84,915,000	24,189,950
Harbor Revenue Bonds, Issue 2016, Series B	68,385,000	67,550,000	3,920,225
Harbor Revenue Bonds, Issue 2016, Series C	35,205,000	35,205,000	1,408,200
Bonded Debt Totals:	\$997,795,000	\$854,125,000	\$84,883,713

\$ 31,584,066

Port of Los Angeles (Harbor Department, City of Los Angeles) Capital Improvement Plan Fiscal Year 2018-19

<u>Terminals</u>

<u>minals</u>		
Berths 90-93 World Cruise Center		
Work will begin on escalator modernization and the installation of two new elevators at the Cruise Terminal this fiscal year. Close-out of the Alternative Maritime Power Upgrade project will be completed.	\$	2,219,456
Berths 100-102 Development (China Shipping)		
The Draft Supplemental China Shipping Environmental Impact Report (EIR) is expected to be completed in late 2018.	\$	49,317
Berths 121-131 Development (Yang Ming)		
Exterior weatherproofing work on the Yang Ming Administration Building and the Yang Ming EIR are expected to be completed in late 2018.	\$	678,960
Berths 135-147 Development (TraPac)		
Final close-out of the Intermodal Container Tranfer Facility (ICTF), Terminal Buildings and Main Gate, and the 72-acre automated backland development is scheduled for late 2018.	\$	815,235
Berths 171-181 Development (Pasha)		
Construction work at the Pasha Terminal include 375 linear feet of concrete apron wharf restoration, refurbishment of 8 mooring bollards, replacement of approximately 3,700 square feet of timber deck, repair and replacement of bearing and fender piles, and electrical		
infrastructure improvements.	\$	1,814,478
Berths 212-224 Development (YTI)		
Construction of improvements to the concrete wharf at Berths 214-220 and construction of fiber reinforced concrete pavement at the Berths 218-220 crane back reach area is scheduled to begin in late 2018. Close-out of the Berths 214-220 Redevelopment and the ICTF projects	A	2 070 240
should be completed toward the end of 2018.	\$	2,978,219
Berths 222-236 Development (EverPort)		
Construction will begin in early 2019 of the wharf and backland improvements which includes dredging, grading, paving, striping, lighting, electrical infrastructure for 3 additional cranes; Alternative Maritime Power (AMP) upgrades and retrofit; terminal infrastructure reconstruction which includes fixing pile cracks, concrete cracks, concrete delamination, rebar corrosion, replacement of the electrical infrastructure, and expansion of an existing substation which	A	0.440.440
includes installation of 2 electrical charges and 3 electrical yard tractor chargers.	\$	6,146,116
Berths 400-409 Development (Maersk)		
The repaving of approximately 40,000 square feet of area including the welding of a steel bar to expansion joint covers will be completed in late 2018.	\$	78,704
Marina Oil Tarminal Engineering Maintananae Standards (MOTEMS)		
Marine Oil Terminal Engineering Maintenance Standards (MOTEMS)		
Liquid Bulk Oil Cargo Handling Facilities are under the jurisdiction of the California State Lands Commission which mandates that liquid bulk oil facilities be in compliance with MOTEMS. Design of MOTEMS improvements at Berths 238-239 (PBF Energy), 167-169 (Shell), 163 (NuStar) and 164 (Valero) will be completed in Fiscal Year 2018/19. Construction will begin in early 2019 at Berths 238-239 (PBF Energy) and Berth 164 (Valero). Repair work at Berths 148-149 (Phillips 66) which includes wharf deck concrete repairs, structural concrete repairs of the wharf caps, beams, pipe supports, and landside bulkhead will begin in late 2018. Completion of repairs at Berths 163-164 (NuStar/Valero) including removal/replacement or repair of	¢	7 224 262
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Liquid Bulk Oil Cargo Handling Facilities are under the jurisdiction of the California State Lands Commission which mandates that liquid bulk oil facilities be in compliance with MOTEMS. Design of MOTEMS improvements at Berths 238-239 (PBF Energy), 167-169 (Shell), 163 (NuStar) and 164 (Valero) will be completed in Fiscal Year 2018/19. Construction will begin in early 2019 at Berths 238-239 (PBF Energy) and Berth 164 (Valero). Repair work at Berths 148-149 (Phillips 66) which includes wharf deck concrete repairs, structural concrete repairs of the wharf caps, beams, pipe supports, and landside bulkhead will begin in late 2018. Completion of repairs at Berths 163-164 (NuStar/Valero) including removal/replacement or repair of damaged structural wharf components will be completed in early 2019. **Miscellaneous Terminal Improvements**	\$	7,224,362
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TOTAL TERMINAL IMPROVEMENTS

Port of Los Angeles (Harbor Department, City of Los Angeles) Capital Improvement Plan Fiscal Year 2018-19

Transportation Projects

Construction will begin and be completed this fiscal year on a number of pavement resurfacing projects including the Navy Way Speed Hump Reconstruction and Restriping, Water Street Resurfacing, Reeves Avenue Resurfacing, Miner Street Resurfacing, and the Swinford Street, Front Street and Regan Street Resurfacing Projects. The design of the State Route 47/Vincent Thomas Bridge & Front St./Harbor Blvd Interchange Reconfiguration project which entails the replacement of the existing westbound (WB) off-ramp from the Vincent Thomas Bridge (VTB) with a new off-ramp, realignment of the existing WB on-ramp onto the SR 47 and I-110 connector, modification of the WB off-ramp onto Harbor Boulevard, and modification of the eastbound on-ramp onto the VTB toward Terminal Island will begin in late 2018. Construction will begin in late 2018 on Berth 200 - Rail Yard and Track Connections Enhancements which includes a new drainage collection system for the locomotive fueling facility, and the Berth 200 - Roadway Improvements project which will provide access to the north entrance of Wallenius Wilhelmsen Logistics Terminal and acts as an emergency fire lane connecting South Wilmington to Henry Ford Avenue.

TOTAL TRANSPORTATION PROJECTS

10,020,061

Security Projects

The Port Police 700 MHz Radio System Phase II project will continue through Fiscal Year 2018/19 and construction will begin on the Port Police - Integrated Computer Aided Dispatch and Records Management System and the Port Police - Fixed License Plate Reader System Project.

TOTAL SECURITY PROJECTS

4,698,398

Public Access/Environmental Enhancements

Port-Wide Public Enhancement

Construction will begin on the 2,655-foot pathway along Front Street from the VTB to Pacific Avenue this fiscal year.

\$ 3,093,221

Los Angeles Waterfront

The Los Angeles Waterfront Program envisions infrastructure improvements and development of various land uses including public waterfront and open space areas, commercial development, transportation, and parking facilities. Construction of the Sampson Way Roadway Improvements at the intersection of Harbor Blvd and 7th Street will be completed in Summer of 2018. Design will be completed on the San Pedro Waterfront - Harbor Boulevard from Miner Street to San Pedro Slip Roadway Improvements project with construction beginning in the early part of 2019. Construction will begin on the San Pedro Waterfront - Ports O' Call Promenade and Town Square which will include a 30-foot wide public promenade along the Main Channel in Ports O' Call along the water's edge and a Town Square located at 6th Street east of Harbor Boulevard; San Pedro Waterfront - Berth 79 - Buildings and Floats Demolition to include the removal of all buildings and floats; San Pedro Waterfront - Berths 80-83 - Buildings and Floats Demolition to include the demolition of all buildings and floats; San Pedro Waterfront - Berth 78 - Chevron Clean-up; San Pedro Waterfront - Berths 80-83 -Waterside Improvements consisting of new floats, gangways, piles, and utilities; and the San Pedro Waterfront - 34.5 KV Electric Utility Service Project. The environmental assessment for AltaSea will continue in Fiscal Year 2018/19. The Wilmington area will see design completion of the Wilmington Waterfront - Avalon Promenade and Gateway which includes a 1,300-foot pedestrian bridge along Avalon Boulevard from the general vicinity of the Avalon Triangle to the Wilmington Waterfront Promenade, and a 12-acre Entry Plaza. The Wilmington Waterfront Promenade and the Wilmington Waterfront encompass a public plaza, parking courts, landscaping, parking, and 1,200 feet of waterfront promenade that will begin construction in early 2019.

10,270,474

Environmental Enhancements

Installation of an electrical charger for an electric locomotive at Berth 200 will be completed this fiscal year.

\$ 177,692

TOTAL PUBLIC ACCESS/ENVIRONMENTAL ENHANCEMENTS PROJECTS

\$ 13,541,387

Port of Los Angeles (Harbor Department, City of Los Angeles) Capital Improvement Plan Fiscal Year 2018-19

Maritime Services

Harbor Department Facilities

A number of Harbor Department Administrative Building improvement projects will begin design and start construction including the heating, ventilation, and air conditioning replacement, 4th Floor work space solution, garage door replacement, and exterior frame repair projects. Berth 161 will see the completion of the Marine Ways Modification Project, elevator modernization, carpenter shop remodel, equipment operations building renovation, and electrical improvements. The Klein Billing System will continue development this fiscal year. The purchase of two new pilot boats for the Port Pilots division will begin this fiscal year.

\$ 7,684,905

Miscellaneous Projects

Projects listed under miscellaneous are not included in any specific program listed above. Projects included are the Berth 85 - Port Police Float System Replacement, Berths 270-271 - Sea Wall Enhancement, 300 Water Street - Office Building Re-Roof and Cooling Tower Replacement, Sidewalk Repair Program with Port of Los Angeles Facilities, Berth 155A - Building Improvements, Cabrillo Way Marina - Electrical Service Meter Separation, Warehouse No. 1 - Elevator No. 4 Door Replacement, Cabrillo Way Marina - Gazebo and Sidewalk Repair, Berth 51 - Access Improvements, and the Fiscal Year 2018/19 Construction & Maintenance Deferred Maintenance Projects.

8,445,764

Unallocated Capital Improvement Program Fund

This category is for unanticipated projects which are initiated throughout the fiscal year. It includes construction services, consultants, hiring hall expenses, materials, equipment, services from other City departments, and administrative expenses.

15,000,000

TOTAL MARITIME SERVICES

\$ 31,130,669

*TOTAL CAPITAL IMPROVEMENT PROGRAM BUDGET (Including Salaries)

\$ 90,974,581

^{*}Excludes overhead, operating equipment and capitalization & allocated expenditures.