



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: MARCH 5, 2026

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: MARCH 2026 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its March 2026 meeting. The PDC met on March 4, 2026, to consider eight 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 and the financial model. Attached for review are the meeting minutes (Transmittal 1), Unallocated CIP Fund Report FY 2025/2026 (Transmittal 2), and CIP Status Report – Completed Projects (Transmittal 3).

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

- 1) Schedule change – Three items were submitted and approved.
- 2) Budget/Schedule change – Three items were submitted and approved.
- 3) New project – Two items were submitted. One was approved and one was deferred.

The Board of Harbor Commissioners (Board) approved \$14,000,000 in the fiscal year 2025/2026 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 2025/2026:

- 13 PDC-approved projects totaling \$3,017,351
- 10 projects under \$100,000 totaling \$724,500

As of February 28, 2026, the remaining balance is \$10,258,149.

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.

Erica Calhoun

[Erica Calhoun \(Mar 5, 2026 17:42:57 PST\)](#)

for

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: March 2026 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2025/2026

Transmittal 3: CIP Status Report – Completed Projects

DAZ

DAZ/mz

BUDGET CHANGE

SUBJECT ORIGINAL PROJECT COST \$2,573,000
B. 91-93 PASSENGER TERMINAL MOBILE GANGWAYS HYDRAULIC CYLINDER REPLACEMENT - BUDGET INCREASE

SUMMARY

Staff requests approval to increase the approved project total for the Berth 91-93 Passenger Terminal Mobile Gangway Hydraulic Cylinders Replacement project.

The Construction & Maintenance Division recommends increasing the current budget of \$2,573,000 by \$1,562,000 to account for an increase rise of raw materials, supplies and fuels impacting the fabrication cost of the hydraulic cylinders and to create a purchase requisition to pay the outstanding final invoice. Of the total budget, \$821,422 is required to satisfy the outstanding invoice. As the project is now complete, the remaining funds of \$3,313,578 will be zeroed out once the invoice is paid.

There is no change to the project schedule.

The proposed total project budget is \$4,135,000 and will be completed on schedule by December 31, 2026.

PDC ACTION Approved

COMMENT Committee approved increase of \$235,000 to close out the existing purchase requisition. Other administrative issues will be addressed and returned to PDC as needed.

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT ORIGINAL PROJECT COST \$99,500
B. 155A – ELECTRIC ROLLING GATE INSTALLATION – BUDGET & SCHEDULE CHANGE

SUMMARY

Staff requests approval to increase the budget and change the schedule for B. 155A Electric Rolling Gate Installation project.

The Construction & Maintenance Division recommends increasing the budget of \$99,500 by \$75,500 for a revised total of \$175,000 to account for the abatement and rainwater mitigation measures for the identified contaminated soil and to replace obsolete hardware required for power and communication.

The Construction & Maintenance Division recommends adding three months to the project schedule due to the delays stated above and to complete the installation of the RFID card reader.

The new total project budget is \$175,000 and the project will be completed by May 31, 2026.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, TITLE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$99,000**EARLE STREET VACATION, BARRACUDA STREET IMPROVEMENTS AND ELECTRICAL RELOCATION– PRELIMINARY ENGINEERING – TITLE AND BUDGET CHANGE****SUMMARY**

Staff requests approval to increase the project budget and title change for the Earle Street Realignment – Preliminary Engineering. The new title is Earle Street Vacation, Barracuda Street Improvements and Electrical Relocation – Preliminary Engineering.

The revised budget is increased by \$501,000 from \$99,000 to a new project budget of \$600,000. The budget increase will allow for preliminary engineering to begin site investigations and design coordination with Los Angeles Department of Water & Power (LADWP) for the relocation of two electrical substations and two overhead services - 34.5kV and 4.8kV.

The total project cost is \$600,000 and the project will be completed by October 31, 2026.

PDC ACTION Approved**COMMENT** No comment.**NEW PROJECT****SUBJECT****ORIGINAL PROJECT COST** \$280,000**707 W C STREET JOHN MENDEZ MEMORIAL YOUTH CENTER – FIRE ALARM EVACUATION SYSTEM INSTALLATION – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to install a fire alarm sprinkler and voiced evacuation system at the John Mendez Memorial Youth Center building.

The proposed work includes the design and installation, from professional contractor Johnson Controls, of a fire sprinkler and alarm evacuation system, to comply with LADBS.

The total project budget is \$280,000 and the project will be completed by May 31, 2026.

PDC ACTION Deferred**COMMENT**

SUBJECT**ORIGINAL PROJECT COST** \$500,000**BERTH 145 ELECTRICAL VAULT IMPROVEMENTS – NEW CAPITAL IMPROVEMENT PROJECT AND BUDGET CHANGE****SUMMARY**

Staff requests approval to convert MIP Work Order No. 3938600 to a new CIP project and increase the budget by \$700,000 from \$500,000 to a new project budget of \$1,200,000 for the Berth 145 Electrical Vault Improvements Project.

The work order is changed to a capital improvement project due to the electrical vault design change to increase structural capacity. This resulted in a budget increase for design and construction costs, and the need to provide temporary power to minimize shutdowns and maintain the terminal operations during construction.

The total project cost is \$1,200,000 and the project completion date is December 31, 2027.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$612,650**NAVY WAY/SEASIDE AVENUE – STREET LIGHT FIXTURE REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Navy Way/Seaside Avenue – Street Light Fixture Replacement project schedule by 36 months with no increase to the budget.

The Construction & Maintenance Division recommends adding 36 months to the schedule to allow for the rebidding, and procurement of stolen material critical to the project. The project was put on hold at the end of 2023 to solve the aluminum wire theft issues and to rebid for said material.

The proposed completion date is December 31, 2026, with a total budget of \$612,650.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$19,485,000**HARBOR ADMINISTRATION BUILDING HEATING, VENTILATION, AND AIR-CONDITIONING (HAB HVAC) REPLACEMENT – SCHEDULE CHANGES****SUMMARY**

Staff requests approval to add six months to the Design Schedule and eight months to the Construction Schedule for the HAB HVAC Replacement Project with no increase to the project budget of \$19,485,000.

The Engineering Division recommends adding six months to the Design Schedule as an administrative adjustment to incorporate Delta revisions for mechanical changes to HAB’s concurrent HVAC retrofit projects, and eight months to the Construction Schedule to match the current Construction Schedule.

If approved by PDC, the new Design Finish Date would be April 14, 2025, and the new Construction Finish Date would be May 31, 2027.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$790,000**B. 150-195 – UNDERWHARF PIPELINE HANGERS REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the B. 150-195 Underwharf Pipeline Hangers Replacement project schedule by eight months with no increase to the budget.

The Construction & Maintenance Division recommends adding eight months to the schedule to allow for contract renewal delays and Hiring Hall labor shortage.

The proposed completion date is December 31, 2026, with a total budget of \$790,000.

PDC ACTION Approved**COMMENT** No comment.**ADMINISTRATIVE ITEM** Completed Projects CIP Report reviewed.**ACTION ITEM FOLLOW UP****WORK ORDER REPORT** REVIEWED**UNALLOCATED BUDGET REPORT** REVIEWED**ADDITIONAL DISCUSSION***Dina Aryan-Zahlan*Dina Aryan-Zahlan
Development*Michael DiBernardo*[Michael DiBernardo \(Mar 5, 2026 15:17:45 PST\)](#)Michael DiBernardo
Marketing and Customer Relations

Unallocated Capital Improvement Program Fund FY 25/26

(Budget set in July)

\$ 14,000,000

PDC Approved Projects

Falcon Street Road Repair (65000120)	\$	(10,000)
Klein Billing and Port Control Management Systems Enhancement - Phase III (65000121)	\$	(233,387)
936, 938, & 1410 Baracuda St. - Fire Sprinkler Head & Standpipe Replacement (65000141)	\$	(319,000)
B. 212-225 Yusen - Container Terminal Re-Roof (65000142)	\$	(250,000)
Pier 300 Fenix - Fire Alarm Network Fiber Replacement (65000143)	\$	(220,000)
Port of Los Angeles Digital Twin (65000159)	\$	(100,000)
Pier 500 - Request for Proposal - Labor Charges (65000160)	\$	(250,000)
Badger Ave. Bridge - Climb Cable Adjuster Replacement (65000165)	\$	(100,000)
B. 91-93 - Cruise Terminal Mooring & Berthing Improvements (65000182)	\$	(300,000)
B. 93 - AMP Connector Receptacles Replacement (65000190)	\$	(25,359)
Henry Ford Drainage Improvements (65000191)	\$	(9,605)
B. 56-57 - Alta Sea Remediations & Improvements (65000192)	\$	(500,000)
B. 145 - Electrical Vault Improvements ()	\$	(700,000)

Subtotal PDC Approved Projects \$ ***(3,017,351)***

Projects Under \$100,000

Port of Los Angeles Police Headquarters - Re-Landscape (65000138)	\$	(65,000)
Port of Los Angeles Police Headquarters - North Grill Gate Replacement (65000139)	\$	(71,000)
B. 155A - Electric Rolling Gate Installation (65000140)	\$	(99,500)
Biological Mitigation Projects (65000154)	\$	(70,000)
Harbor Admin Bldg - 4th Floor Environmental Division Workspace Reconfiguration (65000156)	\$	(55,000)
Harbor Admin Bldg - 4th Floor CFO Office (65000157)	\$	(70,000)
Earle Street Realignment - Preliminary Engineering (65000169)	\$	(99,000)
Harbor Administration Building - Lobby Doors Automated Operators Replacement (65000174)	\$	(90,000)
Port-Wide - HOMA Pumps Replacement (65000185)	\$	(60,000)
Badger Avenue Bridge - Span Lock Limit Switch Replacement (65000189)	\$	(45,000)

Subtotal Projects Under \$100,000 \$ ***(724,500)***

Balance as of February 28, 2026

\$ 10,258,149












Audit Committee Report Packet March 2026

Final Audit Report

2026-03-06

Created:	2026-03-05
By:	Karine Lurvey (klurvey@portla.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAK6_IIC195Q0I0Tyzc84fiSsnrkfhpMbi

"Audit Committee Report Packet March 2026" History

-  Document created by Karine Lurvey (klurvey@portla.org)
2026-03-05 - 6:52:11 PM GMT
-  Document emailed to mdibernardo@portla.org for signature
2026-03-05 - 6:53:35 PM GMT
-  Email viewed by mdibernardo@portla.org
2026-03-05 - 11:17:20 PM GMT
-  Signer mdibernardo@portla.org entered name at signing as Michael DiBernardo
2026-03-05 - 11:17:43 PM GMT
-  Document e-signed by Michael DiBernardo (mdibernardo@portla.org)
Signature Date: 2026-03-05 - 11:17:45 PM GMT - Time Source: server
-  Document emailed to Dina Zahlan (daryan-zahlan@portla.org) for signature
2026-03-05 - 11:17:48 PM GMT
-  Email viewed by Dina Zahlan (daryan-zahlan@portla.org)
2026-03-05 - 11:50:04 PM GMT
-  Document e-signed by Dina Zahlan (daryan-zahlan@portla.org)
Signature Date: 2026-03-05 - 11:51:09 PM GMT - Time Source: server
-  Document emailed to Erica Calhoun (ecalhoun@portla.org) for signature
2026-03-05 - 11:51:11 PM GMT
-  Email viewed by Erica Calhoun (ecalhoun@portla.org)
2026-03-06 - 1:42:27 AM GMT
-  Document e-signed by Erica Calhoun (ecalhoun@portla.org)
Signature Date: 2026-03-06 - 1:42:57 AM GMT - Time Source: server

✔ Agreement completed.

2026-03-06 - 1:42:57 AM GMT