



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE: NOVEMBER 8, 2024**

**TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE**

**SUBJECT: NOVEMBER 2024 PROJECT DEVELOPMENT COMMITTEE REPORT**

This report highlights the actions taken by the Project Development Committee (PDC) at its November 2024 meeting. On November 6, 2024, the PDC met to consider ten 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 2024/2025 (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/Scope change – Three items were submitted and approved.
- 3) New project – Three items were submitted and approved and one item was deferred.

The Board of Harbor Commissioners (Board) approved \$15,000,000 in the fiscal year 2024/2025 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 2024/2025:

- 9 PDC-approved projects totaling \$6,406,979
- 8 projects under \$100,000 totaling \$431,000

As of October 29, 2024, the remaining balance is \$8,162,021.

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 M. Calhoun*

for

EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: November 2024 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2024/2025

Transmittal 3: CIP Status Report – Completed Projects

*DAZ*

DAZ/mz

## NEW PROJECT

**SUBJECT****ORIGINAL PROJECT COST** \$1,087,100**BERTHS 174-176 BOLLARD IMPROVEMENTS – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to repair or replace damaged mooring bollards and front marginal beam along Berths 174-176.

The proposed work includes removals of existing damaged bollards and associated hardware, repair of front marginal beam, and installation of new or reinstallation of existing bollards and hardware.

The total project cost is \$1,087,100 and the project completion date is June 30, 2027.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$2,689,004**NORTH GAFFEY STREET BEAUTIFICATION PHASE II- SUPPLEMENTAL WORK-NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to provide additional budget for the North Gaffey Street Beautification Phase II- Supplemental Work.

The North Gaffey St Beautification Phase 2A project utilizes the China shipping mitigated funds. The North Gaffey Street Beautification Phase 2A project opened bids on September 12, 2024. The lowest apparent bid was above the existing work order budget. Since funds cannot be added to the existing mitigation funds work order, Engineering kindly requests approval of the supplemental budget to cover the construction and soft costs. The construction division plans to award the project at the November 21, 2024 Board of Harbor Commissioners Meeting.

The total supplemental budget request totals \$2,689,004 and the project completion date is March 31, 2026.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$1,470,000**WEST HARBOR – CITY IMPROVEMENTS – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to provide funds to reimburse San Pedro Public Market, LLC (aka West Harbor) for city improvements as defined and updated in the 6th Amendment of Lease No. 915.

West Harbor is redeveloping the former Ports O’ Call site in multiple phases. The Port is committed to allocate \$2,003,552 towards additional city improvements as coordinated with West Harbor. The Port has performed some of these improvements through Port construction contracts, and the remaining balance of funds, \$1,470,000 will be reimbursed to West Harbor for work defined in the lease.

The total project cost is \$1,470,000 and the project completion date is December 31, 2027.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$6,165,000**BERTHS 200 G - H IMPROVEMENTS– NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to repair the timber wharves, associated backland, slope and sea wall at Berths 200 G-H.

The proposed work includes repairing and replacing the timber wharf, fender piles, backland asphalt, sea wall, and rock slope to restore the original design condition.

The total project cost is \$6,165,000 and the project completion date is December 31, 2027.

**PDC ACTION** Deferred

**COMMENT**

**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$210,000**PORT-WIDE – HMP LIGHT FIXTURE LED UPGRADE - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Port-Wide – HMP Light Fixture LED Upgrade schedule by eight months with no increase to the budget.

The Construction & Maintenance Division recommends adding eight months to the project schedule to allow for the delays from the vendor manufacturing and delivery of the LED light fixtures.

The total project budget is \$210,000 and the project will be completed by June 30, 2025.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$889,500

**CALTRANS PEDESTRIAN PATH AND PARKING RESTRIPPING - SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the Caltrans Pedestrian path and parking restriping project schedule by 23 months with no additional increase in the project budget of \$ 889,500.

The Engineering Division recommends adding 23 months to the schedule to allow for delays due an extended bidding phase and having to bid the project multiple times. The new completion date is March 31, 2026.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$3,330,000

**B. 93 – ESCALATORS 1-5 MODERNIZATION - SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the B. 93 Escalators 1-5 Modernization schedule by 18 months with no increase to the budget.

The Construction & Maintenance Division recommends adding 18 months to the schedule to allow for delays due to the manufacturing of the proprietary equipment and delays from the vendor delivery.

The proposed completion date is June 30, 2026.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE, BUDGET CHANGE**

**SUBJECT****ORIGINAL PROJECT COST** \$6,805,000**B. 93 – PARKING DECK WATERPROOFING IMPROVEMENT – BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval for budget increase, and schedule change to B. 93 – Parking Deck Waterproofing Improvement.

The proposed work included the mobilization and transportation of all equipment necessary to remove and replace approximately 107,000 square feet of concrete and waterproofing material at the Berth 93 parking deck. The TREMCO waterproofing material is tested one section at a time and work stops until testing is complete. Delays due to cruise ship schedule, rain and building structural damage, have impeded construction requiring a 14-month extension.

Construction & Maintenance Division recommends increasing the budget by \$5,000,000 to account for extended schedule, which increases the rental equipment and labor costs, and the added project scope to repair the building’s structural damage and recaulk the parking deck.

The delays to the project schedule along with the increased material costs, labor and the rental equipment required to complete the project have increased budget cost by \$5,000,000 for a new total of \$11,700,000 and will be completed by March 31, 2026.

**PDC ACTION** Approved

**COMMENT** No comment.

## SCHEDULE CHANGE, BUDGET CHANGE, SCOPE CHANGE

**SUBJECT****ORIGINAL PROJECT COST** \$544,442**BADGER AVENUE BRIDGE – GRATING REPLACEMENT – SCOPE, BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for additional scope, budget increase, and schedule change to Badger Avenue Bridge Grating Replacement project

The Construction & Maintenance Division recommends adding 15 months to the schedule to allow for delays due the grating manufacturing, procurement and increased scope.

The original project scope included the removal and replacement of all walkway grating on Badger Bridge. Due to expertise and timeline concerns, the increased scope includes the grating installation via professional contractor, which will increase the project budget by \$241,000.

The new total project budget is \$785,000 and the project will be completed by December 31, 2025.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$500,000

**SAN PEDRO WATERFRONT - WEST HARBOR SOIL TESTING, REMOVAL, AND UNFORESEEN CONDITIONS – SCOPE, BUDGET AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval for cost increase, schedule change, scope change, and project title change to West Harbor Soil Testing, Removal, and Unforeseen Conditions to provide funds to reimburse San Pedro Public Market, LLC (aka West Harbor) for unforeseen conditions as identified in the 6th Amendment of Lease No. 915.

West Harbor is redeveloping the former Ports O’ Call site in multiple phases. Unforeseen items that West Harbor may encounter during construction that requires removal in order to proceed with work, the Port is committed to providing financial reimbursement for these items. This scope is added to the existing project scope for the testing and removal of contaminated soil encountered during West Harbor’s construction.

The revised budget is increased by \$1,240,000 from \$500,000 to a new project budget of \$1,740,000. The revised schedule is increased by 36 months to a new completion date of December 31, 2029.

The total project cost is \$1,740,000 and the project will be completed by December 31, 2029.

**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**

*Dina Aryan-Zahlan*

Dina Aryan-Zahlan  
Development

*Erica M. Calhoun*

Erica Calhoun  
Administration

**Unallocated Capital Improvement Program Fund FY 24/25**

**(Budget set in July)** \$ **15,000,000**

**PDC Approved Projects**

Terminal Island Rail Infrastructure Improvement Project (TBD)	\$	(310,000)
B. 126-129 Wharf Redevelopment (TBD)	\$	(1,500,000)
Port-Wide - HVL Load Interrupter Switch Replacement (TBD)	\$	(100,000)
B. 93 World Cruise Center - Programmable Logic Controller (PLC) Modernization (TBD)	\$	(400,000)
West Harbor - Unforeseen Conditions ( )	\$	(965,000)
West Harbor - City Improvements ( )	\$	(1,470,000)
B. 200 - G&H Repairs ( )	\$	(246,532)
B. 174-176 Wharf Repairs ( )	\$	(40,000)
North Gaffey Street Beautification - Phase II Supplemental Work ( )	\$	(1,375,447)

***Subtotal PDC Approved Projects*** \$ **(6,406,979)**

**Projects Under \$100,000**

Least Tern Nesting Site Improvements (2581300)	\$	(50,000)
San Pedro Waterfront - Harbor Blvd. Gateway (2581500)	\$	(50,000)
Wilmington Waterfront - California Costal Trail Promenade (2581600)	\$	(50,000)
Port-Wide - Tubular Barrier Gates Installation (2582100)	\$	(77,000)
B. 161 - Carpenter Shop - Roll Up Door Replacement (2582200)	\$	(16,000)
B. 90-92 - World Cruise Center - ADA Ramp Extension (2582300)	\$	(20,000)
B. 136 - Transformer Replacement (2582400)	\$	(98,000)
Digital Twin Pilot (2582500)	\$	(70,000)

***Subtotal Projects Under \$100,000*** \$ **(431,000)**

***Balance as of October 29, 2024 - Revised*** \$ **8,162,021**



# CIP Status Report

## COMPLETED PROJECTS

Sorted By: Project Number

Actuals Thru: September 2024

Where Construction Finish Date is: >= 10/1/2024 <= 10/29/2024

Expend. Org.	Project Title	Project Manager	Status	Projected Cost	Design			Construction			Percent Design Complete	Percent Const. Complete	Pre-A500	
					Start Baseline	Projected	Finish Projected	Start Baseline	Projected	Finish Projected				
1003	(2578300) Harbor Administration Building - Small Conference Rooms to Private Offices	Kuo, Rodger	Completed	\$65,000	02/28/24	02/28/24	03/28/24	05/28/24	05/28/24	08/05/24	08/25/24	10/18/24	100%	

**Grand Total: \$65,000**









# Audit Committee Report Packet November 2024

Final Audit Report

2024-11-08

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