



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE: DECEMBER 7, 2023**

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

**SUBJECT: DECEMBER 2023 PROJECT DEVELOPMENT COMMITTEE REPORT**

This report highlights the actions taken by the Project Development Committee (PDC) at its December 2023 meeting. On December 6, 2023, the PDC met to consider seven 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, grants and the GASB 49 project list. Attached for review are the meeting minutes (Transmittal 1), Unallocated CIP Fund Report FY 2023/2024 (Transmittal 2), and CIP Status Report – Completed Projects (Transmittal 3).

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

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


The Board of Harbor Commissioners (Board) approved \$15,000,000 in the fiscal year 2023/2024 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 2023/2024:

- 10 PDC-approved projects totaling \$8,177,791
- 5 projects under \$100,000 totaling \$136,500

As of November 29, 2023, the remaining balance is \$6,685,709.

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 Bleavins (Dec 11, 2023 14:59 PST)

EUGENE D. SEROKA  
Executive Director

**Attachments:**

- Transmittal 1: December 2023 PDC Pandect
- Transmittal 2: Unallocated CIP Fund Report FY 2023/2024
- Transmittal 3: CIP Status Report – Completed Projects

  
DAZ

DAZ/mz

## SCHEDULE CHANGE

**SUBJECT****ORIGINAL PROJECT COST** \$735,000**REAR BERTH 147-151 SANITARY SEWER REHABILITATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Rear Berths 147-151 Sanitary Sewer Rehabilitation schedule by 12 months with no additional increase in the project budget of \$735,000.

The Engineering Division recommends adding 12 months to the schedule to allow for delays due to a lack of resources. The new completion date is December 31, 2024.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$44,832,908**BERTHS 167-169 (SHELL) MARINE OIL TERMINAL ENGINEERING AND MAINTENANCE STANDARDS (MOTEMS) – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 167-169 (Shell) – Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) project schedule by two years and nine months with no additional increase in the project budget of \$44,832,908.

The Engineering Division recommends adding two years and nine months to the schedule to allow for delays. The Phase 1 construction of this project was substantially completed May 17, 2023. The Phase 1 schedule needs to be extended by one year and three months to align with substantial construction completion. Phase 2 of the project needs to be extended one year and six months to allow time required for the tenant to commission the new unloading platform at Berth 168 and decommission the existing unloading platform at Berths 169, as well as allowing time due to performing work within limited work windows. The new completion date is July 31, 2026.

**PDC ACTION** Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$179,000**PMA/ILWU LOCAL 13 DISPATCH HALL SURPLUS PARKING LOT IMPROVEMENTS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the schedule for the PMA/ILWU Local 13 Dispatch Hall Surplus Parking Lot Improvements project by 21 months, to accommodate delays due to additional permitting requirements, including street dedication and landscaping. The project budget will remain \$179,000, but may require a future PDC amendment depending on the scope of the permitting requirements. The new construction completion date will be June 30, 2025.

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

**SUBJECT****ORIGINAL PROJECT COST** \$1,518,571**PORT PILOT RADIO UPGRADE PROJECT – PROJECT TIMELINE EXTENSION****SUMMARY**

Staff requested and were approved in July of 2021 to initiate a new project to upgrade the Los Angeles Pilot Service's (Port Pilots) voice and data communications system. The purpose of the request was to elevate voice and data communications for improved coverage, functionality, resiliency, redundancy, safety, and reliability at the Pilot Station, seagoing vessels calling, departing, or shifting within Los Angeles Harbor, and VHF radios within the Los Angeles-Long Beach Harbor area. The upgraded radio system will also facilitate enhanced interoperability with the United States Coast Guard on the VHF band and Port Police on the 700 MHz band when needed in an emergency.

The approved work has included:

- Significant enhancement of the Marine Radio Communications on Very High Frequency (VHF), including coverage locally in the Port of Los Angeles and extended range to 25 nautical miles from the Pilot Station to communicate with incoming and outgoing cargo vessels and the United States Coast Guard
- Access to the Port Police 700 MHz radio system (segregated in a separate talk group exclusively for Port Pilot communications) for data and voice communications with Port Pilot Dispatchers and, on an as-needed basis, voice and data communications with Port Police Dispatchers.
- Global Positioning System (GPS) data communications to and from Port Pilot handheld VHF radios for the safety and security of Port Pilots at sea or in the harbor,
- Replacement handheld and base station radios for enhanced communications on multiple frequency bands with added safety features, including:
  - o Waterproof handheld radios capable of 4 hours of submersion up to 2 meters
  - o Intrinsically safe radios for use in hazardous classified atmospheres (e.g., tank vessels)
  - o Multi-frequency capable of communicating on VHF and 700 MHz
  - o GPS enabled for sharing location information.
  - o Wi-Fi enabled for data communications.
  - o Drop resistant.
- Extended range with enhanced radio equipment, long-range antennas, and microwave dishes at the Port Police radio site at the Marine Exchange, Pilot Station, and Warehouse 1.
- Integration with the Port Police upgraded 700 MHz radio system.
- Access to the Port Police Catalina Island radio site for improved range off the coast of the Port of Los Angeles on the 700 MHz band
- Improved radio equipment and antennas at the Pilot Station for improved coverage locally in the Los Angeles Harbor area and extended range off the coast.

The total project cost remains at \$1,518,571, which is forecast to be completed on March 1, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE, BUDGET CHANGE**

**SUBJECT**

**ORIGINAL PROJECT COST** \$3,500,000

**BADGER AVENUE BRIDGE WIRE ROPES REPLACEMENT - BUDGET AND SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to increase the budget and change the schedule for the Badger Avenue Bridge Wire Ropes Replacement.

The Construction & Maintenance Division recommends increasing the budget by \$200,000 to account for the price volatility of materials.

The Construction & Maintenance Division recommends adding 6 additional months to the schedule to allow for delays due to procurement timelines.

The total project budget is \$3,700,000 and the project will be completed by December 31, 2024

**PDC ACTION** Approved

**COMMENT** No comment.

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

**SUBJECT**

**ORIGINAL PROJECT COST** \$40,000

**BERTH 161 – MARINE WAYS GATE MODIFICATION –  
SCOPE, BUDGET AND SCHEDULE CHANGES**

**SUMMARY**

Staff requests approval for additional scope, cost increase, and schedule change to the Berth 161 – Marine Ways Gate Modification project.

The additional work includes extending the crane boom, raising the marine ways wing walls, modifying the marine ways gate, replacing the existing water pump and replacing the winch equipment and housing. These additional scope items are needed to allow for the full functionality of the marine ways. Without these additional improvements, the marine ways is not able to fully function as a dry dock to perform vessel maintenance.

The revised budget is increasing by \$900,000 from \$40,000 to a new project budget of \$940,000 to account for costs associated with the additional scope. The revised schedule is increased by 24 months to a new completion date of April 1, 2026.

**PDC ACTION** Approved

**COMMENT** No comment.

**SCHEDULE CHANGE, SCOPE CHANGE, TITLE CHANGE**

**SUBJECT**

**ORIGINAL PROJECT COST** \$8,300,000

**BERTHS 208-209 CFS BUILDING – DEMOLITION AND LOT CONVERSION –  
TITLE, SCOPE, AND SCHEDULE CHANGES**

**SUMMARY**

Staff requests approval to revise the project title to Berths 208-209 CFS Building Demolition, revise scope, and extend the schedule with no additional increase in the project budget of \$8,300,000 for the Berths 208-209 CFS Building – Demolition and Lot Conversion project.

Based on revised design analysis and updated construction cost estimates, an revised scope to solely demolish the building and leave the foundation in place is proposed. The revised scope includes demolition of the building, including removal of lead and asbestos. The building foundation will be left in place and incorporated for use within the surrounding site. Also included in the revised scope are fence installation and pavement repair.

The Engineering Division recommends adding 11 months to the schedule to allow for delays due to staff resources, design analysis, and cost option evaluations. The new completion date is March 31, 2026.

**PDC ACTION** Approved

**COMMENT** No comment.

**ADMINISTRATIVE ITEM**

GASB 49 Report, Projects for Discussion, Grants Report, and Completed Projects CIP Report reviewed.

**ACTION ITEM FOLLOW UP**

**WORK ORDER REPORT**

**UNALLOCATED BUDGET REPORT** REVIEWED

**ADDITIONAL DISCUSSION**

*Dina Aryan-Zahlan*

Dina Aryan-Zahlan  
Development

  
Marla Bleavins (Dec 11, 2023 14:59 PST)

Marla Bleavins  
Finance and Administration

**Unallocated Capital Improvement Program Fund FY 23/24**

**(Budget set in July)**

**\$ 15,000,000**

**PDC Approved Projects**

Portwide Power Monitoring System (2575700)	\$	(60,000)
B. 93 Vehicular Ramp Repair (2575800)	\$	(165,000)
Harbor Administrative Building - Fifth Floor Commissioner's Conference Rooms (2576000)	\$	(112,417)
Harbor Administrative Building - Fifth Floor Lobby Conference Rooms (2576400)	\$	(151,900)
514 Pier A Street - Soils Lab Chiller Replacement (2576900)	\$	(167,386)
272 S. Fries Ave. - Capital Projects Bldg. Fire Alarm System Replacement (2576800)	\$	(300,000)
B. 58-60 Alta Sea Warehouse & Site Improvements (2577000)	\$	(4,000,000)
Port Police Dive Boat Purchase (2577100)	\$	(2,761,088)
New Dock Street Transportation Improvements ( 2577400)	\$	(65,000)
Port-Wide Fire Alarm Mass Notification System Upgrade (2577600)	\$	(395,000)

***Subtotal PDC Approved Projects* \$ (8,177,791)**

**Projects Under \$100,000**

Avalon Blvd and Water Street - Logistics Swing Gate Installation (2575900)	\$	(8,400)
San Pedro Waterfront - Gateway Fanfare Fountain Water Treatment System (2576200)	\$	(42,750)
C&M Admin Building Boiler Replacement (2576600)	\$	(34,700)
801 Reeves Avenue - Design of New Fire Alarm System per POLA Specifications (2576700)	\$	(32,750)
B. 91 Security Access Installation (2577800)	\$	(17,900)

***Subtotal Projects Under \$100,000* \$ (136,500)**

***Balance as of November 29, 2023***

**\$ 6,685,709**

# CIP Status Report

Completed Projects

Sorted By: Project Number

Actuals Thru: October 2023

Where Construction Finish Date is: > = 10/26/2023 < = 11/29/2023

Expend. Org.	Project No.	Project Title	Project Manager	Status	Projected Cost	Design			Percent Design Complete	Construction			Percent Const. Complete
						Start	Finish	Projected		Baseline	Projected	Baseline	

**Grand Total: \$0**












# Audit Committee Report Packet December 2023

Final Audit Report

2023-12-11

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