



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: SEPTEMBER 3, 2025

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: SEPTEMBER 2025 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its September 2025 meeting. The PDC met on September 3, 2025, 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 – Four items were submitted and approved.
- 2) Budget/Schedule/Scope change – One item was submitted and approved.
- 3) New project – Three items were submitted and approved.

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:

- 4 PDC-approved projects totaling \$763,387
- 2 projects under \$100,000 totaling \$136,000

As of August 26, 2025, the remaining balance is \$13,100,613.

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: September 2025 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2025/2026

Transmittal 3: CIP Status Report – Completed Projects

DAZ

DAZ/mz

NEW PROJECT

SUBJECT ORIGINAL PROJECT COST \$220,000
B. 300 FENIX – FIRE ALARM NETWORK FIBER REPLACEMENT – NEW PROJECT

SUMMARY

Staff requests approval to initiate a new project to replace the fire alarm network fiber at Fenix.

The proposed work includes the design, installation and programming of the new fiber network completed by sub-contractor Johnson Controls to comply with LAFD Regulation 4 requirements.

The total project budget is \$220,000 and the project will be completed by December 31, 2025.

PDC ACTION Approved

COMMENT No comment.

SUBJECT ORIGINAL PROJECT COST \$319,000
936, 938 & 1410 BARRACUDA ST. – FIRE SPRINKLER HEAD AND STANDPIPE REPLACEMENT – NEW PROJECT

SUMMARY

Staff requests approval to initiate a new project to replace the fire sprinkler heads and standpipes at multiple Port locations.

The proposed work includes the removal and replacement of approximately 3,900 fire sprinkler heads along with repairs to the standpipe system which was inspected to be corroded and outdated during the 5-year LAFD Regulation 4 Test.

The total project budget is \$319,000 and the project will be completed by January 31, 2026.

PDC ACTION Approved

COMMENT No comment.

SUBJECT ORIGINAL PROJECT COST \$315,000
B. 212-225 YUSEN – CONTAINER TERMINAL RE-ROOF – NEW PROJECT

SUMMARY

Staff requests approval to initiate a new project to replace the roof of the Yusen Power Shop at the Yusen Container Terminal.

The proposed work includes the removal and installation of the skylight windows and the lower layer of the roofing system of the Yusen Power Shop.

The total project budget is \$315,000 and the project will be completed by June 30, 2026.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$7,037,040

B. 91-92 – PASSENGER TERMINAL PEDESTRIAN DECK COATING - SCHEDULE CHANGE

SUMMARY

Staff requests approval to extend the B. 91-92 – Passenger Terminal Pedestrian Deck Coating schedule by eight months with no increase to the budget.

The Construction & Maintenance Division recommends adding eight months to the schedule to allow for concrete delays and the installation of the new gutter system while working around the World Cruise Terminal’s heavy traffic.

The proposed completion date is April 30, 2026.

PDC ACTION Approved

COMMENT No comment.

SUBJECT

ORIGINAL PROJECT COST \$1,000,000

SAN PEDRO WATERFRONT – B. 57 – ALTASEA ENVIRONMENTAL ASSESSMENT - SCHEDULE CHANGE

SUMMARY

Staff requests approval to extend the AltaSea Project schedule by 41 additional months with no additional increase in the budget, to continue as-needed environmental support.

PDC ACTION Approved

COMMENT No comment.

SUBJECT

ORIGINAL PROJECT COST \$2,500,000

HARBOR ADMINISTRATION BUILDING (HAB) 2ND FLOOR WORKSPACE SOLUTIONS - SCHEDULE CHANGE

SUMMARY

Staff requests approval to extend the Harbor Administration Building’s (HAB) 2nd Floor workspace Solutions Project schedule by six months with no additional increase in the project budget of \$ 2,500,000.

The Engineering Division recommends adding six months to the schedule to allow extended furniture and swing space coordination, design time, unforeseen delays with the purchase order processing, and additional coordination time required to plan out the design and construction sequencing of other interdependent HAB projects. The new target completion date is March 1, 2028.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$4,700,000**PORTWIDE LEAK DETECTION EXPANSION PROGRAM - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Leak Detection Expansion Program schedule by two months with no additional increase to the project budget of \$ 4,700,000.

The Engineering Division recommends adding two months to the project schedule to account for the approximate six-month procurement of the smart meters. The construction completion date will be January 2, 2027.

PDC ACTION Approved**COMMENT** No comment.**SCOPE CHANGE, BUDGET CHANGE, SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$600,000**HENRY FORD AVENUE AND NEW DOCK STREET- STORM DRAIN REPLACEMENT & IMPROVEMENTS – SCOPE, BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval to increase the scope, budget, and schedule for the Henry Ford Avenue and New Dock Street Storm Drain Replacement and Improvements project.

The original scope of work authorized replacing approximately 200 linear feet of the existing 42-inch diameter storm drain force main with a new 42-inch diameter steel pipe. Subsequently, the Department reached a Settlement Agreement with Environment California Inc. on June 10, 2025 that requires the Department to add a significant amount to work to prevent discharge of groundwater into the Dominguez Channel by December 10, 2027.

This additional scope of work includes installing a bypass during replacement of 42" diameter force main outfall, removing 42" bypass when replacement work for 42" outfall is complete, inspecting 7,500 lf of existing storm drain system via Close Capti015on Television (CCTV), cleaning 7,500 linear feet (lf) of existing storm drain system, disposing of groundwater and sediment encountered during construction, and installing storm drain liner within approximately 7,500 linear feet of existing storm drain system.

The revised scope of work increases the budget by \$5,400,000, from \$600,000 to a new project budget of \$6,000,000, including escalation costs. The additional scope of work increases the design schedule by thirteen months for a new design finish date of June 9, 2026, and adds 3 months to the Bid and Award phase, resulting in a new construction completion date of December 6, 2027.

If approved by PDC, the revised total project budget would be \$6,000,000, the revised design finish date would be June 9, 2026, and the revised project completion date would be December 6, 2027.

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

Erica M. Calhoun

Erica Calhoun
Administration

Unallocated Capital Improvement Program Fund FY 25/26

<u>(Budget set in July)</u>	\$	14,000,000
<u>PDC Approved Projects</u>		
Falcon Street Road Repair (65000120)	\$	(10,000)
Klein Billing and Port Control Management Systems Enhancement - Phase III (65000121)	\$	(233,387)
936, 938, & 1410 Barracuda St. - Fire Sprinkler Head & Standpipe Replacement ()	\$	(300,000)
Pier 300 Fenix - Fire Alarm Network Fiber Replacement ()	\$	(220,000)
<i>Subtotal PDC Approved Projects</i>	\$	<i>(763,387)</i>
<u>Projects Under \$100,000</u>		
Port of Los Angeles Police Headquarters - Re-Landscape (65000138)	\$	(65,000)
Port of Los Angeles Police Headquarters - North Grill Gate Replacement (65000139)	\$	(71,000)
<i>Subtotal Projects Under \$100,000</i>	\$	<i>(136,000)</i>
<i>Balance as of August 26, 2025</i>	\$	13,100,613

CIP Status Report

COMPLETED PROJECTS

Sorted By: Project Number

Actuals Thru: July 2025

Where Construction Finish Date is: >= 7/31/2025 <= 8/26/2025

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			
1207	(2572600) B. 155A - Re-Roof and Drain Installation	Reeser, Kenneth	Completed	\$1,600,000	12/03/22	12/03/22	12/16/22	07/31/25	07/31/25	07/31/25	100 %	100 %	
1007	(65000085) San Pedro Waterfront - B. 91-92 Cruise Terminal - Wall Partition System	Leon, Laura	Completed	\$134,946	04/23/25	04/23/25	04/23/25	12/31/25	05/15/25	12/31/25	N/A	100 %	

Grand Total: \$1,734,946









Audit Committee Report Packet September 2025

Final Audit Report

2025-09-04

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