



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: AUGUST 7, 2024
TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE
SUBJECT: AUGUST 2024 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its August 2024 meeting. On August 7, 2024, the PDC met to consider six 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 – Two items were submitted and approved.
- 2) Budget/Schedule change – Four items were submitted and approved.

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:

- 2 projects under \$100,000 totaling \$100,000

As of July 31, 2024, the remaining balance is \$14,900,000.

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

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: August 2024 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2024/2025

Transmittal 3: CIP Status Report – Completed Projects

DAZ

DAZ/mz

BUDGET CHANGE

SUBJECT ORIGINAL PROJECT COST \$179,000

PMA/ILWU LOCAL 13 DISPATCH HALL SURPLUS PARKING LOT IMPROVEMENTS - BUDGET INCREASE

SUMMARY

Staff requests approval to increase the approved project budget for the PMA/ILWU Local 13 Dispatch Hall Surplus Parking Lot Improvements project.

The Engineering Division recommends increasing the budget by \$326,000 from \$179,000 to \$505,000 to account for several factors that affected the cost. First, the permitting process with Los Angeles Department of Building and Safety took longer than expected and required additional design revisions to the drawings. The second factor, is the original cost estimate was based on preliminary design assumptions. There is no change to current schedule and the completion date remains June 30, 2025.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT ORIGINAL PROJECT COST \$580,000

BERTHS 153-155 WHARF REPAIR ASSESSMENT – BUDGET AND SCHEDULE CHANGES

SUMMARY

Staff requests approval for cost increase and schedule change for the Berths 153-155 Wharf Repair Project.

The revised budget is increased by \$675,000 from \$580,000 to a new project budget of \$1,255,000. The revised schedule is increased by eight months to a new completion date of March 31, 2025. The Berths 153-155 Wharf repair project was previously on hold until August 2, 2023. The Engineering Division required additional time to identify the project scope for the Engineering On-call RFP specifically detailing the above-water and underwater assessment of the piles, wharf deck, seawall, and bollards. Additional time was required to incorporate lessons learned and questions from consultants from a similar wharf inspection project. Additional budget is requested based on consultant proposals to perform the inspection work.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$4,405,000**HARBOR ADMINISTRATION BUILDING- BOARD HEARING ROOM AND EXECUTIVE SESSION ROOM REMODEL – BUDGET AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval to increase the budget and revise the schedule to the Harbor Administration Building (HAB) - Board Hearing Room and Executive Session Room Remodel project to account for cost escalation incurred from the 21-month bidding phase, cost to rebid project thrice, and cost of \$3.66 million construction contract approved by Board of Harbor Commissioners on July 25, 2024.

If approved by PDC, the revised budget would be increased by \$980,000, from \$4,405,000 to a new project budget of \$5,385,000, and the revised schedule would be increased by 16-months for a new completion date of October 31, 2025.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$28,595,134**ORACLE ERP CLOUD MIGRATION - SCHEDULE AND BUDGET CHANGES 2024****SUMMARY**

The Information Technology (IT) Division requests the Project Development Committee (PDC) approval to amend Work Order No. 2564800 to extend the Oracle Enterprise Resource Planning (ERP) Cloud project schedule that is currently in the Deploy Phase. After a thorough review of the project's Integrated Project Plan (IPP), the ERP Project Team recommends extending the project schedule to allow for additional time and resources necessary to complete the technical and functional tasks and testing required for a successful system implementation.

If approved by PDC, the implementation phase that originally was to be completed on June 30, 2024, will be extended for an additional 4 months, with the revised construction finish date of November 4, 2024.

The total project changes will increase the overall capital budget from \$28,595,134 to \$29,513,615.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$1,190,000**BERTHS 302-305 PANZERBELT IMPROVEMENTS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 302-305 Panzerbelt Improvements schedule by nine months with no change to the project budget.

The Engineering Division recommends adding nine months to the schedule to allow for delays due to limited terminal access and verification of existing site conditions. The new completion date is July 31, 2026.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$364,999**WILMINGTON WATERFRONT PARK STREET VACATIONS AND C STREET/I-110 ACCESS RAMP IMPROVEMENTS RIGHT OF WAY TRANSFER - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Wilmington Waterfront Park Street Vacations project schedule by 48 months. Staff also requests approval to cancel Work Order 2525600 (C Street/I-110 Access Ramp Improvements Right of Way Transfer) and transfer its work, budget, and expenses to Work Order 2552800 Wilmington Waterfront Park Street Vacations Project. There is no increase to the project budget of the combined work orders totaling \$364,999.

The Engineering Division recommends adding 48 months to the schedule to allow for delays due to the vacation re-application to the City; time for the City to prepare the associated City Engineering Report; the time required by the Port to complete the conditions in said report; and time required to complete the Right of Way transfers between the City, Port, and Caltrans related to the C Street/I-110 Access Ramp Improvements Right Of Way Transfer Project. It is anticipated to take 48 months to complete this work. The new completion date is August 31, 2028.

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**Michael DiBernardo*Dina Aryan-Zahlan
DevelopmentMichael DiBernardo
Marketing and Customer Relations

Unallocated Capital Improvement Program Fund FY 24/25

(Budget set in July)

\$ 15,000,000

PDC Approved Projects

***Subtotal PDC Approved Projects* \$ -**

Projects Under \$100,000

Least Tern Nesting Site Improvements (2581300) \$ (50,000)

San Pedro Waterfront - Harbor Blvd. Gateway (2581500) \$ (50,000)

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

Balance as of July 31, 2024

\$ 14,900,000

CIP Status Report

COMPLETED PROJECTS

Sorted By: Project Number

Actuals Thru: June 2024

Where Construction Finish Date is: >= 7/01/2024 <= 7/31/2024

Expend. Org.	Project Title	Project Manager	Status	Projected Cost	Design				Percent Design Complete	Construction				Percent Const. Complete	Pre-A500
					Start Baseline	Projected	Finish Baseline	Projected		Start Baseline	Projected	Finish Baseline	Projected		
1165	(2560500) B. 212-224 - Yusen Terminal - Leak Detection Expansion	Vazquez, Lizeth	Completed	\$500,000	03/08/20	^ 03/08/20	03/31/21	A 03/31/21	100 %	03/01/22	A 03/01/22	06/30/24	A 07/15/24	100%	
1002	(2577200) B. 95 - Catalina Express Parking Lot Gates	Honeybone, Chri	Completed	\$50,000	10/30/23	^ 10/30/23	11/26/23	^ 03/06/24	100%	12/04/23	^ 04/15/24	02/29/24	^ 07/10/24	100 %	

Grand Total: \$550,000

Audit Committee Report Packet August 2024

Final Audit Report

2024-08-12

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