



## AUDIT COMMITTEE

Report to the  
Board of Harbor Commissioners

### FOR INFORMATION ONLY

**DATE:** APRIL 8, 2024

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

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

This report highlights the actions taken by the Project Development Committee (PDC) at its April 2024 meeting. On April 3, 2024, the PDC met to consider thirteen 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 – Three items were submitted and approved.
- 2) Budget/Schedule/Scope change – Four items were submitted and approved.
- 3) New project – Six 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:

- 23 PDC-approved projects totaling \$12,659,838
- 15 projects under \$100,000 totaling \$797,123

As of March 27, 2024, the remaining balance is \$1,543,039.

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 (Apr 8, 2024 11:24 PDT)

EUGENE D. SEROKA  
Executive Director

**Attachments:**

Transmittal 1: April 2024 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2023/2024

Transmittal 3: CIP Status Report – Completed Projects

*DAZ*

DAZ/mz

**BUDGET CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$373,662**HARBOR ADMINISTRATION BUILDING FIFTH FLOOR COMMISSIONER'S CONFERENCE ROOM - BUDGET INCREASE****SUMMARY**

Staff requests approval to increase the approved project total for the Harbor Administration Building (HAB) fifth floor Commissioners' Conference Room.

The Engineering Division recommends increasing the budget by \$58,000 from \$373,662 to \$431,662 to add credenzas, chairs, white boards, and new carpet.

No change to current schedule is required, and the completion date remains September 4, 2025.

**PDC ACTION** Approved**COMMENT** No comment.**BUDGET CHANGE AND SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$1,369,985**B. 93 – ESCALATORS NO. 1 & 2 MODERNIZATION – BUDGET & SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the budget and extend the schedule for the B. 93 – Escalators No. 1 & 2 Modernization.

The Construction & Maintenance Division recommends increasing the current budget by \$30,015 for a new total of \$1,400,000 to account for inflation and increased labor costs.

The Construction & Maintenance Division recommends adding seven months to the schedule to allow for delays due to the bid & award process. The bid & award process was completed on January 2024 so material procurement and construction has started.

The new total project budget is \$1,400,000 and will now be completed by December 31, 2024.

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

**SUBJECT****ORIGINAL PROJECT COST** \$512,837**B. 93 – ESCALATOR NO. 3 MODERNIZATION – BUDGET & SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the budget and extend the schedule for the B. 93 – Escalator No. 3 Modernization.

The Construction & Maintenance Division recommends increasing the current budget by \$7,163 for a new total of \$520,000, due to increased labor costs and inflation.

The Construction & Maintenance Division recommends adding seven months to the schedule to allow for delays due to the bid & award process. The bid & award process was completed on January 2024 so material procurement and construction has started.

The new total project budget is \$520,000 and will now be completed by December 31, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

## BUDGET CHANGE, SCOPE CHANGE

**SUBJECT****ORIGINAL PROJECT COST** \$299,000,000**ELECTRICAL INFRASTRUCTURE IMPROVEMENT PROGRAM – SCOPE AND BUDGET CHANGE****SUMMARY**

Staff requests approval for additional scope and budget for the Electrical Infrastructure Improvement Program to support the future power demand required throughout the Port of Los Angeles (POLA) to implement Zero Emission (ZE) operations per the 2017 San Pedro Bay Ports Clean Air Action Plan (CAAP) goal to utilize ZE Cargo Harbor Equipment (CHE) by 2030.

PDC previously approved budget for all work for Los Angeles Department of Water and Power (LADWP) to expand the existing Receiving Station in Wilmington, and construct distribution lines to each Terminal including engineering and environmental assessment. The additional scope of work is for design, and construction of additional electrical power distribution lines to support zero emission port operations.

This new budget request is based on the latest project cost LADWP has shared with the Harbor Department.

If approved by PDC, the revised budget would be increased by \$201,000,000 from \$299,000,000 to \$500,000,000, and a completion date of June 30, 2035 remains unchanged.

**PDC ACTION** Approved

**COMMENT** No comment.

## NEW PROJECT

**SUBJECT****ORIGINAL PROJECT COST** \$270,000**SAN PEDRO WATERFRONT – HARBOR GATEWAY FANFARE FOUNTAIN WATER FEATURE UPGRADE – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace and upgrade the water feature equipment of the Harbor Gateway Fanfare Fountain.

The proposed work includes replacing and upgrading the 18 oarsmen and 40 shooters of the Fanfare Fountain that operate the fountain’s water features. Given that WET is the sole proprietor of the necessary equipment, they will be contracted to complete the work.

The total project budget is \$270,000 and the project will be completed by August 31, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

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

Staff requests approval to initiate a new project to upgrade the High Mast Pole (HMP) lighting, at three Port locations, with LED light fixtures.

The proposed work includes removing 65 high pressure sodium light fixtures, from eight HMPs, at three Port locations, and replacing with LED equivalent fixtures.

The total project budget is \$210,000 and the project will be completed by July 31, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$1,325,000**BERTHS 91-93 WORLD CRUISE CENTER - PURCHASE NEW MOBILE AMP CART– NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to procure a new Mobile Alternative Maritime Power (AMP) Cart for Berths 91-93 World Cruise Center.

The total project cost is \$1,325,000 and the project completion date is January 3, 2027.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$1,500,000**BERTH 93 WORLD CRUISE CENTER - NEW AMP VAULT – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to construct a new Alternative Maritime Power (AMP) vault at Berth 93 World Cruise Center.

The proposed work includes designing and constructing new AMP vault and connecting new AMP vault to an existing AMP vault located at the middle of Berth 93.

The total project cost is \$1,500,000 and the project completion date is September 30, 2025.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$600,000**HENRY FORD AVENUE/NEW DOCK STREET PUMP STATION – REPLACE EXISTING 42-INCH DIAMETER STORM DRAIN FORCE MAIN – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace existing 42-inch diameter storm drain force main for the existing Henry Ford Avenue/New Dock Street Pump Station.

The proposed work includes replacing approximately 200 linear feet of the existing 42-inch diameter storm drain force main with new 42-inch diameter steel pipe.

The total project cost is \$600,000 and the project completion date is August 31, 2027.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT****ORIGINAL PROJECT COST** \$150,000**B. 161 – MANITOWOC CRANE REPOWER – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to repower the Manitowoc crane with a power plant that complies with the current California Air Resources Board (CARB) emission standards.

The proposed work includes replacing the crane engine and its subcomponents with a new power plant that complies with the current CARB emission standards. The new, emission-compliant engine and associated subcomponents were not specifically designed for the Manitowoc crane so the power plant will have to be retrofitted, which will include machining and fabrication after the assets are acquired.

The total project budget is \$150,000 and the project will be completed by November 30, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

# SCHEDULE CHANGE

**SUBJECT**

**ORIGINAL PROJECT COST** \$400,000

**B. 150-195 – UNDERWHARF PIPELINE HANGARS REPLACEMENT - SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the B. 150-195 – Underwharf Pipeline Hangars Replacement schedule by six months with no increase to the budget.

The Construction & Maintenance Division recommends adding six months to the schedule to allow for delays due to the vendor, Ferguson Waterworks, having issues with their Business Tax Registration Certificate (BTRC) which restricts us from procuring the required materials.

The proposed completion date is December 31, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$1,410,000

**B. 93 – ESCALATORS 4 & 5 MODERNIZATION - SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the B. 93 – Escalators No 4 & 5 Modernization schedule by seven months with no increase to the budget.

The Construction & Maintenance Division recommends adding seven months to the schedule to allow for delays due to the bid & award process. The bid & award process was completed on January 2024 so material procurement and construction has started.

The proposed completion date is December 31, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

**SUBJECT**

**ORIGINAL PROJECT COST** \$400,000

**PORT-WIDE FIRE ALARM MASS NOTIFICATION SYSTEM UPGRADE - SCHEDULE CHANGE**

**SUMMARY**

Staff requests approval to extend the Port-Wide Fire Alarm Mass Notification System Upgrade schedule by six months with no increase to the approved budget.

The Construction & Maintenance Division recommends adding six months to the schedule to allow for delays due to a new pending contract with contractor Johnson Controls, and said vendor’s availability.

The proposed completion date is December 31, 2024.

**PDC ACTION** Approved

**COMMENT** No comment.

**ADMINISTRATIVE ITEM**                      GASB 49 Report, Grants 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

*Marla Bleavins*  
Marla Bleavins (Apr 8, 2024 11:24 PDT)

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)
B. 172-179 Fire Waterline Replacement (2578500)	\$	(850,000)
Cabrillo Marine Aquarium Life Support System (2578600)	\$	(1,200,000)
B. 97-109 China Shipping Container Terminal Revised SEIR (2578700)	\$	(1,000,000)
B. 161 - Plumbing Shop Workspace Solution (2578800)	\$	(900,000)
New Dock Street Pump Station - Stormwater Disinfection System (2579500)	\$	(6,568)
B. 302-305 Panzerbelt Improvements (2579700)	\$	(10,724)
Pier 400 Roadability Canopy Improvements (2579800)	\$	(22,755)
Port-Wide - HMP Light Fixture LED Upgrade ( )	\$	(150,000)
42 Inch Storm Drain Force Main Replacement ( )	\$	(22,000)
B. 93 - Amp Vault ( )	\$	(15,000)
B. 91-93 - World Cruise Center - Purchase Mobile AMP Cart ( )	\$	(5,000)
B. 161 - Manitowoc Crane Repower ( )	\$	(100,000)
San Pedro Waterfront - Harbor Gateway Fanfare Fountain Water Feature Upgrade ( )	\$	(200,000)

***Subtotal PDC Approved Projects* \$ (12,659,838)****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)
B.93 World Cruise Center - Exit Sign Replacement (2577700)	\$	(57,351)
B. 191 Badger Avenue Bridge - Motor Brake Replacement (2577900)	\$	(99,713)
Harbor Administrative Building - Small Conference Rooms to Private Offices (2578300)	\$	(22,107)
900 Ways Street Lot Improvements (2578400)	\$	(99,520)
Port of Los Angeles Police Headquarters - Flagpole Uplight LED Retrofit (2578900)	\$	(8,500)
B.161 - Boat Shop 10 Ton Jib Crane Replacement (2579000)	\$	(57,000)
Cruise Terminal Parking Lot Improvements (2579200)	\$	(50,000)
Pier 500 Project Needs Statement (2579300)	\$	(96,432)
B.68 _ Port Pilots Living Quarters Buildings (2580000)	\$	(80,000)
RB 143-144 - Storm Drain Improvements (2580100)	\$	(90,000)

***Subtotal Projects Under \$100,000* \$ (797,123)*****Balance as of March 27, 2024*****\$ 1,543,039**

# CIP Status Report

Completed Projects

Sorted By: Project Number

Actuals Thru: February 2024

Where Construction Finish Date is: >= 2/29/2024 <= 3/27/2024

Expend. Org.	Project No.	Project Title	Project Manager	Status	Projected Cost	Design			Construction			Percent Design Complete	Percent Const. Complete	
						Start Baseline	Projected	Finish Baseline	Projected	Start Baseline	Projected			Finish Baseline
1007	2575400	B. 90-93 - Cruise Terminal Miscellaneous Items Replacement	Leon, Laura	Completed	\$35,000	05/31/23	^ 05/31/23	05/31/23	^ 05/31/23	12/01/23	^ 12/01/23	12/30/23	^ 02/29/24	100 %

**Grand Total: \$35,000**










# Audit Committee Report Packet April 2024

Final Audit Report

2024-04-08

Created:	2024-04-08
By:	Karine Lurvey (klurvey@portla.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAcGNNfEYhY_GhVakmXQtJGXTLLUSFDOUd

## "Audit Committee Report Packet April 2024" History

-  Document created by Karine Lurvey (klurvey@portla.org)  
2024-04-08 - 5:34:24 PM GMT- IP address: 199.245.255.5
-  Document emailed to Dina Zahlan (daryan-zahlan@portla.org) for signature  
2024-04-08 - 5:36:24 PM GMT
-  Email viewed by Dina Zahlan (daryan-zahlan@portla.org)  
2024-04-08 - 5:49:07 PM GMT- IP address: 199.245.255.5
-  Document e-signed by Dina Zahlan (daryan-zahlan@portla.org)  
Signature Date: 2024-04-08 - 5:49:38 PM GMT - Time Source: server- IP address: 199.245.255.5
-  Document emailed to mbleavins@portla.org for signature  
2024-04-08 - 5:49:39 PM GMT
-  Email viewed by mbleavins@portla.org  
2024-04-08 - 6:22:46 PM GMT- IP address: 199.245.255.5
-  Signer mbleavins@portla.org entered name at signing as Marla Bleavins  
2024-04-08 - 6:24:20 PM GMT- IP address: 199.245.255.5
-  Document e-signed by Marla Bleavins (mbleavins@portla.org)  
Signature Date: 2024-04-08 - 6:24:22 PM GMT - Time Source: server- IP address: 199.245.255.5
-  Agreement completed.  
2024-04-08 - 6:24:22 PM GMT