



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: SEPTEMBER 5, 2024

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: SEPTEMBER 2024 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its September 2024 meeting. On September 4, 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, grants 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 – Five items were submitted and approved.
- 2) Budget/Schedule change – One item was 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:

- 6 projects under \$100,000 totaling \$263,000

As of August 31, 2024, the remaining balance is \$14,737,000.

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: September 2024 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2024/2025

Transmittal 3: CIP Status Report – Completed Projects

DAZ

DAZ/mz

BUDGET CHANGE, SCHEDULE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$10,250,000**BERTH 100 (CHINA SHIPPING) - WEST BASIN CONTAINER TERMINAL (WBCT), ADVANCE ELECTRICAL INFRASTRUCTURE DEMONSTRATION - BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the budget and extend the Berth 100 (China Shipping) - West Basin Container Terminal (WBCT), Advance Electrical Infrastructure Demonstration project.

The Engineering Division recommends increasing the budget from \$10,250,000 to \$10,850,000 to account for unforeseen conditions in the field, significant delays to receiving specialty electrical equipment, standby rental equipment costs, and significantly high inflation for material costs and labor rates.

The Engineering Division recommends adding six months to the project schedule to allow for delays incurred by extraordinarily long lead times to receive electrical switchgear and battery energy storage system. Normal lead time for manufacturing of some of the components has more than tripled. We received the final major component at the end of July 2024. Construction & Maintenance Division (C&M) is scheduled to set the final pieces of major equipment in late August/early September. Staff anticipates that manufacturer will take several additional months to commission/certify the installation.

The Engineering Division recommends adding \$600,000 to project budget and 6 months to the schedule to allow for significant delays receiving specialty electric inductive charging equipment. If approved by PDC, the new completion date would be January 31, 2025.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$1,090,000**SOUTHWEST MARINE ADMINISTRATION BUILDING DEMOLITION AND PAVEMENT IMPROVEMENTS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Southwest Marine Administration Building Demolition and Pavement Improvements schedule by 19 months with no additional increase in the project budget of \$1,090,000.

The Engineering Division recommends adding 16 months to the design schedule to allow for delays due to rebid of the construction contract and three months to the construction schedule due to addition of the Berths 208-209 CFS Building Demolition to the construction package. The project will be bid as a single construction package, which includes this project, 1050 S. Ways Street (Starkist) Demolition and Storage Lot Conversion, South Seaside Avenue Storm Drain Restoration, 1025 S. Seaside Demolition and Conversion, and Berths 208-209 CFS Building Demolition. The new completion date is October 31, 2026.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$1,425,000**SOUTH SEASIDE AVENUE STORM DRAIN RESTORATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the South Seaside Avenue Storm Drain Restoration project schedule by 19 months with no additional increase in the project budget of \$1,425,000.

The Engineering Division recommends adding 16 months to the design schedule to allow for delays due to rebid of the construction contract and 3 months to the construction schedule due to addition of the Berths 208-209 CFS Building Demolition to the construction package. The project will be bid as a single construction package, which includes this project, 1050 S. Ways Street (Starkist) Demolition and Storage Lot Conversion, Southwest Marine Administration Building Demolition and Pavement Improvements, 1025 S. Seaside Demolition and Conversion, and Berths 208-209 CFS Building Demolition. The schedule change matches the schedule of the projects combined into the single construction contract. The new completion date is October 31, 2026.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$13,154,445**1050 S. WAYS STREET (STARKIST) DEMOLITION AND STORAGE LOT CONVERSION – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the 1050 S. Ways Street (Starkist) Demolition and Storage Lot Conversion Project schedule by 19 months with no additional increase in the project budget of \$13,154,445.

The Engineering Division recommends adding 16 months to the design schedule to allow for delays due to rebid of the construction contract and 3 months to the construction schedule due to addition of the Berths 208-209 CFS Building Demolition to the construction package. The project will be bid as a single construction package, which includes this project, South Seaside Avenue Storm Drain Restoration, Southwest Marine Administration Building Demolition and Pavement Improvements, 1025 S. Seaside Demolition and Conversion, and Berths 208-209 CFS Building Demolition. The new completion date is October 31, 2026.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$2,500,000**1025 SOUTH SEASIDE AVE – DEMOLITION AND LOT CONVERSION – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the 1025 South Seaside Ave - Demolition and Storage Lot Conversion Project schedule by 19 months with no additional increase in the project budget.

The Engineering Division recommends adding 16 months to the design schedule to allow for delays due to rebidding the construction contract and three months to the construction schedule due to adding the Berths 208-209 CFS Building Demolition to the construction package. The project will be bid as one construction package, which includes this project, 1050 S. Ways Street (Starkist) Demolition and Storage Lot Conversion, South Seaside Avenue Storm Drain Restoration, Southwest Marine Administration Building Demolition and Pavement Improvements, and Berths 208-209 CFS Building Demolition. The new completion date is October 31, 2026.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$8,300,000**BERTHS 208-209 CFS BUILDING DEMOLITION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berths 208-209 CFS Building Demolition project schedule by seven months with no additional increase in the project budget of \$8,300,000.

The Engineering Division recommends adding one month to the design schedule and six months to the construction schedule to incorporate the project into the Terminal Island Facilities Demolition and Improvements construction package, which is being rebid. The project will be bid as one construction package, which includes this project, 1050 S. Ways Street (Starkist) Demolition and Storage Lot Conversion, South Seaside Avenue Storm Drain Restoration, Southwest Marine Administration Building Demolition and Pavement Improvements, and 1025 S. Seaside Demolition and Conversion. The new completion date is October 31, 2026.

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**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)**

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)**

Subtotal Projects Under \$100,000 **\$ (263,000)**

Balance as of August 31, 2024

\$ 14,737,000

CIP Status Report

COMPLETED PROJECTS

Sorted By: Project Number

Actuals Thru: July 2024

Where Construction Finish Date is: >= 8/1/2024 <= 8/31/2024

Expend. Org.	Project Title	Project Manager	Status	Projected Cost	Design			Construction			Percent Design Complete	Percent Const. Complete	Pre-A500				
					Start	Baseline	Finish	Start	Baseline	Finish							

Grand Total: \$0











Audit Committee Report Packet September 2024

Final Audit Report

2024-09-11


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