



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: JANUARY 12, 2026

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: JANUARY 2026 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its January 2026 meeting. The PDC met on January 7, 2026, to consider twelve project items. The committee held an ad hoc meeting on December 15, 2025, to consider two urgent items, which are included in the January 2026 meeting minutes, for a total of fourteen 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 – Seven items were submitted and approved.
- 2) Budget/Schedule/Scope change – Four items were submitted and approved.
- 3) New project – Three items were submitted. One was approved, one was deferred, and no action was taken on another.

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:

- 10 PDC-approved projects totaling \$2,032,387
- 8 projects under \$100,000 totaling \$619,500

As of December 31, 2025, the remaining balance is \$11,348,113.

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: January 2026 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2025/2026

Transmittal 3: CIP Status Report – Completed Projects

DAZ

DAZ/mz

BUDGET CHANGE

SUBJECT ORIGINAL PROJECT COST \$76,600,000

WILMINGTON WATERFRONT-AVALON PEDESTRIAN BRIDGE AND PROMENADE GATEWAY - BUDGET INCREASE

SUMMARY

Staff requests approval to increase the approved project total for the Avalon Pedestrian Bridge and Promenade Gateway.

The Engineering Division recommends increasing the budget by \$75,775,000 from \$76,600,000 to \$152,375,000 to account for higher bids than anticipated and an increase in soft costs. There is no change to the current schedule. The completion date is August 31, 2028. This project has been awarded three grants for a total of \$57,287,400.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT ORIGINAL PROJECT COST \$57,300,000

BERTHS 49-51 OUTER HARBOR CRUISE DEVELOPMENT PROJECT – BUDGET AND SCHEDULE CHANGES

SUMMARY

Staff requests approval for a cost increase and schedule change to Berths 49-51 Outer Harbor Cruise Development project.

The revised budget is increased by \$23,100,000 from \$57,300,000 to a new project budget of \$80,400,000. This increase is due to receiving construction bids on November 20, 2025. The apparent lowest bidder was close to the Engineering's Estimate value, but both were higher than the approved construction budget. Cost increases are a result of updated design elements, escalation, inflation, uncertainties with tariffs and costs within the industry, long lead items, and specialty design elements. Additional budget is required for in-house and consultant resources for construction management and to include a 10% contingency added to the construction contract.

The revised schedule is increased by nine months to a new completion date of December 31, 2028. The increased time is due to delays in advertising and adding more time to the construction contract to account for long lead items and closing the construction site during LA28 activities.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$175,000**NEW FIBER OPTIC LINES FROM PORT OF LOS ANGELES HARBOR ADMINISTRATION BUILDING (HAB) TO 110 FREEWAY ON/OFF RAMP - BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for cost increase, and schedule change to the New Fiber Optic Lines from Port of Los Angeles Harbor Administration Building (HAB) to 110 Freeway On/Off Ramp Design.

The revised budget is increased by \$42,000 from \$175,000 to a new project budget of \$217,000. The budget increase is due to current contractor installation pricing. The revised design schedule is increased by two months with no change of completion date of December 31, 2026.

The total project cost is \$217,000 and the project will be completed by December 31, 2026.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT**SUBJECT****ORIGINAL PROJECT COST** \$400,000**PORT POLICE FOUR-LEGGED TRACKLESS ROBOT PURCHASE – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to purchase a four-legged, track-less robot. The proposed project would replace an existing robot that has reached the end of its service life.

The total project cost is \$400,000 and be completed by June 30, 2026.

PDC ACTION No Action Taken

COMMENT

SUBJECT**ORIGINAL PROJECT COST** \$600,000**BERTHS 91-93 CRUISE TERMINAL MOORING AND BERTHING IMPROVEMENTS PRELIMINARY ENGINEERING – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to study the existing mooring bollards and berthing fenders at the Berths 91-93 Cruise Terminal and consider various options to install additional mooring bollards and fenders required to accommodate existing and future cruise vessels.

The total project cost to perform preliminary engineering to verify total project scope and cost is \$600,000 and the project completion date is December 31, 2026. After completion of preliminary engineering, Engineering will return to the Project Development Committee to request approval of the full project scope, cost, and schedule.

PDC ACTION Approved

COMMENT Committee voted for the project budget not to exceed \$600,000.

SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$1,225,000**B. 93 – GANTRY REMOVAL & ROOF REPAIR - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the B. 93 – Gantry Removal & Roof Repair project schedule by 14 months with no increase to the budget.

The Construction & Maintenance Division recommends adding 14 months to the schedule to avoid duplicating work and incurring unnecessary costs. The original project plan was to remove the four-inch gantry track and approximately 429 protruding steel posts all at once, but this would require significant labor hours and material expenditure due to the on-going maintenance required for the over 400 exposed roof penetrations.

The new proposed project plan includes removing the four-inch rail and posts incrementally, in coordination with the roofing crew. This method eliminates the need to maintain 429 open roof holes, reducing the labor hours and ensuring the most cost-effective approach to completing this project.

The new proposed completion date is February 28, 2027, with a total budget of \$1,225,000.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$785,000**BADGER AVENUE BRIDGE – GRATING REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Badger Avenue Bridge – Grating Replacement project schedule by 12 months with no increase to the budget.

The Construction & Maintenance Division recommends adding 12 months to the project schedule to allow for schedule coordination with concurrent projects at Badger Avenue Bridge. The scope of work will initiate when the Badger Bridge counterweights and wire ropes replacement project is completed and C&M will reuse the crane setup to complete the grating replacement.

The proposed completion date is December 31, 2026, with a total budget of \$785,000.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$4,100,000**BADGER AVENUE BRIDGE – WIRE ROPE REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Badger Avenue Bridge – Wire Rope Replacement project schedule by 12 months with no increase to the budget.

The Construction & Maintenance Division recommends adding 12 months to the schedule due to Bid & Award delays caused by inflation and concurrent project coordination. The contract has been awarded to Power Engineering Co. and the contractor has begun execution of the scope of work.

The new proposed completion date is December 31, 2026, with a total budget of \$4,100,000.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$44,832,908**BERTHS 167-169 MARINE OIL TERMINAL (MOT) IMPROVEMENTS – SCHEDULE CHANGES****SUMMARY**

Staff requests approval to extend the Berths 167-169 Marine Oil Terminal Improvements project schedule by one year and seven months with no additional increase in the project budget of \$44,832,908.

The Engineering Division recommends adding one year and seven months to the schedule to allow for delays due to post construction issues related to misaligned bolts needed to secure Shell’s topside equipment, containment curb reconstruction, installation of a new access trestle security gate, and placement of additional rip-rap slope and concrete bags. In addition, time is required for the tenant to complete their topside improvements and commission the platform for operation.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$1,500,000**BERTH 93 WORLD CRUISE CENTER – NEW ALTERNATIVE MARITIME POWER (AMP) VAULT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to add eight months to Design Schedule and seven months to the Construction Schedule for the Berth 93 World Cruise Center – New AMP Vault project with no additional increase in the budget.

The Engineering Division recommends adding eight months to the design schedule and seven months to the construction schedule to complete design work, procure new AMP Vault, and utilize the Marine Improvements Contract to construct new AMP vault. If approved by PDC, the new Design Finish date would be March 9, 2026, and the new Construction Finish date would be October 31, 2026.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$218,000**WILMINGTON WATERFRONT PARK – NEW PUMPROOM ENTRY - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Wilmington Waterfront Park – New Pumproom Entry schedule by 12 months with no increase to the budget.

The Construction & Maintenance Division recommends adding 12 months to the schedule to allow for design delays due to multiple projects occurring concurrently throughout the Port.

The proposed completion date is March 31, 2027, with no change to the budget of \$218,000.

PDC ACTION Approved

COMMENT No comment.

SUBJECT**ORIGINAL PROJECT COST** \$900,000**B. 161 – PLUMBING SHOP WORKSPACE SOLUTION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the B. 161 – Plumbing Shop Workspace Solution schedule by 12 months with no increase to the budget.

The Construction & Maintenance Division recommends adding 12 months to the schedule to allow for design delays due to multiple projects occurring concurrently throughout the Port.

The proposed completion date is December 31, 2027, with no change to the budget of \$900,000.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE, BUDGET CHANGE, SCOPE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$200,000**514 PIER A STREET – SOILS LAB CHILLER AND HEATING COIL REPLACEMENT – SCOPE, BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for additional scope, budget increase, and schedule change for the 514 Pier A Street – Soils Lab Chiller and Heating Coil Replacement project.

The additional scope work includes replacing the heating coil, and associated components, at the Soils Lab. While executing the original scope of replacing the chiller, the heating coil was identified to be leaking water with possible corrosion. Given that the Soils Lab operates in a strict, temperature-controlled environment, the HVAC system must operate optimally, and both the chiller and heating coil must be replaced.

The total new project budget is \$285,000 and the project will be completed by March 31, 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

(Budget set in July) \$ **14,000,000**

PDC Approved Projects

Falcon Street Road Repair (65000120)	\$	(10,000)
Klein Billing and Port Control Management Systems Enhancement - Phase III (65000121)	\$	(233,387)
936, 938, & 1410 Baracuda St. - Fire Sprinkler Head & Standpipe Replacement (65000141)	\$	(319,000)
B. 212-225 Yusen - Container Terminal Re-Roof (65000142)	\$	(250,000)
Pier 300 Fenix - Fire Alarm Network Fiber Replacement (65000143)	\$	(220,000)
Port of Los Angeles Digital Twin (65000159)	\$	(100,000)
Pier 500 - Request for Proposal - Labor Charges (65000160)	\$	(250,000)
Badger Ave. Bridge - Climb Cable Adjuster Replacement (65000165)	\$	(100,000)
B.93 - AMP Connector Receptacles Replacement ()	\$	(250,000)
B. 91-93 - Cruise Termnal Mooring & Berthing Improvements ()	\$	(300,000)

Subtotal PDC Approved Projects \$ **(2,032,387)**

Projects Under \$100,000

Port of Los Angeles Police Headquarters - Re-Landscape (65000138)	\$	(65,000)
Port of Los Angeles Police Headquarters - North Grill Gate Replacement (65000139)	\$	(71,000)
B. 155A - Electric Rolling Gate Installition (65000140)	\$	(99,500)
Biological Mitigation Projects (65000154)	\$	(70,000)
Harbor Admin Bldg - 4th Floor Environmental Division Workspace Reconfiguration (65000156)	\$	(55,000)
Harbor Admin Bldg - 4th Floor CFO Office (65000157)	\$	(70,000)
Earle Street Realignment - Preliminary Engineering (65000169)	\$	(99,000)
Harbor Administration Building - Lobby Doors Automated Operators Replacement (65000174)	\$	(90,000)

Subtotal Projects Under \$100,000 \$ **(619,500)**

Balance as of December 31, 2025 \$ **11,348,113**

CIP Status Report

COMPLETED PROJECTS

Sorted By: Project Number

Actuals Thru: November 2025

Where Construction Finish Date is: >= 12/1/2025 <= 12/31/2025

Expend. Org.	Project Title	Project Manager	Status	Projected Cost	Design				Percent Design Complete	Construction				Percent Const. Complete	Pre-A500
					Start		Finish			Start		Finish			
					Baseline	Projected	Baseline	Projected		Baseline	Projected	Baseline	Projected		
1029	(2566600) B. 161 - Compressed Natural Gas (CNG) Compressor Replacement	Wessel, Nate	Completed	\$805,000	06/01/21	^ 06/01/21	07/27/21	^ 07/27/21	100 %	04/16/24	^ 04/16/24	12/31/25	^ 12/31/25	100 %	
1002	(65000141) 936, 938 & 1410 Barracuda St. - Fire Sprinkler Head and Standpipe Replacement	Hazelett, Phil	Completed	\$319,000	09/22/25	^ 10/20/25	09/28/25	^ 10/26/25	100 %	10/27/25	^ 11/06/25	01/31/26	^ 12/09/25	100 %	

Grand Total: \$1,124,000









Audit Committee Report Packet January 2026

Final Audit Report

2026-01-14

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