



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: OCTOBER 9, 2025

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: OCTOBER 2025 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its October 2025 meeting. The PDC met on October 1, 2025, 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 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 – Two items were submitted and approved.
- 2) Budget/Schedule/Scope change – Four items were submitted. Two were approved and two were deferred.

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:

- 5 PDC-approved projects totaling \$562,387
- 3 projects under \$100,000 totaling \$235,500

As of September 17, 2025, the remaining balance is \$13,202,113.

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.

Signature: *Erica M. Calhoun*

Email: ecalhoun@portla.org
for

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: October 2025 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2025/2026

Transmittal 3: CIP Status Report – Completed Projects

DAZ

DAZ/mz

BUDGET CHANGE, SCHEDULE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$5,385,000**HARBOR ADMINISTRATION BUILDING-BOARD HEARING ROOM AND EXECUTIVE SESSION ROOM REMODEL – BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for cost increase, and schedule change to Harbor Administration Building Board Hearing Room and Executive Sessions Room Remodel.

The revised budget is increased by \$2,545,000 to a new project budget of \$7,930,000. The budget increase is due to unforeseen conditions, additional soft costs from rebidding the project and construction coordination, and a scope increase to include carpeting, wall panels, and reupholstery of the audience seating. The revised schedule is increased by 6 months to a new completion date of April 30, 2026.

The total project cost is \$7,930,000 and the project will be completed by April 30, 2026.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE, SCOPE CHANGE**SUBJECT****ORIGINAL PROJECT COST** \$256,000,000**BERTH 306 CONTAINER WHARF – SCOPE, BUDGET, AND SCHEDULE CHANGES****SUMMARY**

Staff requests approval for scope change, cost increase, and schedule extension to the Berth 306 Container Wharf Project based on changes in Amendment 13 of Permit Number 733, with Fenix Marine Services, effective upon approval by City Council per Sections 607 of City's Charter, and execution by the Executive Director, after approval as to form and legality by the City Attorney.

The revised budget is increased by \$101,500,000, from \$256,000,000 to a new project budget of \$357,500,000. The revised schedule is increased by 42 months to a new completion date of September 30, 2029.

The total project cost is \$357,500,000 and the project will be completed by September 30, 2029.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE, SCOPE CHANGE, TITLE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$700,000**BERTHS 57-60 WHARF RECONSTRUCTION ASSESSMENT AND PRELIMINARY ENGINEERING - SCOPE, BUDGET, SCHEDULE, AND TITLE CHANGES****SUMMARY**

Staff requests approval for additional scope, cost increase, schedule extension and a title change. The new title of the project will be Berths 57-60 Wharf Rehabilitation. This project consists of the rehabilitation of 2,550 linear feet of concrete wharf and bulkhead wall.

The additional work includes the preparation of plans, specifications, and estimates for the design and construction of improvements to restore the wharves' original load carrying capacity. These improvements will consist of performing in-kind replacements, and repair of deteriorated structural wharf components. The estimated cost increase for these wharf improvements is \$157,268,000 from \$732,000 for a new project budget of \$158,000,000. This project will utilize \$16,607,000 from a separate project transfer (WO 25006). The revised schedule increased by 71 months to a new completion date of October 31, 2030.

PDC ACTION Deferred**COMMENT** No comment.**BUDGET CHANGE, TITLE CHANGE, SCOPE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$21,725,000**SAN PEDRO WATERFRONT – B. 57 WHARF DEMOLITION, SEAWALL REPAIR, AND STREET IMPROVEMENTS – SCOPE, BUDGET, AND TITLE CHANGES****SUMMARY**

Staff requests approval for reduced scope, cost decrease, and a title change. The new title of the project will be Signal Street Improvements. Engineering previously obtained PDC approval on October 23, 2012, for the seismic retrofit of the Berth 57 warehouse shed, wharf structure and ground improvements, however, the project was put on hold.

The reduced scope of work will include the preparation of plans, specifications, and estimates for the design and construction of resurfacing of Signal Street. Engineering proposes this project remain on hold.

The revised budget will decrease by \$16,607,000 from \$21,725,000 to a new project budget of \$5,118,000. The \$16,607,000 will be utilized for the Berths 57-60 Wharf Rehabilitation (Work Order 2565800).

PDC ACTION Deferred**COMMENT** No comment.**SCHEDULE CHANGE**

SUBJECT**ORIGINAL PROJECT COST** \$6,900,000**WILMINGTON WATERFRONT PARK WEST END RESTROOM AND SITE RESTORATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Wilmington Waterfront Park West End Restroom and Site Restoration schedule by four months with no additional increase in the project budget of \$6,900,000.

The Engineering Division recommends adding four months to the schedule to allow for delays due to incorporating methane mitigation design, incorporating design changes based on field conditions, and resource availability with other priority projects. The new completion date is October 31, 2027.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$29,513,615**ORACLE ERP CLOUD MIGRATION - SCHEDULE CHANGE****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 construction finish date. The system successfully went live on October 1, 2024; however, additional time is needed to complete remaining deliverables, including bug fixes related to critical integrations and financial reports, and to process final payments tied to these items.

Extending the construction finish date will allow the Systems Implementer and the POLA project team to complete all technical, functional, and contractual obligations required for final project acceptance. If approved by PDC, the construction finish date will be extended from November 4, 2024, to February 27, 2026. This schedule change is administrative in nature and does not affect the approved project budget.

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)	\$	315,000
Pier 300 Fenix - Fire Alarm Network Fiber Replacement (65000143)	\$	(315,000)

Subtotal PDC Approved Projects **\$ (562,387)**

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 Installation (65000140)	\$	(99,500)

Subtotal Projects Under \$100,000 **\$ (235,500)**

Balance as of September 17, 2025 **\$ 13,202,113**

CIP Status Report

COMPLETED PROJECTS

Sorted By: Project Number

Actuals Thru: August 2025

Where Construction Finish Date is: >= 8/27/2025 <= 9/17/2025

Expend. Org.	Project Title	Project Manager	Status	Projected Cost	Design			Construction			Percent Const. Complete	Pre-A500	
					Start Baseline	Projected	Finish	Start Baseline	Projected	Finish			
1206	(2561700) Klein Billing and Port Pilot Systems Enhancement - Phase II	Vien, Alan	Completed	\$1,518,682	08/18/20	02/27/21	08/17/21	10/08/20	08/17/21	08/17/25	09/17/25	100 %	

Grand Total: \$1,518,682









Audit Committee Report Packet October 2025

Final Audit Report

2025-10-10

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