



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: AUGUST 6, 2025

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: AUGUST 2025 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its August 2025 meeting. The PDC met on August 6, 2025, to consider five 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. One was approved and one was deferred.
- 2) Budget/Schedule/Scope change – Three items were submitted and approved.

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:

- 2 PDC-approved projects totaling \$243,387

As of July 30, 2025, the remaining balance is \$13,756,613.

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: August 2025 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** \$300,000**CYBERSECURITY ARTIFICIAL INTELLIGENCE (AI) IMPLEMENTATION****SUMMARY**

Staff requests the Project Development Committee (PDC) approval to increase the budget for the Cybersecurity Artificial Intelligence implementation project.

Project team recommends increasing the current budget of \$300,000 by \$195,000 to a new project budget of \$495,000. This increase is based on the implementation costs included in the proposal selected through the Request for Proposal (RFP) process.

There is no change to the construction completion date of 10/30/2026.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$850,000**BERTH 172-179 FIRE WATER LINE REPLACEMENT - BUDGET AND SCHEDULE CHANGE****SUMMARY**

Staff requests approval to increase the project budget for the Berth 172-179 fire water line project and increase the design schedule by eight months for a new design finish date of August 29, 2025. The construction completion date will remain as June 30, 2026.

The Engineering Division recommends increasing the budget by \$1,000,000 from \$850,000 to \$1,850,000 to account for additional scope, rising labor and material costs, and expedited construction. The extension to the design schedule is required to incorporate the new scope, but there is no change to the project completion date of June 30, 2026.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$1,000,000**SAN PEDRO WATERFRONT – B. 57 – ALTASEA ENVIRONMENTAL ASSESSMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the AltaSea Project schedule by 41 additional months with no additional increase in the budget, to continue as-needed environmental support.

PDC ACTION Deferred**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$2,689,004**NORTH GAFFEY STREET BEAUTIFICATION PHASE II-SUPPLEMENTAL WORK – SCHEDULE CHANGES****SUMMARY**

Staff requests approval to extend the North Gaffey Street Beautification Phase II-Supplemental Work schedule by two months with no additional increase in the project budget of \$2,689,004.

The Engineering Division recommends adding two months to the schedule to allow for additional time needed to incorporate Caltrans Encroachment Permits requirements which were received during construction. The new completion date is May 31, 2026.

PDC ACTION Approved**COMMENT** No comment.**SCOPE CHANGE, BUDGET CHANGE, SCHEDULE CHANGE****SUBJECT****ORIGINAL PROJECT COST** \$889,500**CALTRANS PEDESTRIAN PATH AND PARKING RESTRIPIING (PHASE 2B) – SCOPE, BUDGET, SCHEDULE CHANGES****SUMMARY**

Staff requests approval for cost increase, schedule change, and scope change to the Caltrans Pedestrian Path and Parking Restriping (Phase 2B) project.

The revised budget is increased by \$400,000 from \$889,500 to a new project budget of \$1,289,500, to cover additional guard post, skatepark element demolition, restriping, and repaving of the Caltrans lot required by the Caltrans Encroachment Permit. The revised schedule is increased by two months to a new completion date of May 31, 2026. The scope is revised to include Caltrans Encroachment Permits requirements which were received during construction.

The total project cost is \$1,289,500 and the project will be completed by May 31, 2026.

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

Michael DiBernardo

[Michael DiBernardo \(Aug 7, 2025 08:09:41 PDT\)](#)

Michael DiBernardo
Marketing and Customer Relations

Unallocated Capital Improvement Program Fund FY 25/26

<u>(Budget set in July)</u>	\$	14,000,000
<u>PDC Approved Projects</u>		
Falcon Street Road Repair (65000120)	\$	(10,000)
Klein Billing and Port Control Management Systems Enhancement - Phase III (65000121)	\$	(233,387)
<i>Subtotal PDC Approved Projects</i>	\$	<i>(243,387)</i>
<u>Projects Under \$100,000</u>		
<i>Subtotal Projects Under \$100,000</i>	\$	-
<i>Balance as of July 30, 2025</i>	\$	13,756,613

CIP Status Report

COMPLETED PROJECTS

Sorted By: Project Number

Actuals Thru: June 2025

Where Construction Finish Date is: >= 6/26/2025 <= 7/30/2025

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		
1187	(2538900) B. 177-178 - Wharf Restoration	Ragusa, Angela	Completed	\$25,155,000	11/08/17	^ 11/08/17	03/13/23	^ 03/13/23	100%	11/06/23	^ 11/06/23	05/31/25	^ 06/30/25	100%	
1179	(2542100) Port Police - 700 MHz Radio System - Phase II	Cummings, Geor	Completed	\$14,934,009	10/31/16	^ 10/31/16	02/28/20	^ 02/28/20	100%	05/01/20	^ 05/01/20	06/30/25	^ 06/30/25	100%	
1002	(2565900) B. 153-155 - Wharf Reconstruction Assessment and Preliminary Engineering	Chang, Evelyn	Completed	\$1,255,000	01/07/21	^ 01/07/21	06/30/25	07/30/25	100%	06/30/25	07/30/25	06/30/25	07/30/25	N/A	
1207	(2567900) B. 91-92 - Passenger Terminal - Roof Replacement	Reeser, Kenneth	Completed	\$2,811,000	10/15/21	^ 10/15/21	10/15/21	^ 10/15/21	N/A	07/24/23	^ 07/24/23	05/31/25	^ 06/30/25	100%	
1169	(2576200) San Pedro Waterfront - Gateway Fanfare Fountain Water Treatment System - Design Only	Hazelett, Phil	Completed	\$61,000	07/30/23	^ 07/30/23	09/15/23	07/09/25	100%	10/14/23	07/09/25	11/17/23	07/09/25	N/A	
1002	(2580300) Port-Wide - HMP Light Fixture LED Upgrade	Warren, Lee	Completed	\$210,000	04/07/24	^ 04/07/24	04/07/24	^ 04/07/24	N/A	09/03/24	^ 09/03/24	06/30/25	^ 07/09/25	100%	
1002	(2582100) Port-Wide - Tubular Barrier Gates Installation	Hazelett, Phil	Completed	\$90,000	09/15/24	^ 09/15/24	09/15/24	^ 09/15/24	N/A	01/16/25	^ 01/16/25	05/28/25	^ 07/15/25	100%	

Grand Total: \$44,516,009












Audit Committee Report Packet August 2025

Final Audit Report

2025-08-07

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