



**LOS ANGELES BOARD OF
HARBOR COMMISSIONERS**

Harbor Administration Building
425 S. Palos Verdes Street
San Pedro, California 90731

**AUDIT COMMITTEE
THURSDAY, NOVEMBER 16, 2023 - NO SOONER THAN 12:00 PM
IMMEDIATELY FOLLOWS THE ADJOURNMENT OF THE REGULAR BOARD MEETING
HARBOR ADMINISTRATION BUILDING, BOARD ROOM**

Audit Committee Members

Commissioner Edward R. Renwick (Chair)
Commissioner I. Lee Williams

**OPPORTUNITIES FOR THE PUBLIC TO ATTEND THE MEETING
AND PROVIDE PUBLIC COMMENTS**

- Members of the public may attend the Audit Committee meeting in person at the Harbor Administration Building located at 425 S. Palos Verdes St., San Pedro, CA 90731.
- In-Person Comments: Live, oral public comments will be taken in person, only, and not via teleconference. Members of the public will be given an opportunity to address the Audit Committee on (1) any item on the Audit Committee agendas prior to the Committee's consideration of that item; and (2) subjects within the subject matter jurisdiction of the Audit Committee (general public comment). Members of the public who wish to speak should complete a speaker card indicating the agenda item number on which they will comment, or designate "general public comment." Each speaker is allowed to speak up to 3 minutes per agenda item. The Presiding Officer shall, however, exercise discretion to determine if such period of time should be reduced or extended based upon, but not limited to, such factors as the length of the agenda or substance of the agenda items, the quantity of public comment speaker cards submitted, the need for the Committee to conclude its business as expeditiously as is practicable and/or the Committee is at risk of losing a quorum, among other factors. Upon request, non-English speakers will be granted additional speaking time for translation assistance.
- Written comments or materials may be submitted by emailing commissioners@portla.org or brought to the meeting. If you request to distribute documents to the full Committee, please present the Board Secretary with five (5) copies. Otherwise, your materials will simply be added to the official meeting record. All written comments or materials submitted for this meeting will be provided to the Audit Committee. Please submit your written comments prior to 3:00pm on the day before the scheduled meeting.
- ***Para sumetir su comentario en español, se puede enviar a nuestro correo electrónico: commissioners@portla.org, un día antes de la junta, o puede llamar a nuestra Oficina de Comisionados al (310) 732-3444 para grabar su mensaje. Alguien de nuestra oficina estará disponible para traducir su comentario en inglés y entregarlo a los Comisionados del Puerto.***

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ADDITIONAL INFORMATION

- Please note that this agenda is subject to revision in accordance with the Brown Act. In the event the agenda is revised prior to the meeting, Port staff will post the revised agenda on the Port's web site (www.portoflosangeles.org). Updated agendas will also be available at the meeting.
- Notice to Paid Representatives: If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code 48.01 et seq. More information is available at ethics.lacity.org/lobbying. For assistance, please contact the Ethics Commission at (213) 978-1960 or ethics.commission@lacity.org.
- As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities. Sign language interpreters, assistive listening devices, and translation services may be provided. To ensure availability, 72-hour advance notice is required.
- If you have any questions regarding meeting procedures, please contact the Harbor Commission Office prior to the meeting at (310) 732-3444.

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ORDER OF BUSINESS

A. Roll Call

B. Comments from the Public on Non-Agenda Items

C. Regular Items

1. Report of the Internal Auditor
 - 1a) Internal Audit Status
 - 1b) Prior Audit Recommendations
 - 1c) Audit Work in Progress
 - 1d) Audit Plan Update
 - 1e) Audits Mapped for FY24

[2. Salvaged Items – Fiscal Year 2023-2023](#)

[3. Capital Improvement Program Report – November 2023](#)

4. Project Development Committee Report

[4a\) September 2023](#)

[4b\) October 2023](#)

[4c\) November 2023](#)

5. Financial Performance Report

[5a\) August 2023](#)

[5b\) September 2023](#)

[5c\) FY 2023](#)

D. Adjournment

2. Salvaged Items – Fiscal Year 2023-2023



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATIONAL PURPOSES ONLY

DATE: SEPTEMBER 7, 2023

TO: AUDIT COMMITTEE OF THE BOARD OF HARBOR COMMISSIONERS

SUBJECT: SALVAGED ITEMS - FISCAL YEAR 2022-2023

In June 2016, the Board of Harbor Commissioners (Board) adopted the new Harbor Department Salvage Policy – Resolution 16-7959. The policy grants the Director of Contracts and Purchasing (Purchasing Agent) the authority to determine what personal property is no longer required and how to salvage that property. Any item valued at more than one million dollars will require the Board to approve of that item's disposition.

Section 5 of the policy directs the Purchasing Agent to prepare a report for the Board listing the items salvaged and the funds received for those salvaged items by the Harbor Department. Below is the summary of returns for the prior three Fiscal Years:

| FISCAL YEAR | AMOUNT |
|-------------|--------------|
| 19/20 | \$591,581.46 |
| 20/21 | \$23,923.65 |
| 21/22 | \$217,681.67 |

For Fiscal Year 2022-23, salvaged items provided a net return of \$188,805.80 to the Harbor Department. Transmittal 1 provides the information on salvaged items for the period of July 1, 2022 through June 30, 2023.

MARLA BLEAVINS
Deputy Executive Director & Chief Financial Officer

Attachment:
Transmittal 1: Salvaged Items - FY 2022-23

Tricia Carey/TC/CPD

Harbor Department Salvage Report: FY 2022-23

| Asset Salvaged | Asset # | Receipt Date | Receipt Amount |
|---|---------|--------------|----------------------|
| 2004 Ford F350 Pickup Truck | 264-60 | 9/15/2022 | \$7,680.00 |
| 2008 Ford F350 Utility Truck | 278-44 | 9/15/2022 | \$5,040.00 |
| 2013 Boulder Electric Truck Extended-Cab Stake Truck | 2601006 | 9/15/2022 | \$1,824.00 |
| 2002 GMC C642 Flatbed/Spray Truck | 264-38 | 9/15/2022 | \$2,400.00 |
| 1984 Ziemann 1170 Trailer T/A Tagalong Trailer | 259-32 | 9/15/2022 | \$2,112.00 |
| 2006 Magnum Products MLT4080 Portable Light Tower | 268-38 | 9/15/2022 | \$1,248.00 |
| 1998 Essick V-303EH Walk-Behind Roller | 259-35 | 9/15/2022 | \$240.00 |
| Seabotix-Remotely Operated Vehicles Accessories and Parts | | 9/15/2022 | \$1,344.00 |
| Freemotion Treadmill | | 9/15/2022 | \$4.80 |
| 2015 Ford Explorer 4-Door Sport Utility Vehicle | 2727900 | 9/15/2022 | \$3,600.00 |
| 2015 Ford Explorer 4-Door Sport Utility Vehicle | 2726500 | 9/15/2022 | \$4,320.00 |
| 2015 Ford Explorer 4x4 4-Door Sport Utility Vehicle | 2726400 | 9/15/2022 | \$2,688.00 |
| 2007 Dodge Sprinter 3500 Dually Cargo Van | 268-77 | 11/21/2022 | \$21,120.00 |
| 2006 Ford F450 Mechanics Service Truck | 268-55 | 11/21/2022 | \$9,983.00 |
| 2012 Ford F350 Crew-Cab Pickup Truck | 278-97 | 11/21/2022 | \$11,040.00 |
| Elliot ECH-3-57-NA, 750 Lb 57 ft, Sign Crane Platform Lift | 262-67 | 11/21/2022 | \$14,880.00 |
| Terex BT2057, 10-Ton Hydraulic Crane | 268-22 | 11/21/2022 | \$9,430.00 |
| 1999 Genie S-60/2WD, 60 ft. Self-Propelled Telescopic Manlift | 252-71 | 11/21/2022 | \$7,200.00 |
| 1979 Unimosco 9500 Paint Sprayer | 260-88 | 11/21/2022 | \$288.00 |
| 1973 SPCNS Utility Trailer | 257-99 | 11/21/2022 | \$48.00 |
| 2008 Magnum Products Portable Light Tower | 269-41 | 11/21/2022 | \$624.00 |
| 1997 Viking Mower Lawn Mower | 218-37 | 11/21/2022 | \$48.00 |
| 2009 Ford Crown Victoria Police Interceptor 4-Door Sedan | 271-76 | 11/21/2022 | \$2,873.00 |
| 2011 Ford Crown Victoria Police Interceptor 4-Door Sedan | 2724200 | 11/21/2022 | \$2,738.00 |
| 2011 Chevrolet Tahoe 4x4 4-Door Sport Utility Vehicle | 272-09 | 11/21/2022 | \$6,350.00 |
| 2008 Ford E350 Cargo Van | 268-83 | 11/21/2022 | \$3,360.00 |
| 2015 Ford Explorer AWD Police Interceptor Sport Utility Vehicle | 2726800 | 11/21/2022 | \$816.00 |
| 2012 Ford Escape Hybrid 4-Door Sport Utility Vehicle | 251-31 | 11/21/2022 | \$1,824.00 |
| 2009 Ford F350 Crew-Cab Pickup Truck | 278-59 | 12/8/2022 | \$12,803.00 |
| Carson Trailer Tagalong Utility Trailer | 262-77 | 12/8/2022 | \$1,152.00 |
| 2009 Lazer Riding Mower Lawn Mower | 269-99 | 12/8/2022 | \$144.00 |
| 2009 Ford F350 Crew-Cab Pickup Truck | 278-57 | 12/8/2022 | \$6,240.00 |
| 2002 MGS Inc Generator | 269-75 | 2/16/2023 | \$10,080.00 |
| 2003 Carson Trailer T/A Enclosed Trailer | 262-79 | 2/16/2023 | \$1,728.00 |
| Miller Bobcat 225 Gas Powered Welder | 263-52 | 2/16/2023 | \$912.00 |
| Miller Bobcat 225 Gas Powered Welder | 269-48 | 2/16/2023 | \$1,056.00 |
| Miller Trailblazer 302 Air Pack Gas Powered Welder | 260120 | 2/16/2023 | \$4,608.00 |
| Miller Bobcat 225 Gas Powered Welder | 277-94 | 2/16/2023 | \$768.00 |
| Miller Big Blue 500p Diesel Powered Welder | 269-34 | 2/16/2023 | \$2,016.00 |
| 1 Pallet of one John bean wheel balancer (Used) | | 2/16/2023 | \$115.00 |
| 2003 GMC C3500 Service Truck | 264-46 | 5/11/2023 | \$4,654.00 |
| 2011 Tennant Sweeper | 286-21 | 6/8/2023 | \$4,800.00 |
| 2015 Ford Explorer AWD Police Interceptor | 2726300 | 6/8/2023 | \$672.00 |
| 2007 Willard Seaforce Air Boat | 266-34 | 6/15/2023 | \$11,839.00 |
| 2007 Trail-Rite Boat Trailer | 271-43 | 6/15/2023 | \$96.00 |
| TOTAL | | | \$ 188,805.80 |

3. Capital Improvement Program Report – November 2023



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

DATE: NOVEMBER 16, 2023
TO: AUDIT COMMITTEE OF THE BOARD OF HARBOR COMMISSIONERS
SUBJECT: CAPITAL IMPROVEMENT PROGRAM REPORT

The following items are transmitted to the Audit Committee:

1. Fiscal Year 2023/2024 CIP Budget to Actual Expenditure Report– This document compares Fiscal Year 2022/2023 CIP budget to actual expenditures through September 2023.
2. November 2023 CIP Status Report – This document lists current CIP projects, project status, design and construction finish dates, budget, budget and schedule trends, project budget spent to date, percent of project budget spent to date, and comments.

A handwritten signature in blue ink that reads 'Mark Bleavin' with 'FUL' written in small letters to the right.

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: Fiscal Year 2023/2024 CIP Budget to Actual Expenditure Report

Transmittal 2: November 2023 CIP Status Report (Actuals thru September 2023)

Author: Chris Brown *for*
Chief Harbor Engineer

Fiscal Year 2023/2024 CIP Budget to Actual Expenditure Report

| | | <u>Budget</u> | <u>Actuals Thru</u> <u>September 2023</u> | <u>Percentage Spent</u> |
|------------------------------|----|---------------|--|-------------------------|
| <u>In-House Labor</u> | | | | |
| Engineering | \$ | 10,843,797 | \$ 1,800,739 | 16.6% |
| Construction | \$ | 7,719,258 | \$ 1,799,507 | 23.3% |
| Environmental | \$ | 492,900 | \$ 50,287 | 10.2% |
| Const. and Maint. | \$ | 1,674,244 | \$ 269,468 | 16.1% |
| <u>Consultants</u> | | | | |
| Design Services | \$ | 12,957,298 | \$ 363,864 | 2.8% |
| Env. Services | \$ | 6,248,409 | \$ 1,738,723 | 27.8% |
| Construction Mgmt. | \$ | 8,655,564 | \$ 474,435 | 5.5% |
| Misc. Prof Services | \$ | 1,084,206 | \$ 142,855 | 13.2% |
| <u>Construction</u> | \$ | 115,836,757 | \$ 14,691,336 | 12.7% |
| <u>Miscellaneous</u> | | | | |
| Materials/Equipment | \$ | 13,858,933 | \$ 1,348,724 | 9.7% |
| Other | \$ | 37,146,930 | \$ 3,722,758 | 10.0% |
| <u>Grand Total</u> | \$ | 216,518,295 | \$ 26,402,694 | 12.2% |
| Time Elapsed | | | | 25.0% |

Summary of Audit Committee Status Report

| | | | |
|--|-----------------|---|-----|
| A: Total No. of CIP Projects | 140 | | |
| B: Total Value of CIP Projects | \$2,040,645,444 | | |
| C: Number of projects on hold | 8 | ● | 6% |
| D: Total dollar value of projects on hold | \$56,288,770 | | |
| E: Total spent to date on projects on hold | \$9,207,770 | | 16% |
| F: Number of "ACTIVE" Projects (A-C) | 132 | | |
| G: Total dollar value of "ACTIVE" projects (B-D) | \$1,984,356,674 | | |

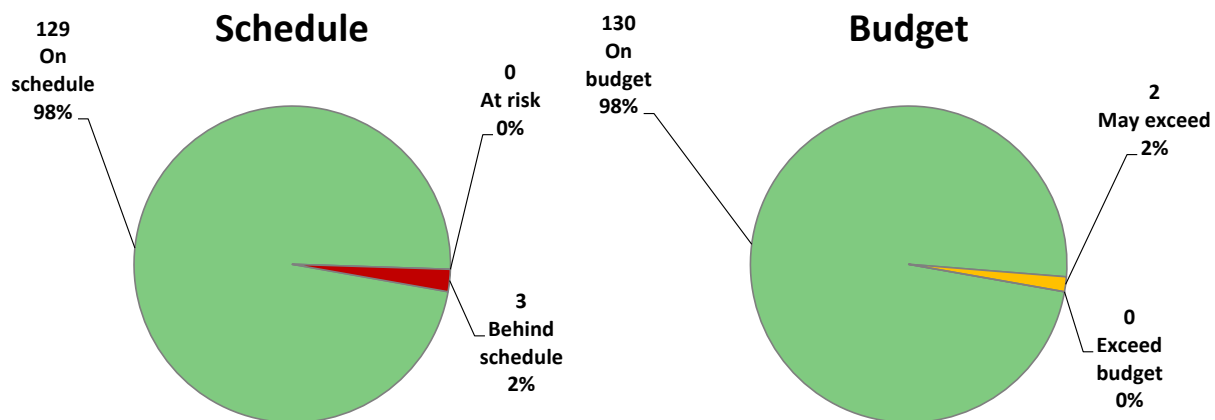
Schedule

| | | | |
|--|-----------------|---|------|
| H: Number of projects on schedule | 129 | ✓ | 98% |
| I: Number of projects at risk of falling behind schedule | 0 | ! | 0% |
| J: Number of projects behind schedule | 3 | ✗ | 2% |
| K: Total dollar value of projects on schedule | \$1,982,045,024 | | 100% |

Budget

| | | | |
|---|-----------------|---|------|
| L: Number of projects on budget | 130 | ✓ | 98% |
| M: Number of projects which may exceed budget | 2 | ! | 2% |
| N: Number of projects requiring budget adjustment | 0 | ✗ | 0% |
| O: Total dollar value of projects on budget | \$1,982,657,674 | | 100% |

The Engineering Division is currently tracking a total of 140 Capital projects representing over \$2 Billion in total project value. 8 projects are currently on hold leaving 132 active projects. From a budget perspective, 130 projects, or roughly 98% of all active projects, are currently tracking on budget.



The 3 projects that are either behind schedule or at risk of falling behind schedule include:

- 1) R. B. 197 Site Improvement project is under review and will need PDC action to adjust the schedule. (09/23)
- 2) PMA-ILWU Local 13 Dispatch Hall Surplus Parking Lot Improvements project is under review and needs PDC action to adjust the schedule. (09/23)
- 3) Navy Way/Seaside Ave Street Lighting Fixture Replacement project is under review and will need PDC action to adjust the schedule.

The 2 project that is either over budget or at risk of being over budget include:

- 1) R. B. 197 Site Improvement project is under review and may need PDC action to adjust the budget.
- 2) PMA-ILWU Local 13 Dispatch Hall Surplus Parking Lot Improvements project is under review and may need PDC action to adjust the budget. (09/23)

New Entries Shaded

Projects Completed Since Last Report:

| | |
|--|-------------|
| 1) B. 93 - Vehicular Ramp Fire Sprinkler System Upgrade Project | \$200,000 |
| 2) Everport Mitigation Cultural Resource Investigation Project | \$340,000 |
| 3) B. 302-305 - Crane Switchgear Modernization Project | \$1,975,000 |
| 4) B. 240 - Gates for Southwest Marine Street Fence Line Project | \$45,425 |
| 5) Terminal Way and Barracuda Street Removal of Abandoned Railroad | \$400,000 |
| 6) Wilmington Waterfront Park - Barrier Swing Gates | \$225,000 |
| 7) Harbor Administration Building - Fifth Floor Office Enclosure | \$56,000 |

| | |
|---------------|--------------------|
| Totals | \$3,241,425 |
|---------------|--------------------|

New Work Orders Opened Since Last Report:

| | |
|--|-------------|
| 1) B. 91 - Security Access Installation Project | \$17,900 |
| 2) New Dock Street Traffic Calming Improvements Project | \$220,000 |
| 3) Port Police Dive Boat Purchase Project | \$4,500,000 |
| 4) B. 136-139 - Alternative Marine Power (AMP) Box Heaters Project | \$95,000 |
| 5) 272 S. Fries Ave - Capital Projects Building Fire Alarm Replacement | \$396,000 |
| 6) 514 Pier A Street - Soils Lab Chiller Replacement Project | \$167,386 |
| 7) B. 58-60 - AltaSea Warehouse and Site Improvements Project | \$6,000,000 |
| 8) Port-wide Fire Alarm Mass Notification System Upgrade Project | \$400,000 |

**Audit Committee Status Report
(Actuals Thru: September 2023)**

| Project Title | Project Status | Design Finish | Percent Design Complete | Constr. Finish | Percent Constr. Complete | Sched. Trend | No. of PDC Revs. | Projected Cost | Spent To Date | Percent Spent To Date | Budg. Trend | No. of PDC Revs. | Comments |
|---|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|---------------------|--------------------|-----------------------|-------------|------------------|------------------|
| I. Terminals | | | | | | | | | | | | | |
| Cruise Terminals | | | | | | | | | | | | | |
| A. Berth 90-93 - World Cruise Center | | | | | | | | | | | | | |
| 1. B. 93 - Elevator No. 2 Renovation (2565200) | Construction | | N/A | 05/01/24 | 3% | ✓ | 4 | \$334,000 | \$76,728 | 23% | ✓ | 2 | |
| 2. B. 91-93 - Passenger Terminal Mobile Gangways Hydraulic Cylinder Replacement (2565300) | Construction | | N/A | 12/31/24 | 20% | ✓ | 2 | \$1,973,000 | \$1,132,529 | 57% | ✓ | 2 | |
| 3. B. 93 A & B - World Cruise Center Photovoltaic System Inverter Replacement (2565600) | Hold | 03/31/23 | 10% | 12/31/23 | 0% | ● | 2 | \$415,000 | \$20,482 | 5% | ● | | |
| 4. B. 91-92 - Passenger Terminal - Roof Replacement (2567900) | Construction | | N/A | 01/02/25 | 15% | ✓ | 1 | \$2,811,000 | \$365,958 | 13% | ✓ | 1 | |
| 5. B. 93 - Escalator No. 3 Modernization (2569100) | Construction | 07/03/22 | 100% | 05/05/24 | 1% | ✓ | 2 | \$512,837 | \$70 | 0% | ✓ | 1 | |
| 6. B. 93 - Escalator Nos 1 & 2 Renovation (2571700) | Construction | 01/31/23 | 100% | 05/01/24 | 1% | ✓ | 1 | \$1,369,985 | \$0 | 0% | ✓ | | |
| 7. B. 91-92 - Passenger Terminal Pedestrian Deck Coating (2572000) | Construction | | N/A | 02/29/24 | 55% | ✓ | | \$2,450,000 | \$2,129,828 | 87% | ✓ | | |
| 8. B. 93 - Escalator Nos. 4 & 5 Modernization (2572100) | Bid (Adv.) and Award | 10/12/22 | 100% | 05/01/24 | 0% | ✓ | 1 | \$1,410,000 | \$0 | 0% | ✓ | 1 | |
| 10. B. 93 - Vehicular Ramp Fire Sprinkler System Upgrade (2573600) | Complete | 01/20/23 | 100% | 09/25/23 | 100% | ✓ | | \$200,000 | \$188,182 | 94% | ✓ | | Project Complete |
| 11. B. 90-93 - Cruise Terminal Miscellaneous Items Replacement (2575400) | Bid (Adv.) and Award | | N/A | 12/30/23 | 0% | ✓ | | \$35,000 | \$0 | 0% | ✓ | | |
| 12. B. 93 A & B - World Cruise Center - Photovoltaic System Repair (2023) (2575500) | Bid (Adv.) and Award | 06/30/23 | 100% | 12/30/23 | 0% | ✓ | | \$20,000 | \$127 | 1% | ✓ | | |
| 13. B. 93 - Vehicular Ramp Corrosion Mitigation (2575800) | Design | 11/27/23 | 5% | 05/30/25 | 0% | ✓ | | \$732,000 | \$3,671 | 1% | ✓ | | |
| 14. B. 91 - Security Access Installation (2577800) | Planning | | N/A | 12/10/23 | 0% | ✓ | | \$17,900 | \$0 | 0% | ✓ | | New Work Order |
| BERTH 90-93 - WORLD CRUISE CENTER TOTAL | | | | | | | | \$12,280,722 | \$3,917,575 | 32% | | | |
| B. Berth 45-53 - Outer Harbor Cruise Facility | | | | | | | | | | | | | |
| 1. B. 49-51 Outer Harbor Cruise Terminal Development (2559900) | Design | 12/31/24 | 75% | 06/30/27 | 0% | ✓ | 3 | \$53,000,000 | \$1,169,164 | 2% | ✓ | 1 | |
| 2. B. 52-53 - S.S. Lane Victory Relocation (2570300) | Construction | 03/06/22 | 100% | 12/31/23 | 50% | ✓ | 1 | \$635,000 | \$485,122 | 76% | ✓ | 1 | |
| BERTH 45-53 - OUTER HARBOR CRUISE FACILITY TOTAL | | | | | | | | \$53,635,000 | \$1,654,286 | 3% | | | |
| CRUISE TERMINALS TOTAL | | | | | | | | \$65,915,722 | \$5,571,861 | 8% | | | |

Audit Committee Status Report
(Actuals Thru: September 2023)

| Project Title | Project Status | Design Finish | Percent Design Complete | Constr. Finish | Percent Constr. Complete | Sched. Trend | No. of PDC Revs. | Projected Cost | Spent To Date | Percent Spent To Date | Budg. Trend | No. of PDC Revs. | Comments |
|--|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|---------------------|--------------------|-----------------------|-------------|------------------|--------------------------------|
| Berth 121-131 - Yang Ming Container Terminal | | | | | | | | | | | | | |
| 1. B. 121-131 - West Basin Intermodal Container Transfer Facility (WBICTF) Expansion (2481000) | Hold | 04/10/16 | 10% | 04/10/18 | 0% | ● | 1 | \$11,100,000 | \$565,578 | 5% | ● | 1 | |
| 2. B. 121-131 - Terminal Redevelopment - Planning and Environmental (2523200) | Hold | | N/A | 06/30/24 | 60% | ● | 7 | \$5,886,770 | \$4,742,270 | 81% | ● | 9 | |
| BERTH 121-131 - YANG MING CONTAINER TERMINAL TOTAL | | | | | | | | \$16,986,770 | \$5,307,848 | 31% | | | |
| Berth 171-181 - Pasha Terminal | | | | | | | | | | | | | |
| 1. B. 177-178 - Wharf Restoration (2538900) | Bid (Adv.) and Award | 03/13/23 | 100% | 01/31/25 | 0% | ✓ | 11 | \$21,980,000 | \$1,581,943 | 7% | ✓ | 4 | |
| 2. B. 179-181 - Wharf and Bollard Repair (2543300) | Bid (Adv.) and Award | 03/13/23 | 100% | 01/31/25 | 0% | ✓ | 8 | \$2,361,438 | \$210,198 | 9% | ✓ | 3 | |
| 3. B. 176-179 - Electrical Infrastructure Improvements (2544100) | Construction | 08/31/20 | 100% | 11/30/23 | 85% | ✓ | 6 | \$7,754,000 | \$5,935,287 | 77% | ✓ | 3 | |
| 4. B. 182 - Slope Erosion Repair (2554300) | Construction | 03/13/23 | 100% | 01/31/25 | 1% | ✓ | 7 | \$2,104,780 | \$275,072 | 13% | ✓ | 3 | |
| 5. B. 179-181 - Transit Shed and Administration Building Fire Alarm & Mass Notification System (2574400) | Construction | 03/31/23 | 100% | 03/31/24 | 5% | ✓ | | \$960,000 | \$287,749 | 30% | ✓ | | |
| BERTH 171-181 - PASHA TERMINAL TOTAL | | | | | | | | \$35,160,218 | \$8,290,248 | 24% | | | |
| Berth 212-224 - YTI Container Terminal | | | | | | | | | | | | | |
| 1. B. 212-224 - Yusen Terminal - Leak Detection Expansion (2560500) | Construction | 03/31/21 | 100% | 12/31/23 | 60% | ✓ | 3 | \$500,000 | \$288,585 | 58% | ✓ | | |
| 2. B. 212-225 - Yusen Terminals (YTI) Electric E-Utility Tractor Rig (E-UTR) Chargers (2570600) | Design | 12/31/23 | 80% | 09/30/24 | 0% | ✓ | 1 | \$250,000 | \$33,876 | 14% | ✓ | | October PDC--Schedule change |
| BERTH 212-224 - YTI CONTAINER TERMINAL TOTAL | | | | | | | | \$750,000 | \$322,461 | 43% | | | |
| Berth 222-236 - Everport Terminal | | | | | | | | | | | | | |
| 5. Everport Mitigation Cultural Resource Investigation (2570100) | Completed | | N/A | 09/05/23 | 100% | ✓ | 1 | \$340,000 | \$244,760 | 72% | ✓ | 1 | Project Complete |
| BERTH 222-236 - EVERPORT TERMINAL TOTAL | | | | | | | | \$340,000 | \$244,760 | 72% | | | |
| Berth 300-306 - Fenix Terminal | | | | | | | | | | | | | |
| 1. B. 302-305 - Crane Switchgear Modernization (2552900) | Completed | 02/28/19 | 100% | 07/31/23 | 100% | ✓ | 2 | \$1,975,000 | \$1,422,702 | 72% | ✓ | 1 | Project Complete |
| 2. B. 302-305 On-Dock Railyard Expansion (2562200) | Design | 06/30/24 | 90% | 12/31/26 | 0% | ✓ | 3 | \$52,355,000 | \$2,495,012 | 5% | ✓ | 1 | |
| 3. B. 306 - Container Wharf (2570900) | Design | 03/31/24 | 80% | 03/31/26 | 0% | ✓ | 2 | \$256,000,000 | \$1,961,826 | 1% | ✓ | 1 | September PDC--Schedule change |

**Audit Committee Status Report
(Actuals Thru: September 2023)**

| Project Title | Project Status | Design Finish | Percent Design Complete | Constr. Finish | Percent Constr. Complete | Sched. Trend | No. of PDC Revs. | Projected Cost | Spent To Date | Percent Spent To Date | Budg. Trend | No. of PDC Revs. | Comments |
|--|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|----------------------|---------------------|-----------------------|-------------|------------------|---|
| 4. B. 302-305 RMG Crane Rail and Foundation (2571600) | Design | 06/30/24 | 80% | 12/31/26 | 0% | ✓ | 1 | \$38,700,000 | \$773,927 | 2% | ✓ | | |
| BERTH 300-306 - FENIX TERMINAL TOTAL | | | | | | | | \$349,030,000 | \$6,653,466 | 2% | | | |
| Berth 400-409 - APMT Terminal | | | | | | | | | | | | | |
| 1. Pier 400 - Corridor Storage Tracks Expansion (2543500) | Construction | 12/31/20 | 100% | 05/05/24 | 50% | ✓ | 5 | \$73,211,625 | \$49,802,253 | 68% | ✓ | 4 | |
| BERTH 400-409 - APMT TERMINAL TOTAL | | | | | | | | \$73,211,625 | \$49,802,253 | 68% | | | |
| Motems | | | | | | | | | | | | | |
| 1. B. 238-239 - MOTEMS - PBF Energy (2489900) | Bid (Adv.) and Award | 03/13/23 | 100% | 12/03/26 | 0% | ✓ | 12 | \$35,001,031 | \$5,372,862 | 15% | ✓ | 3 | |
| 2. B. 167-169 - MOTEMS - Shell (2493600) | Construction | 10/06/20 | 100% | 01/31/24 | 90% | ✓ | 7 | \$44,832,908 | \$28,011,196 | 62% | ✓ | 3 | |
| 3. B. 163 - MOTEMS - NuStar (2493700) | Design | 01/31/28 | 1% | | N/A | ✓ | 4 | \$2,440,446 | \$1,540,446 | 63% | ✓ | 2 | |
| 4. B. 150-151 - MOTEMS - Phillips 66 (2493800) | Design | 01/31/28 | 10% | | N/A | ✓ | 4 | \$3,630,929 | \$2,730,929 | 75% | ✓ | 2 | |
| 5. B. 164 - MOTEMS - Valero (2493900) | Design | 01/31/28 | 1% | | N/A | ✓ | 6 | \$4,804,888 | \$3,904,888 | 81% | ✓ | 3 | |
| 6. B. 187-190 - MOTEMS - Vopak (2494000) | Design | 01/31/28 | 1% | | N/A | ✓ | 2 | \$4,188,944 | \$3,288,944 | 79% | ✓ | 2 | |
| 7. B. 187-190 - MOTEMS - Vopak Environmental Assessment (2563300) | Environmental | | N/A | 12/31/23 | 30% | ✓ | 2 | \$375,000 | \$182,343 | 49% | ✓ | 1 | |
| MOTEMS TOTAL | | | | | | | | \$95,274,146 | \$45,031,608 | 47% | | | |
| Miscellaneous Terminal Improvements | | | | | | | | | | | | | |
| 2. R.B. 147-156 - Sanitary Sewer Rehabilitation (2548200) | Construction | 04/30/23 | 100% | 12/31/23 | 5% | ✓ | 2 | \$735,000 | \$88,218 | 12% | ✓ | 1 | |
| 3. B. 57-60 - Wharf Reconstruction Assessment and Preliminary Engineering (2565800) | Design | 05/31/24 | 1% | | N/A | ✓ | 3 | \$700,000 | \$80,161 | 11% | ✓ | 1 | |
| 4. B. 153-155 - Wharf Repair (2565900) | Design | 07/29/24 | 1% | | N/A | ✓ | 2 | \$580,000 | \$34,253 | 6% | ✓ | | |
| 5. Southwest Marine Administration Building Demolition and Pavement Improvements (2566100) | Bid (Adv.) and Award | 09/30/23 | 100% | 03/31/25 | 0% | ✓ | 5 | \$1,090,000 | \$112,825 | 10% | ✓ | 1 | October PDC--Schedule change |
| 8. B. 44 - Boatyard Site Preparations (2569900) | Design | 06/30/25 | 10% | 12/31/26 | 0% | ✓ | 1 | \$5,830,000 | \$62,057 | 1% | ✓ | | October PDC--Schedule change |
| 9. R.B. 197 Site Improvements (2571100) | Construction | 01/09/23 | 100% | 08/31/23 | 1% | ✗ | 2 | \$1,520,000 | \$64,876 | 4% | ⚠ | | PDC action to adjust schedule and may need PDC action to adjust budget. |
| 10. B. 208-209 CFS Building - Demolition and Lot Conversion (2572400) | Design | 10/31/23 | 40% | 04/30/25 | 0% | ✓ | | \$8,300,000 | \$146,397 | 2% | ✓ | | |

**Audit Committee Status Report
(Actuals Thru: September 2023)**

| Project Title | Project Status | Design Finish | Percent Design Complete | Constr. Finish | Percent Constr. Complete | Sched. Trend | No. of PDC Revs. | Projected Cost | Spent To Date | Percent Spent To Date | Budg. Trend | No. of PDC Revs. | Comments |
|---|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|----------------------|----------------------|-----------------------|-------------|------------------|---|
| 11. Terminal Island Maritime Support Facility (2573500) | Design | 02/28/25 | 1% | 08/31/27 | 0% | ✓ | | \$194,630,000 | \$131,158 | 0% | ✓ | | |
| 12. B. 240 - Gates for Southwest Marine Street Fence Line (2575300) | Completed | | N/A | 09/30/23 | 100% | ✓ | | \$45,425 | \$0 | 0% | ✓ | | Project Complete |
| MISCELLANEOUS TERMINAL IMPROVEMENTS TOTAL | | | | | | | | \$213,430,425 | \$719,944 | 0% | | | |
| TERMINALS TOTAL | | | | | | | | \$850,098,906 | \$121,944,450 | 14% | | | |
| II. Transportation | | | | | | | | | | | | | |
| Transportation Improvements | | | | | | | | | | | | | |
| 1. State Route 47/Vincent Thomas Bridge & Front St./Harbor Blvd Interchange Reconfiguration (2533400) | Bid (Adv.) and Award | 03/20/23 | 100% | 11/30/26 | 0% | ✓ | 4 | \$110,000,000 | \$13,725,521 | 12% | ✓ | 3 | |
| 4. Southern California International Gateway (SCIG) Environmental Assessment (2552500) | HOLD | | N/A | 11/04/23 | 50% | ● | 4 | \$812,000 | \$583,401 | 72% | ● | 2 | |
| 5. C Street/I-110 Access Ramp Improvements Right of Way Transfer (2552800) | Construction | | N/A | 08/30/24 | 17% | ✓ | | \$99,999 | \$6,385 | 6% | ✓ | | |
| 6. B. 200 - Roadway Improvements & Extension (2554000) | Design | 11/30/24 | 25% | 11/30/26 | 0% | ✓ | 1 | \$13,900,000 | \$800,726 | 6% | ✓ | 1 | |
| 7. CALTRANS Pedestrian Path and Parking Restriping (Phase 2B) (2562600) | Bid (Adv.) and Award | 01/03/23 | 100% | 06/30/24 | 0% | ✓ | 5 | \$889,500 | \$94,292 | 11% | ✓ | | |
| 8. B. 115 - Rail Crossing Replacement (2563700) | Design | 11/30/23 | 97% | 01/31/25 | 0% | ✓ | 4 | \$2,000,000 | \$105,711 | 5% | ✓ | 1 | |
| 9. Terminal Way and Barracuda Street Removal of Abandoned Railroad Tracks (2564500) | Completed | 04/26/22 | 100% | 09/16/23 | 100% | ✓ | 3 | \$400,000 | \$231,812 | 58% | ✓ | 1 | Project Complete |
| 11. Navy Way/Seaside Avenue Street Light Fixture Replacement (2569300) | Construction | | N/A | 11/08/23 | 25% | ✗ | 1 | \$612,650 | \$74,110 | 12% | ✓ | 1 | Project under review. PDC action required to adjust schedule. |
| 12. Terminal Island Grade Separation (2569700) | Design | 06/30/25 | 10% | 08/31/27 | 0% | ✓ | 2 | \$39,230,000 | \$265,731 | 1% | ✓ | 1 | November PDC--Schedule and Project Name change |
| 13. Mormon Island Street Reconstruction Program Phase I (2570000) | Hold | | N/A | 02/28/25 | 0% | ● | | \$9,500,000 | \$99,561 | 1% | ● | | |
| 14. Knoll Drive Street Lighting (2573100) | Construction | 06/30/23 | 100% | 01/31/25 | 5% | ✓ | 1 | \$690,000 | \$41,846 | 6% | ✓ | | |
| 15. Navy Way and Seaside Avenue Interchange Improvements (2573200) | Design | 03/30/25 | 5% | 06/30/28 | 0% | ✓ | | \$65,650,000 | \$58,577 | 0% | ✓ | | |
| 16. New Dock Street Traffic Calming Improvements (2577600) | Planning | 03/31/24 | 0% | 12/31/24 | 0% | ✓ | | \$220,000 | \$0 | 0% | ✓ | | New Work Order |
| TRANSPORTATION IMPROVEMENTS TOTAL | | | | | | | | \$244,004,149 | \$16,087,673 | 7% | | | |
| TRANSPORTATION TOTAL | | | | | | | | \$244,004,149 | \$16,087,673 | 7% | | | |
| III. Security | | | | | | | | | | | | | |

Audit Committee Status Report
(Actuals Thru: September 2023)

| Project Title | Project Status | Design Finish | Percent Design Complete | Constr. Finish | Percent Constr. Complete | Sched. Trend | No. of PDC Revs. | Projected Cost | Spent To Date | Percent Spent To Date | Budg. Trend | No. of PDC Revs. | Comments |
|---|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|---------------------|---------------------|-----------------------|-------------|------------------|---|
| Homeland Security | | | | | | | | | | | | | |
| 1. Port Police - 700 MHz Radio System - Phase II (2542100) | Construction | 02/28/20 | 100% | 12/31/24 | 75% | ✓ | 5 | \$14,950,000 | \$12,317,834 | 82% | ✓ | 5 | |
| 2. Port Cyber Resilience Center (2555500) | Construction | 05/31/19 | 100% | 12/31/24 | 85% | ✓ | 1 | \$10,500,000 | \$4,956,906 | 47% | ✓ | 1 | |
| 3. New Fiber Optic Line - Port of Los Angeles Harbor Administration Building to 110 Freeway On/Off Ramp (2566800) | Design | 04/30/24 | 90% | 06/30/25 | 0% | ✓ | 2 | \$175,000 | \$11,523 | 7% | ✓ | | |
| 4. Port of Los Angeles Police Headquarters - Perimeter Security Enhancements (2567300) | Construction | 04/11/22 | 100% | 11/15/23 | 35% | ✓ | 1 | \$1,250,000 | \$312,716 | 25% | ✓ | | |
| 5. Port Police - Fixed Automated License Plate Recognition (ALPR) System (2572700) | Bid (Adv.) and Award | | N/A | 12/31/24 | 0% | ✓ | 1 | \$497,745 | \$0 | 0% | ✓ | | November PDC--Schedule change |
| 6. 22nd Street Park Surveillance (2573800) | Construction | | N/A | 12/31/23 | 10% | ✓ | | \$84,500 | \$0 | 0% | ✓ | | |
| 7. Port Police Dive Boat Purchase (2577100) | Planning | 11/03/23 | 0% | 06/30/24 | 0% | ✓ | | \$4,500,000 | \$0 | 0% | ✓ | | New Work Order |
| HOMELAND SECURITY TOTAL | | | | | | | | \$31,957,245 | \$17,598,980 | 55% | | | |
| SECURITY TOTAL | | | | | | | | \$31,957,245 | \$17,598,980 | 55% | | | |
| IV. Public Access/Environmental Enhancements and Zero Emissions | | | | | | | | | | | | | |
| Port-Wide Public Enhancements | | | | | | | | | | | | | |
| 1. Front Street Beautification (2504700) | Construction | 04/25/22 | 100% | 03/31/24 | 70% | ✓ | 7 | \$10,300,000 | \$4,930,827 | 48% | ✓ | 4 | |
| PORT-WIDE PUBLIC ENHANCEMENTS TOTAL | | | | | | | | \$10,300,000 | \$4,930,827 | 48% | | | |
| Los Angeles Waterfront | | | | | | | | | | | | | |
| 1. Public Access Investment Plan (PAIP) | | | | | | | | | | | | | |
| A. Public Access Investment Plan | | | | | | | | | | | | | |
| San Pedro Waterfront | | | | | | | | | | | | | |
| 3. San Pedro Waterfront - 34.5KV Electric Utility Service (2548400) | Construction | 01/31/21 | 100% | 12/31/24 | 87% | ✓ | 4 | \$4,000,000 | \$223,404 | 6% | ✓ | | October PDC--Schedule change |
| 4. San Pedro Waterfront - B. 74-83 Promenade - Phase II (2552600) | Construction | 04/25/22 | 100% | 03/31/25 | 10% | ✓ | 3 | \$31,440,000 | \$5,319,629 | 17% | ✓ | 2 | |
| 5. San Pedro Waterfront - West Harbor - Soil Testing and Removal (Developer Site) (2559600) | Construction | | N/A | 12/31/26 | 14% | ✓ | 1 | \$500,000 | \$30,505 | 6% | ✓ | 1 | |
| 6. San Pedro Waterfront - Harbor Boulevard from SP Slip to 22nd Roadway Improvements (2560000) | Planning | 05/31/26 | 0% | 11/30/27 | 0% | ✓ | 1 | \$22,000,000 | \$1,712,243 | 8% | ✓ | 1 | |
| 8. 208 East 22nd Street Parking Lot Improvements (2573900) | Design | 11/30/24 | 47% | 05/31/26 | 0% | ✓ | 1 | \$31,800,000 | \$121,348 | 0% | ✓ | 1 | November PDC--Schedule, Budget and Scope change |

**Audit Committee Status Report
(Actuals Thru: September 2023)**

| Project Title | Project Status | Design Finish | Percent Design Complete | Constr. Finish | Percent Constr. Complete | Sched. Trend | No. of PDC Revs. | Projected Cost | Spent To Date | Percent Spent To Date | Budg. Trend | No. of PDC Revs. | Comments |
|---|----------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|----------------------|---------------------|-----------------------|-------------|------------------|--|
| PUBLIC ACCESS INVESTMENT PLAN □ SAN PEDRO WATERFRONT TOTAL | | | | | | | | \$89,740,000 | \$7,407,128 | 8% | | | |
| B. Public Access Investment Plan □ Wilmington Waterfront | | | | | | | | | | | | | |
| 1. Wilmington Waterfront Promenade (2533000) | Construction | 02/18/20 | 100% | 12/31/23 | 90% | ✓ | 10 | \$77,300,000 | \$60,907,562 | 79% | ✓ | 5 | |
| 2. Wilmington Waterfront - Avalon Pedestrian Bridge and Promenade Gateway (2537700) | Design | 04/30/24 | 80% | 04/30/27 | 0% | ✓ | 7 | \$65,000,000 | \$3,853,506 | 6% | ✓ | 2 | |
| 3. Wilmington Waterfront - Site Characterization Assessments (2545600) | Environmental | | N/A | 04/30/24 | 50% | ✓ | 3 | \$680,000 | \$462,149 | 68% | ✓ | 2 | |
| 4. Wilmington Youth Sailing and Aquatic Center (2553600) | Design | 03/23/24 | 10% | 09/30/25 | 0% | ✓ | 2 | \$4,600,000 | \$689,739 | 15% | ✓ | 1 | |
| 5. Wilmington Waterfront - Avalon Pedestrian Bridge - DWP Marine Tank Farm Coordination (2569000) | Design | 12/31/23 | 40% | | N/A | ✓ | | \$7,000,000 | \$54,013 | 1% | ✓ | 1 | October PDC--Scope and Budget change |
| PUBLIC ACCESS INVESTMENT PLAN □ WILMINGTON WATERFRONT TOTAL | | | | | | | | \$154,580,000 | \$65,966,968 | 43% | | | |
| PUBLIC ACCESS INVESTMENT PLAN (PAIP) TOTAL | | | | | | | | \$244,320,000 | \$73,374,096 | 30% | | | |
| 2. Miscellaneous Projects San Pedro Waterfront | | | | | | | | | | | | | |
| 1. San Pedro Waterfront - B. 57 - Wharf Demolition, Seawall Repair, and Street Improvements (2500600) | Hold | 06/30/20 | 0% | 06/30/22 | 0% | ● | 3 | \$21,725,000 | \$3,117,928 | 14% | ● | 3 | |
| 2. San Pedro Waterfront - B. 57 - AltaSea Environmental Assessment (2531800) | Environmental | | N/A | 07/31/25 | 25% | ✓ | 3 | \$1,000,000 | \$218,500 | 22% | ✓ | | |
| 3. San Pedro Waterfront - B. 78 Chevron Clean Up - Phase II (2552300) | Construction | 04/25/22 | 100% | 03/31/25 | 10% | ✓ | 3 | \$3,890,000 | \$290,777 | 7% | ✓ | 1 | |
| 4. B. 72 Parking Lot Light Replacement (2572900) | Design | 06/30/24 | 50% | 01/31/26 | 0% | ✓ | 1 | \$440,000 | \$68,911 | 16% | ✓ | | |
| 5. B. 58-60 - AltaSea Soil Testing and Disposal (2574800) | Construction | | N/A | 06/30/25 | 10% | ✓ | 1 | \$6,000,000 | \$177,020 | 3% | ✓ | 1 | |
| 6. San Pedro Waterfront - West Harbor Development Environmental Monitoring (2575600) | Construction | | N/A | 12/24/24 | 40% | ✓ | 1 | \$400,000 | \$0 | 0% | ✓ | 2 | November PDC--Schedule and Budget change |
| 7. San Pedro Waterfront - Gateway Fanfare Fountain Water Treatment System (2576200) | Design | 04/15/24 | 2% | 06/17/24 | 0% | ✓ | | \$61,000 | \$0 | 0% | ✓ | | |
| MISCELLANEOUS PROJECTS □ SAN PEDRO WATERFRONT TOTAL | | | | | | | | \$33,516,000 | \$3,873,136 | 12% | | | |
| 3. Miscellaneous Projects □ Wilmington Waterfront | | | | | | | | | | | | | |
| 2. Wilmington Waterfront Park - Barrier Swing Gates (2575200) | Completed | | N/A | 08/03/23 | 100% | ✓ | | \$22,500 | \$6,163 | 27% | ✓ | | Project Complete |
| MISCELLANEOUS PROJECTS □ WILMINGTON WATERFRONT TOTAL | | | | | | | | \$22,500 | \$6,163 | 27% | | | |
| LOS ANGELES WATERFRONT TOTAL | | | | | | | | \$277,858,500 | \$77,253,395 | 28% | | | |

Audit Committee Status Report
(Actuals Thru: September 2023)

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|--|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|----------------------|---------------------|-----------------------|-------------|------------------|--------------------------------|
| Environmental Enhancements and Zero Emissions | | | | | | | | | | | | | |
| 1. B. 100 - Advance Electrical Infrastructure Demonstration (2557600) | Construction | 09/30/21 | 100% | 07/31/24 | 75% | ✓ | 4 | \$10,250,000 | \$3,698,854 | 36% | ✓ | 1 | |
| 2. Pier 400 - Electrical Charging Infrastructure for Electrical Container Handling Equipment (2558700) | Construction | 04/05/20 | 100% | 03/31/24 | 95% | ✓ | 2 | \$700,000 | \$581,993 | 83% | ✓ | | November PDC--Schedule change |
| 3. Container Terminals Alternative Maritime Power (AMP) Earth Switchgears Retrofit (2561600) | Construction | 06/14/22 | 100% | 12/31/23 | 80% | ✓ | 3 | \$2,000,000 | \$106,209 | 5% | ✓ | | |
| 4. Inner Cabrillo Beach Parking Lot - Storm Water Improvements (2567400) | Design | 03/31/25 | 10% | 06/30/26 | 0% | ✓ | 2 | \$1,420,000 | \$6,841 | 0% | ✓ | 1 | |
| 5. Air Quality Monitoring Stations Upgrade (2568000) | Construction | | N/A | 03/31/24 | 36% | ✓ | 5 | \$703,200 | \$546,951 | 78% | ✓ | 3 | September PDC--Schedule change |
| 6. B. 195-199 - WWL Terminal Alternative Maritime Power (2570800) | Design | 01/02/24 | 95% | 07/31/26 | 0% | ✓ | 1 | \$17,700,000 | \$206,391 | 1% | ✓ | | |
| 7. Electrical Infrastructure Improvement Program (2574200) | Planning | 12/07/24 | 0% | 06/30/35 | 0% | ✓ | | \$299,000,000 | \$7,555 | 0% | ✓ | 1 | |
| 9. B. 136-139 - Alternative Marine Power (AMP) Box Heaters (2577300) | Planning | 12/22/23 | 0% | 04/15/25 | 0% | ✓ | | \$95,000 | \$0 | 0% | ✓ | | New Work Order |
| ENVIRONMENTAL ENHANCEMENTS AND ZERO EMISSIONS TOTAL | | | | | | | | \$331,868,200 | \$5,154,795 | 2% | | | |
| PUBLIC ACCESS/ENVIRONMENTAL ENHANCEMENTS AND ZERO EMISSIONS TOTAL | | | | | | | | \$620,026,700 | \$87,339,016 | 14% | | | |
| V. Maritime Services | | | | | | | | | | | | | |
| Harbor Department Facilities | | | | | | | | | | | | | |
| 1. Harbor Administration Building - HVAC Replacement (2509600) | Design | 02/28/24 | 80% | 09/01/25 | 0% | ✓ | 11 | \$13,950,000 | \$2,700,188 | 19% | ✓ | 4 | |
| 2. Harbor Administration Building - Board Hearing Room and Executive Session Room Remodel (2551900) | Bid (Adv.) and Award | 11/04/22 | 100% | 07/14/24 | 0% | ✓ | 3 | \$4,405,000 | \$964,360 | 22% | ✓ | 1 | |
| 4. Liberty Hill Plaza - Change of Use Improvements (2558300) | Construction | 08/14/22 | 100% | 12/31/23 | 90% | ✓ | | \$65,000 | \$14,519 | 22% | ✓ | | |
| 7. Klein Billing and Port Pilot Systems Enhancement - Phase II (2561700) | Construction | | N/A | 08/17/25 | 60% | ✓ | | \$1,518,682 | \$422,732 | 28% | ✓ | | |
| 8. B. 161 - Former Administration Building Remodel (2564400) | Design | 09/27/24 | 9% | 01/31/27 | 0% | ✓ | 1 | \$8,250,000 | \$337,201 | 4% | ✓ | 1 | |
| 9. Oracle ERP Cloud Migration (2564800) | Construction | 06/30/22 | 100% | 06/30/24 | 63% | ✓ | 2 | \$28,595,134 | \$6,130,889 | 21% | ✓ | 2 | |
| 11. B. 161 - Compressed Natural Gas (CNG) Compressor Replacement (2566600) | Bid (Adv.) and Award | 07/27/21 | 100% | 12/31/25 | 0% | ✓ | 1 | \$750,000 | \$1,221 | 0% | ✓ | | |
| 12. Port Pilot Radio Upgrade Project (2567800) | Construction | | N/A | 12/31/23 | 85% | ✓ | 1 | \$1,518,571 | \$1,172,351 | 77% | ✓ | | |
| 13. POLA Electric Vehicle Charging Stations - Phase 1 (2569600) | Design | 01/02/24 | 95% | 03/31/26 | 0% | ✓ | 1 | \$5,000,000 | \$506,338 | 10% | ✓ | | |

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|---|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|---------------------|---------------------|-----------------------|-------------|------------------|---|
| 14. Harbor Administration Building - Third Floor Work Solutions (2571000) | Hold | 10/01/25 | 0% | 09/30/27 | 0% | ● | 1 | \$6,610,000 | \$77,486 | 1% | ● | | |
| 15. Port-wide Skylights Replacement (2572200) | Bid (Adv.) and Award | | N/A | 09/15/24 | 0% | ✓ | 1 | \$530,000 | \$12,705 | 2% | ✓ | 1 | October PDC--Schedule and Budget change |
| 16. B. 161 - Marine Ways Gate Modification (2572500) | Design | 12/31/23 | 80% | 04/30/25 | 0% | ✓ | | \$40,000 | \$19,315 | 48% | ✓ | | |
| 17. B. 155A - Re-Roof and Drain Installation (2572600) | Construction | 12/16/22 | 100% | 03/31/24 | 1% | ✓ | | \$1,320,000 | \$4,560 | 0% | ✓ | | |
| 18. Harbor Administration Building - Conference Room Teleconferencing Solutions (2572800) | Construction | 03/30/23 | 100% | 12/31/23 | 5% | ✓ | | \$55,000 | \$20,078 | 37% | ✓ | | |
| 19. Harbor Administration Building - Fifth Floor Office Enclosure (2573400) | Completed | 01/15/23 | 100% | 09/16/23 | 100% | ✓ | | \$56,000 | \$32,007 | 57% | ✓ | | Project Complete |
| 20. Harbor Administration Building - First Floor Mailroom Relocation (2574600) | Design | 05/01/24 | 3% | 01/03/26 | 0% | ✓ | 1 | \$720,000 | \$39,200 | 5% | ✓ | | |
| 21. Harbor Administration Building - Second Floor Workspace Solutions (2574700) | Design | 05/01/24 | 3% | 03/31/26 | 0% | ✓ | 1 | \$2,500,000 | \$30,404 | 1% | ✓ | 1 | |
| 22. 272 S. Fries Ave. - Horizontal Re-Pipe (2575000) | Construction | 04/06/23 | 100% | 11/17/23 | 99% | ✓ | | \$99,525 | \$34,899 | 35% | ✓ | | |
| 23. Harbor Administration Building - Fifth Floor Commissioner's Conference Room (2576000) | Design | 12/02/23 | 5% | 03/04/25 | 0% | ✓ | | \$373,662 | \$6,626 | 2% | ✓ | | |
| 24. Harbor Administration Building - Fifth Floor Lobby Conference Room (2576400) | Design | 12/03/23 | 30% | 03/04/25 | 0% | ✓ | | \$515,929 | \$6,707 | 1% | ✓ | | |
| 25. Port of Los Angeles Police Headquarters - Vertiv/Liebert Condensers Replacement (2576500) | Bid (Adv.) and Award | | N/A | 01/27/24 | 0% | ✓ | | \$161,672 | \$0 | 0% | ✓ | | |
| 26. C&M Admin Building Boiler Replacement (2576600) | Bid (Adv.) and Award | | N/A | 11/20/23 | 0% | ✓ | | \$34,700 | \$0 | 0% | ✓ | | |
| 27. 801 Reeves Avenue - Design of New Fire Alarm System per POLA Specifications (2576700) | Design | 01/02/24 | 1% | | N/A | ✓ | | \$34,500 | \$0 | 0% | ✓ | | |
| 28. 272 S. Fries Ave - Capital Projects Building Fire Alarm Replacement (2576800) | Planning | | N/A | 04/18/24 | 0% | ✓ | | \$396,000 | \$0 | 0% | ✓ | | New Work Order |
| 29. 514 Pier A Street - Soils Lab Chiller Replacement (2576900) | Bid (Adv.) and Award | | N/A | 01/14/24 | 0% | ✓ | | \$167,386 | \$0 | 0% | ✓ | | New Work Order |
| 30. B. 58-60 - AltaSea Warehouse and Site Improvements (2577000) | Construction | | N/A | 12/31/24 | 2% | ✓ | | \$6,000,000 | \$0 | 0% | ✓ | | New Work Order |
| 31. Port-wide Fire Alarm Mass Notification System Upgrade (2577400) | Planning | | N/A | 06/30/24 | 0% | ✓ | | \$400,000 | \$0 | 0% | ✓ | | New Work Order |
| HARBOR DEPARTMENT FACILITIES TOTAL | | | | | | | | \$84,066,761 | \$12,533,786 | 15% | | | |
| Miscellaneous Projects | | | | | | | | | | | | | |
| 1. POLA Sidewalk Repair Program - POLA Sidewalks (2546300) | Construction | 12/31/23 | 20% | 06/30/24 | 20% | ✓ | 1 | \$3,600,000 | \$1,530,859 | 43% | ✓ | | |
| 3. 1050 Ways Street (Starkist) - Demolition and Storage Lot Conversion (2554200) | Bid (Adv.) and Award | 09/30/23 | 100% | 03/31/25 | 0% | ✓ | 7 | \$13,154,445 | \$1,380,005 | 10% | ✓ | 3 | October PDC--Schedule change |

**Audit Committee Status Report
(Actuals Thru: September 2023)**

| Project Title | Project Status | Design Finish | Percent Design Complete | Constr. Finish | Percent Constr. Complete | Sched. Trend | No. of PDC Revs. | Projected Cost | Spent To Date | Percent Spent To Date | Budg. Trend | No. of PDC Revs. | Comments |
|---|----------------------|---------------|-------------------------|----------------|--------------------------|--------------|------------------|----------------------|--------------------|-----------------------|-------------|------------------|--|
| 4. B. 58-60 Shed - Seismic Bracing Improvements (2555200) | Construction | 03/21/19 | 100% | 06/01/24 | 20% | ✓ | 2 | \$1,167,000 | \$598,694 | 51% | ✓ | 2 | September PDC--Schedule and Budget change |
| 5. South Seaside Avenue Storm Drain Restoration (2560800) | Bid (Adv.) and Award | 10/04/23 | 100% | 03/31/25 | 0% | ✓ | 5 | \$1,425,000 | \$158,589 | 11% | ✓ | 1 | October PDC--Schedule change |
| 6. B. 150-195 - Underwharf Pipeline Hangers Replacement (2561300) | Construction | | N/A | 06/30/24 | 2% | ✓ | 3 | \$400,000 | \$18,857 | 5% | ✓ | | September PDC--Schedule change |
| 7. B. 95 - Catalina Channel Express - Barge Landing Ramp Upgrade (2564000) | Bid (Adv.) and Award | | N/A | 06/30/24 | 0% | ✓ | 3 | \$1,390,000 | \$205,765 | 15% | ✓ | 2 | |
| 8. Badger Avenue Bridge Gearbox Replacement (2565400) | Hold | | N/A | 12/31/22 | 7% | ● | 1 | \$240,000 | \$1,065 | 0% | ● | | |
| 9. Pile-Driving Barge, Barge-Mounted Crane, and Barge Support Workboat (2567100) | Bid (Adv.) and Award | 02/01/22 | 100% | 12/31/25 | 0% | ✓ | 1 | \$14,300,000 | \$0 | 0% | ✓ | | |
| 10. B. 72 - Municipal Fish Market Roof Drain Re-Pipe (2567200) | Completed | 05/24/21 | 100% | 08/31/22 | 100% | ✓ | | \$737,296 | \$737,296 | 100% | ✓ | | |
| 11. B. 153 - Clock Tower Water Damage Repair (2568100) | Construction | 12/31/21 | 100% | 12/31/23 | 38% | ✓ | | \$1,929,500 | \$729,856 | 38% | ✓ | | |
| 12. Port of Los Angeles and Port of Long Beach Goods Movement Workforce Training Facility (2568400) | Design | 07/31/26 | 1% | 01/31/29 | 0% | ✓ | 1 | \$150,000,000 | \$978,645 | 1% | ✓ | 1 | |
| 13. 1025 S Seaside Ave - Demolition and Lot Conversion (2570400) | Bid (Adv.) and Award | 10/04/23 | 100% | 03/31/25 | 0% | ✓ | 3 | \$2,500,000 | \$91,600 | 4% | ✓ | | |
| 14. Port-wide Leak Detection Expansion Program (2572300) | Design | 03/31/24 | 40% | 10/15/26 | 0% | ✓ | | \$4,700,000 | \$59,561 | 1% | ✓ | | |
| 15. B. 93 - Parking Deck Waterproofing Improvement (2573000) | Construction | 01/31/23 | 100% | 12/31/24 | 20% | ✓ | | \$3,730,000 | \$2,043,504 | 55% | ✓ | | |
| 16. PMA-ILWU Local 13 Dispatch Hall Surplus Parking Lot Improvements (2573300) | Design | 06/30/23 | 20% | 11/30/24 | 0% | ✗ | 1 | \$179,000 | \$47,620 | 27% | ⚠ | | Project under review. PDC action needed for schedule and may be needed for budget. |
| 17. Badger Avenue Bridge Grating Replacement (2574000) | Bid (Adv.) and Award | | N/A | 04/16/24 | 0% | ✓ | | \$544,442 | \$65,458 | 12% | ✓ | | |
| 18. Badger Avenue Bridge Wire Ropes Replacement (2574100) | Bid (Adv.) and Award | | N/A | 06/16/24 | 0% | ✓ | 1 | \$3,500,000 | \$0 | 0% | ✓ | 1 | |
| 20. B. 189 - Underwharf Fire Sprinkler System Replacement (2574300) | Bid (Adv.) and Award | 03/31/23 | 100% | 06/30/24 | 0% | ✓ | 1 | \$1,325,000 | \$367 | 0% | ✓ | 1 | September PDC--Schedule and Budget change |
| 22. Port of Los Angeles - Energy Monitoring System (2575700) | Design | 06/08/24 | 10% | 06/10/26 | 0% | ✓ | | \$5,620,000 | \$2,546 | 0% | ✓ | | |
| 23. B. 95 - Catalina Express Parking Lot Gates (2577200) | Planning | 11/26/23 | 0% | 02/29/24 | 0% | ✓ | | \$50,000 | \$0 | 0% | ✓ | | |
| MISCELLANEOUS PROJECTS TOTAL | | | | | | | | \$210,491,683 | \$8,650,288 | 4% | | | |
| Unallocated Capital Improvement Program Fund | | | | | | | | | | | | | |

4a) September 2023



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: SEPTEMBER 7, 2023

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: SEPTEMBER 2023 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its September 2023 meeting. On September 6, 2023, the PDC met 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, the financial model, the GASB 49 project list and projects for discussion. 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 change – Two 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:

- 4 PDC-approved projects totaling \$489,317
- 2 projects under \$100,000 totaling \$51,150

As of August 29, 2023, the remaining balance is \$14,459,533.

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 (Sep 7, 2023 22:12 PDT)

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: September 2023 PDC Pandect
Transmittal 2: Unallocated CIP Fund Report FY 2023/2024
Transmittal 3: CIP Status Report – Completed Projects


MB

MB/mz

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT

ORIGINAL PROJECT COST\$767,000

BERTH 58-60 SHED SEISMIC BRACING IMPROVEMENTS - BUDGET AND SCHEDULE CHANGE

SUMMARY

Staff requests approval to increase the budget and change the schedule for the Berth 58-60 Seismic Bracing Improvements.

The Construction & Maintenance Division recommends increasing the budget by \$400,000 to account for the replacement of fire sprinkler heads, cast iron fittings and associated piping that was unforeseen and came to light while installing the modifications necessary for hydrostatic approval from Los Angeles Department of Building and Safety (LADBS).

The Construction & Maintenance Division recommends adding 6 additional months to the schedule to allow for delays due to the work necessary as stated above. Furthermore, additional work needs to be performed to comply with the recommendations made by the LADBS Inspector, who cited corrections that included, adding flexible couplings at certain fire sprinkler risers and a trapeze-style support system for the main piping that exceeded spacing requirements. The LADBS Inspector also noted that fire protection devices must be installed in the restroom and the office areas to comply with National Fire Protection Association (NFPA) Standards 25 and 72.

The total project budget is \$1,167,000 and the project will be completed by June 1, 2024.

PDC ACTION Approved

COMMENT No comment.

SUBJECT

ORIGINAL PROJECT COST\$600,000

BERTH 189 UNDERWHARF FIRE SPRINKLER SYSTEM REPLACEMENT - BUDGET AND SCHEDULE CHANGE

SUMMARY

Staff requests approval to increase the budget and change the schedule for the Berth 189 Underwharf Fire Sprinkler System Replacement.

The Construction & Maintenance Division recommends increasing the budget by \$725,000 to account for the replacement of 175 feet of deteriorated City of Los Angeles Fire Department 6-inch connection piping and which was previously unforeseen and came to light after several surveys were conducted.

The Construction & Maintenance Division recommends adding 3 additional months to the schedule to allow for the additional work to be done and potential delays to access the area due to terminal activity. The Los Angeles Department of Building Safety (LADBS) Inspector recommended that the deteriorated piping be replaced to comply with National Fire Protection Association (NFPA) Standards 25 and 307.

The total project budget is \$1,325,000 and the project will be completed by June 30, 2024.

PDC ACTION Approved

COMMENT No comment.

SCHEDULE CHANGE

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

Staff requests approval to extend the Berth 306 Container Wharf schedule by seven months with no additional increase in the project budget of \$256,000,000.

The Engineering Division recommends adding seven months to the schedule to allow for on-going negotiations with the tenant, the Environmental Addendum, and continued design coordination with the tenant. The new completion date is March 31, 2026.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$400,000**B. 150-195 – UNDERWHARF PIPELINE HANGERS REPLACEMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the B. 150-195 – Underwharf Pipeline Hangers Replacement schedule by 6 additional months with no additional increase in the budget.

The Construction & Maintenance Division recommends adding 6 additional months to the schedule to allow for delays due to plumbing staff shortages and because the vendor, providing the materials for the project, being unable to obtain Business Tax Registration Certificate clearance from the City of Los Angeles, Office of Finance, for a prolonged period of time.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$703,200**AIR QUALITY MONITORING STATIONS UPGRADE – SCHEDULE CHANGE****SUMMARY**

Staff requests approval to change the schedule for the Air Quality Monitoring Stations Upgrade project.


The project encompasses the upgrade of the Harbor Department's four air monitoring stations with new equipment. The improvement to the monitoring stations requires the purchase and installation of equipment to monitor and collect data for particulate matter, black carbon, nitrogen dioxide, carbon monoxide, ozone, sulfur dioxide, wind speed, wind direction, temperature, and relative humidity.

EMD recommends adding six additional months to the schedule to allow for extended lead times and delays in instrument delivery due to supply chain disruptions.

The total project cost remains at \$703,200 and the project will be completed by March 31, 2024.

PDC ACTION Approved**COMMENT** No comment.

| | |
|---------------------------|---|
| ADMINISTRATIVE ITEM | GASB 49 Report, Completed Projects CIP Report, and Projects for Discussion Reviewed |
| ACTION ITEM FOLLOW UP | |
| WORK ORDER REPORT | REVIEWED |
| UNALLOCATED BUDGET REPORT | REVIEWED |
| ADDITIONAL DISCUSSION | |


[Marla Bleavins \(Sep 7, 2023 22:12 PDT\)](#)
Marla Bleavins
Finance and Administration

Unallocated Capital Improvement Program Fund FY 23/24

| | | |
|------------------------------------|-----------|-------------------|
| <u>(Budget set in July)</u> | \$ | 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) |
| <i>Subtotal PDC Approved Projects</i> | \$ | <i>(489,317)</i> |

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) |
| <i>Subtotal Projects Under \$100,000</i> | \$ | <i>(51,150)</i> |

| | | |
|---|-----------|-------------------|
| <i>Balance as of August 29, 2023</i> | \$ | 14,459,533 |
|---|-----------|-------------------|

CIP Status Report

Completed Projects

Actuals Thru: July 2023

Where Construction Finish Date is: >= 7/27/2023 <= 8/29/2023

| Expend. Org. | Project No. | Project Title | Project Manager | Status | Projected Cost | Design | | | | Percent Design Complete | Construction | | | | Percent Const. Complete |
|-----------------|----------------|--|--------------------|-----------|-------------------|-------------------|------------|--------------------|------------|-------------------------------|-------------------|------------|--------------------|------------|-------------------------------|
| | | | | | | Start Baseline | Projected | Finish Baseline | Projected | | Start Baseline | Projected | Finish Baseline | Projected | |
| 1134 | 2552900 | B. 302-305 - Crane Switchgear Modernization | Basha, George | Completed | \$1,975,000 | 01/01/19 | ^ 01/01/19 | 02/28/19 | ^ 02/28/19 | 100 % | 07/05/20 | ^ 07/05/20 | 07/31/23 | ^ 07/31/23 | 100 % |
| 1029 | 2566300 | B. 161 - Floating Dock Electrical Upgrades | Basha, George | Completed | \$147,000 | 03/01/21 | ^ 03/01/21 | 05/11/21 | ^ 05/11/21 | 100 % | 02/01/22 | ^ 02/01/22 | 07/30/23 | ^ 07/30/23 | 100 % |
| 1040 | 2575200 | Wilmington Waterfront Park - Barrier Swing Gates | Hazelett, Phil | Completed | \$22,500 | 05/23/23 | ^ 05/23/23 | 05/23/23 | ^ 05/23/23 | N/A | 06/23/23 | ^ 07/06/23 | 07/06/23 | ^ 08/03/23 | 100 % |

Grand Total: \$2,144,500

Audit Committee Report Packet September 2023

Final Audit Report

2023-09-08

| | |
|-----------------|--|
| Created: | 2023-09-07 |
| By: | Karine Lurvey (klurvey@portla.org) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAA22RiAc2hbxX_sW6whrfBaBA2FWAZ-U4d |

"Audit Committee Report Packet September 2023" History

-  Document created by Karine Lurvey (klurvey@portla.org)
2023-09-07 - 5:52:12 PM GMT- IP address: 199.245.255.5
-  Document emailed to mbleavins@portla.org for signature
2023-09-07 - 5:53:22 PM GMT
-  Email viewed by mbleavins@portla.org
2023-09-07 - 6:06:06 PM GMT- IP address: 104.28.85.120
-  Signer mbleavins@portla.org entered name at signing as Marla Bleavins
2023-09-08 - 5:12:53 AM GMT- IP address: 107.185.47.201
-  Document e-signed by Marla Bleavins (mbleavins@portla.org)
Signature Date: 2023-09-08 - 5:12:55 AM GMT - Time Source: server- IP address: 107.185.47.201
-  Agreement completed.
2023-09-08 - 5:12:55 AM GMT

4b) October 2023



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: OCTOBER 5, 2023

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: OCTOBER 2023 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its October 2023 meeting. On October 4, 2023, 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 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 – Seven items were submitted and approved.
- 2) Budget/Schedule/Scope change – Two items were submitted and approved.
- 3) New project – Four 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:

- 7 PDC-approved projects totaling \$4,956,703
- 4 projects under \$100,000 totaling \$118,600

As of September 27, 2023, the remaining balance is \$9,924,697.

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.


Maria Bleavins (Oct 10, 2023 15:24 PDT)

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: October 2023 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2023/2024

Transmittal 3: CIP Status Report – Completed Projects


MB

MB/mz

BUDGET CHANGE, SCHEDULE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$480,000

PORT-WIDE SKYLIGHTS REPLACEMENT - BUDGET AND SCHEDULE CHANGE

SUMMARY

Staff requests approval to increase the budget and change the schedule for the removal and replacement of Port-Wide skylights to Occupational Safety & Health Administration (OSHA) standard.

The Construction & Maintenance Division recommends increasing the budget by \$50,000 to account for increase in the cost of procuring skylights based on the latest quote received.

The Construction & Maintenance Division recommends adding 10 additional months to the schedule to allow for delays in acquiring the new skylights.

The total project budget is \$530,000 and the project will be completed by September 15, 2024.

PDC ACTION Approved

COMMENT No comment.

BUDGET CHANGE, SCOPE CHANGE

SUBJECT

ORIGINAL PROJECT COST \$75,000

WILMINGTON WATERFRONT –AVALON PEDESTRIAN BRIDGE – DWP MARINE TANK FARM COORDINATION – SCOPE AND BUDGET CHANGES

SUMMARY

Staff requests approval for additional scope and cost increase to the DWP Marine Tank Farm Coordination work order.

The additional work includes incorporating costs to perform site demolition, building demolition and site remediation of Los Angeles Department of Water & Power (LADWP) Parcel B. These costs would later be reimbursable to the Harbor Department through an MOU between the two departments.

The revised budget is increased by \$6,925,000 from \$75,000 to a new project budget of \$ 7,000,000. There is no change to the current schedule. The completion date is October 31, 2027.

PDC ACTION Approved

COMMENT No comment.

NEW PROJECT

SUBJECT**ORIGINAL PROJECT COST** \$6,000,000**B. 58-60 – ALTASEA WAREHOUSE AND SITE IMPROVEMENTS – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to partially fund the Berths 58-60 AltaSea Warehouse and Site Improvements project that will be constructed by AltaSea, the tenant, as required and identified in Lease No. 904A.

The proposed work includes core and shell modifications and improvements inside the three warehouses at Berths 58-60 by adding new office space and restrooms with showers; installing new utility lines; repairing wall surfaces; and replacing doors, panels, and roof vents. Additional construction to the site includes improving pedestrian access at each building with new stairways and ADA ramps, railing with lighting, and pavement improvements; adding parking striping; adding bike racks; and adding a new plaza on the north end of Berth 58. Per Lease No. 904A, following AltaSea's compliance with requirements stated in the lease, the Port is committed to \$6,000,000 in funding for these improvements.

The total project cost is \$6,000,000 and the project completion date is December 31, 2024.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$396,000**CAPITAL PROJECTS BUILDING FIRE ALARM SYSTEM REPLACEMENT – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace the fire alarm system in the Capital Projects building.

The proposed work includes replacement of the fire alarm system in the Capital Projects building and connect it to the Port-wide mass notification system.

The total project budget is \$396,000 and the project will be completed by April 21, 2024.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$4,500,000**PORT POLICE DIVE BOAT REPLACEMENT – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a project to construct a new public safety dive boat. The proposed project would replace the existing dive boat that is rapidly deteriorating due to its age and extensive operational use. The vessel was constructed in 2011.

The total project cost is \$4,500,000 and would be completed by March 31, 2026.

PDC ACTION Approved**COMMENT** The Port will seek to secure any available grant funding for this project.

SUBJECT**ORIGINAL PROJECT COST** \$167,386**TEST LAB CHILLER REPLACEMENT – NEW PROJECT****SUMMARY**

Staff requests approval to initiate a new project to replace one of two Test Lab chillers.

The proposed work includes replacement of one Test Lab chiller.

The total project budget is \$167,386 and the project will be completed by January 14, 2024.

PDC ACTION Approved**COMMENT** No comment.**SCHEDULE CHANGE****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 three months with no additional increase in the budget.

The Engineering Division recommends adding three months to the schedule to allow the design and permitting to be completed. The reason for the schedule extension request is to incorporate final design, specifications, and permitting comments into the contract documents. This project will be bid as one construction package, which includes the following projects: 1050 S. Ways (Starkist) Demolition and Storage Lot Conversion, South Seaside Avenue Storm Drain Restoration, Southwest Marine Administration Building Demolition and Pavement Improvements and 1025 S. Seaside Avenue Demolition and Lot Conversion. The new completion date is March 31, 2025.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$5,830,000**BERTH 44 – BOATYARD SITE PREPARATIONS- SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Berth 44 – Boatyard Site Preparations schedule by 20 months with no increase for the project budget of \$5,830,000.

The Engineering Division recommends adding 20 months to the schedule to allow for preparation and certification of the Environmental Impact Report (EIR) for the project and coordination with the developer. The new completion date is December 31, 2026.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$250,000**BERTH 212-225 YUSEN TERMINALS (YTI) ELECTRIC UTILITY TRACTOR RIG (E-UTR) CHARGERS - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to modify the Berth 212-225 Yusen Terminals (YTI) Electric Utility Tractor Rig (E-UTR) chargers schedule by adding 15 months with no additional increase in the project budget of \$250,000.00.

The Engineering Division recommends adding 15 months to the project schedule with no increase in cost. The terminal operator's original E-UTR manufacturer discontinued manufacturing electrical UTR and the project was put on hold November 2022 waiting for YTI to choose a new vendor for their equipment purchase. YTI has now ordered 2 E-UTRs with an expected delivery of 2nd quarter of 2024. The revised completion date is September 30, 2024.

PDC ACTION Approved**COMMENT** No comment.**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 Project schedule by three months with no additional increase in the budget.

The Engineering Division recommends adding three months to the schedule to allow the design and permitting to be completed. The reason for the schedule extension request is to incorporate final design, specifications, and permitting comments into the contract documents. This project will be bid as one construction package, which includes the following projects: 1050 S. Ways (Starkist) Demolition and Storage Lot Conversion, South Seaside Avenue Storm Drain Restoration, Southwest Marine Administration Building Demolition and Pavement Improvements and 1025 S. Seaside Avenue Demolition and Lot Conversion. The new completion date is March 31, 2025.

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 three months with no additional increase in the project budget.

The Engineering Division recommends adding three months to the schedule to allow the design and permitting to be completed. The reason for the schedule extension request is to incorporate final design, specifications, and permitting comments into the contract documents. This project will be bid as one construction package, which includes the following projects: 1050 S. Ways (Starkist) Demolition and Storage Lot Conversion, South Seaside Avenue Storm Drain Restoration, Southwest Marine Administration Building Demolition and Pavement Improvements and 1025 S. Seaside Avenue Demolition and Lot Conversion. The new completion date is March 31, 2025.

The title for the combined projects as one bid construction contract is Terminal Island Facilities Demolition and Improvements.

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$4,000,000**SAN PEDRO WATERFRONT - 34.5KV ELECTRIC UTILITY SERVICE - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the San Pedro Waterfront 34.5KV Electric Utility Service Project schedule by twelve months with no additional increase in the budget. The Engineering Division recommends adding twelve months to the schedule to allow for delays resulting from the Developer not finalizing the construction of the power distribution system and the Developer-supplied switchgear. Delays of these two items have prevented the Los Angeles Department of Water & Power (LADWP) from energizing the 34.5KV electrical service.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$2,500,000**1025 S. SEASIDE AVENUE DEMOLITION AND LOT CONVERSION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the 1025 S. Seaside Ave. Demolition and Lot Conversion Project schedule by three months with no additional increase in the budget.

The Engineering Division recommends adding three months to the schedule to allow the design and permitting to be completed. The reason for the schedule extension request is to incorporate final design, specifications, and permitting comments into the contract documents. This project will be bid as one construction package, which includes the following projects: 1050 S. Ways (Starkist) Demolition and Storage Lot Conversion, South Seaside Avenue Storm Drain Restoration, Southwest Marine Administration Building Demolition and Pavement Improvements and 1025 S. Seaside Avenue Demolition and Lot Conversion. The new completion date is March 31, 2025.

The title for the combined projects as one bid construction contract is Terminal Island Facilities Demolition and Improvements.

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

GASB 49 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 (Oct 10, 2023 15:24 PDT)

Marla Bleavins
Finance and Administration

Unallocated Capital Improvement Program Fund FY 23/24

| | | |
|------------------------------------|-----------|-------------------|
| <u>(Budget set in July)</u> | \$ | 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) |
| Test Lab Chiller Replacement () | \$ | (167,386) |
| Capital Projects Bldg. Fire Alarm System Replacement () | \$ | (300,000) |
| B. 58-60 Alta Sea Warehouse & Site Improvements () | \$ | (4,000,000) |

| | | |
|--|-----------|--------------------|
| <i>Subtotal PDC Approved Projects</i> | \$ | (4,956,703) |
|--|-----------|--------------------|

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) |

| | | |
|---|-----------|------------------|
| <i>Subtotal Projects Under \$100,000</i> | \$ | (118,600) |
|---|-----------|------------------|

| | | |
|--|-----------|------------------|
| <i>Balance as of September 27, 2023</i> | \$ | 9,924,697 |
|--|-----------|------------------|

CIP Status Report

Completed Projects

Actuals Thru: August 2023
Where Construction Finish Date is: >= 8/30/2023 <= 9/27/2023

| Expend. Org. | Project No. | Project Title | Project Manager | Status | Projected Cost | Design | | | Percent Design Complete | Construction | | | Percent Const. Complete | |
|--------------|-------------|---|-------------------|-----------|----------------|----------------|------------|-----------------|-------------------------|----------------|------------|-----------------|-------------------------|-------|
| | | | | | | Start Baseline | Projected | Finish Baseline | | Start Baseline | Projected | Finish Baseline | | |
| 1172 | 2564500 | Terminal Way and Barracuda Street Removal of Abandoned Railroad | Villarreál, César | Completed | \$400,000 | 02/01/21 | ^ 02/01/21 | 04/26/22 | ^ 04/26/22 | 05/15/23 | ^ 05/15/23 | 12/31/23 | ^ 09/16/23 | 100 % |
| 1155 | 2570100 | Everport Mitigation Cultural Resource Investigation | Ochsner, Lisa | Completed | \$340,000 | 02/02/22 | ^ 02/02/22 | 02/02/22 | ^ 02/02/22 | 02/05/22 | ^ 02/05/22 | 08/05/23 | ^ 09/05/23 | 100 % |

Grand Total: \$740,000











Audit Committee Report Packet October 2023

Final Audit Report

2023-10-10

| | |
|-----------------|--|
| Created: | 2023-10-05 |
| By: | Karine Lurvey (klurvey@portla.org) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAxnBj70IBdDVT7Wgl8UnMdFCrpeqQbOEi |

"Audit Committee Report Packet October 2023" History

-  Document created by Karine Lurvey (klurvey@portla.org)
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2023-10-05 - 4:43:00 PM GMT
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-  Email viewed by Dina Zahlan (daryan-zahlan@portla.org)
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Signature Date: 2023-10-10 - 3:42:14 PM GMT - Time Source: server- IP address: 199.245.255.5
-  Document emailed to mbleavins@portla.org for signature
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2023-10-10 - 10:22:48 PM GMT- IP address: 199.245.255.5
-  Signer mbleavins@portla.org entered name at signing as Marla Bleavins
2023-10-10 - 10:24:20 PM GMT- IP address: 199.245.255.5
-  Document e-signed by Marla Bleavins (mbleavins@portla.org)
Signature Date: 2023-10-10 - 10:24:22 PM GMT - Time Source: server- IP address: 199.245.255.5
-  Agreement completed.
2023-10-10 - 10:24:22 PM GMT

4c) November 2023



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

FOR INFORMATION ONLY

DATE: NOVEMBER 3, 2023

TO: THE BOARD OF HARBOR COMMISSIONERS THROUGH AUDIT COMMITTEE

SUBJECT: NOVEMBER 2023 PROJECT DEVELOPMENT COMMITTEE REPORT

This report highlights the actions taken by the Project Development Committee (PDC) at its November 2023 meeting. On November 1, 2023, the PDC met to consider seven 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, the GASB 49 project list and projects for discussion. 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 – Two items were submitted and approved.
- 3) New project – Two 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:

- 10 PDC-approved projects totaling \$8,177,791
- 4 projects under \$100,000 totaling \$118,600

As of October 25, 2023, the remaining balance is \$6,703,609.

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

Marla Bleavins (Nov 7, 2023 14:50 PST)

EUGENE D. SEROKA
Executive Director

Attachments:

Transmittal 1: November 2023 PDC Pandect

Transmittal 2: Unallocated CIP Fund Report FY 2023/2024

Transmittal 3: CIP Status Report – Completed Projects

DAZ

DAZ

DAZ/mz

BUDGET CHANGE, SCOPE CHANGE

SUBJECT ORIGINAL PROJECT COST \$300,000
SAN PEDRO WATERFRONT WEST HARBOR DEVELOPMENT ENVIRONMENTAL MONITORING SERVICES – SCOPE AND BUDGET CHANGE

SUMMARY

Staff requests approval of a scope and budget change for the San Pedro Waterfront West Harbor Development Phase 1B project. This scope involves providing environmental monitoring services for archaeological and paleontological resources to comply with Mitigation Measures approved in the San Pedro Public Market EIR Addendums and in Lease No. 915. The project site is the former Ports O’Call area, approximately 45 acres in size, and is highly sensitive for paleontological resources (i.e., shell and fossil specimens) and has unknown sensitivity for buried archaeological resources.

A scope change is needed to provide continued environmental monitoring services for the upcoming Phase 1B construction, which involves two new buildings and associated utilities. The estimated cost increase is approximately \$100,000, which would bring the total budget to \$400,000. There is no change to the schedule at this time as the work is estimated to be completed prior to the current end date of December 24, 2024.

PDC ACTION Approved
COMMENT No comment.

BUDGET CHANGE, SCOPE CHANGE, SCHEDULE CHANGE

SUBJECT ORIGINAL PROJECT COST \$20,800,000
208 EAST 22ND STREET PARKING LOT IMPROVEMENTS – SCOPE, BUDGET, AND SCHEDULE CHANGES

SUMMARY

Staff requests approval for additional scope, cost increase, and schedule change to the 208 East 22nd Street Parking Lot Improvements project.

The additional scope was requested through a memorandum by the Waterfront and Commercial Real Estate Division on March 6th, 2023, and includes:

- Building Demolition and expanded parking
- Reconfiguration of existing sidewalk, landscaping, and hardscape
- Construction of bus turnout and covered bench area
- Construction of two retaining walls
- Construction of a restroom building (4 stalls)
- Construction of a landscaped pedestrian/bike pathway

The revised budget is increased by \$11,000,000 from \$20,800,000 to a new project budget of \$31,800,000. The revised schedule is increased by eight months to a new completion date of May 31, 2026.

PDC ACTION Approved
COMMENT No comment.

NEW PROJECT

SUBJECT

NEW DOCK STREET TRAFFIC CALMING IMPROVEMENTS – NEW PROJECT

ORIGINAL PROJECT COST

\$220,000

SUMMARY

Staff requests approval to initiate a new project to complete traffic calming improvements on New Dock Street.

The proposed work includes removal of two speed bumps and related pavement markings, and installation of two speed humps, pavement markings, and signage.

The total project cost is \$220,000 and the project completion date is December 31, 2024.

PDC ACTION

Approved

COMMENT

No comment.

SUBJECT

PORT-WIDE FIRE ALARM MASS NOTIFICATION SYSTEM UPGRADE – NEW PROJECT

ORIGINAL PROJECT COST

\$400,000

SUMMARY

Staff requests approval to initiate a new project to upgrade the Port-wide fire alarm mass notification system.

The proposed work will upgrade hardware at the Harbor Administration Building and Port Police Dive House from analog to digital and then upgrade software programming of the entire network.

The total project budget is \$400,000 and the project will be completed by June 30, 2024.

PDC ACTION

Approved

COMMENT

No comment.

SCHEDULE CHANGE

SUBJECT**ORIGINAL PROJECT COST** \$39,230,000**MARITIME SUPPORT FACILITY ACCESS/TERMINAL ISLAND RAIL SYSTEM GRADE SEPARATION - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Maritime Support Facility Access/Terminal Island Rail System Grade Separation (TIGS) schedule by fourteen (14) months with no additional increase in the project budget of \$39,230,000.

The Engineering Division recommends adding fourteen (14) months to the TIGS schedule to align with the Terminal Island Maritime Support Facility (TIMSF) project schedule, as the TIGS project serves the TIMSF. One Request for Proposal (RFP), as the design delivery method, was published for both projects. The new completion date is August 31, 2027.

The project has been awarded \$20 million in grant funding from the United States Department of Transportation's (USDOT) Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program in August 2022. Additionally, the project has been awarded \$15 million in grant funding via the Trade Corridor Enhancement Program (TCEP).

PDC ACTION Approved**COMMENT** No comment.**SUBJECT****ORIGINAL PROJECT COST** \$700,000**PIER 400 – ELECTRICAL INFRASTRUCTURE FOR ELECTRICAL CONTAINER HANDLING EQUIPMENT - SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the Pier 400 – Electrical Infrastructure for Electrical Container Handling Equipment project schedule by twenty-seven (27) months with no additional increase in the project budget and scope.

The Engineering Division recommends adding twenty-seven (27) additional months to the schedule to account for delays incurred by the Third Party equipment developers of the proposed Electric Cargo Handling Equipment (eCHE) – Hyster-Yale and WAVE. Hyster-Yale is developing the Electric Container Top Handler, and WAVE is developing the associated inductive charging system which are now scheduled to be installed in November 2023.

The Harbor Department will need to wait for WAVE to install their equipment to make final electrical connections.

The new completion date is March 31, 2024.

PDC ACTION Approved**COMMENT** No comment.

SUBJECT**ORIGINAL PROJECT COST** \$497,745**PORT POLICE FIXED AUTOMATED LICENSE PLATE READER PROJECT (WO 25727) –SCHEDULE CHANGE****SUMMARY**

Staff requests approval to extend the implementation schedule for the Port Police fixed Automated License Plate Reader (ALPR) project (WO 25727), by 12 months to December 31, 2024, to facilitate a new procurement process, Board of Harbor Commissioners (BOARD) approval, design update and installation of equipment.

The Port Police Division recommends approval for extending the implementation schedule by 12 months to December 31, 2024. The original project proposal by Motorola Solutions Inc. (MSI), approved by the Project Development Committee and BOARD, relied on AC powered cameras and support equipment at designated sites.

The design by Motorola relied on power supplied by Los Angeles Department of Transportation (LADOT) traffic signal poles to power all required equipment. Subsequent conversations and a meeting with LADOT, with assistance from the Harbor Department Engineering Division (Engineering), revealed that LADOT would NOT allow sourcing power from their signal poles as was permitted in the past. That decision change negated use of powered cameras and supporting equipment for this project.

Port Police, Engineering and MSI determined that a relatively new solution of using self-contained solar-powered cameras was a viable alternative to AC powered equipment. In the last several months, MSI has vastly improved their solar-powered ALPR solution with a significant firmware update, improved solar battery charging and provisioning of individual cameras for better license plate capture capabilities and reliability. Port Police and Motorola tested the updated solution and validated improved positive results adequate for this project's requirements.

The additional time for implementation is recommended based on the need to cancel the current approved contract with MSI, initiate a completely new procurement process (bid award was for specific equipment that will now be replaced necessitating this requirement), return to the Board of Harbor Commissioners (BOARD) for the new bid award and contract approval and time required for equipment installation and provisioning.

PDC ACTION Approved**COMMENT** No comment.**ADMINISTRATIVE ITEM** GASB 49 Report, Projects for Discussion, 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 (Nov 7, 2023 14:50 PST)

Marla Bleavins
Finance and Administration

Unallocated Capital Improvement Program Fund FY 23/24

| | | |
|------------------------------------|-----------|-------------------|
| <u>(Budget set in July)</u> | \$ | 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 () | \$ | (65,000) |
| Port-Wide Fire Alarm Mass Notification System Upgrade () | \$ | (395,000) |

| | | |
|--|-----------|--------------------|
| <i>Subtotal PDC Approved Projects</i> | \$ | (8,177,791) |
|--|-----------|--------------------|

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) |

| | | |
|---|-----------|------------------|
| <i>Subtotal Projects Under \$100,000</i> | \$ | (118,600) |
|---|-----------|------------------|

| | | |
|--|-----------|------------------|
| <i>Balance as of October 25, 2023</i> | \$ | 6,703,609 |
|--|-----------|------------------|

CIP Status Report

Completed Projects

Sorted By: Project Number

Actuals Thru: September 2023

Where Construction Finish Date is: >= 9/28/2023 <= 10/25/2023

| Expend. Org. | Project Title | Project Manager | Status | Projected Cost | Design | | | | Construction | | | | Percent Const. Complete | Pre-A500 |
|--------------|---|-----------------|-----------|----------------|----------|------------|----------|----------|--------------|------------|----------|------------|-------------------------|----------|
| | | | | | Start | Projected | Baseline | Finish | Start | Projected | Baseline | Finish | | |
| 1002 | B. 240 - Gates for Southwest Marine Street Fence Line (2575300) | Hazelett, Phil | Completed | \$45,425 | 05/09/23 | ^ 05/09/23 | 05/09/23 | 05/09/23 | ^ 05/09/23 | ^ 05/09/23 | 08/22/23 | ^ 09/30/23 | 100 % | |

Grand Total: \$45,425











Audit Committee Report Packet November 2023

Final Audit Report

2023-11-07

| | |
|-----------------|--|
| Created: | 2023-11-06 |
| By: | Karine Lurvey (klurvey@portla.org) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAsBQ2zPI6hWZkwqkS9wnqO8X3RCuRpNCI |

"Audit Committee Report Packet November 2023" History

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-  Signer mbleavins@portla.org entered name at signing as Marla Bleavins
2023-11-07 - 10:50:07 PM GMT- IP address: 199.245.255.5
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Signature Date: 2023-11-07 - 10:50:09 PM GMT - Time Source: server- IP address: 199.245.255.5
-  Agreement completed.
2023-11-07 - 10:50:09 PM GMT

5a) August 2023



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

“FOR INFORMATION ONLY”

DATE: October 3, 2023

TO: BOARD OF HARBOR COMMISSIONERS

**SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR
FISCAL YEAR 2023/24 ENDED AUGUST 31, 2023**

Financial performance results for the first two months of the Fiscal Year 2023/24 are below and have been summarized relative to both budget and the prior fiscal year. For the month of August, cargo volumes (as measured by TEUs or twenty-foot equivalent units) decreased by 17.3% relative to budget and 13.1% relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

| FYTD August 2023 | Actuals (Cargo Volumes in Thousands, \$ in Millions) | Actual-to- Budget Comparison | Year-on-Year Comparison |
|--------------------|---|------------------------------------|----------------------------|
| Cargo Volumes | 1,512 | ↓ (17.3%) | ↓ (13.1%) |
| Operating Revenues | \$100.3 | ↓ (21.5%) | ↓ (9.1%) |
| Operating Expenses | \$37.3 | ↓ (39.0%) | ↑ 1.5% |
| Operating Income | \$63.0 | ↓ (5.5%) | ↓ (14.4%) |
| Net Income | \$42.2 | ↑ 14.4% | ↓ (12.5%) |

Shipping Services decreased relative to both budget and prior year due to lower wharfage revenues and lower space assignments. Relative to budget, Operating Revenues decreased by 21.5% primarily due to lower wharfage, delays in recording Clean Truck Fund Rate collections and lower space assignment rates. In comparison to the prior fiscal year, total Operating Revenues decreased by 9.1% due to lower one-time operating reimbursements, lower space assignments, and lower wharfage revenues, which were partially offset by the higher rental revenues.

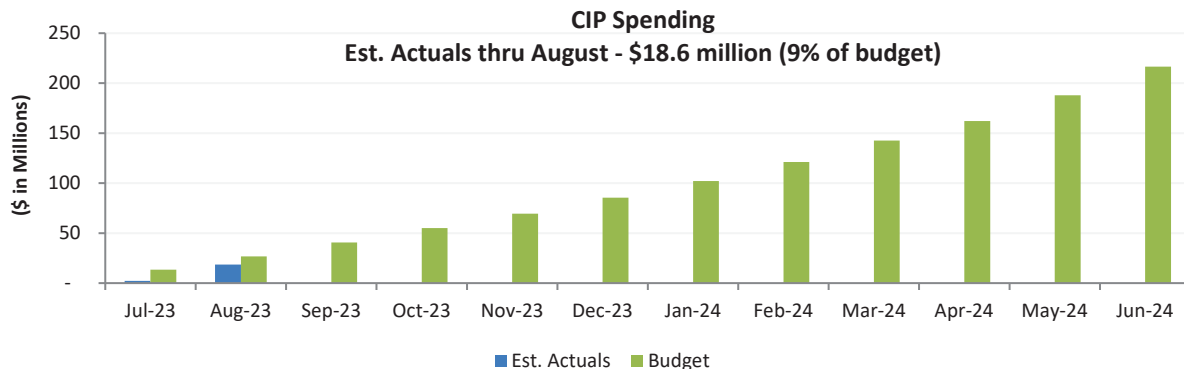
SUBJECT: FINANCIAL PERFORMANCE RESULTS

Operating Expenses were 39% lower than budget primarily due to lower salaries and benefits expenses, timing of outside services, timing of city service invoices, delay in recording of payment for electricity, and timing of insurance payments. Relative to the prior fiscal year, total Operating Expenses increased by 1.5% due to higher salary and benefits and higher electricity costs which were partially offset by lower spend on city services and outside services.

Operating Margin through the month of August was 62.8% versus a budget of 52.2% and a prior year-to-date figure of 66.7%.

Capital Improvement Program (CIP)

CIP spending for the two-month period ended August 31, 2023, was estimated to reach \$18.6 million or about 9% of the total \$216.5 million CIP adopted budget.



Marla Bleavins

MARLA BLEAVINS

Deputy Executive Director & Chief Financial Officer

Transmittals:

1. TEU Throughput Comparison – FYTD August 2023
2. Actual-to-Budget FY 2022/23 – August
3. Year-to-Year Performance Report YTD August 31, 2023 and 2022

Author: E. Wang

MB:JS:MM/Finance

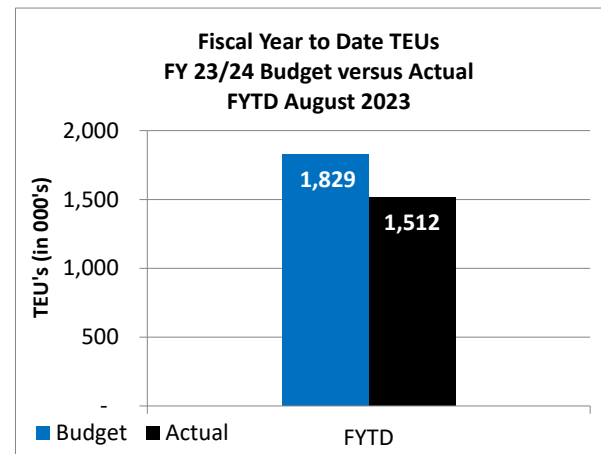
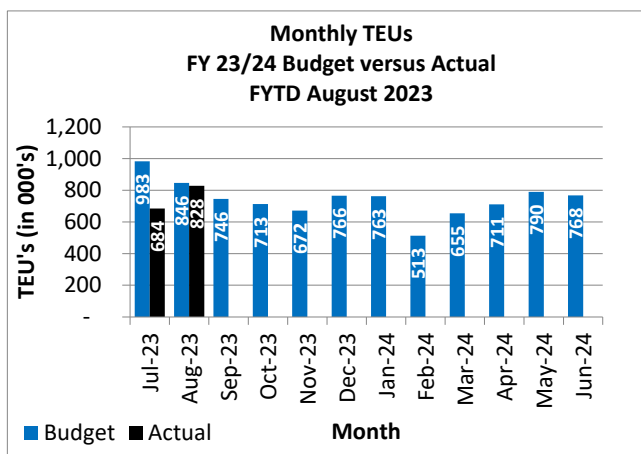
cc: Deputy Executive Directors

HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES TEU THROUGHPUT COMPARISON - FYTD AUGUST 2023

TRANSMITTAL 1

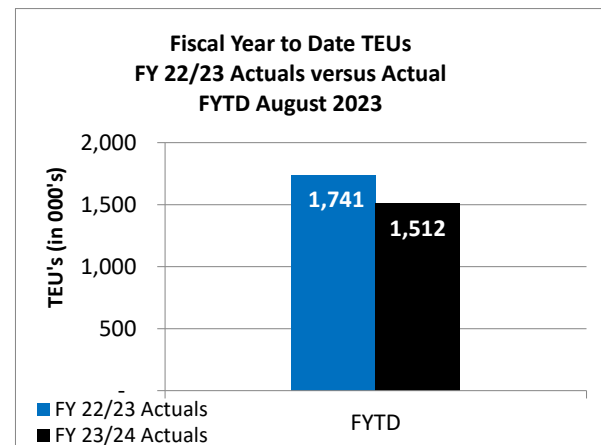
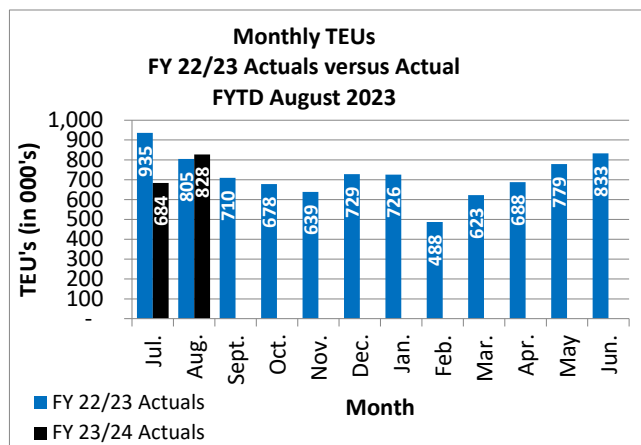
Budget versus Actuals Comparison FY 23/24 Budget vs. FY 23/24 Actuals

| (in 000's) | TEU's | | | |
|-----------------|-----------------|------------------|---------|---|
| Month | FY 23/24 Budget | FY 23/24 Actuals | % Δ | Δ |
| Jul-23 | 983 | 684 | -30.4% | ↓ |
| Aug-23 | 846 | 828 | -2.1% | ↓ |
| Sep-23 | 746 | | -100.0% | ↓ |
| Oct-23 | 713 | | -100.0% | ↓ |
| Nov-23 | 672 | | -100.0% | ↓ |
| Dec-23 | 766 | | -100.0% | ↓ |
| Jan-24 | 763 | | -100.0% | ↓ |
| Feb-24 | 513 | | -100.0% | ↓ |
| Mar-24 | 655 | | -100.0% | ↓ |
| Apr-24 | 711 | | -100.0% | ↓ |
| May-24 | 790 | | -100.0% | ↓ |
| Jun-24 | 768 | | -100.0% | ↓ |
| FYTD | 1,829 | 1,512 | -17.3% | ↓ |
| FY 23/24 Budget | 8,925 | | | |



Year-to-Year Actuals Comparison FY 22/23 Actuals vs. FY 23/24 Actuals

| (in 000's) | TEU's | | | |
|------------------|------------------|------------------|---------|---|
| Month | FY 22/23 Actuals | FY 23/24 Actuals | % Δ | Δ |
| Jul. | 935 | 684 | -26.8% | ↓ |
| Aug. | 805 | 828 | 2.8% | ↑ |
| Sept. | 710 | | -100.0% | ↓ |
| Oct. | 678 | | -100.0% | ↓ |
| Nov. | 639 | | -100.0% | ↓ |
| Dec. | 729 | | -100.0% | ↓ |
| Jan. | 726 | | -100.0% | ↓ |
| Feb. | 488 | | -100.0% | ↓ |
| Mar. | 623 | | -100.0% | ↓ |
| Apr. | 688 | | -100.0% | ↓ |
| May | 779 | | -100.0% | ↓ |
| Jun. | 833 | | -100.0% | ↓ |
| FYTD | 1,741 | 1,512 | -13.1% | ↓ |
| FY 22/23 Actuals | 8,635 | | | |



The Port of Los Angeles - Harbor Department
FYTD AUGUST 31, 2023

TRANSMITTAL 2

| \$ in thousands | Fiscal Year Actual FY 2023/24 Fiscal YTD - Aug 2023 | Fiscal Year Budget FY 2023/24 Fiscal YTD - Aug 2023 | Actual-to-Budget Comparison | |
|------------------------------------|---|---|--------------------------------|----------------|
| | | | \$ | % |
| Operating Revenues | | | | |
| Shipping Services | 76,531 | 96,676 | (20,145) | (20.8%) |
| Rentals | 17,966 | 19,228 | (1,262) | (6.6%) |
| Royalties, Fees and Other Revenues | 1,931 | 4,824 | (2,893) | (60.0%) |
| Clean Truck Program Revenues | 3,874 | 7,035 | (3,161) | (44.9%) |
| Total Operating Revenues | 100,302 | 127,762 | (27,461) | (21.5%) |
| Operating Expenses | | | | |
| Gross Salaries & Benefits | 29,398 | 32,438 | 3,040 | 9.4% |
| Capitalization | (5,613) | (2,597) | 3,015 | (116.1%) |
| Net Salaries & Benefits | 23,785 | 29,840 | 6,055 | 20.3% |
| Marketing & Public Relations | 276 | 966 | 689 | 71.4% |
| Travel | 139 | 194 | 54 | 28.1% |
| Outside Services | 2,239 | 8,676 | 6,437 | 74.2% |
| Materials & Supplies | 726 | 848 | 123 | 14.5% |
| City Services | 6,821 | 11,125 | 4,304 | 38.7% |
| Allocations to Capital - Overhead | | (3,285) | (3,285) | 100.0% |
| Other Operating Expenses | 3,106 | 12,318 | 9,212 | 74.8% |
| Clean Truck Program Expenses | 171 | 376 | 205 | 54.5% |
| Total Operating Expenses | 37,264 | 61,058 | 23,794 | 39.0% |
| Income Before Depreciation | 63,038 | 66,705 | (3,667) | (5.5%) |
| Provision For Depreciation | 25,750 | 27,576 | 1,826 | 6.6% |
| Income From Operations | 37,288 | 39,129 | (1,841) | (4.7%) |
| Non-Operating Revenue | 7,841 | 3,281 | 4,560 | 139.0% |
| Non-Operating Expenses | 2,924 | 5,515 | 2,592 | 47.0% |
| Net Income | 42,206 | 36,894 | 5,311 | 14.4% |

The Port of Los Angeles - Harbor Department
FYTD August 31, 2022 and 2023

TRANSMITTAL 3

| \$ in thousands | Fiscal Year Actual FY 2023/24 Fiscal YTD - Aug 2023 | Prior Fiscal Year FY 2022/23 Fiscal YTD - Aug 2022 | Year-over-Year Change (Unfavorable)/Favorable | |
|------------------------------------|---|--|---|----------------|
| | | | \$ | % |
| Operating Revenues | | | | |
| Shipping Services | 76,531 | 82,083 | (5,552) | (6.8%) |
| Rentals | 17,966 | 16,730 | 1,236 | 7.4% |
| Royalties, Fees and Other Revenues | 1,931 | 7,383 | (5,452) | (73.8%) |
| Clean Truck Program Revenues | 3,874 | 4,172 | (298) | (7.2%) |
| Total Operating Revenues | 100,302 | 110,368 | (10,066) | (9.1%) |
| Operating Expenses | | | | |
| Gross Salaries & Benefits | 29,398 | 25,112 | (4,286) | (17.1%) |
| Capitalization | (5,613) | (4,115) | 1,497 | (36.4%) |
| Net Salaries & Benefits | 23,785 | 20,997 | (2,788) | (13.3%) |
| Marketing & Public Relations | 276 | 514 | 238 | 46.2% |
| Travel | 139 | 96 | (43) | (44.7%) |
| Outside Services | 2,239 | 2,641 | 402 | 15.2% |
| Materials & Supplies | 726 | 783 | 57 | 7.3% |
| City Services | 6,821 | 9,779 | 2,958 | 30.2% |
| Other Operating Expenses | 3,106 | 1,834 | (1,272) | (69.3%) |
| Clean Truck Program Expenses | 171 | 80 | (91) | (114.1%) |
| Total Operating Expenses | 37,264 | 36,724 | (539) | (1.5%) |
| Income Before Depreciation | 63,038 | 73,643 | (10,606) | (14.4%) |
| Provision For Depreciation | 25,750 | 25,824 | 74 | 0.3% |
| Income From Operations | 37,288 | 47,820 | (10,532) | (22.0%) |
| Non-Operating Revenue | 7,841 | 3,475 | 4,367 | 125.7% |
| Non-Operating Expenses | 2,924 | 3,035 | 111 | 3.7% |
| Net Income | 42,206 | 48,260 | (6,054) | (12.5%) |

5b) September 2023











“FOR INFORMATION ONLY”

DATE: October 24, 2023

TO: BOARD OF HARBOR COMMISSIONERS

**SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR
FISCAL YEAR 2023/24 ENDED SEPTEMBER 30, 2023**

Financial performance results for the first three months of the Fiscal Year 2023/24 are below and have been summarized relative to both budget and the prior fiscal year. For the month of September, cargo volumes (as measured by TEUs or twenty-foot equivalent units) decreased by 12.2% relative to budget and 7.7% relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

| FYTD September 2023 | Actuals (Cargo Volumes in Thousands, \$ in Millions) | Actual-to- Budget Comparison | Year-on-Year Comparison |
|----------------------------|--|---|--|
| Cargo Volumes | 2,261 |  (12.2%) |  (7.7%) |
| Operating Revenues | \$151.1 |  (16.0%) |  (3.4%) |
| Operating Expenses | \$59.9 |  (35.0%) |  6.7% |
| Operating Income | \$91.2 |  4.1% |  (9.0%) |
| Net Income | \$60.2 |  35.0% |  (2.6%) |

Shipping Services decreased relative to both budget and prior year due to lower wharfage revenues and lower space assignments. Relative to budget, Operating Revenues decreased by 16.0% primarily due to lower wharfage, delays in recording Clean Truck Fund Rate collections, and lower rentals. In comparison to the prior fiscal year, total Operating Revenues decreased by 3.4% due to lower Harbor Maintenance Tax, lower space assignments, and lower wharfage revenues, which were partially offset by the higher Clean Truck Fund revenue.

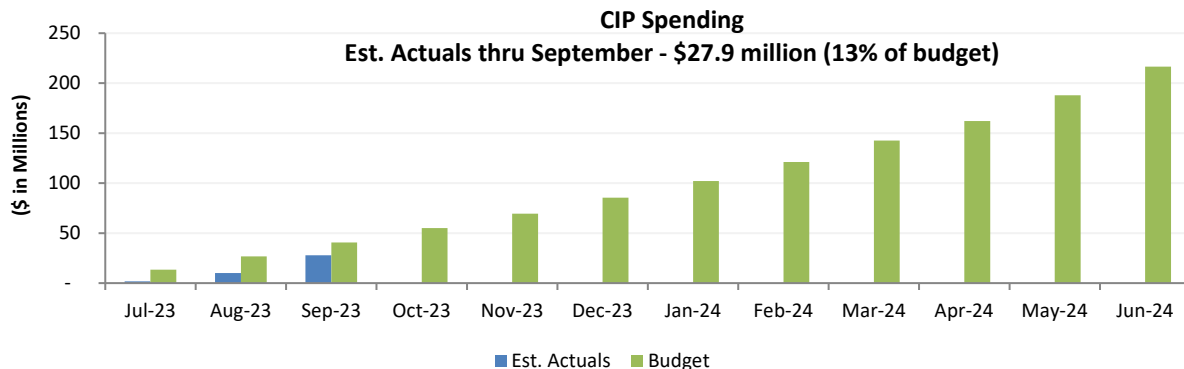
SUBJECT: FINANCIAL PERFORMANCE RESULTS

Operating Expenses were 35% lower than budget primarily due to lower salaries and benefits expenses, timing of outside services, timing of city service invoices, delay in recording of payment for electricity, and timing of insurance payments. Relative to the prior fiscal year, total Operating Expenses increased by 6.7% due to higher salary and benefits and higher electricity costs which were partially offset by lower spend on city services, marketing costs, and outside services.

Operating Margin through the month of September was 60.4% versus a budget of 48.8% and a prior year-to-date figure of 64.1%.

Capital Improvement Program (CIP)

CIP spending for the three-month period ended September 30, 2023, was estimated to reach \$27.9 million or about 13% of the total \$216.5 million CIP adopted budget.



Marla Bleavins

MARLA BLEAVINS

Deputy Executive Director & Chief Financial Officer

Transmittals:

1. TEU Throughput Comparison – FYTD September 2023
2. Actual-to-Budget FY 2022/23 – September
3. Year-to-Year Performance Report YTD September 30, 2023 and 2022

Author: E. Wang

MB:JS:MM/Finance

cc: Deputy Executive Directors

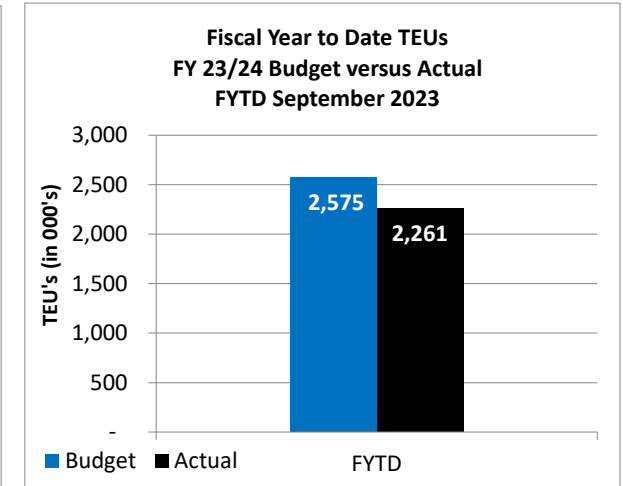
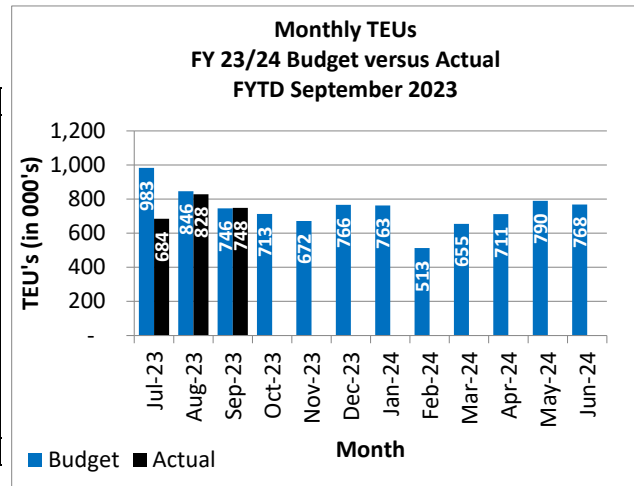
Harbor Department of the City of Los Angeles

TEU Throughput Comparison - FYTD September 2023

TRANSMITTAL 1

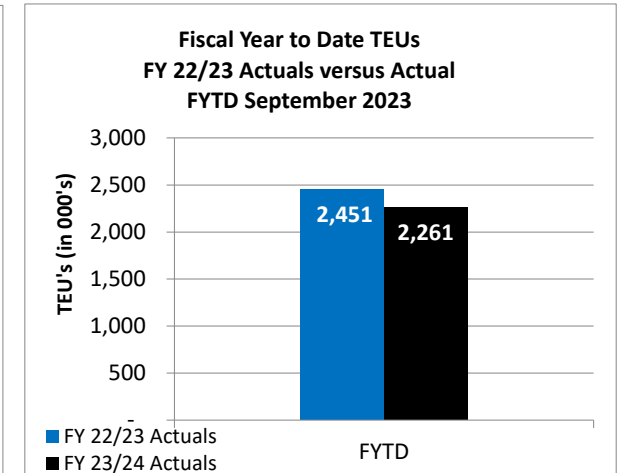
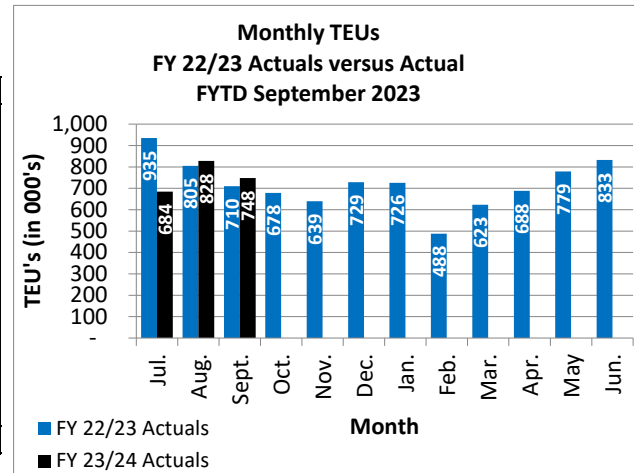
Budget versus Actuals Comparison FY 23/24 Budget vs. FY 23/24 Actuals

| (in 000's) | TEU's | | | |
|-----------------|-----------------|------------------|---------|---|
| Month | FY 23/24 Budget | FY 23/24 Actuals | % Δ | Δ |
| Jul-23 | 983 | 684 | -30.4% | ↓ |
| Aug-23 | 846 | 828 | -2.1% | ↓ |
| Sep-23 | 746 | 748 | 0.3% | ↑ |
| Oct-23 | 713 | | -100.0% | ↓ |
| Nov-23 | 672 | | -100.0% | ↓ |
| Dec-23 | 766 | | -100.0% | ↓ |
| Jan-24 | 763 | | -100.0% | ↓ |
| Feb-24 | 513 | | -100.0% | ↓ |
| Mar-24 | 655 | | -100.0% | ↓ |
| Apr-24 | 711 | | -100.0% | ↓ |
| May-24 | 790 | | -100.0% | ↓ |
| Jun-24 | 768 | | -100.0% | ↓ |
| FYTD | 2,575 | 2,261 | -12.2% | ↓ |
| FY 23/24 Budget | 8,925 | | | |



Year-to-Year Actuals Comparison FY 22/23 Actuals vs. FY 23/24 Actuals

| (in 000's) | TEU's | | | |
|------------------|------------------|------------------|---------|---|
| Month | FY 22/23 Actuals | FY 23/24 Actuals | % Δ | Δ |
| Jul. | 935 | 684 | -26.8% | ↓ |
| Aug. | 805 | 828 | 2.8% | ↑ |
| Sept. | 710 | 748 | 5.4% | ↑ |
| Oct. | 678 | | -100.0% | ↓ |
| Nov. | 639 | | -100.0% | ↓ |
| Dec. | 729 | | -100.0% | ↓ |
| Jan. | 726 | | -100.0% | ↓ |
| Feb. | 488 | | -100.0% | ↓ |
| Mar. | 623 | | -100.0% | ↓ |
| Apr. | 688 | | -100.0% | ↓ |
| May | 779 | | -100.0% | ↓ |
| Jun. | 833 | | -100.0% | ↓ |
| FYTD | 2,451 | 2,261 | -7.7% | ↓ |
| FY 22/23 Actuals | 8,635 | | | |



The Port of Los Angeles - Harbor Department
FYTD September 30, 2023

TRANSMITTAL 2

| \$ in thousands | Fiscal Year Actual FY 2023/24 Fiscal YTD - Sep 2023 | Fiscal Year Budget FY 2023/24 Fiscal YTD - Sep 2023 | Actual-to-Budget Comparison | |
|------------------------------------|---|---|--------------------------------|----------------|
| | | | \$ | % |
| Operating Revenues | | | | |
| Shipping Services | 114,869 | 137,513 | (22,644) | (16.5%) |
| Rentals | 23,966 | 25,233 | (1,266) | (5.0%) |
| Royalties, Fees and Other Revenues | 4,326 | 7,133 | (2,807) | (39.3%) |
| Clean Truck Program Revenues | 7,944 | 9,936 | (1,992) | (20.1%) |
| Total Operating Revenues | 151,105 | 179,814 | (28,709) | (16.0%) |
| Operating Expenses | | | | |
| Gross Salaries & Benefits | 42,443 | 48,555 | 6,112 | 12.6% |
| Capitalization | (8,690) | (3,896) | 4,794 | (123.1%) |
| Net Salaries & Benefits | 33,753 | 44,659 | 10,906 | 24.4% |
| Marketing & Public Relations | 433 | 1,169 | 737 | 63.0% |
| Travel | 288 | 284 | (4) | (1.4%) |
| Outside Services | 3,813 | 12,848 | 9,035 | 70.3% |
| Materials & Supplies | 1,333 | 1,500 | 168 | 11.2% |
| City Services | 11,766 | 16,663 | 4,897 | 29.4% |
| Allocations to Capital - Overhead | | (4,928) | (4,928) | 100.0% |
| Other Operating Expenses | 8,094 | 17,738 | 9,644 | 54.4% |
| Clean Truck Program Expenses | 389 | 2,197 | 1,807 | 82.3% |
| Total Operating Expenses | 59,869 | 92,132 | 32,263 | 35.0% |
| Income Before Depreciation | 91,236 | 87,683 | 3,554 | 4.1% |
| Provision For Depreciation | 37,928 | 39,981 | 2,053 | 5.1% |
| Income From Operations | 53,308 | 47,702 | 5,606 | 11.8% |
| Non-Operating Revenue | 11,181 | 5,149 | 6,032 | 117.1% |
| Non-Operating Expenses | 4,321 | 8,273 | 3,952 | 47.8% |
| Net Income | 60,168 | 44,578 | 15,590 | 35.0% |

The Port of Los Angeles - Harbor Department
FYTD September 30, 2022 and 2023

TRANSMITTAL 3

| \$ in thousands | Fiscal Year Actual FY 2023/24 Fiscal YTD - Sep 2023 | Prior Fiscal Year FY 2022/23 Fiscal YTD - Sep 2022 | Year-over-Year Change (Unfavorable)/Favorable | |
|------------------------------------|---|--|---|----------------|
| | | | \$ | % |
| Operating Revenues | | | | |
| Shipping Services | 114,869 | 120,345 | (5,475) | (4.5%) |
| Rentals | 23,966 | 23,132 | 834 | 3.6% |
| Royalties, Fees and Other Revenues | 4,326 | 8,390 | (4,064) | (48.4%) |
| Clean Truck Program Revenues | 7,944 | 4,544 | 3,400 | 74.8% |
| Total Operating Revenues | 151,105 | 156,410 | (5,304) | (3.4%) |
| Operating Expenses | | | | |
| Gross Salaries & Benefits | 42,443 | 38,503 | (3,940) | (10.2%) |
| Capitalization | (8,690) | (6,406) | 2,284 | (35.7%) |
| Net Salaries & Benefits | 33,753 | 32,096 | (1,656) | (5.2%) |
| Marketing & Public Relations | 433 | 899 | 466 | 51.9% |
| Travel | 288 | 165 | (123) | (74.2%) |
| Outside Services | 3,813 | 4,164 | 351 | 8.4% |
| Materials & Supplies | 1,333 | 1,148 | (185) | (16.1%) |
| City Services | 11,766 | 14,386 | 2,620 | 18.2% |
| Other Operating Expenses | 8,094 | 3,058 | (5,036) | (164.7%) |
| Clean Truck Program Expenses | 389 | 216 | (173) | (80.1%) |
| Total Operating Expenses | 59,869 | 56,134 | (3,735) | (6.7%) |
| Income Before Depreciation | 91,236 | 100,276 | (9,039) | (9.0%) |
| Provision For Depreciation | 37,928 | 39,063 | 1,134 | 2.9% |
| Income From Operations | 53,308 | 61,213 | (7,905) | (12.9%) |
| Non-Operating Revenue | 11,181 | 5,081 | 6,100 | 120.1% |
| Non-Operating Expenses | 4,321 | 4,494 | 173 | 3.8% |
| Net Income | 60,168 | 61,800 | (1,632) | (2.6%) |

5c) FY 2023

“FOR INFORMATION ONLY”

DATE: NOVEMBER 8, 2023

TO: THE BOARD OF HARBOR COMMISSIONERS

**SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR
FISCAL YEAR ENDED JUNE 30, 2023**

SUMMARY:

This report discusses key factors that impacted the unaudited Fiscal Year (“FY”) 2023 financial performance of the City of Los Angeles (“City”) Harbor Department (“Harbor Department” or “Department”). Furthermore, this report compares the Harbor Department’s FY 2023 financial performance to the results projected within its adjusted Adopted FY 2023 Budget as well as the prior fiscal year. It should be noted that FY 2023 figures are not final and are subject to change pending the year-end audit process.

Cargo volumes (as measured by TEUs or twenty-foot equivalent units) of 8.635 million TEUs for the fiscal year (FY) ending June 30, 2023 represented a 12.3% decrease relative to budget and a 19.0% decrease relative to the prior FY. In summary, performance results for the Harbor Department are as follows:

| FY Ended June 2023* | Actuals - UNAUDITED (in Millions) | Actual-to- Budget Comparison | Year-on-Year Comparison |
|----------------------------|--|---|------------------------------------|
| Cargo Volumes | 8.635 | ↓ (12.3%) | ↓ (19.0%) |
| Operating Revenues | \$656.4 | ↑ 4.5% | ↑ 4.5% |
| Operating Expenses | \$299.4 | ↓ (10.4%) | ↑ 17.9% |
| Operating Income | \$357.0 | ↑ 21.4% | ↓ (4.5%) |
| Net Income | \$166.5 | ↑ 104.8% | ↑ 6.7% |

* FY 2023 financial information is UNAUDITED and subject to change.

Cargo volumes declined from the elevated levels observed in FY 2022 as retailers lowered inventory levels and consumers shifted spending patterns to services rather than physical goods following the COVID-19 pandemic. On a year-over-year basis, the 19.0% decrease in cargo volumes was driven by a 19.7% decrease in loaded imports, a 0.5% decrease in loaded exports, and a 23.3% decrease in empty container volumes.

SUBJECT: FINANCIAL PERFORMANCE RESULTS

Total Operating Revenues increased by 4.5% versus FY 2022 due to higher rental revenues, higher Clean Truck Program collections, and higher Harbor Maintenance Tax receipts which were only partially offset by lower wharfage and lower utility reimbursements. Total Operating Expenses increased by 17.9% relative to the prior fiscal year due to higher salaries and benefits, higher litigation costs, higher outside services, higher Clean Truck Program subsidies and higher city services, which were only partially offset by lower electricity costs. Increases in Operating Expenses more than offset increases in Operating Revenues such that Operating Income declined by 4.5% relative to the prior Fiscal Year.

DISCUSSION:

As of June 30, 2023, the Harbor Department met or exceeded the following key performance metrics indicative of healthy operations:

TABLE 1: KEY FINANCIAL METRICS

| Performance Metric | Minimum | As of 6/30/23 |
|-----------------------|---------|---------------|
| Debt Rating | AA | ✓ AA+/Aa2/AA |
| Debt Service Coverage | 2.0x | ✓ 6.0x |
| Operating Margin | 45% | ✓ 54% |

As noted within Table 1 above, as of June 30, 2023, the Harbor Department has continued to maintain its AA debt rating. Additionally, the Department's 6.0x debt service coverage ratio exceeded the 2.0x minimum required under the Port's Financial Policies as well as the 1.25x minimum coverage required under the Port's Bond Indenture. Furthermore, the Harbor Department's 54% operating margin (calculated as operating income before depreciation divided by total Operating Revenues) exceeded a separately established key financial metric to maintain a minimum operating margin of 45%.

CARGO VOLUMES:

FY 2023 cargo volumes of 8,634,636 TEUs represented a 12.3% decrease relative to budget and a 19.0% decrease relative to FY 2022 levels. Total loaded containers of 5,499,153 represented a 16.3% decrease relative to the prior year. This decrease was primarily driven by a 19.7% decrease in loaded imports and a 0.5% decrease in loaded exports. Empty containers totaling 3,135,483 represented a year-over-year decrease of 23.3%. Transmittal 1 provides a detailed monthly breakout of FY 2023 TEUs relative to both budget and the prior fiscal year.

SUBJECT: FINANCIAL PERFORMANCE RESULTS

OPERATING REVENUES:

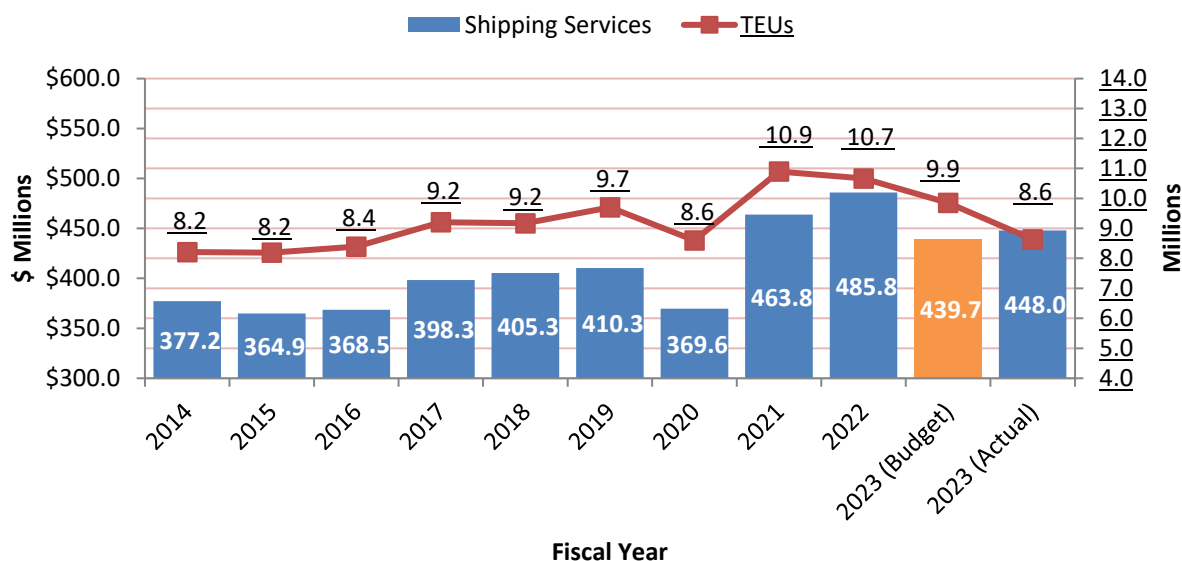
TABLE 2: FY 2023 OPERATING REVENUES (UNAUDITED)

| FY 2023 – Ended June 30 UNAUDITED (\$ in thousands) | FY 2023 Actual | FY 2023 Budget | FY 2022 Prior Year | % Variance vs. Budget | % Variance vs. Prior Year |
|--|-------------------|-------------------|-----------------------|--------------------------|------------------------------|
| Shipping Services | 448,008 | 439,655 | 485,842 | ↑ 1.9% | ↓ (7.8%) |
| Rentals | 117,290 | 93,944 | 86,837 | ↑ 24.8% | ↑ 35.1% |
| Royalties, Fees and Other Revenues | 49,883 | 46,803 | 37,164 | ↑ 6.6% | ↑ 34.2% |
| Clean Truck Program Revenues | 41,219 | 47,699 | 17,999 | ↓ (13.6%) | ↑ 129.0% |
| Total Operating Revenues | 656,400 | 628,102 | 627,842 | ↑ 4.5% | ↑ 4.5% |

Higher Rentals, Space Assignment Fees, Harbor Maintenance Tax Receipts, and Parking Fees drove increase in Operating Revenues – Relative to budget, operating revenues increased by 4.5% due to higher rental revenues, higher space assignment fees, higher Harbor Maintenance Tax receipts, and greater parking revenues. Relative to the prior fiscal year, total Operating Revenues increased by 4.5% due to higher rental revenues, higher Clean Truck Program collections, higher Harbor Maintenance Tax receipts, higher parking fees, and higher space assignment fees.

As noted within Table 3 below, TEU volumes fell from FY 2022 but continue to be a key driver of Shipping Services revenues at the Port.

TABLE 3: SHIPPING SERVICES AND TEU TRENDS: FY 2014 – FY 2023



Further details regarding variances within other revenue accounts are provided below:

- Shipping Services**

- Actuals vs. Budget: Shipping Services increased by \$8.4 million relative to budget as \$17.8 million in higher space assignment revenues were only partially offset by the following:

SUBJECT: FINANCIAL PERFORMANCE RESULTS

- \$7.1 million in lower wharfage due to lower cargo volumes;
 - \$1.8 million in lower dockage; and
 - \$0.5 million in lower pilotage revenues.
- Actuals vs. Prior Year: Shipping Services declined by \$37.8 million relative to the prior fiscal year as \$1.6 million in higher space assignment revenues were more than offset by the following:
- \$36.9 million in lower wharfage due to lower cargo volumes;
 - \$2.3 million in lower dockage; and
 - \$0.2 million in lower pilotage revenues.

- **Rentals**

- Actuals vs. Budget: Rentals increased by \$23.3 million relative to budget due to the following favorable variances of \$27.3 million.
- \$17.8 million primarily due to a Union Pacific compensation reset;
 - \$2.7 million due to higher gross receipts from Westrec Marina;
 - \$2.4 million due to higher gross receipts from various customers;
 - \$1.3 million due to Innovative Terminal Services' new permit;
 - \$1.1 million due to City of LA compensation reset and miscellaneous Consumer Price Index (CPI) increases;
 - \$0.6 million due to Fenix Marine CPI increases;
 - \$0.6 million due to Kinder Morgan Liquids CPI increases;
 - \$0.3 million due to So Cal Ship Services increases;
 - \$0.2 million due to Millenium rental increase;
 - \$0.2 million due to PBF Energy rental increase;

These favorable variances were partially offset by an unfavorable variance of \$3.9 million due to GASB 87 lease adjustments.

- Actuals vs. Prior Year: Rentals increased by a \$30.5 million relative to the prior fiscal year, due to the following increases:
- \$20.0 million due to a Union Pacific compensation reset;
 - \$6.3 million due to a new revocable permit for Taylored Transload;
 - \$1.7 million due to Innovative Terminal Services new permit;
 - \$1.2 million due to City of LA compensation reset and miscellaneous CPI increases;
 - \$0.8 million due to a compensation adjustment for Pacific Crane Maintenance; and
 - \$0.5 million due to higher Westrec gross receipts.

- **Royalties, Fees and Other Revenues**

- Actuals vs. Budget: Royalties, fees and other revenues increased by a net \$3.1 million, detailed as follows:
- \$11.4 million in favorable variances comprised of: \$6.9 million in higher Harbor Maintenance Tax proceeds, \$3.6 million in higher

SUBJECT: FINANCIAL PERFORMANCE RESULTS

- parking fees, and \$0.9 million in higher other operating revenues; and
- An unfavorable variance of \$8.3 related to \$7.2 million in lower operating reimbursements and \$1.1 million in higher credits for tenant services.
- Actuals vs. Prior Year: Royalties, fees and other revenues increased by \$12.7 million, detailed as follows:
 - \$22.3 million in favorable variances comprised of: \$12.6 million in higher Harbor Maintenance Tax receipts, \$6.7 million in higher operating reimbursements, and \$3.0 million due to higher parking fees; and
 - An unfavorable variance of \$9.6 million related to \$7.6 million in lower utility reimbursements, \$1.3 million in higher credits for tenant services, and \$0.7 million in lower other operating revenues.
- **Clean Truck Program (“CTP”) Revenues**
 - Actuals vs. Budget: CTP revenues decreased by \$6.5 million relative to budget primarily due to the delayed Clean Truck Fund Rate (“CTFR”) collections (\$7.1 million), which were partially offset by higher concession application fees (\$0.5 million) and higher annual truck fees (\$0.1 million).
 - Actuals vs. Prior Year: CTP revenues increased by \$23.2 million relative to prior year primarily due to the higher CTFR collections (\$25.8 million), which were partially offset by lower concession application fees (\$2.6 million).

OPERATING EXPENSES:

TABLE 4: FY 2023 OPERATING EXPENSES

| FY 2023 – Ended June 30 UNAUDITED* (\$ in thousands) | FY 2023 Actual* | FY 2023 Budget | FY 2022 Prior Year | % Variance vs. Budget | % Variance vs. Prior Year |
|---|--------------------|-------------------|-----------------------|--------------------------|------------------------------|
| Net Salaries & Benefits | 141,735 | 161,114 | 122,410 | ↓ (12.0%) | ↑ 15.8% |
| Marketing & Public Relations | 2,710 | 3,336 | 2,101 | ↓ (18.7%) | ↑ 29.0% |
| Travel | 576 | 1,106 | 281 | ↓ (47.8%) | ↑ 105.2% |
| Outside Services | 33,332 | 46,746 | 27,864 | ↓ (28.7%) | ↑ 19.6% |
| Materials & Supplies | 5,974 | 7,223 | 5,106 | ↓ (17.3%) | ↑ 17.0% |
| City Services | 47,823 | 61,207 | 45,531 | ↓ (21.9%) | ↑ 5.0% |
| Allocations to Capital - Overhead | - | (19,476) | - | n/a | n/a |
| Other Operating Expenses | 61,435 | 62,307 | 47,994 | ↓ (1.4%) | ↑ 28.0% |
| Clean Truck Program Expenses | 5,835 | 10,477 | 2,613 | ↓ (44.3%) | ↑ 123.3% |
| Total Operating Expenses | 299,420 | 334,040 | 253,900 | ↓ (10.4%) | ↑ 17.9% |


* FY 2023 Actual Operating Expenses are UNAUDITED and subject to change.

OPERATING EXPENSES (vs. Budget):

Lower Salaries and Benefits as well as Lower Spending City Services and Outside Services Drove Total Operating Expenses below Budget – Total Operating Expenses of \$299.4 million fell 10.4% or \$34.6 million below budget. Details for each major




SUBJECT: FINANCIAL PERFORMANCE RESULTS

Operating Expense category and a comparison relative to their respective budgets are as follows:




- **Net Salaries & Benefits: \$141.7 million**  **by \$19.4 million or 12.0%.**
Net Salaries & Benefits expenses declined relative to budget due to \$7.9 million in lower gross salaries, benefits and overtime as well as \$11.5 million of greater expense allocations to capital.

Of the \$11.5 million in higher expense allocations to capital, \$11.6 million of this figure was related to higher indirect overhead allocations which were broadly applied across the Harbor Department's capital program. The indirect overhead was partially offset by \$0.1 million in lower direct allocations of salaries, benefits and overtime expenses to specific capital projects. It is important to note that the indirect allocations to overhead serve to reduce Net Salaries & Benefits expenses; however, they are budgeted within a separate operating expense account outside of Net Salaries & Benefits expenses.

Salaries, benefits, and overtime expenses, prior to capital allocations decreased by \$7.9 million relative to budget. This decrease was primarily driven by lower average headcount and lower salaries and benefits expenses per employee relative to budget.

- **Marketing and Public Relations: \$2.7 million**  **by \$0.6 million or 18.7%.**
Spending fell below budget due to \$0.4 million in lower promotional, advertising and sponsorship spending. In addition, \$0.2 million of overhead costs were capitalized over the course of FY 2023.
- **Travel: \$0.6 million**  **by \$0.5 million or 47.8%.**
Lower spending relative to budget was the result of fewer trips than expected for both business development and training and employee development purposes.
- **Outside Services: \$33.3 million**  **by \$13.4 million or 28.7%.**
Primary drivers of the lower spending in Outside Services were as follows:
 - **Information Technology** (lower by \$3.0 million) due to delays in planned development activities related to the Port Optimizer and lower spending on Oracle EBS support;
 - **Overhead Capitalization** (higher by \$2.9 million) as overhead capitalization was not budgeted for outside services;
 - **Maintenance Improvement Program** (lower by \$2.1 million) due to prioritization of CIP projects, staffing shortages, and less repairs than anticipated for wharves and dredging;
 - **Construction & Maintenance** (lower by \$1.7 million) due to delays in invoicing, supply chain issues, and staffing shortages;
 - **Legal Services** (lower by \$1.6 million) due to lower outside counsel spending than expected for litigation;

SUBJECT: FINANCIAL PERFORMANCE RESULTS


- **Miscellaneous** (lower by \$0.5 million) due to lower overall consultant spending;
 - **Labor Relations & Government Affairs** (lower by \$0.3 million) due to spending delays related to the Goods Movement Training Campus and environmental advocacy contract;
 - **Waterfront/Commercial Real Estate** (lower by \$0.3 million) due to staffing shortages and project delays;
 - **Executive Office** (lower by \$0.3 million) due to unspent funds for a deferred trucker study;
 - **Environmental Assessments and Consulting Services** (lower by \$0.3 million) due to reduced costs for the Southern California International Gateway project and Conoco Phillips;
 - **Cargo/Industrial Real Estate** (lower by \$0.2 million) due to lower than expected spending and appraisal delays; and
 - **Risk Management** (lower by \$0.2 million) due to project delays.
- **Materials and Supplies: \$6.0 million**  **by \$1.2 million or 17.3%.**
The lower than budget result in this category is primarily driven by materials and supplies spending within the Development Bureau (which accounted for more than 79% of all materials and supplies spending throughout the Department) that was \$0.5 million lower than budgeted. Materials and supplies spending was further driven lower by \$0.4 million in higher capitalization of materials and supplies expenses than budgeted. Lastly, spending on Port Police, Waterfront Commercial Real Estate, and other miscellaneous supplies and general materials was \$0.3 million below budget.
 - **City Services: \$47.8 million**  **by \$13.4 million or 21.9%.**
Lower expenses were primarily driven by \$4.8 million in higher capitalization of overhead allocations. In addition, the following services were lower than budget: Fire (\$5.2 million lower), Recreation and Parks (\$2.3 million lower), City Attorney (\$0.6 million lower), and Miscellaneous City Services (\$0.5 million lower).
 - **Other Operating Expenses: \$61.4 million**  **by \$0.9 million or 1.4%.**
Other Operating Expenses decreased relative to the budget by \$0.9 million, detailed as follows.

\$16.4 million in favorable variances comprised of:
 - **Overhead Capitalization and Other** (higher by \$4.4 million) as overhead capitalization and GASB 87 lease adjustments were not budgeted for other operating expenses;
 - **Electricity** (lower by \$4.0 million) due to lower spending on non-AMP™ and AMP™-related electricity expenses;
 - **Container Incentives** (lower by \$3.8 million) due to lower container incentive payouts than anticipated;
 - **Workers' Compensation** (lower by \$1.6 million) due to lower workers' compensation reserves than anticipated;

SUBJECT: FINANCIAL PERFORMANCE RESULTS


- **Cruise Incentives** (lower by \$0.8 million) due to lower cruise incentive payouts than anticipated;
- **Environmental Incentives** (lower by \$0.8 million) due to lower environmental incentive payouts than anticipated;
- **Taxes and Assessments** (lower by \$0.4 million);
- **Equipment Rentals** (lower by \$0.2 million) due to lower spending on equipment rentals and fees than anticipated;
- **Memberships/Subscriptions/Books** (lower by \$0.2 million); and
- **Insurance** (lower by \$0.2 million).

An unfavorable variance of \$15.5 million as follows:

- **Litigation Claims** (higher by \$14.9 million) due to higher spending on litigation reserves than anticipated;
 - **Provision for Bad Debts** (higher by \$0.4 million); and
 - **Water and Gas** (higher by \$0.2 million).
- **Clean Truck Program: \$5.8 million  by \$4.6 million or 44.3%**
Included in Other Operating Expenses but reported separately are Clean Truck Program expenses. For Fiscal Year 2023, spending was down \$4.6 million due to delayed spending on subsidies related to the Clean Truck Fund.

OPERATING EXPENSES (vs. Prior Year):***Higher Salaries and Benefits, Higher Outside Services, and Higher Legal Settlement Reserves Drive Increase in Total Operating Expenses versus Prior Year***







– Total Operating Expenses of \$299.4 million increased 17.9% or \$45.5 million relative to the prior fiscal year. Details for each major Operating Expense category and a comparison relative to their respective prior fiscal year figures are as follows:

- **Net Salaries & Benefits: \$141.7 million  by \$19.3 million or 15.8%.**
Net Salaries & Benefits expenses increased relative to the prior fiscal year due to \$21.1 million of increases in gross salaries, benefits and overtime which were only partially offset by \$1.8 million in greater expense allocations to capital.

Salaries and benefits increased by \$21.1 million relative to the prior year primarily due to MOU salary and benefits increases. These increases were partially offset by: (i) lower staffing as average headcounts decreased from 853 in FY 2022 to 842 in FY 2023 and (ii) higher costs in FY 2022 due to Separation Incentive Payouts.

Expense allocations to capital were \$1.8 million higher than prior year as \$2.6 million in higher direct allocations of salaries, benefits and overtime expenses to specific capital projects were only partially offset by \$0.8 million in lower indirect overhead allocations.

SUBJECT: FINANCIAL PERFORMANCE RESULTS


- **Marketing and Public Relations: \$2.7 million  by \$0.6 million or 29.0%.**
Marketing and Public Relations spending increased relative to the prior year due to \$0.7 million in higher sponsorships, which was partially offset by \$0.1 million in higher indirect overhead allocations.
- **Travel: \$0.6 million  by \$0.3 million or 105.2%.**
Travel expenses increased by \$0.3 million relative to the prior fiscal year due to the resumption of travel which was enabled by fewer Pandemic-related travel restrictions.
- **Outside Services: \$33.3 million  by \$5.5 million or 19.6%.**
Primary drivers of the higher spending on Outside Services were as follows:
 - **Waterfront/Commercial Real Estate** (higher by \$1.7 million) due to increase in operational costs to support the growth of the Cruise business;
 - **Construction & Maintenance** (higher by \$1.4 million) due to price escalations for parts and material and increased hiring hall activity due to staffing shortages;
 - **GASB 96** (higher by \$0.7 million) due to a reduction in FY 2022 software costs related to implementation of Subscription-Based Information Technology Arrangements (SBITA) under GASB 96;
 - **Environmental Management** (higher by \$1.2 million) due to higher spending in development activities for the Green Shipping Corridor, environmental monitoring stations, and regulatory support;
 - **Goods Movement** (higher by \$0.2 million) to produce traffic modeling data and conceptual design drawings for various funding applications; and
 - **Community Relations** (higher by \$0.2 million) due to invoice delays for advertising agency Sensis that carried over to FY 2023.
- **Materials and Supplies: \$6.0 million  by \$0.9 million or 17.0%.**
Higher spending in this category was primarily driven by materials and supplies spending within the Development Bureau that was \$0.7 million higher than the prior fiscal year. Port Police, Port Pilot, IT, and other miscellaneous supplies and general materials spending increased by \$0.2 million relative to the prior year.
- **City Services: \$47.8 million  by \$2.3 million or 5.0%.**
City services expenses increased by \$2.3 million due to \$2.9 million in higher fire services and \$0.2 million in higher city attorney services. These increases were partially offset by \$0.7 million in lower Recreation & Parks Services and \$0.1 million in higher overhead allocations.
- **Other Operating Expenses: \$61.4 million  by \$13.4 million or 28.0%.**
Other Operating Expenses increased relative to the prior year by \$13.4 million, detailed as follows.

SUBJECT: FINANCIAL PERFORMANCE RESULTS

\$22.0 million in unfavorable variances comprised of:










- **Litigation and Claims** (higher by \$12.4 million);
- **Container Incentives** (higher by \$3.2 million) due to higher container incentive payouts;
- **Cruise Incentives** (higher by \$1.6 million) due to higher cruise incentive payouts;
- **Workers' Compensation** (higher by \$1.5 million) due to higher reserves for workers' compensation payouts;
- **Pollution Remediation** (higher by \$1.1 million) due to higher provisions for GASB 49 reserves;
- **Overhead Capitalization and Other** (lower by \$0.9 million) due to lower overhead capitalization and GASB 87 lease adjustments;
- **Insurance** (higher by \$0.8 million);
- **Water and Gas** (higher by \$0.3 million);
- **Equipment Rentals** (higher by \$0.1 million) due to lower spending on equipment rentals and fees than anticipated; and
- **Memberships/Subscriptions/Books** (higher by \$0.1 million).

Favorable variances of \$8.6 million as follows:

- **Electricity** (lower by \$7.7 million) due to lower spending on non-AMP™ and AMP™-related electricity expenses;
 - **Environmental Incentives** (lower by \$0.6 million); and
 - **Taxes and Assessments** (lower by \$0.3 million).
- **Clean Truck Program: \$5.8 million  by \$3.2 million or 123.3%.**
Year-over-year spending increased due to \$3.2 million of accrued subsidies for the CTRF that have yet to be paid out.

OTHER ITEMS:

TABLE 5: FY 2023 OPERATING INCOME AND NET INCOME

| FY 2023 – Ended June 30 UNAUDITED (\$ in thousands) | FY 2023 Actual | FY 2023 Budget | FY 2022 Prior Year | % Variance vs. Budget | % Variance vs. Prior Year |
|--|-------------------|-------------------|-----------------------|--|---|
| Operating Income | 356,980 | 294,062 | 373,942 |  21.4% |  (4.5%) |
| Less: Depreciation | (194,869) | (160,250) | (147,569) |  21.6% |  32.1% |
| Plus: Non-Operating Revenues | 72,176 | 54,483 | 50,209 |  32.5% |  43.8% |
| Less: Non-Operating Expenses | (67,829) | (107,031) | (120,602) |  (36.6%) |  (43.8%) |
| Net Income | 166,456 | 81,264 | 155,980 | 104.8% |  6.7% |

Depreciation, Non-Operating Revenues and Non-Operating Expenses:

- Depreciation: \$194.9 million
 - Depreciation increased by \$34.6 million relative to budget and by \$47.3 million relative to the prior year due to a one-time adjustment which reconciled the economic useful life of assets in use and their respective useful life utilized for accounting purposes.

SUBJECT: FINANCIAL PERFORMANCE RESULTS

- Non-Operating Revenues: \$72.2 million
 - *Actuals vs. Budget:* Non-Operating Revenues increased by \$17.7 million relative to budget due to \$22.0 million in favorable variances with respect to:
 - Higher interest income (\$11.7 million), higher GASB 87 lease adjustments (\$10.2 million) and higher other non-operating revenues (\$0.1 million).These favorable variances were only partially offset by \$4.3 million in unfavorable variances with respect to:
 - Lower late charge receipts (\$1.5 million), lower JPA income (\$1.1 million), lower federal non-operating grants (\$1.1 million) and lower passthrough grant receipts (\$0.6 million).
 - *Actuals vs. Prior Year:* Non-Operating Revenues increased by \$22.0 million relative to prior year due to \$27.5 million in favorable variances with respect to:
 - Higher interest income (\$14.5 million), higher passthrough revenue (\$12.6 million), and higher Joint Power Authority Income (\$0.4 million).These favorable variances were only partially offset by \$5.5 million in unfavorable variances with respect to:
 - Lower other non-operating revenue (\$5.2 million), lower federal non-operating grant revenues (lower by \$0.2 million), and lower GASB 87 lease adjustments (lower by \$0.1 million).
- Non-Operating Expenses: \$67.8 million
 - *Actuals vs. Budget:* Non-Operating Expenses decreased by \$39.2 million relative to budget due to lower: capital projects closed to expense (\$38.7 million), interest expense (\$9.3 million), ACTA reserves (\$9.0 million), passthrough grant disbursements (\$4.2 million), and miscellaneous non-operating expenses (\$0.2 million) which were only partially offset by a higher unrealized investment losses (\$22.2 million).
 - *Actuals vs. Prior Year:* Non-Operating Expenses decreased by \$52.8 million relative to the prior year due to lower: unrealized investment losses (\$37.7 million), capital projects closed to expense (\$22.4 million), interest expense (\$1.2 million), and miscellaneous non-operating expenses (\$0.2 million) which were only partially offset by higher passthrough grant disbursements (\$8.7 million).

SUBJECT: FINANCIAL PERFORMANCE RESULTS

CAPITAL IMPROVEMENT PROGRAM (CIP):

Budget Performance – Unaudited spending in FY 2023 was \$114.3 million or 63% of the Adopted Capital Improvement Program Budget of \$180.5 million with actual and budgeted spending by category as follows:

TABLE 6: FY 2023 CIP ACTUALS vs. BUDGET

| FY 2023 – Ended June 30 UNAUDITED (\$ in thousands) | FY 2023 Actual | FY 2023 Budget | \$ Variance vs. Budget | % Variance vs. Budget |
|--|-------------------|-------------------|---------------------------|--------------------------|
| Terminals | \$ 63,867 | \$ 69,690 | \$ 5,823 | 8.4% |
| Transportation | \$ 7,214 | \$ 11,542 | \$ 4,328 | 37.5% |
| Security | \$ 2,645 | \$ 4,231 | \$ 1,586 | 37.5% |
| Public Access | | | | |
| San Pedro Waterfront | \$ 2,188 | \$ 10,548 | \$ 8,360 | 79.3% |
| Wilmington Waterfront | \$ 17,058 | \$ 27,891 | \$ 10,833 | 38.8% |
| Other Public Access | \$ 3,622 | \$ 10,456 | \$ 6,834 | 65.4% |
| Maritime Services | \$ 9,928 | \$ 34,188 | \$ 24,260 | 71.0% |
| Unallocated CIP | \$ 7,784 | \$ 12,000 | \$ 4,216 | 35.1% |
| Total | \$114,306 | \$180,546 | \$ 66,240 | 36.7% |

FY 2023 CIP spending fell \$66.2 million below budget due to the following:

- Maritime Services Projects were \$24.3 million below budget primarily due to delayed spending on an HVAC replacement at the Harbor Administration Building (lower by \$8.3 million) and delayed spending on a pile-driving barge, crane and workboat (lower by \$5.8 million).
- Furthermore, Wilmington Waterfront spending fell \$10.8 million below budget primarily due to delayed spending on the Wilmington Waterfront Promenade (lower by \$8.8 million).
- Lastly, San Pedro Waterfront spending fell \$8.4 million relative to budget primarily due to delayed spending on Phase II of the Berths 74-83 Promenade (lower by \$6.5 million) as well as delayed spending on waterfront utility upgrades (lower by \$1.4 million).

Over the course of FY 2023, \$4.4 million was spent to complete construction activities on 15 projects. Major completed projects (FY 2023 CIP spending in parenthesis) include the following:

- **Port Cyber Resilience Center (\$2.5 million):** With a total project budget of \$7.6 million, this project included development of Cyber Resilience Center (CRC) requirements with stakeholders, project prioritization and phasing, facility infrastructure build out, computer hardware and software installation, testing, and implementation.
- **Liberty Hill Plaza Atrium Skylight Replacement (\$0.6 million):** With a total project budget of \$0.8 million, this project included removal of existing skylights, installation of a new aluminum structure that will add extra height to allow better drainage of rainwater and the use of glazing panels.

SUBJECT: FINANCIAL PERFORMANCE RESULTS

- **Harbor Admin Building – 1st Floor Employee Restrooms and Showers Remodel (\$0.3 million):** With a total project budget of \$1.5 million, this project included installation of five new single unit showers and fixtures, three new ADA shower compartments, three new toilets, and replacement of all piping.

Remaining FY 2023 CIP spending of \$109.9 million was utilized to continue design and construction activities on several projects throughout the Port. Major in-process projects (FY 2023 CIP spending in parenthesis) include the following:

- **Pier 400 Corridor Storage Tracks Expansion (\$40.2 million):** With a total project budget of \$73.2 million, this project includes design and construction of an extension to the existing rail bridge, five new railroad storage tracks, an asphalt access roadway, new crossovers and switches, as well as modifications to the existing compressed air system at the Pier 400 rail storage yard and bridge. Construction is currently projected to be completed in May 2024 with full project closeout occurring in FY 2025.
- **Wilmington Waterfront Promenade (\$16.4 million):** With a total project budget of \$77.3 million, this project includes the removal of the foundation of the Catalina Freight building and all associated underground utilities, asbestos and lead paint abatement as well as the demolition of eight structures, located at 115 North Avalon Blvd and 121-133 North Avalon Blvd, totaling approximately 19,000 sf. Construction is currently projected to be completed in December 2023 with full project closeout occurring in FY 2025.
- **B. 167-169 MOTEMS – Shell (\$13.4 million):** With a total project budget of \$44.8 million, this project includes the design and construction of a wharf structure at Berths 167-169 to conform with Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS). Construction is currently projected to be completed in January 2024 with full project closeout occurring in FY 2025.

Marla Bleavins

MARLA BLEAVINS

Deputy Executive Director and Chief Financial Officer

Transmittals:

1. TEU Throughput Comparison – FY Ended June 30, 2023
2. Actual-to-Budget FY 2023 – June
3. Year-to-Year Performance Report YTD June 30, 2023 and 2022

Author: E. Wang

MB:JS:MM/Finance

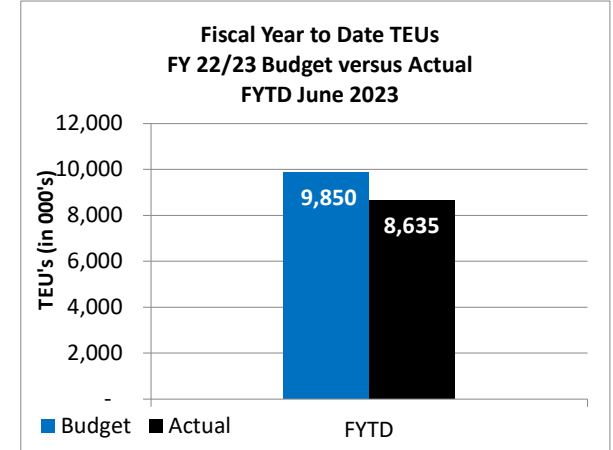
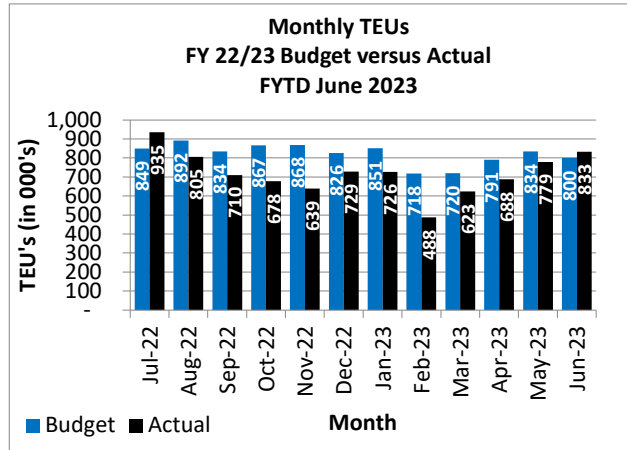
cc: Deputy Executive Directors

HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES TEU THROUGHPUT COMPARISON - JUNE 2023

TRANSMITTAL 1

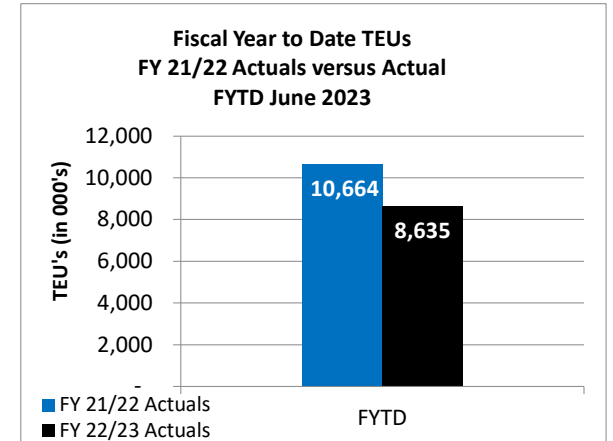
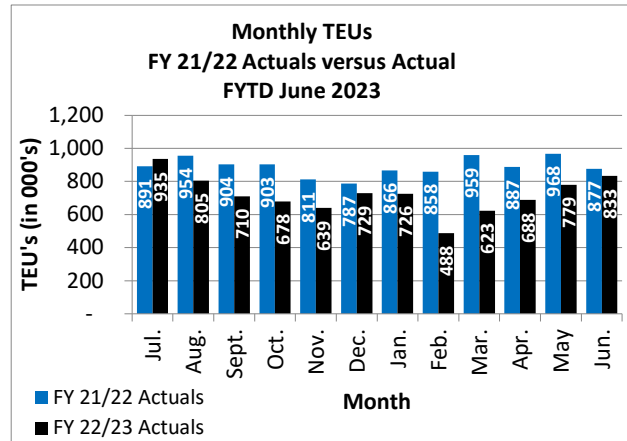
Budget versus Actuals Comparison FY 22/23 Budget vs. FY 22/23 Actuals

| (in 000's) | TEU's | | % Δ | Δ |
|-----------------|-----------------|------------------|--------|---|
| Month | FY 22/23 Budget | FY 22/23 Actuals | | |
| Jul-22 | 849 | 935 | 10.2% | ↑ |
| Aug-22 | 892 | 805 | -9.7% | ↓ |
| Sep-22 | 834 | 710 | -14.9% | ↓ |
| Oct-22 | 867 | 678 | -21.7% | ↓ |
| Nov-22 | 868 | 639 | -26.3% | ↓ |
| Dec-22 | 826 | 729 | -11.8% | ↓ |
| Jan-23 | 851 | 726 | -14.6% | ↓ |
| Feb-23 | 718 | 488 | -32.0% | ↓ |
| Mar-23 | 720 | 623 | -13.4% | ↓ |
| Apr-23 | 791 | 688 | -13.0% | ↓ |
| May-23 | 834 | 779 | -6.6% | ↓ |
| Jun-23 | 800 | 833 | 4.1% | ↑ |
| FYTD | 9,850 | 8,635 | -12.3% | ↓ |
| FY 22/23 Budget | 9,850 | | | |



Year-to-Year Actuals Comparison FY 21/22 Actuals vs. FY 22/23 Actuals

| (in 000's) | TEU's | | % Δ | Δ |
|------------------|------------------|------------------|--------|---|
| Month | FY 21/22 Actuals | FY 22/23 Actuals | | |
| Jul. | 891 | 935 | 5.0% | ↑ |
| Aug. | 954 | 805 | -15.6% | ↓ |
| Sept. | 904 | 710 | -21.5% | ↓ |
| Oct. | 903 | 678 | -24.8% | ↓ |
| Nov. | 811 | 639 | -21.2% | ↓ |
| Dec. | 787 | 729 | -7.3% | ↓ |
| Jan. | 866 | 726 | -16.1% | ↓ |
| Feb. | 858 | 488 | -43.1% | ↓ |
| Mar. | 959 | 623 | -35.0% | ↓ |
| Apr. | 887 | 688 | -22.5% | ↓ |
| May | 968 | 779 | -19.5% | ↓ |
| Jun. | 877 | 833 | -5.0% | ↓ |
| FYTD | 10,664 | 8,635 | -19.0% | ↓ |
| FY 21/22 Actuals | 10,664 | | | |



| | Fiscal Year Actual FY 2022/23 June 2023 | Fiscal Year Budget FY 2022/23 June 2023 | Actual-to-Budget Comparison | | Notes (\$ in millions) |
|---------------------------------------|---|---|--------------------------------|---------|--|
| \$ in thousands | | | \$ | % | |
| Operating Revenues | | | | | |
| Shipping Services | 448,009 | 439,655 | 8,353 | 1.9% | Higher space assignments \$17.8, partially offset by lower revenue from wharfages <\$7.1>, lower dockages <\$1.8>, and lower pilotages <\$0.5>. |
| Rentals | 117,289 | 93,944 | 23,345 | 24.8% | Union Pacific ICTF comp. adjustment \$17.8, Higher Westrec gross receipts \$2.7, higher receipts from various customers \$2.4, Innovative's new Permit \$1.3, City of LA comp. reset and CPI increase \$1.1, Fenix CPI increase \$0.6, Kinder Morgan Liquids CPI increase \$0.6, So Cal Ship Services increase \$0.3, Millennium Maritime increase \$0.2, and PBF Energy increase \$0.2, partially offset by GASB 87 lease adjustment <\$3.9> |
| Royalties, Fees and Other Revenues | 49,882 | 46,803 | 3,079 | 6.6% | Higher revenues from Harbor Maintenance Tax receipts \$6.9, parking fees \$3.6, and misc. other oper. revenue \$0.9, partially offset by lower revenue from one-time operating reimbursements <\$7.2> and lower credit for tenant services <\$1.1> |
| Clean Truck Program Revenues | 41,219 | 47,699 | (6,480) | (13.6%) | Delayed CTRF collection recordings <\$7.1>, partially offset by higher revenue from concession app fees \$0.5. and annual truck fees \$0.1. |
| Total Operating Revenues | 656,400 | 628,102 | 28,298 | 4.5% | |
| Operating Expenses | | | | | |
| Gross Salaries & Benefits | 169,996 | 177,915 | 7,920 | 4.5% | Lower average positions |
| Capitalization | (28,261) | (16,801) | 11,460 | (68.2%) | Higher overhead allocations \$11.6, partially offset by lower direct allocations <\$0.1> |
| Net Salaries & Benefits | 141,734 | 161,114 | 19,379 | 12.0% | |
| Marketing & Public Relations | 2,710 | 3,336 | 625 | 18.7% | Lower promotional/sponsorship activities \$0.4 and overhead allocations \$0.2 |
| Travel | 577 | 1,106 | 529 | 47.8% | Lower travel activities \$0.4 and overhead allocations \$0.1 |
| Outside Services | 33,332 | 46,746 | 13,414 | 28.7% | Invoice delays for IT \$3.0, overhead allocations \$2.9, MIP \$2.1, C&M \$1.7, City Attorney \$1.6, Labor Relations and Govt Affairs \$0.3, WCRED \$0.3, Executive Office \$0.3, EMD \$0.3, CIRED \$0.2, Risk Management \$0.2, Port Police \$0.1, Management Audits \$0.1, FPA \$0.1, Debt & Treasury \$0.1, and Graphics \$0.1 |
| Materials & Supplies | 5,974 | 7,223 | 1,249 | 17.3% | Lower spending Development Bureau \$0.5, higher capitalization \$0.4, and lower spending in other divisions \$0.3 |
| City Services | 47,823 | 61,207 | 13,384 | 21.9% | Overhead allocations \$4.8, lower fire services \$5.2, lower rec. & parks services \$2.3, lower City Attorney services \$0.6, and lower misc. city services \$0.5 |
| (1) Allocations to Capital - Overhead | | (19,476) | (19,476) | 100.0% | Higher aggregate overhead allocations \$3.3 |
| (2) Other Operating Expenses | 61,435 | 62,307 | 872 | 1.4% | Higher overhead allocations and GASB 87 lease adjustments \$4.4, lower electricity \$4.0, container incentives \$3.8, workers' compensation \$1.6, cruise incentives \$0.8, environmental incentives \$0.8, taxes \$0.4, equipment rental/permits/license/fees \$0.2, memberships/subscriptions/books \$0.2, and insurance \$0.2, partially offset by higher reserves for litigation/claims <\$14.9>, provisions for bad debts <\$0.4> and water & gas <\$0.2> |
| Clean Truck Program Expenses | 5,835 | 10,477 | 4,642 | 44.3% | Delayed CTRF subsidies \$4.6 |
| Total Operating Expenses | 299,421 | 334,040 | 34,619 | 10.4% | |
| Income Before Depreciation | 356,979 | 294,062 | 62,917 | 21.4% | |
| Provision For Depreciation | 194,869 | 160,250 | (34,620) | (21.6%) | |
| Income From Operations | 162,109 | 133,813 | 28,297 | 21.1% | |
| (3) Non-Operating Revenue | 72,176 | 54,483 | 17,693 | 32.5% | Higher interest income \$11.7, higher GASB 87 lease adjustments \$10.2 and higher misc. non-operating revenues \$0.1 partially offset by lower late charge receipts <\$1.5>, lower JPA income <\$1.1>, lower federal non-operating grants <\$1.1> and lower passthrough grant receipts <\$0.6> |
| (4) Non-Operating Expenses | 67,829 | 107,031 | 39,203 | 36.6% | Lower capital projects closed to expense \$38.7, lower interest expense \$9.3, lower ACTA reserves \$9.0, lower passthrough grant disbursements \$4.2 and lower misc. non-operating expenses \$0.2, partially offset by higher unrealized investment losses <\$22.2> |
| Net Income | 166,457 | 81,265 | 85,192 | 104.8% | |

Notes:

(1) Overhead are allocated to individual accounts for presentation of actual results; however, they are not allocated to individual accounts for budgetary purposes. Allocation to Overhead - Capital for the fiscal year-to-date period totaled \$22.8 million relative to a budget of \$19.5 million.

(2) Primarily for: Electricity \$24.7, Litigation \$15.2, Container Incentives \$6.7, Insurance \$4.5, Environmental Incentives \$3.1, Water & Gas \$2.7, Telephone \$1.9, Cruise Incentives \$1.6, Memberships/Subscriptions/Books \$1.2, Pollution Remediation Reserves \$1.1, Bad Debts \$0.9, Equipment Rentals \$0.7, Taxes \$0.5, Workers' Compensation Reserves \$0.4 and Overhead Allocations <\$3.8>.

(3) Primarily for: Passthrough Receipts \$30.9, Interest Income \$26.7, GASB 87 Adjustments \$10.2, Federal Non-Operating Grants \$2.0, JPA Income \$1.9, Misc. Non-Operating \$0.3, Gain on Land Sales \$0.1 and Late Charges \$0.1.

(4) Primarily for: Passthrough Disbursements \$27.3, Unrealized Investment Losses \$22.2, Interest Expense \$17.8, Misc. Non-Operating \$0.4, Capital Projects Closed to Expense \$0.1.

| | Fiscal Year Actual FY 2022/23 June 2023 | Prior Fiscal Year FY 2021/22 June 2022 | Year-over-Year Change (Unfavorable)/Favorable | | |
|------------------------------------|---|--|---|----------------|--|
| \$ in thousands | | | \$ | % | Notes (\$ in millions) |
| Operating Revenues | | | | | |
| Shipping Services | 448,009 | 485,843 | (37,834) | (7.8%) | Lower wharfage <\$36.9>, lower dockage <\$2.3>, lower pilotage <\$0.2>, and partially offset by higher space assignments \$1.6 |
| Rentals | 117,289 | 86,837 | 30,453 | 35.1% | Union Pacific ICTF comp. adjustment \$20.0, Taylored Transload, LLC new RP \$6.3, Innovative Terminal Services new permit \$1.7, City of LA comp. reset and CPI increase \$1.2, Pacific Crane Maintenance comp. adjustment \$0.8, and higher Westrec gross receipts \$0.5 |
| Royalties, Fees and Other Revenues | 49,882 | 37,164 | 12,719 | 34.2% | Higher revenue from Harbor Maintenance Tax receipts \$12.6, one-time operating reimbursements \$6.7, and parking fees \$3.0, partially offset by lower revenue from utility charges <\$7.6>, lower credits for tenant services <\$1.3>, accommodation work rev. <\$0.7> |
| Clean Truck Program Revenues | 41,219 | 17,999 | 23,221 | 129.0% | CTFR collections \$25.8, partially offset by lower concession app fees <\$2.6> |
| Total Operating Revenues | 656,400 | 627,842 | 28,558 | 4.5% | |
| Operating Expenses | | | | | |
| Gross Salaries & Benefits | 169,996 | 148,863 | (21,132) | (14.2%) | Lower average positions and prior year SIP payouts, partially offset by MOU increases |
| Capitalization | (28,261) | (26,454) | 1,807 | (6.8%) | Higher direct allocations \$2.6 and partially offset by lower overhead allocations <\$0.8> |
| Net Salaries & Benefits | 141,734 | 122,409 | (19,325) | (15.8%) | |
| Marketing & Public Relations | 2,710 | 2,101 | (609) | (29.0%) | Higher promotional/sponsorship activities <\$0.7> partially offset by higher overhead allocations \$0.1 |
| Travel | 577 | 281 | (296) | (105.2%) | Higher travel activities <\$0.4> |
| Outside Services | 33,332 | 27,864 | (5,468) | (19.6%) | Higher spending from WCRED <\$1.7>, C&M <\$1.4>, EMD <\$1.2>, GASB 96 implementation <\$0.7>, Community Relations <\$0.2> and Goods Movement <\$0.2> |
| Materials & Supplies | 5,974 | 5,106 | (868) | (17.0%) | Higher spending from C&M <\$0.7>, CIP <\$0.1> and Port Police <\$0.1>. |
| City Services | 47,823 | 45,531 | (2,292) | (5.0%) | Higher spending for Fire Services <\$2.9>, City Attorney <\$0.2>, partially offset by lower spending for Rec & Parks \$0.7 and overhead allocation \$0.1 |
| (1) Other Operating Expenses | 61,435 | 47,994 | (13,441) | (28.0%) | Higher reserves for litigation/claims <\$12.4>, container incentives <\$3.2>, cruise incentives <\$1.6>, workers' compensation reserves <\$1.5>, pollution remediation reserves <\$1.1>, overhead allocations and other <\$0.9>, insurance <\$0.8>, water & gas <\$0.3>, equipment rentals <\$0.1>, and memberships/subscriptions/books <\$0.1>, partially offset by lower electricity \$7.7, environmental incentives \$0.6 and taxes and assessments \$0.3 |
| Clean Truck Program Expenses | 5,835 | 2,613 | (3,222) | (123.3%) | CTFR subsidies <\$3.2> |
| Total Operating Expenses | 299,421 | 253,900 | (45,521) | (17.9%) | |
| Income Before Depreciation | 356,979 | 373,943 | (16,964) | (4.5%) | |
| Provision For Depreciation | 194,869 | 147,569 | (47,300) | (32.1%) | |
| Income From Operations | 162,109 | 226,374 | (64,264) | (28.4%) | |
| (2) Non-Operating Revenue | 72,176 | 50,209 | 21,968 | 43.8% | Higher passthrough grant receipts \$12.6, higher interest income \$4.6, higher JPA income \$0.4, partially offset by lower other non-operating revenues <\$5.3>, lower non-operating grant revenues <\$0.2> and lower GASB 87 lease adjustments <\$0.1>. |
| (3) Non-Operating Expenses | 67,829 | 120,602 | 52,774 | 43.8% | Lower unrealized investment losses \$37.7, lower capital projects closed to expense \$22.4, lower interest expense \$1.2 and lower misc. non-operating expenses \$0.2, partially offset by higher passthrough grant receipts \$8.7 |
| Net Income | 166,457 | 155,980 | 10,477 | 6.7% | |

Notes:

- (1) Primarily for: Electricity \$24.7, Litigation \$15.2, Container Incentives \$6.7, Insurance \$4.5, Environmental Incentives \$3.1, Water & Gas \$2.7, Telephone \$1.9, Cruise Incentives \$1.6, Memberships/Subscriptions/Books \$1.2, Pollution Remediation Reserves \$1.1, Bad Debts \$0.9, Equipment Rentals \$0.7, Taxes \$0.5, Workers' Compensation Reserves \$0.4 and Overhead Allocations <\$3.8>.
- (2) Primarily for: Passthrough Receipts \$30.9, Interest Income \$26.7, GASB 87 Adjustments \$10.2, Federal Non-Operating Grants \$2.0, JPA Income \$1.9, Misc. Non-Operating \$0.3, Gain on Land Sales \$0.1 and Late Charges \$0.1.
- (3) Primarily for: Passthrough Disbursements \$27.3, Unrealized Investment Losses \$22.2, Interest Expense \$17.8, Misc. Non-Operating \$0.4, Capital Projects Closed to Expense \$0.1.