



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: OCTOBER 27, 2021

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____
APPROVAL OF CHANGE ORDER NO. 13 – CARGO SUPPORT SITE
IMPROVEMENTS AT FORMER LOS ANGELES EXPORT TERMINAL
(LAXT) FACILITY
CONTRACTOR: MANSON CONSTRUCTION CO.
BERTHS 226-236 TERMINAL IMPROVEMENTS
SPECIFICATION NO. 2770 – CONTRACT NO. 2311**

SUMMARY:

Staff requests approval of Change Order (CO) No. 13 to Contract No. 2311, in the amount of \$2,500,000.00. The CO authorizes Manson Construction Co. (Manson) to improve an approximate 10-acre parcel within the former LAXT facility for temporary storage of chassis and containers. The improvements will provide additional capacity to relieve congestion within the terminals, and provide for a more efficient movement of cargo to and from the terminals, thus reducing back-up of the vessels outside the San Pedro Bay ports. The City of Los Angeles Harbor Department (Harbor Department) will be responsible for all expenses associated with this Change Order.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with the Los Angeles City Charter Section 1022, work covered under the Change Order can be performed more feasibly by an independent contractor rather than by City employees;
3. Approve the CO to the Contract with Manson for a not-to-exceed amount of \$2,500,000.00 and authorize the Executive Director to execute said CO; and

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4. Adopt Resolution No. _____.

DISCUSSION:

Background and Context – The Berths 226-236 Terminal Improvements contract (Contract) was approved by the Board on June 20, 2019 in the amount of \$50,301,380, plus a 10% contingency for change order work in the amount of \$5,030,138 for a total authorization of \$55,331,518. The Notice to Proceed for the Contract was issued on September 9, 2019, for a duration of 750 calendar days.

The Contract scope of work will provide sufficient depth to accommodate larger container vessels anticipated to call at the Everport Terminal (Everport), improve container terminal backland capacity to maximize container land use and operations at Everport, and promote long-term development and growth at the Port.

In addition to dredging, steel sheet pile installation, wharf repairs, reconfiguring and upgrading electrical substations, installation of Alternative Maritime Power facilities, and improving a 1.5-acre parcel of backland, the Contract also includes placement of perimeter controls, grading of area, and placement and compaction of crushed miscellaneous base (CMB).

CO No. 13 (Transmittal 1) will authorize Manson to improve an approximate 10-acre parcel within the former LAXT facility for temporary chassis and container storage. The work includes but will not be limited to installing perimeter controls, excavating approximately 50,000 cubic yards of soil, grading and compacting of the approximately 10-acre parcel, placing and compacting CMB, and constructing a site access roadway and a rock trench drainage system. This CO will add a minimum of 120 calendar days to the project schedule to complete the work.

Although the work under CO No. 13 is outside the original scope and boundaries of the Contract, the improvements are necessary due to the extraordinary volume of containers currently seen at the San Pedro Bay ports. Since there is national interest pressing for faster processing of cargo, CO No. 13 will address a portion of the supply chain emergency by expanding the cargo storage potential of the former LAXT facility. The work covered by CO No. 13 and the work under the contract as originally improved are both on Terminal Island and in close proximity to one another.

The improvements in CO No. 13 will relieve congestion within the terminals including Everport Terminal, and provide for a more efficient movement of cargo to and from the terminals, thus reducing back-up of the vessels outside the San Pedro Bay ports.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of CO No. 13 to Contract No. 2311 in the amount of \$2,500,000, which is an administrative activity. This action to be approved in this Board Report is limited to the administrative approval of a Change Order, and any construction or development to be conducted as a result of this Change Order would be subject to additional Environmental Review. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed CO will not increase the authority for Contract No. 2311, and is within the 10% contingency that was approved by the Board. Funds for the CO in the amount of \$2,500,000 are available in the Capital Improvement Budget Account No. 54510 (Capital Construction Services), Center No. 1900, and Program No. 000. To date, \$45,896,591.31 has been spent under this contract. The \$2,500,000 is included in the FY 2021/2022 projected expenditures.

Spending under this Contract has occurred and is expected to occur as follows:

FY 2019/2020	\$ 7,000,509.24
FY 2020/2021	\$37,468,375.24
FY 2021/2022	\$10,862,633.52
Total	\$55,331,518.00

Funding for future years will be requested as part of the annual budget adoption process. If, in any subsequent fiscal year, funds are not appropriated by the City for the work required under Contract No. 2311, then Contract No. 2311 shall be terminated. However, the termination would not relieve the parties of liability for any obligations previously incurred.

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CITY ATTORNEY:

The Office of the City Attorney reviewed and approved the Specification as to form and legality on October 25, 2018.

TRANSMITTALS:

1. Change Order No. 13



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SHAUN SHAHRESTANI
Chief Harbor Engineer

FIS Approval: MS

CA Approval: SO



ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director

Author: S. Shahrestani
2770CO13
File No. 4.7