



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

Board of Harbor Commissioners

DATE: DECEMBER 7, 2021

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____ -
APPROVAL OF CHANGE ORDER NO. 3 FOR DELTA 1 REVISIONS
CONTRACTOR: SULLY-MILLER CONTRACTING COMPANY
WILMINGTON WATERFRONT PROMENADE AND BUILDING
DEMOLITION
SPECIFICATION NO. 2780 – CONTRACT NO. 2315**

SUMMARY:

Staff requests approval of Change Order No. 3 to Contract No. 2315 (Contract) with Sully-Miller Contracting Company (Contractor) for the not-to-exceed amount of \$1,500,000. Change Order No. 3 authorizes the Contractor to perform the work shown within the Delta 1 drawings and specifications, which includes revisions to the hardscape, sewer force main, storm drain, street lighting, and electrical systems.

The Contract for the Wilmington Waterfront Promenade and Building Demolition project (Project) was approved by the Board of Harbor Commissioners on August 20, 2020 in the amount of \$51,900,020, plus a 10% contingency in the amount of \$5,190,002, for a total authorization of \$57,090,022. The Harbor Department is financially responsible for expenses under this Contract.

RECOMMENDATION:

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

1. Find that the Director of Environmental Management has determined that the proposed actions are administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) and Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with 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 and authorize the Executive Director to execute Change Order No. 3 for a not-to-exceed amount of \$1,500,000;
4. Adopt Resolution No. _____.

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DISCUSSION:

Background/Context – On August 20, 2020, the Board approved Resolution No. 20-9690 for the award of the Contract with a total authorization in the amount of \$57,090,022, inclusive of the \$5,190,002 in contingency (Transmittal 1). The scope of the Project includes construction of a realigned Water Street, waterfront promenade, public pier, public dock, public restroom with green roof, playground, and parking lots. Work also includes utilities, street work, grading, paving, striping, lighting, landscaping, and other improvements. The Notice to Proceed for the Contract was issued on November 30, 2020, for a duration of 840 calendar days.

Change Order No. 3 (Transmittal 2) will authorize the Contractor to perform the work shown in Delta 1 (Transmittal 3), which includes revisions to the hardscape, sewer force main, storm drain, street lighting, and electrical systems. The largest change is related to the electrical system revisions, which include work related to Department of Water and Power (DWP) infrastructure. In order to maintain the Project schedule and deliver this important Project on time, the Project was advertised with an unsigned version of the DWP design drawings. After award of Contract, the DWP finalized their design and signed drawings were issued to the Contractor under Delta 1 Revisions.

The revised DWP drawings include additional scope not initially shown on the Contract drawings. The original DWP scope of work required to install underground electrical cables from overhead poles. After the project was awarded, DWP sent the Harbor Department a revision to the plans, which includes but is not limited to increasing the number of electrical conduits and revising the alignment of the duct bank route. Differing site conditions require deeper excavations to avoid existing oil lines and utilities, which results in dewatering activities and traffic control measures that were not initially anticipated. The Delta 1 Revisions address these changes in the work.

The total cost to perform the work under Change Order No. 3 will not exceed \$1,500,000. The not-to-exceed amount for the Change Order includes contingency in anticipation of encountering unforeseen scope of work (such as unforeseen existing utilities obstructions and contaminated soil).

ENVIRONMENTAL ASSESSMENT:

The proposed action is for approval of Change Order No. 3 to Contract No. 2315. Change Order No. 3 would authorize the Contractor to perform work described in the Delta 1 drawings and specifications, which is an activity for which the underlying project has been previously assessed in the Wilmington Waterfront Development Project Final Environmental Impact Report (SCH# 2008031065), certified by the Board on June 18,

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2009. Therefore, the Director of Environmental Management has determined that the proposed actions are administratively exempt from the requirements of CEQA in accordance with Article II Section 2(i) and Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The proposed \$1,500,000 for Change Order No. 3 is within the \$5,190,002 contingency amount previously authorized by the Board and therefore, no additional budget authority is being requested. Approval of Change Order No. 3 will not increase the authority for Contract No. 2315.

Funds for Change Order No. 3 in the amount of \$1,500,000 are available in Account No. 54510 (Capital Construction Services), Center No. 1040, and Program No. 624. To date, \$128,626.98 has been committed under this contingency amount for Change Order Nos. 1 and 2 and Authority for Adjustment Nos. 1 through 9. The 10% contingency amount still remaining is \$5,061,375.02.

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

FY 2020-2021	\$	6,797,656.80
FY 2021-2022	\$	42,586,000.00
FY 2022-2023	\$	7,706,365.20
Total	\$	57,090,022.00

Funding for future years will be requested as part of the annual budget adoption process, upon Board Approval. If, in any subsequent fiscal year, funds are not appropriated by the contract, then the Contract shall be terminated. However, such termination shall 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 Specification No. 2780 as to form and legality on January 30, 2020.

TRANSMITTALS:

1. Aerial Site Plan
2. Change Order No. 3
3. Delta 1 Drawings



Shaun Shahrestani
cn=Shaun Shahrestani,
email=sshahrestani@portla.org,
c=US
2021.12.08 08:24:51 -08'00'

SHAUN SHAHRESTANI
Chief Harbor Engineer

FIS Approval: _____

MB

CA Approval: _____



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

APPROVED:

Marla Bleavins For

EUGENE D. SEROKA
Executive Director

CT:MHP:lh
2780B02CO3
APP NO. 160720-109
File No. 8.4