



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

Board of Harbor Commissioners

**DATE: MAY 12, 2026**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ -  
APPROVAL OF CHANGE ORDER NO. 01 FOR DELTA 1 ELECTRICAL  
REVISIONS AND CONSTRUCTION CONTINGENCY INCREASE  
CONTRACTOR: SKANSKA USA CIVIL WEST CALIFORNIA DISTRICT INC.  
AVALON PEDESTRIAN BRIDGE AND PROMENADE GATEWAY  
SPECIFICATION NO. 2804A – CONTRACT NO. 2333**

**SUMMARY:**

Staff requests approval of Change Order No. 01 (CO01) to Contract No. 2333 (Contract) with Skanska USA Civil West California District Inc. (Skanska) for a not-to-exceed amount of \$10 million. If approved, \$10 million of the contingency amount will be allocated to CO01 for installation of additional Los Angeles Department of Water & Power (LADWP) electrical conduits and vaults within the Project site to support zero-emission carbon operations throughout the Port of Los Angeles (Port).

Staff also requests approval of an increase in Contract contingency from 10% to 20%. The Contract was approved by the Board of Harbor Commissioners on January 6, 2026, for a contract amount of \$101,930,015 plus a 10% contingency of \$10,193,001 in the total amount of \$112,123,016. If the proposed request is approved, the contingency will increase by \$10,193,001 to \$20,386,002, and the total authorization would increase by a commensurate amount from \$112,123,016 to \$122,316,018.

Certain expenses incurred under the proposed Contract are eligible for reimbursement under grant funding provided by California State Transportation Agency (CalSTA) under the Port and Freight Infrastructure Program (PFIP) for \$42,080,000; United States Department of Transportation (USDOT) Reconnecting Communities and Neighborhoods (RCN) program for \$5,000,000; and Los Angeles County Metropolitan Transportation Authority (LACMTA) under Measure M funding for \$10,207,400. An additional grant funding of \$15,200,000 is pending approval by LACMTA. If all grant funding is approved, \$72,487,400 will be eligible for reimbursement. The City of Los Angeles Harbor Department (Harbor Department) will continue to be financially responsible for payment of costs related to the construction of the Avalon Pedestrian Bridge and Promenade Gateway (Project), net of grant reimbursements.

**DATE: MAY 12, 2026**

**PAGE 2 OF 5**

**SUBJECT: CHANGE ORDER NO. 01 FOR DELTA 1 ELECTRICAL REVISIONS  
AND CONSTRUCTION CONTINGENCY INCREASE  
AVALON PEDESTRIAN BRIDGE AND PROMENADE GATEWAY**

**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 has been previously evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) of the Los Angeles City CEQA Guidelines;
2. Find that, in accordance with the Los Angeles City Charter Section 1022, work under the subject Contract can be performed more feasibly by an independent contractor rather than by City employees;
3. Approve and authorize the Executive Director to execute CO01 for a not-to-exceed amount of \$10,000,000;
4. Authorize the Executive Director to execute and the Board Secretary to attest to this Change Order for and on behalf of the Board;
5. Increase contingency percentage from 10% to 20% for a total approved contingency of \$20,386,002 and total authorization of \$122,316,018; and
6. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context – On January 6, 2026, the Board approved Resolution No. 26-10666 for the award of the Contract with a total authorization of \$112,123,016 inclusive of a 10% contingency. The scope of the Project consists of construction of a pedestrian bridge to connect the Wilmington Community, which has eight schools within one mile, to the Port of Los Angeles Wilmington Waterfront area and Banning’s Landing Community Center. Currently, two freight mainline tracks in the Port bifurcate the Wilmington Waterfront from the Wilmington community itself. The rail tracks being grade separated move six percent of all U.S. waterborne containers. The Project will provide a dedicated pedestrian/cycling bridge over these freight rail tracks and connect to the State-designated California Coast Trail. The Project will also improve pedestrian connectivity from Wilmington to the Waterfront at Banning’s Landing Community Center. The Project provides pedestrian enhancements, as well as developing neighborhood and regional recreational space along Avalon Boulevard from Harry Bridges Boulevard to the Wilmington Waterfront Promenade.

**DATE: MAY 12, 2026**

**PAGE 3 OF 5**

**SUBJECT: CHANGE ORDER NO. 01 FOR DELTA 1 ELECTRICAL REVISIONS  
AND CONSTRUCTION CONTINGENCY INCREASE  
AVALON PEDESTRIAN BRIDGE AND PROMENADE GATEWAY**

This Project has been approved to receive a total of \$57,287,400 from three grant funding sources: LACMTA under Measure M funding, CalSTA under PFIP, USDOT under the RCN program. An additional grant funding of \$15,200,000 is pending approval by LACMTA. If all grant funding is approved, \$72,487,400 will be eligible for reimbursement.

CO01 – Staff is requesting approval of CO01 (Transmittal 1) for installation of additional LADWP electrical conduits and vaults within the Project site to accommodate for future electrification as part of the overall goal of achieving zero emissions. The proposed extra work is part of the ZEPEO Project and will be part of the 34.5kV Distribution Pathway/Circuits between Receiving Station-Q (RS-Q) and Terminal Island. This portion of the proposed ZEPEO Project will construct 34.5kV Distribution Pathways within the project limits of the Project, including Broad Avenue, Avalon Boulevard, and Water Street.

Staff recommends adding these ZEPEO 34.5kV Underground Distribution Pathways to the Project to avoid future adverse impacts, including trench excavation through the new park and parking area, and because the extra work is very similar to 34.5kV Underground Conduit work that is part of the existing Project.

The Contractor will be required to follow the Mitigation Measures included in the ZEPEO Mitigated Negative Declaration (MND) while constructing this extra work.

CO01 work includes procurement of electrical conduits and vaults, dewatering and treatment, traffic control, and disposal of potential contaminated or hazardous soil for a not-to-exceed amount (including all markups, fees, impact costs, and any costs attributable to delays) of \$10,000,000.

Construction Contingency Increase - Staff also requests approval of an increase in Contract contingency from 10% to 20%. The Contract was approved by the Board on January 6, 2026, in the total amount of \$112,123,016, including a 10% contingency. If this CO01 is approved, the original 10% contingency funds will be depleted. This proposed request is to approve the contingency by \$10,193,001 to \$20,386,002, and the total authorization would increase by a commensurate amount from \$112,123,016 to \$122,316,018 to accommodate future unforeseen conditions during construction.

**DATE: MAY 12, 2026**

**PAGE 4 OF 5**

**SUBJECT: CHANGE ORDER NO. 01 FOR DELTA 1 ELECTRICAL REVISIONS  
AND CONSTRUCTION CONTINGENCY INCREASE  
AVALON PEDESTRIAN BRIDGE AND PROMENADE GATEWAY**

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of CO01 to the construction Contract with Skanska, which is an activity for which the underlying projects have been previously assessed in accordance with the requirements of CEQA. The Project, which is currently under construction, was analyzed in the Wilmington Waterfront Development Project Environmental Impact Report (EIR) certified by the Board on June 18, 2009 (SCH# 2008031065) and subsequent EIR Addendum, which was considered by the Board on October 3, 2024. The ZEPEO Project, for which this CO01 would accommodate additional electrical conduits and vaults within the Project site, was also previously analyzed in the IS/MND adopted by the LADWP as a CEQA Lead Agency on March 24, 2026 (State Clearinghouse No. 2025120795). As a Responsible Agency under CEQA, the Board must make certain findings and determinations pursuant to CEQA in implementing the ZEPEO Project under the terms of a Memorandum of Understanding (MOU) with LADWP. Subject to the Board taking action on the ZEPEO Project MOU with LADWP, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA under Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed action will allocate \$10 million of contingency funds to CO01 to support zero-emission carbon operations. Furthermore, approval of the proposed action will increase the Project's contingency percentage from 10% to 20% for a total contingency amount of \$20,386,002 and a total Contract authorization amount of \$122,316,018. Funds for this change order are available within Account 161305 (Construction in Progress), Division 00000 (Harbor Global), Project 2574200 (Electrical Infrastructure Improvement Program). Funding for the Project, excluding CO01, is available within Account 161305 (Construction in Progress), Division 00000 (Harbor Global), Project 2537700 (Wilmington Waterfront – Avalon Pedestrian Bridge and Promenade Gateway).

Funds are anticipated to be expended as follows:

FY 2025-2026	\$ 2,500,000
FY 2026-2027	\$ 56,000,000
FY 2027-2028	\$ 50,000,000
<u>FY 2028-2029</u>	<u>\$ 13,816,018</u>
<b>TOTAL</b>	<b>\$ 122,316,018</b>

Funds for future fiscal years will be requested and budgeted as part of the annual budget process, upon Board Approval.

DATE: MAY 12, 2026

PAGE 5 OF 5

**SUBJECT: CHANGE ORDER NO. 01 FOR DELTA 1 ELECTRICAL REVISIONS  
AND CONSTRUCTION CONTINGENCY INCREASE  
AVALON PEDESTRIAN BRIDGE AND PROMENADE GATEWAY**

Although Skanska is not obligated to perform any work under the Contract in any fiscal year in which no appropriation for the Contract has been made, the Contractor agrees to resume performance of the work required by the Contract on the same terms and conditions for a period of 60 days after the end of the fiscal year if an appropriation therefore is approved within that 60-day period. The Contractor is responsible for maintaining all insurance and bonds during this 60-day period. The time for performance shall be extended during this period until the appropriation is made; however, such extension of time is not compensable.

If in any subsequent fiscal year funds are not appropriated for work required by the Contract, the Contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved Specification No. 2804A as to form and legality on November 26, 2025.

**TRANSMITTALS:**

1. Change Order No. 1

FIS Approval: JS

CA Approval: SO



Shaun Shahrestani

2026.05.12

18:02:32 -07'00'

SHAUN SHAHRESTANI  
Chief Harbor Engineer



DINA ARYAN-ZAHLAN, P.E.  
Deputy Executive Director

**APPROVED:**

*Erica M. Calhoun* for

EUGENE D. SEROKA  
Executive Director

Author: KG  
S2804AB02CO01  
File No. 4.7