



**DATE: JANUARY 9, 2018**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ -  
CHANGE ORDER NO. 1 -  
BERTHS 77 AND 80 LEAD AND ASBESTOS ABATEMENT,  
AND DEMOLITION OF BUILDINGS  
CONTRACTOR: MANSON CONSTRUCTION COMPANY  
2016-2018 MARINE IMPROVEMENTS  
SPECIFICATION NO. 2771 – CONTRACT NO. 2300**

**SUMMARY:**

Staff requests Change Order No. 1 (Change Order) to Contract No. 2300 for 2016-2018 Marine Improvements (Contract), in the amount of \$477,267, be approved to authorize Manson Construction Company (Manson) to perform lead and asbestos abatement, and demolition of buildings at Berths 77 and 80. The work is necessary to provide a vacant construction site as part of the Harbor Department's commitment to the San Pedro Public Market redevelopment project, with Phase I scheduled to start construction in March 2018.

The Contract was approved by the Board of Harbor Commissioners on October 15, 2015 in the amount of \$29,218,930 plus a 10% contingency in the amount of \$2,921,893 for a total authorization of \$32,140,823. Therefore, there is adequate contingency funding for the \$477,267 under this Change Order. 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 proposed action is administratively and statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Sections 2(f) and 2(i) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
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 (Manson) rather than by City employees;

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3. Approve the Change Order to the Contract with Manson for a not-to-exceed amount of \$477,267 and authorize the Executive Director to execute said Change Order; and
4. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context – The Change Order (Transmittal 2) will be used to authorize Manson to perform lead and asbestos abatement and demolition of buildings at Berths 77 and 80, as part of the redevelopment of Ports O’Call and the San Pedro Waterfront.

On May 16, 2016, the Board approved Permit No. 915 with the San Pedro Public Market, LLC (SPPM) for the redevelopment of Ports O’ Call, which includes a promenade along the Main Channel, and Town Square along the water’s edge at 6<sup>th</sup> Street, east of Harbor Blvd. The project will have public seating, landscaping, hardscaping, signage, architectural finishes, handrails, and lighting. In alignment with SPPM’s phasing and schedule, Harbor Department must provide a clean and vacated site as part of its Phase I work and prior to SPPM starting its construction.

The Contract consists of various marine work and improvements to be performed on an on-call basis throughout the San Pedro, Wilmington, and Terminal Island district of the Port of Los Angeles. The contract does not have bid items for lead and asbestos removal, or demolition of buildings. The task to remove piles and seawall repairs, and site remediation will be paid for by bid items already covered by the Contract.

The added cost of Change Order is estimated at \$477,267. Manson received six bids from various subcontractors, see Transmittal 3. The lowest bid received was from Silverado Contractors, Inc. for the amount of \$477,267. This cost was based on the demolition plans as well as the lead and asbestos survey report that was provided to Manson. However, due to occupancy of the buildings by the existing tenants, additional and unforeseen work may be encountered during the abatement and demolition work. The cost for any extra or unforeseen work encountered, not covered under this Change Order, will be handled under separate authorities in accordance with the provisions of the Contract documents.

Previous Board Action – On October 15, 2015, the Board approved Resolution No. 15-7868 for the Award of Contract to Manson Construction Company in the amount of \$32,140,823.

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Marine Improvements Contract - This contract consists of marine work and improvements to be performed on an on-call basis, including wharf demolition and removal work, furnishing and driving concrete and timber piles, concrete wharf repair, dredging, asphalt concrete paving, shotcrete application, epoxy injection, spall repair, driving sheet piles, timber pile driving, timber wharf repair, soil removal and other marine improvements. (Transmittal 1)

The Notice to Proceed of the Marine Improvement Contract was December 21, 2015, for duration of 730 calendar days. On November 2, 2017, Authority for Adjustment No. 11 – No Cost (Time Extension) was issued to extend the contract completion date from January 30, 2018 to December 19, 2018, in order to complete current and future projects. (Transmittal 4)

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of a change order with Manson Construction Company to perform lead and asbestos abatement and demolition of buildings at Berths 77 and 80. Approval of the change order is an administrative activity, and the abatement and demolition has been previously assessed under the San Pedro Waterfront Project Environmental Impact Statement/Environmental Impact Report certified by the Board of Harbor Commissioners on September 29, 2009 and the San Pedro Public Market Addendum posted in May 2016, therefore the Director of Environmental Management has determined that the proposed action is administratively and statutorily exempt from the requirements of the CEQA under Article II, Sections 2(f) and 2(i) of the City of Los Angeles CEQA Guidelines.

**FINANCIAL IMPACT:**

The proposed \$477,267 Change Order is within the \$2,921,893 contingency amount previously authorized by the Board and therefore, no additional budget authority is being requested. Funds for this Change Order are available in Account No. 54510, Center No. 1185, and Program No. 624. To date, \$14,296,285.27 has been committed under this contract.

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**CITY ATTORNEY:**


The Office of the City Attorney reviewed and approved Specification No. 2771 as to form and legality on July 15, 2015.

**TRANSMITTALS:**

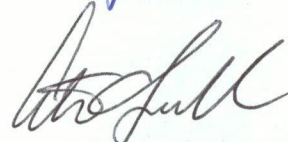
1. Location Key Plan
2. Change Order No. 1
3. Subcontractors Bid Proposals
4. Authority for Adjustment No. 11 –  
No Cost (Time Extension) Letter

FIS Approval: MB (initials)

CA Approval: me (initials)



SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division



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

**APPROVED:**

*Mark Bleaver FOR*

EUGENE D. SEROKA  
Executive Director

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