



**THE PORT  
OF LOS ANGELES**

Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: NOVEMBER 17, 2021**

**FROM: CONSTRUCTION AND MAINTENANCE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF PURCHASE  
ORDER CHANGE NO. 1 TO CONTRACT NO. 39934 WITH DSM  
CONSTRUCTION INC FOR WATERPROOFING THE WATER FEATURE  
AT THE WATERFRONT GATEWAY**

**SUMMARY:**

Staff requests retroactive approval of Purchase Order Change No. 1 to Contract No. 39934 with DSM Construction Inc. of Chico, California to increase the contract from \$350,217 to \$552,922, a \$202,705 increase, for the waterproofing of the water feature at the Waterfront Gateway on Harbor Boulevard in San Pedro. If the proposed Change Order is approved, the amount of this agreement shall not exceed \$522,922 and the contract will continue until this project is complete since this is a one-time purchase order. The Harbor Department will be financially responsible for costs incurred under the 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 action is categorically exempt from the requirements of the California Environmental Quality (CEQA) under Article III Class 1(1) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with Los Angeles City Charter Section 1022, work under the subject contract can be performed more feasibly by independent contractors than by City employees;
3. Approve Purchase Order Change No. 1 to Contract No. 39934;
4. Authorize the Executive Director to execute and Board Secretary to attest to Contract No. 39934 for and on behalf of the Board; and
5. Adopt Resolution No. \_\_\_\_\_

**DISCUSSION:**

Background/Context – The Harbor Department is requesting retroactive approval of Purchase Order Change No. 1 (Transmittal 2) for the purchase and installation of waterproofing material for the water feature. Due to the specialized nature of the material and the amount needed for the project, the material had to be sourced from multiple states. In anticipation of these supply chain challenges and while the contractor's

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schedule remained available, the material was ordered to avoid delivery delays and immediately installed.

The water feature at the Waterfront Gateway on Harbor Boulevard is 28,551 square feet. Over time, the materials on the floor and walls of the water feature basin have degraded and cracked, leaving the fountain vulnerable to damage from mold and mildew, water leaks, and general structural deterioration. To prolong the life of the fountain, the foundation, ground base, and walls require the application of a waterproofing membrane. The waterproofing layer will repel moisture to protect it against chemicals. The water feature has not been re-grouted or recoated with a waterproofing membrane in 13 years, which is beyond the usual warranty of ten years.

Need for Purchase Order Change – Purchase Order Change No. 1 is required for the purchase and application of material needed to re-coat and protect the water feature basin. After the initial coating was applied, it showed blistering that compromised the integrity of the waterproofing. The coating was removed and an estimated 5000 feet of fissures were revealed in the substrate of the fountain. These cracks represented an unforeseen condition allowing vapor pressure to surface, creating the blistering. The Harbor Department's Construction and Maintenance Division (C&M) staff and the contractor determined that the original product used for the re-coat was not well-suited for the fountain because it did not have vapor blocker characteristics. The original material did not adhere to the bonding profile as evidenced by the vapor induced fissures. This purchase order change allows for the purchase and installation of an alternate, industry-proven vapor-tolerant product that will better protect the water feature basin.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of Purchase Order Change No. 1 to Contract No. 39934 with DSM Construction Inc. for waterproofing of the Waterfront Gateway water feature, which is an activity which includes exterior alterations involving remodeling or minor construction where there be negligible or no expansion of use. Therefore, the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of CEQA in accordance with Article III Class 1(1) of the Los Angeles City CEQA Guidelines.

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**FINANCIAL IMPACT:**

Approval of Purchase Order Change No. 1 would increase the contract by \$202,705 from \$350,217 to \$552,922. Funding in the amount of \$552,922 has been budgeted in the Fiscal Year 2021-22 Capital Improvement Program Budget Center No. 1207, Program No. 000 within the following accounts:

	<b><u>FY 2021-22 Spending</u></b>
Account 54020 (Maintenance Services – Grounds)	\$167,320
Account 55010 (Parts and Materials)	\$312,786
Account 59010 (Maintenance - Equipment Rental)	\$72,816
<b>Total</b>	<b>\$552,922</b>

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved this contract as to form and legality.

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TRANSMITTALS:

1. Contract No. 39934
2. Contract No. 39934 - Purchase Order Change No. 1

FIS Approval: MB

CA Approval: SO



TIM CLARK  
Director of Port Construction & Maintenance



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

APPROVED:

*Marla Bleavins* For

EUGENE D. SEROKA  
Executive Director

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