



City of Culver City

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Staff Report

File #: 23-546, **Version:** 1

Item #: C-9.

CC- CONSENT ITEM: (1) Approval of an Amendment to the Existing Professional Services Agreement with Integrated Demolition and Remediation Inc., in an Amount Not-to-Exceed \$80 ,000 for Additional Environmental Remediation Services on City Owned Property at 3860 and 3900 Sepulveda Boulevard.

Meeting Date: January 23, 2023

Contact Person/Dept: Elaine Warner / Office of Economic and Cultural Development
Tevis Barnes/ Housing and Human Services Department

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Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Public Hearing: ☐ Action Item: ☒

Attachments: Yes ☐ No ☒

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (01/18/23)

Department Approval: Jesse Mays, Assistant City Manager (01/17/23)

RECOMMENDATION

Staff recommends the City Council approve an amendment to the existing professional services agreement with Integrated Demolition and Remediation Inc., (IDR) in an amount not-to-exceed \$80,000 for environmental remediation services on City owned property at 3860 and 3900 Sepulveda Boulevard.

BACKGROUND

The City of Culver City acquired the one- and two-story motel structures, one at 3868 Sepulveda Blvd. (Deano's Motel), and an adjoining facility at 3900 Sepulveda Blvd. (Sunburst Spa and Suites), both located in the City of Culver City, for reuse as interim and permanent supportive housing as part of Project Homekey. Deano's Motel was constructed in the early 1960s and the Sunburst Spa and Suites was constructed in 1991. Prior to acquiring the properties, the City commissioned the preparation of a Phase 1 and Phase 2 environmental analysis. The Phase 2 identified the need for air

sampling at 3900 Sepulveda, which was performed and determined there are no environmental conditions that require mitigation. The City also commissioned the preparation of a lead/asbestos/mold study which identified the presence of lead/asbestos/mold at both 3868 and 3900 Sepulveda Boulevard. The consultant who prepared the lead/asbestos/mold study prepared a remediation plan describing the location and levels of contaminants to be removed. The City issued a Request for Proposals (RFP) seeking a qualified contractor to perform the remediation identified in the various studies, abatement plan and demolition plan prepared by the project architect. In August 2022, IDR was selected, and the City authorized an agreement in the amount of \$290,000, with a 20% contingency, to perform the work.

DISCUSSION

Although preliminary testing was conducted, the remediation process uncovered significant unforeseen conditions that required the removal of exterior light fixtures and additional mold abatement in drywall and baseboards in eleven rooms at 3868 Sepulveda (Deano's). The additional work also included the removal of asbestos-containing mirrors and mastics in two rooms at 3868 Sepulveda (Deano's). The approved contingency per the original agreement was utilized to fund these unforeseen conditions, however further remediation is required to abate various drywall and mold issues throughout several rooms in the Deano's property in order to proceed with the structural framing of doors and windows.

The additional scope provides for necessary cut-outs relative to doors, electrical, HVAC, lighting and sprinklers. A significant portion of this work was anticipated to be completed by the general contractor's team; however, the selected subcontractor did not possess the required credentials to proceed with the work. In order to maintain the momentum of the project and reduce delays, it is recommended that the City amend the agreement with IDR to perform the necessary mold abatement work.

Construction is anticipated to conclude late February 2023 with units coming online by March 2023. Construction is 75% complete at 3900 Sepulveda and 65% complete at 3868 Sepulveda.

FISCAL ANALYSIS

Funding for the additional environmental services mold abatement is available in Account Number 423800000.730100.PF034 (Interim Housing - Deano's). Approximately \$67,248 will be credited from the General Contractor's contract for the scope of work not completed, however, there are several other change orders currently in process that may absorb this credited amount.

As a general note, project construction continues to be challenging with several unexpected conditions and design modifications beyond the approved scope of work. Staff is currently working with the construction management team to identify a comprehensive contingency for the remainder of the project for consideration at the next City Council meeting in February.

ATTACHMENTS

None.

MOTIONS

That the City Council:

1. Approve an amendment to the existing professional services agreement with Integrated Demolition and Remediation Inc., (IDR) in an amount not-to-exceed \$80,000 for additional environmental remediation services on City owned property at 3860 and 3900 Sepulveda Boulevard.
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.