



# MAGNOLIA PUBLIC SCHOOLS

13950 Milton Ave. 200B Westminster, CA 92683

P: (714) 892-5066 F: (714) 362-9588



Board Agenda Item #	Agenda # II D
Date:	October 23, 2017
To:	Magnolia Board of Directors- Facilities Committee Members
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Caprice Young, Ed.D., CEO & Superintendent
RE:	Authorization to address asbestos mitigation at MSA 1

### Proposed Board Recommendation:

The board provides authorization to the CEO to amend the contract up to \$25,000 with the company providing demolition services at MSA1 to address hazardous materials (Transite, Asbestos) concerns found during the demolition of the building located on the site next door slated for new construction.

### Background

Prior to the demolition of the building next door to MSA1, which Magnolia purchased in 2015 and now leases from MPM,LLC., MPS conducted a review of the site for hazardous materials. Minimal asbestos was identified in the building and clean up was included in the ensuing board approved demolition contract. Last week, during demolition, more extensive hazardous materials were found inside of walls that were not possible to test during the original inspection. Addressing the Transite found will require a change order of at least \$8,000 and must be executed immediately in order to address the safety concerns that come with hazardous materials. Our project manager, PrimeSource, believes it is likely that more will be found, but we don't yet know the extent of the problem. This board action will allow the CEO to address the issue as it arises to ensure the safety of our students. We will provide a status report to the board at the next board meeting.

### Budget Implications

Costs related to hazardous materials mitigation efforts will be borne by the bond funded construction program.

### How Does This Action Relate/Affect/Benefit All MSAs?

All charters benefit from the effective management of the MSA1 construction program.



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Name of Staff Originator:

Caprice Young, CEO & Superintendent

Attachments

Hazardous Material Report

Board Approved Demolition Contract

2621 Honolulu Avenue  
Montrose, CA 91020



interiorDEMOLITIONinc

Tel (818) 249-4932  
Fax (818) 249-4937  
www.interiordemolition.net

Demolition • Earthwork • Asbestos Removal  
State Lic #603409

## Contract

September 19, 2017,

**Between the Owner:** Magnolia Public Schools  
250 E. 1st Street  
Los Angeles, California 90012

**And the Contractor:** Interior Demolition, Inc.  
2621 Honolulu Ave.  
Montrose, California 91020  
United States  
CSLB # 603409  
Phone #818.249.4932

**For the Project:** Magnolia Science Academy 1 Building Abatement and  
Demolition Project  
18216-18220 Sherman Way, Reseda,

**Construction Lender:**

### Article 1. CONTRACT DOCUMENTS

Article 1.1. The contract documents consist of the RFP, this agreement, general conditions construction documents, specifications, allowances, finish schedules, construction draw schedule, information disclosure statement, all addenda issued prior to execution of this agreement and all change orders or modifications issued and agreed to by both parties. All documents noted herein shall be provided to the Contractor by the Owner. These contract documents represent the entire agreement of both parties and supersede any prior oral or written agreement.

Initialed by: Owner Cy Contractor MM

**Article 2. SCOPE OF WORK**

Article 2.1. See Attached Exhibit A

**Article 3. TIME OF COMPLETION**

Article 3.1. The approximate commencement date of the project shall be ~~September 19,~~<sup>October 5,</sup> ~~2017~~<sup>MM</sup>. The approximate completion date of the project shall be 45 days later, however any change orders and/or unusual weather might delay or otherwise affect the completion date. Property shall be made available on October 2, 2017.

**Article 4. THE CONTRACT PRICE**

Article 4.1. The Owner shall pay the contractor the contract sum of **(One Hundred Fifty Three Thousand Five Hundred) Dollars, (\$153,500.00)**, subject to additions pursuant to authorized change orders.

**Article 5. PROGRESS PAYMENTS**

The Owner will make monthly progress payments to the contractor pursuant to progress payment request based on percentage of work completed and schedule of values in Exhibit A. Owner shall make draw payments to contractor within **(15)** days after approval of progress payment application by owner's representative.

**Article 6. DUTIES OF THE CONTRACTOR**

Article 6.1. All work shall be in accordance to the provisions of the plans and specifications and RFP. All systems shall be in good working order.

Article 6.2. All work shall be completed in a workman like manner, and shall comply with all applicable national, state and local building codes and laws.

Article 6.3. All work shall be performed by licensed individuals to perform their said work, as outlined by law.

Initialed by: Owner an Contractor MM

Article 6.4. Contractor shall obtain all permits necessary for the work to be completed including from AQMD and the City of Los Angeles.

Article 6.5. Contractor shall remove all construction debris and leave the project in a broom clean condition.

Article 6.6. Upon satisfactory payment being made for any portion of the work performed, Contractor shall furnish a full and unconditional release from any claim or mechanics' lien for that portion of the work for which payment has been made.

#### **Article 7. OWNER**

Article 7.1. The Owner will not assume any liability or responsibility, nor have control over or charge of construction means, methods, techniques, sequences, procedures, or for safety precautions and programs in connection with the project, since these are solely the Contractor's responsibility.

#### **Article 8. CHANGE ORDERS AND FINISH SCHEDULES**

Article 8.1. A Change Order is any change to the original plans and/or specifications. All change orders need to be agreed upon in writing, including cost, additional time considerations, approximate dates when the work will begin and be completed, a legal description of the location where the work will be done and signed by both parties. Change orders will be paid in the monthly draw. A 12% fee shall be added to all change orders and overages in excess of initial allowances. Additional time needed to complete change orders shall be taken into consideration in the project completion date.

#### **Article 9. INSURANCE**

Article 9.1. The Contractor shall purchase and maintain needed Workman's Compensation and Liability insurance coverage as required by law and deemed necessary for his own protection and shall provide the coverages and amounts specified in the RFP.

Initialed by: Owner aj Contractor MM

## **Article 10. GENERAL PROVISIONS**

Article 10.1. If conditions are encountered at the construction site which are subsurface or otherwise concealed physical conditions or unknown physical conditions of an unusual nature, which differ naturally from those ordinarily found to exist and generally recognized as inherent in construction activities, the Owner will promptly investigate such conditions and, if they differ materially and cause an increase or decrease in the Contractor's cost of, and/or time required for, performance of any part of the work, will negotiate with the Contractor an equitable adjustment in the contract sum, contract time or both.

## **Article 11. ARBITRATION OF DISPUTES**

Article 11.1. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Construction Industry Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

## **Article 12. TERMINATION OF THE CONTRACT**

Article 12.1. Should the Owner or Contractor fail to carry out this contract, with all of its provisions, the following options and stipulations shall apply:

Article 12.1.1. If the Owner or the Contractor shall default on the contract, the non-defaulting party may declare the contract is in default and proceed against the defaulting party for the recovery of all damages incurred as a result of said breach of contract, including a reasonable attorney's fee. In the case of a defaulting Owner, the Earnest money herein mentioned shall be applied to the legally ascertained damages.

Article 12.1.2. In the event of a default by the Owner or Contractor, the non-defaulting party may state his intention to comply with the contract and proceed for specific performance.

Initialed by: Owner ay Contractor MJ

Article 12.1.3. In the case of a defaulting Owner, the Contractor may accept, at his option the earnest money as shown herein as liquidated damages, should earnest money not cover the expenses to date, the Contractor may make claim to the Owner for all work executed and for proven loss with respect to equipment, materials, tools, construction equipment and machinery, including reasonable overhead, profit and damages applicable to the property less the earnest money.

**Article 13. ATTORNEY FEES**

Article 13.1. In the event of any arbitration or litigation relating to the project, project performance or this contract, the prevailing party shall be entitled to reasonable attorney fees, costs and expenses.

**Witness** our hand and seal on this 3<sup>rd</sup> day of October, 2017.

Signed in the presence of:

\_\_\_\_\_  
**Witness**

\_\_\_\_\_  
**Witness**

\_\_\_\_\_  
Contractor Signature

\_\_\_\_\_  
Owner Signature

Initialed by: Owner aj Contractor LM

# EXHIBIT A

2621 Honolulu Avenue  
Montrose, CA 91020



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Tel (818) 249-4932  
Fax (818) 249-4937  
www.interiorc demolition.net

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Demolition • Earthwork • Asbestos Removal  
State Lic #603409

## PROPOSAL

August 7, 2017

Between the Owner: **Magnolia Public Schools  
250 east 1st Street  
Los Angeles, California 90012  
Contact Primary Telephone**

And the Contractor: **Interior Demolition, Inc.  
2621 Honolulu Ave.  
Montrose, California 91020  
United States  
603409  
818.249.4932**

For the Project: **Magnolia Science Academy 1 Building Abatement and  
Demolition Project  
18216-18220 Sherman Way in Reseda, CA.**

### SCOPE OF WORK:

- A. All permits as required by State, County and Local Authorities.
- B. All soil erosion and sedimentation control measures as required including maintenance of such.
- C. All utility shutdowns and disconnections, including scheduling and coordination with utility companies, including demolition and capping of utilities at right of way for future use. This includes but is not restricted to electric, natural gas, water, storm, sanitary, phone, cable and fiber optic. All utility company fees for disconnections will be paid by the Owner.
- D. Lead and Asbestos Abatement per the LBP & ABM report.
- E. All Investigations and Assessments needed to develop a suitable abatement and demolition plan.