



**RESOLUTION NO. 26299**

**LAX**

**Van Nuys**

**City of Los Angeles**

Eric Garcetti  
Mayor

**Board of Airport Commissioners**

Sean O. Burton  
President

Valeria C. Velasco  
Vice President

Jeffery J. Daar  
Gabriel L. Eshaghian  
Beatrice C. Hsu  
Thomas S. Sayles  
Dr. Cynthia A. Telles

Deborah Flint  
Chief Executive Officer

BE IT RESOLVED that the Board of Airport Commissioners (BOAC) adopted the staff report attached herein and made part hereof: Certified that: (a) The Final Environmental Impact Report (FEIR) for the Terminals 2 and 3 Modernization Project, which includes the Draft Environmental Impact Report, has been completed in compliance with the requirements of the California Environmental Quality Act (CEQA) and the City of Los Angeles CEQA Guidelines, (b) The FEIR for the Terminals 2 and 3 Modernization Project was presented to the BOAC, as the decision-making body of the lead agency, and the BOAC reviewed and considered the information contained in the FEIR and any comments received prior to approving the Terminals 2 and 3 Modernization Project, and (c) The Terminals 2 and 3 Modernization Project FEIR represents the independent, judgment and analysis of the lead agency; considered and found that the Terminals 2 and 3 Modernization Project: (a) Complies with the Los Angeles International Airport (LAX) Plan, as adopted at the time the Proposed Project was processed, any design guidelines required by the LAX Plan, and all applicable provisions of the LAX Specific Plan, (b) Complies with the LAX Plan, as newly approved by City Council in June 2017, any design guidelines and standards required by the LAX Specific Plan as newly approved by City Council in June 2017, and all applicable provisions of this Specific Plan, and (c) That the Project has been adequately analyzed in compliance with CEQA, and the applicable master plan commitments and mitigation measures contained in the Mitigation and Monitoring Reporting Program (MMRP) (as may be modified by the BOAC in accordance with CEQA) or identified in any subsequent environmental review have been incorporated into the Project to the extent feasible; adopted the: (a) Terminals 2 and 3 Modernization Project CEQA Findings of Fact and the Statement of Overriding Considerations, (b) Terminals 2 and 3 Modernization Project MMRP, and (c) Executive Director's LAX Plan Compliance Report (EDR) for the Terminals 2 and 3 Modernization Project; approved the Terminals 2 and 3 Modernization Project as described in the FEIR; transmitted and recommended that the City Council: (a) Find that the City Council has considered the environmental effects of the Proposed Project as described in the Terminals 2 and 3 Modernization Project FEIR, (b) Concur with the actions of the BOAC by: (i) Affirming the certification of the Terminals 2 and 3 Modernization Project FEIR, and (ii) Adopting the Terminals 2 and 3 Modernization Project CEQA Findings of Fact and Statement of Overriding Considerations, and the Terminals 2 and 3 Modernization Project MMRP; and approved the Terminals 2 and 3 Modernization Project LAX Plan Compliance determination as recommended in the EDR; and

BE IT FURTHER RESOLVED that pursuant to State CEQA Guidelines Section 15091(e), the location and custodian of documents and materials related to the EIR for this project is the Los Angeles World Airports, Environmental Programs Group, One World Way, Suite 218B, Los Angeles, California 90045.

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I hereby certify that this Resolution No. 26299 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, July 13, 2017.

A handwritten signature in blue ink, appearing to read "S. Miller", is positioned above the typed name.

Sandra J. Miller – Secretary  
BOARD OF AIRPORT COMMISSIONERS



Los Angeles World Airports

# REPORT TO THE

Item Number  
**28**

## BOARD OF AIRPORT COMMISSIONERS

Approved by: Evelyn Quintanilla, Chief of Airport Planner II

Reviewed by: Samantha Bricker – Deputy Executive Director

City Attorney

Deborah Flint – Chief Executive Officer

Meeting Date:

**7/13/2017**

CAO Review:

Completed

Pending

N/A

Reviewed for	Date	Approval Status	By
Finance	6/23/2017	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	RW
CEQA	6/26/2017	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	AE
Procurement	6/23/2017	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond	MT
Guest Experience	6/29/2017	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	BY

### **SUBJECT: Approve the Los Angeles International Airport Terminals 2 and 3 Modernization Project**

Consider and Adopt the Los Angeles International Airport (LAX) Terminals 2 and 3 Modernization Project (hereafter referred to as the Terminals 2 and 3 Modernization Project or Proposed Project); and Executive Director's LAX Plan Compliance Report (EDR), including required findings; Certify the Final Environmental Impact Report (FEIR); Adopt the California Environmental Quality Act (CEQA) Findings of Fact, the Statement of Overriding Considerations, and the Mitigation and Monitoring Reporting Program (MMRP); Approve the Project as described in the FEIR; Transmit and Recommend that the City Council concur with the Actions of the Board of Airport Commissioners (BOAC); and Affirm the certification of the Terminals 2 and 3 Modernization Project FEIR, approval of the LAX Plan Compliance determination, and adopt the related recommendation.

### **RECOMMENDATIONS:**

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. CERTIFY that:

- a) The FEIR for the Terminals 2 and 3 Modernization Project, which includes the Draft EIR, has been completed in compliance with the requirements of CEQA and the City of Los Angeles CEQA Guidelines;
- b) The FEIR for the Terminals 2 and 3 Modernization Project was presented to the BOAC, as the decision-making body of the lead agency, and the BOAC reviewed and considered the information contained in the FEIR and any comments received prior to approving the Terminals 2 and 3 Modernization Project; and
- c) The Terminals 2 and 3 Modernization Project FEIR represents the independent, judgment and analysis of the lead agency.

3. CONSIDER and FIND that the Terminals 2 and 3 Modernization Project:

- a) Complies with the LAX Plan, as adopted at the time the Proposed Project was processed, any design guidelines required by the LAX Plan, and all applicable provisions of the LAX Specific Plan;
- b) Complies with the LAX Plan, as newly approved by City Council in June 2017, any design guidelines and standards required by the LAX Specific Plan as newly approved by City Council in June 2017, and all applicable provisions of this Specific Plan; and
- c) That the Project has been adequately analyzed in compliance with CEQA, and the applicable master plan commitments and mitigation measures contained in the MMRP (as may be modified by BOAC in accordance with CEQA) or identified in any subsequent environmental review have been incorporated into the Project to the extent feasible.

4. ADOPT the:

- a) Terminals 2 and 3 Modernization Project CEQA Findings of Fact and the Statement of Overriding Considerations;
- b) Terminals 2 and 3 Modernization Project MMRP; and
- c) EDR for the Terminals 2 and 3 Modernization Project.

5. APPROVE the Terminals 2 and 3 Modernization Project as described in the FEIR.

6. TRANSMIT and RECOMMEND that the City Council:

- a) FIND that the City Council has considered the environmental effects of the Proposed Project as described in the Terminals 2 and 3 Modernization Project FEIR;
- b) CONCUR with the actions of BOAC by:
  - 1. Affirming the certification of the Terminals 2 and 3 Modernization Project FEIR; and

2. Adopting the Terminals 2 and 3 Modernization Project CEQA Findings of Fact and Statement of Overriding Considerations; and the Terminals 2 and 3 Modernization Project MMRP.

c) APPROVE the Terminals 2 and 3 Modernization Project LAX Plan Compliance determination as recommended in the EDR.

## **DISCUSSION:**

### **1. Purpose**

Adopt the Executive Director's LAX EDR, certify the FEIR prepared for the Terminals 2 and 3 Modernization Project, and approve the Terminals 2 and 3 Modernization Project.

### **2. Prior Related Actions**

- March 17, 2016 – Board Resolution No. 25915 (DA-4844A)  
Approve First Amendment to Contract No. DA-4844 with CDM Smith, Inc. for environmental consulting and entitlement support services at Los Angeles World Airports (LAWA) to extend the term by two (2) years and increase funding by \$1,180,000.00 for an adjusted not to exceed amount of \$4,180,000.00.
- August 20, 2013 – Board Resolution No. 25213 (DA-4844)  
LAWA'S BOAC approved a three-year contract with CDM Smith, Inc. (DA-4844) for professional environmental consulting and entitlement support services on an as-needed basis for a total contract value of \$3,000,000.00.

### **3. Current Action**

LAWA proposes to modernize the existing Terminal 2 and Terminal 3 (T2 and T3) at LAX located within the City of Los Angeles on LAWA property. The Proposed Project would improve safety and security, passenger convenience, quality of service, and building and operational efficiencies through the renovation of aging terminal facilities. The Proposed Project would provide approximately 832,000 square feet of new building space that would be added to the two terminals, for a total square footage of approximately 1,620,010 square feet. Construction activities associated with the Proposed Project include demolition, site preparation, site utility work, building construction, and finish out of space.

Modernization of the existing T2 and T3 at LAX would include:

- Upgrades to the T2 concourse, including construction of additional floor area;
- Demolition and reconstruction of the T3 concourse including a new operation control center and the demolition of the southern appendages of the T3 satellite;
- Reconfiguration to the existing passenger gate positions within the existing terminal linear frontage to match existing aircraft fleet requirements (increasing the total passenger gates at T2 and T3 from 23 up to 27 gates);

- Demolition and reconstruction of the passenger and baggage screening facilities (ticketing buildings – T2.5 and T3.5), new ticketing and baggage claim, and a secure connector between T2 and T3; and,
- Apron improvements, specifically the replacement/resurfacing, restriping, and relocation of fuel pits.

***Project Objectives:***

The underlying purposes of improvements to the facilities at T2 and T3 are to provide improved security, passenger experience, operations, convenience, and quality of service. The specific objectives of the proposed project are to:

- Meet Transportation Security Administration (TSA) and U.S. Customs and Border Protection (CBP) requirements for security and customs screening and provide flexible space for next generation passenger and baggage security screening functions to improve safety and security;
- Modernize and revitalize existing T2 and T3 in order to improve passenger level of service and amenities within the terminals and improve building systems, as has been previously done for other terminals within the CTA;
- Coordinate improvements to the aircraft apron areas (e.g., aircraft parking positions, passenger boarding bridge locations, aircraft fueling system hydrant locations, ground support equipment parking locations) at T2 and T3 to be compatible with proposed changes to the T2 and T3 buildings and anticipated airline fleets and uses;
- Enhance the interior and exterior of the terminals to benefit the overall appearance of the CTA;
- Provide a secure connector between T2 and T3 to allow passengers to connect from one terminal to the other without having to exit to the non-secure side of the terminal, and only go through security once; and
- Provide for improvements within each terminal (T2 and T3) that are common to the functions and operations of both terminals and therefore can be shared between terminals, which, in turn, would improve operational efficiency and flexibility, as well as enhance the quality of customer service by reducing redundancies in passenger and baggage processing by providing facilities that support multiple terminals, when feasible.

Buildings would incorporate energy reducing U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Silver level of sustainability measures and implement LAWA's plans, policies, and principles related to energy and resource efficiency and sustainability including the Sustainable Airport Planning Design and Construction Guidelines.

Specific improvements are described below.

- *Terminal 2 Concourse:* The improvements to the existing terminal would include additional area for airline clubs/lounges, enhance vertical circulation, and enhance the

connection of the sterile corridor at the concourse level to the Federal Inspection Station (FIS) facilities at the arrival level.

- Terminal 2.5 and 3.5 Ticketing Building: The rebuilt ticketing buildings are referred to as the T2.5 and T3.5 ticketing buildings. The existing concourses are not connected; the new ticketing building would provide a secure connector between T2 and T3 to allow passengers to connect from one terminal to another. The T2 and T3 connector would consist of four levels. The new T3.5 building would include additional passenger and baggage processing space, improving passenger quality of service, and would provide additional space to help meet federal security requirements.
- Terminal 3 Concourse and Satellite: The new concourse would include new baggage handling systems, concessions, passenger amenity spaces, new airline lounge space, airline and tenant support offices/storage areas located throughout the building, and a control center.

The Proposed Project would take approximately 76 months (six years, four months) to construct. Throughout the construction of the Proposed Project, T2 and T3 would remain fully operational at all times. The primary consideration in planning for the Proposed Project construction activities is to maintain safe and uninterrupted operation of the airport, including runway operations and passenger access to terminals. The majority of the construction activities would occur during daytime hours behind construction barriers.

#### ***Environmental Review:***

LAWA, as the lead agency for the Terminals 2 and 3 Modernization Project, developed an Environmental Impact Report (EIR) for the Proposed Project in compliance with the California Environmental Quality Act (CEQA). The Initial Study (IS) evaluated all the environmental topics required by CEQA as outlined in Appendix G of the State CEQA Guidelines. The Notice of Preparation (NOP) and IS identified those environmental topics that were determined to have no impacts or less than significant impacts and would not be carried forward for further analysis in the Draft EIR (see Environmental Findings table).

The NOP/IS were released for public and agency review on August 11, 2016; the public comment period on the NOP/IS was open through September 9, 2016. A scoping meeting was held on August 24, 2016, where the public had an opportunity to provide comments in writing on any area of concern. Nineteen members of the public attended the scoping meeting and five comments were received at the meeting. Ten other comments were received during the public review of the NOP/IS. LAWA distributed copies of the NOP/IS to over seven thousand stakeholders, agencies, airlines, and other leaseholders at LAX. The NOP/IS was made available on the LAWA website and placed at six locations: LAWA Administrative Office and the public libraries in the cities of Culver City, El Segundo, Hawthorne, Inglewood and City of Los Angeles Westchester-Loyola Branch.

The Draft EIR analyzed the environmental resources identified in the NOP/IS as having significant impacts (see Environmental Findings table). The EIR analyzed the effects on the environment and concluded that there will be temporary, significant and unavoidable impacts during construction on the environment in the areas of air quality and construction traffic. CEQA requires the adoption of feasible mitigation measures to reduce the severity and magnitude of significant environmental impacts associated with the project development. Where appropriate

the EIR identified mitigation measures to reduce adverse environmental impacts that may result from the Proposed Project.

The Mitigation Monitoring and Reporting Program (MMRP) describes the procedures for the implementation of the mitigation measures to be adopted for the Proposed Project. The project incorporates LAWA Standard Control Measures during construction related to air quality (such as a variety of mitigation measures that are specific actions to reduce fugitive dust emissions and exhaust emission), cultural resources (compliance with LAWA's archeological and paleontological treatment plans), and construction traffic (completion of a construction traffic management plan). To further reduce impacts of air quality during construction, the project also includes one project-specific mitigation measure which requires construction equipment and trucks onsite to use less polluting renewable diesel fuel for at least 90 percent of the diesel fuel demand.

Even with the incorporation of mitigation measures, two significant and unavoidable impacts remain during construction: 1) the maximum peak daily construction-related regional mass emissions for NOx resulting from the proposed project would be significant and the project's contribution to cumulative construction-related NOx impacts would be cumulatively considerable, and 2) the proposed project's contribution to a significant cumulative construction traffic impact would be cumulatively considerable at two of the significantly impacted intersections: Century Boulevard and Sepulveda Boulevard (Intersection #5) and Imperial Highway and I-105 Ramp (Intersection #14). LAWA is requiring all feasible NOx mitigation measures during construction, so there are not any additional feasible mitigation measures that could be adopted at this time to further reduce the NOx impact to below significance. At Intersection #5, the cumulatively considerable impact could be reduced to less than cumulatively considerable by requiring construction employees to only turn right onto eastbound Century Boulevard when exiting the subject parking area, thereby avoiding the left-turn movement at Intersection #5. This requirement would not be feasible to implement, monitor, and enforce. For Intersection #14, haul trucks transferring materials to/from the proposed primary construction staging area would be required to pass directly through the intersection of Imperial Highway and I-105 (Intersection #14), and no mitigation is feasible for the cumulatively considerable construction traffic impact at this location. Despite the significant and unavoidable impacts associated with the construction of the Terminals 2 and 3 Modernization Project, the Proposed Project's economic, revitalization and security benefits constitute an overriding consideration warranting project approval.

### Environmental Findings

<u>Initial Study</u>	<u>Draft EIR</u>	
(Impacts Not Significant – No Further Analysis Required)	(Impacts Less Than Significant or Less than Significant with Mitigation)	(Significant and Unavoidable) * - temporary construction impacts
<ul style="list-style-type: none"> <li>• Aesthetics</li> <li>• Agricultural/Forestry Resources</li> <li>• Air Quality (Operation)</li> <li>• Biological Resources</li> <li>• Cultural Resources (Historic)</li> <li>• Geology &amp; Soils</li> <li>• Greenhouse Gas Emissions (Operation)</li> <li>• Hazards/Hazardous Materials</li> <li>• Hydrology and Water Quality</li> <li>• Land Use &amp; Planning</li> <li>• Mineral Resources</li> <li>• Noise</li> <li>• Population &amp; Housing</li> </ul>	<ul style="list-style-type: none"> <li>• Air Quality                             <ul style="list-style-type: none"> <li>○ Odors &amp; Human Health Risk</li> <li>○ Operational Energy-Related Emissions</li> </ul> </li> <li>• Cultural Resources                             <ul style="list-style-type: none"> <li>○ Tribal Cultural Resources</li> <li>○ Human Remains</li> <li>○ Archaeological</li> <li>○ Paleontological</li> </ul> </li> <li>• Greenhouse Gases Construction</li> </ul>	<ul style="list-style-type: none"> <li>• Air Quality (construction related)                             <ul style="list-style-type: none"> <li>○ Local NO<sub>2</sub> (Regional &amp; Cumulative)</li> </ul> </li> <li>• Construction Traffic                             <ul style="list-style-type: none"> <li>○ Cumulative</li> </ul> </li> </ul>



<ul style="list-style-type: none"> <li>• Public Services</li> <li>• Recreation</li> <li>• Transportation/Traffic (Operation)</li> <li>• Utilities &amp; Service Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Energy impacts and conservation</li> <li>• Construction Traffic <ul style="list-style-type: none"> <li>○ Project-Level</li> </ul> </li> </ul>	
<p><i>* Additional information and specific findings regarding these impacts are provided in the LAX Terminals 2 and 3 Modernization Project, Statement of Overriding Considerations and California Environmental Quality Act Findings as required by State CEQA Guidelines Section 15091 (attached Exhibit A).</i></p>		

On February 23, 2017, LAWA published the Draft EIR for the Proposed Project. In accordance with CEQA, the Draft EIR was circulated for public review for 45 days, with the review period closing on April 10, 2017. A public meeting was held on March 21, 2017 for the public to gather information on the Proposed Project, Draft EIR and provide comments in writing. Seven members of the public attended the public meeting for the Draft EIR and one comment was received at the meeting. Seven other comments were received during the public review of the Draft EIR (for a total of eight comments received). As with the NOP/IS, LAWA distributed notices of availability of the Draft EIR to over seven thousand stakeholders, agencies, airlines, and other leaseholders at LAX. The Draft EIR was made available on the LAWA website and placed at six locations: LAWA Administrative Office and the public libraries in the cities of Culver City, El Segundo, Hawthorne and Inglewood and City of Los Angeles Westchester-Loyola Branch. The Terminals 2 and 3 Modernization Project FEIR incorporates and responds to comments received on the Draft EIR and includes corrections and additions to the Draft EIR.

***Executive Director’s LAX Plan Compliance Report***

In accordance with the LAX Specific Plan, the Executive Director has reviewed the Proposed Project for LAX Plan Compliance. The Executive Director’s findings and recommendations have been compiled in a report (referred to as the “LAX Plan Compliance Report” or the “Executive Director’s Report”). The Executive Director’s Report is included as Attachment C of this Board Report. This report addresses the proposed Terminals 2 and 3 Modernization Project and includes a detailed project description, the requisite findings of fact, the requisite reports received, and a final recommendation of approval.

The LAX Plan designates the Terminals 2 and 3 Modernization Project area with an “Airport-Airside” land use designation. The proposed Terminals 2 and 3 Modernization Project is consistent with this designation and is compatible with the surrounding development.

***Action Requested***

Staff recommends the BOAC adopt the Staff Report and take all of the Staff Recommended Actions set forth herein.

***Fiscal Impact***

This is an administrative action. There will be no fiscal impact.

**4. Alternatives Considered**

- ***Take No Action***

Taking no action will result in no development of the Proposed Project at T2 and T3 and consequent modernization of LAX. Tenants, passengers, and staff would continue to

utilize the current terminal facilities, which do not offer a high level of service in T2 and T3.

**APPROPRIATIONS:**

No appropriation of funds is required at this time.

**STANDARD PROVISIONS:**

1. An EIR was prepared for this project in compliance with CEQA and the City of Los Angeles CEQA Guidelines. Pursuant to State CEQA Guidelines Section 15091(e), the location and custodian of documents and materials related to the EIR for this project is the Los Angeles World Airports, Environmental Programs Group, One World Way, Suite 218B, Los Angeles, California 90045.
2. This item is subject to approval as to form by the City Attorney.
3. This action is not subject to the provisions of the Service Contractor Worker Retention and Living Wage Ordinances.
4. This action is not subject to the provisions of the Small Business Enterprise and Local Business Enterprise/Local Small Business Enterprise Programs.
5. This action is not subject to the provisions of the Affirmative Action Program.
6. This action does not require a Business Tax Registration Certificate.
7. This action is not subject to the provisions of the Child Support Obligations Ordinance.
8. This action is not subject to the insurance requirements of the Los Angeles World Airports.
9. This action is not subject to the provisions of City Charter Section 1022 (Use of Independent Contractors).
10. This action is not subject to the provisions of the Contractor Responsibility Program.
11. This action is not subject to the provisions of the Equal Benefits Ordinance.
12. This action is not subject to the provisions of the First Source Hiring Program.
13. This action is not subject to the provisions of Bidder Contributions CEC Form 55.

Reference documents for the LAX Terminals 2 and 3 Modernization Project are available online at OurLAX.org: <http://www.lawa.org/ourLAX/CurrentProjects.aspx?id=13905>

Exhibit A - Terminals 2 and 3 Modernization Project CEQA Findings and the Statement of Overriding Considerations

Exhibit B - Terminals 2 and 3 Modernization Project MMRP

Exhibit C - EDR for the Terminals 2 and 3 Modernization Project