

**TRANSMITTAL**

0150-11341-0000

TO  
Deborah Flint, Chief Executive Director  
Department of Airports

DATE  
APR 29 2019

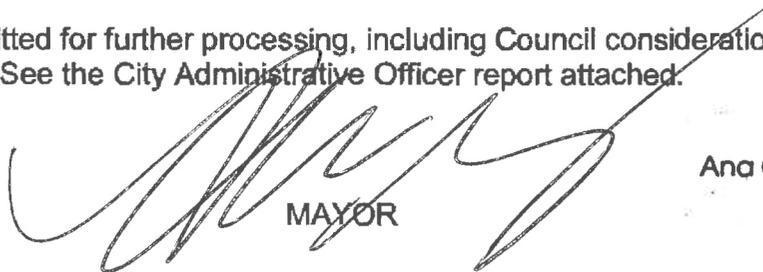
COUNCIL FILE NO.

FROM  
The Mayor

COUNCIL DISTRICT  
11

**Request to Approve an Ordinance to Allow Use of Alternative Project Delivery Methods  
and the Competitive Sealed Proposal Selection Process for Projects Related to the  
Facilities Maintenance Utilities Group Campus Relocation Project at  
Los Angeles International Airport**

Transmitted for further processing, including Council consideration.  
See the City Administrative Officer report attached.



Ana Guerrero

MAYOR

RHL:AVM:10190115t

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: April 26, 2019

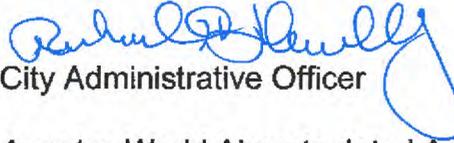
CAO File No. 0150-11341-0000

Council File No.

Council District: 11

To: The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer



Reference: Communication from Los Angeles World Airports dated April 9, 2019; referred by the Mayor for report on April 9, 2019

Subject: **REQUEST TO APPROVE AN ORDINANCE TO ALLOW USE OF ALTERNATIVE PROJECT DELIVERY METHODS AND THE COMPETITIVE SEALED PROPOSAL SELECTION PROCESS FOR PROJECTS RELATED TO THE FACILITIES MAINTENANCE UTILITIES GROUP CAMPUS RELOCATION PROJECT AT LOS ANGELES INTERNATIONAL AIRPORT**

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### RECOMMENDATIONS

That the Mayor:

1. Approve (a) the Board of Airport Commissioners' determination that the action is administratively exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.m of the Los Angeles CEQA Guidelines, and (b) Resolution No. 26739 requesting the approval by the City Council of an Ordinance to authorize the Los Angeles World Airports to use alternative project delivery methods and the competitive sealed proposal selection process, and establishing criteria relating to such contracts, for select projects related to a consolidated Facilities Maintenance Utilities Group campus relocation project at Los Angeles International Airport, consistent with City Charter Section 371(b) and subject to City Attorney approval as to form; and,
2. Return the proposed Ordinance to the Los Angeles World Airports for further processing, including Council consideration.

### SUMMARY

The Los Angeles World Airports (LAWA, Department) has embarked on a \$5.5 billion Los Angeles International Airport (LAX) Landside Access Modernization Program (LAMP). It is composed primarily of the Automated People Mover (APM), Intermodal Transportation Facilities – East and West, and the Consolidated Rent-a-Car Facility (ConRAC), as well as roadside improvements. Department staff reports LAMP capital development projects now are underway at LAX and the

pace towards completion is expected to meet planned operational dates of 2021 for the ConRAC, and 2023 for the APM.

In June 2017 through Ordinance 183585, the City Council authorized the Board of Airport Commissioners (BOAC) to allow use of certain requirements and procedures, when some procurement and contracting methods are modified, to make them more suited to non-traditional project delivery methods (e.g., Construction Manager-at-Risk, Design-Build, Design-Build-Finance-Operate-Maintain) for LAX-LAMP related contracts and procurements (C.F.17-0204). Employing both alternative project delivery methods and the competitive sealed proposal selection process will allow for the development of property at LAX and for expedited delivery of program objectives of LAWA, according to staff.

To support the LAMP timeline and update the Facilities Maintenance Utilities Group (FMUG) sites, the Department seeks to secure the necessary approvals to use alternative project delivery methods and the competitive sealed proposal selection process to build a new FMUG campus. Presently there are four separate FMUG locations: approximately 21 acres at LAX within the North Midfield (NM) Area; approximately 1.4 acres east of LAX on Aviation Boulevard; approximately 1.1 acres close to the NM Area; and, approximately one-half acre south of the LAX runways. Staff reports the FMUG campus is over 60 years old, its pre-engineered, metal buildings have a 30-year life-span, and extensive upgrades would be required to retain operational capability (in 2018, a roof of one building collapsed due to corrosion).

The Department will undertake a FMUG campus Relocation project. Property identified by LAWA to construct a new, consolidated FMUG operations area is north of the runways (Runway 24R) and south of Westchester Parkway, from Perishing Drive to Loyola Boulevard. According to LAWA, consolidating the operations will improve FMUG security with controlled access and surveillance, incorporate updated shops and repair facilities to help with timely repair of critical airport infrastructure, and provide opportunities for FMUG to operate sustainably, as well as other benefits. The Relocation project will stipulate LEED Silver, or better, green building rating – Leadership in Energy and Environmental Design. Staff anticipates the current 21 acres FMUG facility will provide an ideal site for critically needed, additional aircraft 'RON' (Remain Over Night) parking and the FMUG warehouse on Aviation Blvd will become part of an air cargo complex being built.

The BOAC approved Resolution No. 26739 at its April 10, 2019 meeting. Upon adoption of the aforementioned Resolution, the Council may consider for approval an Ordinance to:

- Approve LAWA's use of a Request for Qualification to identify and prequalify those potential proposers with the necessary experience and skill to undertake the FMUG Campus Relocation;
- Allow LAWA to establish criteria for the letting of contracts for the FMUG Campus Relocation pursuant to a competitive sealed proposal method; and,
- Authorize the use of alternative project delivery methods for contracts between LAWA and the successful bidders for procurement, pre-construction services, construction, finance and related services for select projects related to the FMUG Campus Relocation.

The proposed Ordinance retains the competitive sealed bid proposal method of award pursuant to City Charter Section 371(b). In order to further protect the best interests of the City, the proposed alternative project delivery methods also comply with City policies regarding competitive bids, sealed proposals and other essential project delivery systems and safeguards. Consistent with the Charter, adoption of such an ordinance by the Council is required as well as its approval as to form by the City Attorney.

### **FISCAL IMPACT STATEMENT**

The Department states this action has no fiscal impact, at this time. The adoption of the proposed Ordinance does not result in impacts on the physical environment and, as such, is administratively exempt from specific California Environmental Quality Act requirements. Project costs covered under this action ultimately will be recovered through LAX rates and charges. Approval of Resolution No. 26739 will request the City Council to consider and approve an Ordinance to authorize the Los Angeles World Airports to use alternative project delivery methods and the competitive sealed proposal selection process, for select capital improvement projects related to a consolidated Facilities Maintenance Utilities Group campus relocation project. Approval of the proposed Ordinance will have no impact on the City's General Fund. This action complies with the Department of Airports' adopted Financial Policies.

*RHL:AVM:10190115*