



Los Angeles World Airports

REPORT TO THE

BOARD OF AIRPORT COMMISSIONERS

10
Item Number

Jake Adams

Approved by: Jake Adams, Deputy Executive Director

Bernardo Gogna

Reviewed by: Bernardo Gogna, Chief Development Officer

D. Dy

Justin Erbacci

City Attorney

Justin Erbacci – Chief Executive Officer

Meeting Date:

5/20/2021

CAO Review:

- Completed
 Pending
 N/A

| Reviewed for | Date | Approval Status | By |
|--------------------|-----------|--|----|
| Finance | 5/12/2021 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA | JS |
| CEQA | 5/7/2021 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | VW |
| Procurement | 5/13/2021 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond | LK |
| Guest Experience | 5/7/2021 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | TB |
| Strategic Planning | 5/7/2021 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA | KC |

SUBJECT:

Approve a Guaranteed Maximum Price to Contract No. DA-5305 with Swinerton Builders in the amount of \$14,596,034, to construct the Security Badge Office within the Intermodal Transportation Facility West at Los Angeles International Airport, and approve the Fifth Amendment to increase the contract duration by 15 months and increase the value by \$14,596,034, and appropriate funds in the amount of \$15,958,034.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

- ADOPT the Staff Report.
- DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.i. of the Los Angeles City CEQA Guidelines.
- FIND that for the reasons set forth in this Board Report, and pursuant to City Charter Section 371(e)(10), the use of competitive bidding for this amendment is undesirable, impractical, or impossible.
- APPROVE a Guaranteed Maximum Price in the amount of \$14,596,034, to Contract No. DA-5305 with Swinerton Builders for the construction of the Security Badge Office located within the Intermodal Transportation Facility West at Los Angeles International Airport.

5. FURTHER APPROVE the Fifth Amendment to Contract No. DA-5305 to increase the contract duration by 15 months and to increase the contract value by the amount of \$14,596,034, bringing the overall contract amount to \$290,173,287.
6. APPROPRIATE capital funds in the not-to-exceed amount of \$15,958,034.
7. AUTHORIZE the Chief Executive Officer to execute the Fifth Amendment to Contract No. DA-5305 with Swinerton Builders, upon approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION:

1. Purpose

With a robust modernization program underway at Los Angeles International Airport (LAX), this action will authorize construction of a new state-of-the-art Security Badge Office within the Intermodal Transportation Facility West parking structure that will accommodate future increases in the LAX badge population at a convenient location that provides adequate parking and a connection to the future Automated People Mover.

2. Prior Related Actions

- **July 11, 2018 – Resolution No. 26550 (DA-5305)**
The Board of Airport Commissioners (Board) approved a three (3)-year contract to Swinerton Builders for two-phase Design-Build services for the Intermodal Transportation Facility West Project for an amount not-to-exceed \$208,740,346 and appropriated capital funds in the amount of \$28,500,000 for Phase 1 of the project, including mobilization, design, pre-construction and enabling work.
- **March 21, 2019 – Resolution No. 26727 (DA-5305A)**
The Board approved the First Amendment in the amount of \$7,700,000 to Contract No. DA-5305 with Swinerton Builders to include construction services for Interim Ground Access (now known as the LAX-it facility) and traffic management at LAX. This action resulted in an amended contract amount of \$216,440,346 and a total appropriation to date of \$36,200,000. Staff notified the Board of its intent to return for additional funding and contract authority upon developing the complete work package.
- **April 10, 2019 – Resolution No. 26742 (DA-5305B)**
The Board approved the Second Amendment in the amount of \$18,771,300 to Contract No. DA-5305 with Swinerton Builders to include construction services for the LAX-it facility and traffic management at LAX and appropriate capital funds in the amount of \$23,962,822. This action resulted in an amended contract amount of \$235,211,646 and a total Board appropriation to date of \$61,671,177.
- **May 2, 2019 – Resolution No. 26755**
The Board approved a Component Guaranteed Maximum Price to appropriate capital funds in the amount of \$31,182,049. This included \$22,934,825 for Contract No. DA-5305 with Swinerton Builders to include allowances, early works, and design completion for the Landside Access Modernization Program's Intermodal Transportation Facility West Project. The Board also appropriated \$4,180,000 for Owner's Construction Support Services and \$4,067,224 for Owner's Construction Contingency. This action

did not amend the contract amount of \$235,211,646 but amended a total Board appropriation to date of \$92,853,226.

- **July 18, 2019 – Resolution No. 26813 (DA-5305C)**
The Board approved a Guaranteed Maximum Price in the amount of \$218,740,346 and the Third Amendment in the amount of \$10,000,000 and appropriated \$175,863,637 to Contract No. DA-5305 with Swinerton Builders for Phase 2 of the Intermodal Transportation Facility West Project, and \$19,186,660 for Owner's Contingency. This action resulted in an amended contract amount of \$245,211,646 and a total Board appropriation to date of \$287,903,523.
- **October 10, 2019 – Resolution No. 26870 (LAA-8939)**
The Board approved a Reimbursement Agreement with [i] AT&T; [ii] Sprint; [iii] T-Mobile; and [iv] Verizon to allow Los Angeles World Airports (LAWA) to recover costs from the four cellular service providers for the infrastructure installation costs necessary to support next-generation enhanced cellular communications systems at LAX.
- **September 3, 2020 – Resolution No. 27097 (DA-5305)**
The Board approved a change order for design and pre-construction services for the Security Badge Office in the amount of \$693,766 and approved additional funds in the amount of \$200,000 for plan check and permitting allowance covering the Intermodal Transportation Facility West Project at LAX.
- **October 15, 2020 – Resolution No. 27127 (DA-5305D)**
The Board approved the Fourth Amendment to Contract No. DA-5305 with Swinerton Builders in the amount of \$20,012,641 and appropriated funds in the not-to-exceed amount of \$21,805,272 for the Landside Access Modernization Program Intermodal Transportation Facility West Project and the Domestic Baggage Claim Project at LAX.
- **November 19, 2020 – Resolution No. 27147 (DA-5305)**
The Board approved a change order in the amount of \$800,000 to install a Distributed Antenna System to support infrastructure for Cellular Communication Systems for the Intermodal Transportation Facility West Project at LAX.
- **December 10, 2020 – Resolution No. 27167 (DA-5305)**
The Board approved a change order in the total amount of \$1,199,788 to provide network switches necessary for the functionality and operations of network systems throughout the Intermodal Transportation Facility West Project at LAX.
- **March 4, 2021 – Resolution No. 27215 (DA-5305)**
The Board approved a change order in the total amount of \$1,950,385 to provide crane access to the Los Angeles Department of Water and Power station and a crane pad to support a 100-ton crane for the Intermodal Transportation Facility West Project at LAX.

3. Current Action

On September 3, 2020, the Board approved a change order with Swinerton Builders to commence design and pre-construction of a new Security Badge Office located on the first floor of the Intermodal Transportation Facility West Project at LAX.

The scope of work for the new Security Badge Office includes:

- Fully furnished 27,000 square foot office space, including furniture, flooring, and wall treatments
- Accommodation for a badge office that will support a capacity of 75,000 LAX workers requiring badging, a 36% increase over the existing Security Badge Office capacity
- Improved customer waiting area within the customer service station bank
- Heating, ventilation, and air conditioning, including a fresh air intake
- Newly developed COVID-19 safety protocols, including upgraded air exchange systems and clear barricades for spatial delineation
- State of the art information technology components and electrical load support
- Convenient walking access to the future Intermodal Transportation Facility West Automated People Mover Station
- Allowances for job site trailers and labor parking



Figure 1: Night view looking at the Security Badge Office from Jetway Boulevard

At this time, design and permitting for the new Security Badge Office are nearly complete and Swinerton Builders has submitted a Guaranteed Maximum Price for construction. The Guaranteed Maximum Price was prepared using competitive bids from key subcontractors and LAWA has negotiated the Guaranteed Maximum Price with Swinerton Builders in a not-to-exceed amount of \$14,596,034.

Construction of the Security Badge Office is anticipated to begin this summer with completion in the third quarter of 2022.

Project Cost

The total estimated project cost for the new Security Badge Office is \$18,337,341 as detailed in the table below:

Security Badge Office Project Costs

| | |
|--|----------------------|
| Construction (Guaranteed Maximum Price including Allowances) | \$ 14,596,034 |
| Project Contingency (9% Construction) | \$ 1,362,000 |
| Design and Permitting (previously appropriated) | \$ 1,289,307 |
| Soft Costs (previously appropriated) | \$ 1,090,000 |
| Total Direct Project Costs | \$ 18,337,341 |

| Swinerton Builders - Overall Contract (DA-5305) | |
|---|----------------------|
| Original Contract Award - Intermodal Transportation Facility West | \$208,740,346 |
| Amendment 1 - Interim Ground Access Improvements (LAXit) | \$7,700,000 |
| Amendment 2 - Interim Ground Access Improvements (LAXit) | \$18,771,300 |
| Amendment 3 - Passenger Experience Enhancements for Intermodal Transportation Facility West | \$10,000,000 |
| Amendment 4a - Smart Parking System for Intermodal Transportation Facility West | \$6,868,155 |
| Amendment 4b - Design of Remote Baggage Check for Intermodal Transportation Facility West | \$1,234,388 |
| Amendment 4c - Construction of new TBIT Domestic Baggage Claim (TBIT-DBC) | \$11,012,400 |
| Amendment 5 - Security Badge Office Relocation (today's action) | \$14,596,034 |
| Cumulative Change Orders to Date - Interim Ground Access Improvements (LAXit) | \$2,178,000 |
| Cumulative Change Orders to Date - new TBIT Domestic Baggage Claim | \$0 |
| Cumulative Change Orders to Date - Intermodal Transportation Facility West | \$9,072,664 |
| Total Contract Value to date (including today's action) | \$290,173,287 |

How this action advances a specific strategic plan goal and objective

This action advances this strategic goal and objective: Deliver Facilities & Guest Experiences that are Exceptional: Develop, maintain and operate first class facilities. Strategically linked to the Automated People Mover, the new facility will provide a convenient link to the over 50,000 badged employees at the airport.

Fiscal Impact

The Security Badge Office Relocation Project is programmed in LAWA's 10-year Capital Improvement Plan (CIP) at a direct budget of \$9,006,482, which is \$9,330,859 million below the project's total direct costs as indicated in this report. To address this shortfall, LAWA will transfer \$1,800,000 in programmed budget from the Intermodal Transportation Facility West Project, apply \$1,793,364 from LAWA's Escalation Reserve directly associated with the Security Badge Office Relocation Project, and utilize \$5,737,495 from LAWA's Unallocated Capital Budget.

Costs incurred under this contract will be capitalized when the project is put into service, and those costs will be recovered through landing fees, terminal rates and charges, and non-aeronautical revenues.

4. Alternatives Considered

- **Take No Action**

If the construction of the new Security Badge Office does not occur, the current facility will remain at its location on the west side of the LAX Campus. The existing facility will remain undersized and lack state-of-the-art infrastructure improvements using COVID-19 guidelines.

APPROPRIATIONS:

Staff requests that funds in the not-to-exceed amount of \$15,958,034, the amount associated with the hard costs and contingency for the project, be appropriated and allocated from the LAX Revenue fund to WBS element 1.19.14A-700 (Security Badge Office Relocation). Appropriations associated with the soft costs for this project, budgeted at \$1,090,000, have been previously appropriated by the Board as part of the adoption of LAWA's Program and Construction Management, Project Controls, Inspections Services, and associated contracts. An additional \$1,289,307 was also previously appropriated as part of the Intermodal Transportation Facility West Project.

STANDARD PROVISIONS:

1. Any activity (approval of bids, execution of contracts, allocation of funds, etc.) for which the underlying project has been previously evaluated for environmental significance and processed according to the requirements of the California Environmental Quality Act (CEQA) is exempt from further review pursuant to Article II, Section 2.i of the Los Angeles City CEQA Guidelines. The Landside Access Modernization Program Environmental Impact Report (EIR) was certified by the Board of Airport Commissioners for this project on March 2, 2017 (Resolution No. 26185) and the Addendum to the EIR was completed September 2018.
2. The proposed documents will be approved by the City Attorney.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.
4. As this is a construction project, Swinerton Builders will comply with the applicable provisions of the Living Wage Ordinance and the Labor Code of the State of California (Prevailing Wage).
5. Procurement Services has reviewed this action (File No. 10042558), and established mandatory goals of 20% SBE, 10% LBE, 5% LSBE, and 3% DVBE. Swinerton Builders has committed to 20% SBE, 10% LBE, 5% LSBE, and 3% DVBE participation, and has achieved 22.53% SBE, 23.81% LBE, 9.59% LSBE and 1.4% DVBE to date.
6. Swinerton Builders is required by contract to comply with the provisions of the Affirmative Action Program.
7. Swinerton Builders has been assigned Business Tax Registration Certificate number 0000068488-0001-3.

8. Swinerton Builders is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
9. Swinerton Builders has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.
10. As this is a construction project, the CAO has determined that this action is exempt from the provisions of Charter Section 1022 (Use of Independent Contractor).
11. Swinerton Builders has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Swinerton Builders has been determined by Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance.
13. Swinerton Builders is required by contract to comply with the provisions of the First Source Hiring Program for all non-trade Airport jobs.
14. Swinerton Builders has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. Swinerton Builders has submitted the MLO Bidder Contributions CEC Form 50 and will comply with its provisions.
16. Swinerton Builders will comply with the provisions of the Iran Contracting Act.