

**CONTRACT AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND
HENSEL PHELPS CONSTRUCTION CO., A DELAWARE GENERAL PARTNERSHIP
FOR THE CENTRAL TERMINAL AREA DEPARTURE AND ARRIVAL LEVELS SECURITY
BOLLARDS—PHASE 2 PROJECT
AT LOS ANGELES INTERNATIONAL AIRPORT**

THIS CONTRACT, made and entered into this _____ day of _____, 2018 (hereinafter referred to as "Contract Effective Date"), by and between the CITY OF LOS ANGELES, a municipal corporation, acting by order of and through its Board of Airport Commissioners (hereinafter referred to as "Board"), and **HENSEL PHELPS CONSTRUCTION CO., A DELAWARE GENERAL PARTNERSHIP** (hereinafter referred to as "Contractor"),

R E C I T A L S

WHEREAS, City's Department of Airports, by action of its Board of Airport Commissioners declared that the installation of approximately 1,800 K-rated security bollards on Los Angeles International Airport's ("LAX") departures and arrivals levels and 400 K-rated security bollards for LAX's Central Terminal Area pedestrian islands (hereinafter referred to as the "Project") constitutes an urgent necessity for the preservation of life, health or property (the "urgent necessity") as defined by Los Angeles City Charter Section 371(e)(5); and

WHEREAS the City of Los Angeles' (City) Department of Airports known as Los Angeles World Airports (LAWA) is responsible for the management and administration of this Contract; and

WHEREAS, in response to said urgent necessity, LAWA Staff initiated a solicitation for bids based upon 100% design documents and Contractor's bid was determined to provide LAWA with the lowest ultimate cost for the Project; and

WHEREAS, Contractor is engaged in the business of providing Construction services of the type sought by LAWA; and

WHEREAS, the Board has now authorized the Construction of the Project;

NOW THEREFORE, in consideration of the premises, and of the terms, covenants and conditions hereinafter contained to be kept and performed by the respective parties hereto, IT IS MUTUALLY AGREED AS FOLLOWS:

Section 1.0 Incorporation by Reference.

It is expressly understood and agreed that this Contract Agreement, General Conditions, Special Conditions, Appendices, Administrative Requirements, Schedule of Work and Prices, Project Requirements, Project Plans, Technical Specifications, Insurance Requirements (collectively attached hereto as Exhibit 1), Public Contract Code section 9204 (attached hereto as Exhibit 2), Clarifications and Assumptions by Hensel Phelps (attached hereto as Exhibit 3), (collectively hereinafter referred to as the "Contract Documents"), and any document referenced in said Contract Documents are hereby incorporated by this reference as though specifically set forth herein and shall constitute, and are hereby made, a part of this Contract, and each of the parties does hereby expressly covenant and agree to carry out and fully perform each and all of the provisions of said documents upon its part to be performed.

Section 2.0 Scope of Work.

2.1. Contractor agrees to furnish all labor, materials and equipment, and to perform all work required as outlined in the Contract Documents hereto and to completely construct, in a final and finished state, the Project in strict compliance with the Contract Documents.

2.2. It is expressly understood and agreed that Contractor shall perform all incidental work required to complete the Project, including work for which no specific bid item(s) was/were included, and/or including work which is required to furnish a final finished detailed product consistent with, and to fulfill, the intent of the Contract Documents. All such incidental work shall not be considered extra work for which additional compensation can be claimed by Contractor.

Section 3.0 Term of Contract.

Notwithstanding any other provision herein, the term of this Contract Agreement shall commence on the date of issuance by LAWA to Contractor of a Notice to Proceed and expire no later than two (2) years thereafter and subject to other termination provisions contained within the Contract Documents. Contractor will be assessed Liquidated Damages as set forth in the Contract Documents if it fails to meet the full construction of the Project, consistent with the intent of the Contract Documents, no later than Three Hundred (300) calendar days (Work Completion Time) from the date of the Notice to Proceed, subject to LAWA authorized modifications as provided for in the Contract Documents. In addition, Contractor may be assessed Liquidated Damages for failure to meet specific Contract Milestone dates as set forth in the Contract Documents.

Section 4.0 Contract Amount.

For all labor, all materials, all equipment and all services rendered, for all costs direct or indirect, and for all expenses incurred by Contractor pursuant to this Contract, and upon satisfactory completion of said Project in a final finished form consistent with the intent of the Contract Documents, the amount that LAWA may pay to the Contractor under the terms of this Contract is Not-to-Exceed Twenty Six Million, Two Hundred Sixty Three Thousand, Five Hundred Seventy Two and 00/100 Dollars (\$26,263,572.00), subject to LAWA authorized modification as provided for in the Contract Documents. LAWA shall pay Contractor for its performance under this Contract at the times and in the manner specified in the Contract Documents.

Section 5.0 Notices.

Notice to City. Written notices to City hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be given by registered or certified mail, postage prepaid, and addressed to:

**Deputy Executive Director - PDG
7301 World Way West
10th Floor
Los Angeles, CA 90045**

And

**Department of Airports
1 World Way
Post Office Box 92216
Los Angeles, CA 90009-2216**

or to such other address as City may designate by written notice to Contractor.

Notice to Contractor. Written notices to Contractor hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be given by registered or certified mail, postage prepaid, and addressed to:

**HENSEL PHELPS CONSTRUCTION CO.
11850 Von Karman Ave, Suite 100
Irvine, CA 92612**

or to such other address as Contractor may designate by written notice to City.

The execution of any such notice by the Executive Director Designee shall be as effective as to Contractor as if it were executed by the Board, or by Resolution or Order of said Board, and Contractor shall not question the authority of the Executive Director or the designee to execute any such notice.

Section 6.0 Contract Contains Entire Agreement.

The provisions of this Contract Agreement, including the Contract Documents and provisions incorporated herein and by reference, contain the entire agreement between the parties hereto and supersedes any and all prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, or understandings, oral or written, between and among the parties relating to the subject matter contained in this Contract Agreement which are not fully set forth herein. This is an integrated agreement. This agreement may not be changed or modified in any manner except by written amendment fully executed by LAWA and Contractor or as otherwise set forth in the Contract Documents.

Section 7.0 Compliance With Los Angeles City Charter Section 470(c)(12) and 609(E).

7.1. The Contractor, other underwriting firm members of the underwriting syndicate, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Sections 470(c)(12), 609(e) and related ordinances, regarding limitations on campaign contributions and fundraising to certain elected City officials or candidates for elected City office. Gifts to elected officials and certain City officials are also limited. Additionally, Contractor and other underwriting firm members of the underwriting syndicate are required to provide and update certain information to the City as specified by law. Any Contractor and other underwriting firm members of the underwriting syndicate subject to Charter Section 470(c)(12) and 609(e), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:

"Notice Regarding City of Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Sections 470(c)(12), 609(e) and related ordinances, you are subcontractor or underwriting firm on City of Los Angeles Contract/Resolution #_____. Pursuant to City Charter Section 470(c)(12) and 609(e), underwriting firm, subcontractor and principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Additionally, gifts are limited to elected officials and certain City officials. Subcontractor is required to provide to contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to contractor within 10 business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about the restrictions may be

found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960."

7.2. Contractor, underwriting firms, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available."

Section 8.0 Assignment of Anti-Trust Claims.

Pursuant to California Government Code Sections 4550 et seq. regarding Anti-Trust Claims, it is the policy of the City of Los Angeles to inform each proposer that in submitting a bid/proposal to LAWA the proposer offers and agrees to assign LAWA all rights, title and interest in and to all causes of action it may have under the Clayton Act or Cartwright Act, arising from purchases of goods, services or materials. This assignment is made and becomes effective at the time LAWA tenders final payment to the Proposer.

Section 9.0 Subcontractor Payments.

9.1. Progress Payments. The Contractor agrees to pay each subcontractor under this prime contract, and require the same of its subcontractors, not later than seven (7) days after receipt of each progress payment, the respective amounts that are due and owing allowed the Contractor on account of the work performed by the subcontractors, to the extent of each subcontractor's interest therein pursuant to California Business and Professions Code Section 7108.5.

9.2. Retention/Final Payments. Within seven (7) days from the time that all or any portion of the retention proceeds are received by the Contractor, the Contractor shall pay each of its subcontractors from whom retention has been withheld, each subcontractor's share of the retention received to the extent retention is due and owing, and require the same of its subcontractors, pursuant to the terms of California Public Contract Code Section 7107.

Section 10.0 Dispute Resolution Procedures.

The Parties acknowledge California Public Contract Code section 9204, a copy of which is provided at Exhibit 2. In addition to the requirements of Public Contract Code section 9204, the Contract Documents prescribe procedures for LAWA Changes, Contractor Change Requests, Claims and Disputes that both parties agree are reasonable and consistent with and do not impair the timeframes set forth in Public Contract Code section 9204.

IN WITNESS WHEREOF, City has caused this Contract Agreement to be executed by the Executive Director of its Department of Airports, and Contractor has caused the same to be executed by its duly authorized officers, and its corporate seal to be hereunto affixed, all as of the day and year first hereinabove written.

APPROVED AS TO FORM

Michael N. Feuer, City Attorney

CITY OF LOS ANGELES

Date: Jan. 24, 2018

By: _____

Chief Executive Officer
Los Angeles World Airports

By: 
Deputy City Attorney
for John Tavelian

By: _____

Chief Financial Officer
Deputy Executive Director
Los Angeles World Airports

ATTEST:

**HENSEL PHELPS CONSTRUCTION CO., A
DELAWARE GENERAL PARTNERSHIP**

By: 
Signature

By: 
Signature

Sean O'Mara
Print Name

Caylor McGinley
Print Name

Senior Estimator
Print Title

Vice President
Print Title

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
 County of Orange)
 On 1/17/18 before me, Audrey Krol Billingsley
 Date Here Insert Name and Title of the Officer
 personally appeared Cwyler McGinley & Sean O'mara
 Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Audrey Krol Billingsley
 Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
 Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____