



Los Angeles
World Airports

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Chief Executive Officer

RESOLUTION NO. 27075

BE IT RESOLVED that, on recommendation of Management, the Board of Airport Commissioners approved the First Amendment to Contract DA-5238 with CDM Smith Inc. to extend the term by three (3) years, modify the contract scope, and increase the contract authority by \$800,000, for new total not to exceed \$16,300,000, covering environmental analysis for the North Airfield Safety Improvement Project of Los Angeles World Airports, as referenced in the Board-adopted staff report attached hereto and made part hereof; and

BE IT FURTHER RESOLVED that the Board authorized the Chief Executive Officer to execute said First Amendment to Contract DA-5238 with CDM Smith Inc. after approval as to form by the City Attorney and approval by the Los Angeles City Council; and

BE IT FURTHER RESOLVED that the Board further approved appropriation of \$800,000 for said First Amendment; and

BE IT FURTHER RESOLVED that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines and under CEQA Guidelines Section 15061 (b)(3), and that the action is also not considered a project under CEQA Guidelines Section 15378 (b)(2); and

BE IT FURTHER RESOLVED that 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.

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I hereby certify that this Resolution No. 27075 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, July 16, 2020.


Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS





Los Angeles World Airports

REPORT TO THE

BOARD OF AIRPORT COMMISSIONERS

Item Number
18*Evelyn Quintanilla*

Approved by: Evelyn Quintanilla, Chief of Airport Planning

Samantha Bricker

Reviewed by: Samantha Bricker, Chief Environmental and Sustainability Officer

*D. Timothy Dazé*City Attorney
*Justin Erbacci*, Chief Executive OfficerMeeting Date:

7/16/2020

| <u>CAO Review:</u> | <input type="checkbox"/> | Completed | |
|--------------------|-------------------------------------|--|-----|
| | <input checked="" type="checkbox"/> | Pending | |
| | <input type="checkbox"/> | N/A | |
| Reviewed for | Date | Approval Status | By |
| Finance | 7/8/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA | NEO |
| CEQA | 6/30/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | VW |
| Procurement | 7/6/2020 | <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> Cond | QM |
| Guest Experience | 6/29/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | BY |
| Strategic Planning | 6/25/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA | KV |

SUBJECT: First Amendment to Contract DA-5238 with CDM Smith, Inc. for Professional Consultation Services for the North Airfield Safety Improvement Project.

Approve the First Amendment for Contract DA-5238 with CDM Smith, Inc. to extend the term three (3) years for a total contract term of six (6) years, modify the contract scope and increase contract authority by \$800,000 for a total contract amount of \$16,300,000.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines and under CEQA Guidelines Section 15061 (b)(3). The action is also not considered a Project under CEQA Guidelines Section 15378 (b)(2).
3. FIND that the work can be performed more economically or feasibly by an independent contractor than by City employees.

4. APPROVE the First Amendment to Contract DA-5238 with CDM Smith Inc., to increase contract authority by \$800,000 for a total contract amount of \$16,300,000, extend the contract term three (3) additional years for a total term of six (6) years and modify the contract scope.
5. FURTHER APPROVE an appropriation of \$800,000 for the First Amendment to Contract DA-5238 with CDM Smith Inc. for environmental analysis for the North Airfield Safety Improvement Project.
6. AUTHORIZE the Chief Executive Officer to execute the first amendment to contract DA-5238 with CDM Smith Inc., upon approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION:

1. Purpose

Staff requests that the Board approve the First Amendment to Contract No. DA-5238 for the North Airfield Safety Improvement Project (now known as the Airfield and Terminal Modernization Project) with CDM Smith Inc. (CDM Smith) to fund additional environmental and technical analysis due to changes in state law, technical issues with FAA modeling requirements, additional project management and coordination, and technical staff support to complete the environmental and entitlement documents. This amendment would also modify the scope to ensure that CDM Smith is available to provide environmental planning support during implementation if the project is approved. This will enable CDM Smith to complete the Draft and Final Environmental Impact Report (EIR) required under the California Environmental Quality Act (CEQA) and the Draft and Final Environmental Assessment (EA) pursuant to the National Environmental Policy Act (NEPA) and continue related entitlement approvals required by the City and County of Los Angeles for the proposed Airfield and Terminal Modernization Project (ATMP).

2. Prior Related Actions

- **September 7, 2017 – Resolution No. 26335 (DA-5238)**

The Board of Airport Commissioners (Board) approved a 3-year contract award to CDM Smith, Inc. for environmental technical and expert consulting services related to the North Airfield Safety Improvement Project, in the amount of \$15,500,000 for the environmental documentation required under CEQA and NEPA, as well as the entitlement approvals necessary to implement the proposed project.

3. Current Action

The proposed ATMP consists of airfield improvements, a new Concourse 0 and Terminal 9 and roadway improvements. The ATMP is currently undergoing CEQA and NEPA review and CDM Smith is assisting LAWA with drafting the CEQA Environmental Impact Report (EIR) and NEPA Environmental Assessment (EA).

In September 2017, the Board approved a contract with CDM Smith to further define the elements of the ATMP, conduct environmental and technical analysis, complete the

environmental documentation and help secure project approvals necessary for the ATMP. LAWA, with the assistance of CDM Smith, has completed a number of key milestones:

- Planning and Project Concept Development including plans for the north airfield, terminals, and roadways
- Cost estimating and constructability analysis
- Coordination with Federal, State, and local agencies
- Stakeholder outreach
- Preparation of CEQA and NEPA environmental documents for public scoping
- CEQA and NEPA public scoping meetings

Since contract award, key changes have occurred which required adjustments and additions to the scope. Amendments to State CEQA Guidelines created a major shift in how transportation related impacts are evaluated in environmental documents. Changes to the FAA required technical approach necessary to complete the FAA required air emission modeling caused the need for new technical analyses. An alternative for a condensed construction schedule also caused the need for additional analysis. These changes in turn required additional air quality analysis and coordination with air quality agencies as well as additional forecasting and estimating. This additional level of effort and technical analysis has extended the completion of the environmental documentation by approximately six to nine months.

Major Changes after 2017 Contract Award include:

- Analysis of ground transportation impacts are now to be based on Vehicle Miles Traveled (VMT) instead of Level of Service (LOS), which is a major shift in the approach and the overall construct of transportation analysis. This change was enacted after the project had started and the development of new analytical protocols were required. These protocols required more extensive modeling, data collection and analysis than originally anticipated, which impacted the project schedule.
- The FAA required that air quality analyses be completed using the Aviation Environmental Design Tool (AEDT) model. This model is new and had never been used on an airport the size and complexity of LAX. This effort required additional time, staff resources, and computer systems to run and interpret the results. Additionally, the project team was required to develop separate air quality evaluation protocols for the NEPA evaluation to address AEDT modeling issues and engage in much more extensive and prolonged coordination with Air Quality Management District (AQMD), California Air Resource Board (CARB) and United States Environmental Protection Agency (USEPA).
- The addition of ATMP roadway elements after the contract was awarded resulted in additional coordination, engineering and modeling as well as the development of a 3D model for stakeholder and public education and outreach.

In order to minimize the additional funding required to complete the environmental work, LAWA staff has undertaken some scope elements in house. Some of the items that LAWA staff has moved in-house include key public and stakeholder outreach, entitlements evaluation and processing, and agency coordination for the entitlements.

With the additional analysis and unanticipated work conducted, the scope of the existing approved contract will require a time extension and additional funds to complete the work. The original contract did not include funding for CDM Smith to provide environmental support and analysis during implementation of the project, should the project be approved. With the original contract duration of only three years, there would not have been the opportunity for CDM Smith to provide ongoing environmental support. Typically, during the design and construction of most development projects, issues arise that require additional environmental support (i.e. addendums, technical analysis etc.). Adding three years to the contract duration will enable CDM Smith to complete the environmental entitlements and documentation. The extension of the contract will enable CDM Smith to provide environmental planning support during design and construction, should the project be approved and only if directed by LAWA staff. Having a new firm provide these services during implementation would be very challenging as the firm would not have the history or background on this project. Having LAWA staff do this work would not be possible if technical analysis, modeling or interpretation of the original documentation was required.

LAWA staff requests that the Board authorize additional contract authority in order to complete the full scope of the environmental review to comply with CEQA and NEPA and the support necessary for approval through the City of Los Angeles entitlement process as well as support during implementation, which would be utilized should the project be approved. In approving the scope of work for project implementation, staff notes that the Board would not be approving the ATMP itself. That is a separate action that would be considered by the Board only after the environmental review process has been completed. The scope of work is instead designed to establish the scope and cost of such implementation work, in the event ATMP is approved and the Board directs LAWA staff to proceed with implementation. Approving the scope of work will not affect or constrain the Board's discretion with respect to mitigation measures or alternatives, including the 'no project' alternative. If the Board does not approve the ATMP, then the work contemplated under 'implementation' will not be required.

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.*

The ATMP would improve aircraft movement on the airfield, reducing wait times on the tarmac, thereby reducing aircraft idling and decreasing emissions. The ATMP would also improve the passenger experience by removing remote gates and replacing them with two new facilities (C0 and T9), providing easier access, more seating and concessions that are not currently available at remote gates. ATMP would also improve the roadway network and provide additional connectivity at T9 to the Automated People Mover, which would link to regional mass transit.

Action Requested

Staff requests the Board approve the First Amendment to Contract No. DA-5238 with CDM Smith to (a) increase funding in the amount of \$800,000 for a total contract amount of \$16,300,000 to continue the necessary environmental consulting services related to the ATMP at LAX; (b) extend the contract term by three (3) years for a total of six (6) years; and (c) modify the contract scope to include implementation, should the project be approved.

Fiscal Impact

In May 2020, CDM Smith submitted a request to LAWA for an additional \$1,300,000 to complete the ATMP, which included funds to cover both the unanticipated work and for implementation support. Since the submittal, LAWA has been working with the firm to reduce costs. Through the negotiation process, LAWA identified tasks that will be completed in-house, descoped non-essential elements of the work, and streamlined the delivery of the work. These actions reduced the proposed funds needed by \$500,000, or almost 40%, leaving \$800,000 to be funded through this amendment. The total contract amount to CDM Smith with this First Amendment will be \$16,300,000.

The scope of work described in this report is included in LAWA's 10-Year Capital Improvement Plan (CIP), listed as the North Airfield Safety Improvement Project – Environmental, Technical, and Entitlement Studies. In the CIP, this effort is designated as a Study, with a budget programmed at \$15,000,000. LAWA has also included an additional \$3.76 million of budget in the CIP to support ATMP planning efforts, of which a portion will be utilized to fund the new total contract value of \$16.3 million with CDM Smith. As such, with the adoption of this report, there will be no net increase to the CIP budget.

4. Alternatives Considered

- Take No Action***

The contract with CDM Smith will expire in September 2020 and both additional funds and time are needed to complete the required environmental analysis. The draft CEQA and NEPA technical analyses and associated environmental documentation are substantially complete and stopping work and remobilizing at a later day will only result in increased costs and schedule delays. The ATMP is essential to enhancing the safety and carrier experience by increasing operational efficiency and safety on the airfield, including meeting FAA standards for airfield design, and improving the passenger and guest experience by replacing remote gates with new facilities at C0 and T9 and alleviating traffic congestion on local streets with a new roadway network.

APPROPRIATIONS:

ATMP is a capital project. With this action, the BOAC will have appropriated a total \$16.3 million to WBS Element Number 1.18.03A.PE40-700, 1.18.33-700, and 1.18.38A-700, as described in the Fiscal Impact section, of which \$15.5 million was previously appropriated.

STANDARD PROVISIONS:

1. This action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines and under CEQA Guidelines Section 15061 (b)(3). The action is also not considered a Project under CEQA Guidelines Section 15378 (b)(2).
2. This proposed document is subject to approval as to form 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. CDM Smith, Inc. will comply with the provisions of the Living Wage Ordinance.
5. Procurement Services has reviewed this action (File No. 8066) and set a mandatory 12% Disadvantage Business Enterprise (DBE) goal for this project. CDM Smith, Inc. committed to (14%) DBE participation and have achieved 12.80% to date.
6. CDM Smith, Inc. will comply with the provisions of the Affirmative Action Program.
7. CDM Smith, Inc. has been assigned Business Tax Registration Certificate number 0002002970-0001-2.
8. CDM Smith, Inc. will comply with the provisions of the Child Support Obligations Ordinance.
9. CDM Smith, Inc. has approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports.
10. Pursuant to Charter Section 1022, staff determined the work specified on the proposed contract can be performed more feasibly or economically by an Independent Contractor than by City employees.
11. CDM Smith, Inc. has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. CDM Smith, Inc. has been determined by Public Works, Office of Contract Compliance to be in full compliance with the provisions of the Equal Benefits Ordinance.
13. CDM Smith, Inc. will comply with the provisions of the First Source Hiring Program for all non-trade Airport jobs.
14. CDM Smith, Inc. has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. This action is not subject to the Iran Contracting Act of 2010.