

RESOLUTION NO. 28155

WHEREAS, on recommendation of Management, there were presented for approval, First Amendment to Contract DA-5609 with Skanska-Flatiron, a Joint Venture, to increase the contract authority to an amount not to exceed \$1,472,000,000, covering the Airfield Terminal Modernization Program – Roadway Improvements Project at Los Angeles International Airport; the first Component Guaranteed Maximum Price for Phase 2 in the amount of \$429,900,000; and appropriation of not to exceed \$561,100,000 for said phase of the project; and

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

**Board of Airport
Commissioners**

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John Ackerman
Chief Executive Officer

WHEREAS, the Airfield Terminal Modernization Program (ATMP) at Los Angeles International Airport (LAX) will construct a comprehensive network of roadway systems that will separate and remove airport-related (i.e., Central Terminal Area (CTA)-related) traffic from the local roadway system (e.g., Sepulveda Boulevard), and improve access to the CTA, LAX Economy Parking, and new Ground Transportation Center that is linked to the new Automated People Mover system; and

WHEREAS, the Phase 1 Design of the progressive design-build contract with Skanska-Flatiron, a Joint Venture (SFJV) established the base scope and sequence for the project components of the ATMP – Roadway Improvements Project; and

WHEREAS, the Notice to Proceed (NTP) was issued in May 2023 to SFJV to start Phase 1 Design of the Roadway Improvements Project. During said phase, Los Angeles World Airports (LAWA) and SFJV collaborated with various stakeholders and Agencies Having Jurisdiction, developed and agreed on design criteria, developed various roadway alignments, and progressed the full design of the preferred roadway improvements alignment. SFJV also developed a program schedule with subcontracting and procurement strategies to provide best value to LAWA and to deliver major new roadway components prior to the 2028 Summer Olympics. In addition, staff and SFJV continuously monitor the costs and risks with the design progression. Independent estimates of 30%, 60%, and 90% milestones, respectively, were prepared by staff and SFJV to support key decisions; and

WHEREAS, the First Amendment establishes a not-to-exceed target value to design and construct the ATMP – Roadway Improvements Project. Additionally, the first Component Guaranteed Maximum Price for Phase 2 (Phase 2 CGMP1) package is critical to meeting LAWA's goal of starting construction on the project and meeting major construction milestones. Phase 2 CGMP1 comprises multiple design units/packages that were bid out with design completion at either 60% or 90% in accordance with contract requirements; and

WHEREAS, Phase 2 CGMP1 includes demolition, excavations, utility relocations, construction of drainage, retaining walls, bridge abutments, cast-in-drilled hole piles, early procurement of materials, temporary roadways, etc. Multiple packages were designed, priced, and are ready to be constructed upon Board approval; and

WHEREAS, LAWA established a 15% Disadvantaged Business Enterprise (DBE) participation goal for the project. SFJV is currently at 16.4% based on dollars paid to date for authorized task orders. Said level of participation is achieved through the participation of 22 DBE firms; and

WHEREAS, SFJV has achieved 47.12% local worker participation, exceeding the Project Labor Agreement (PLA) 30% local worker hiring goal required for pre-construction scope of work. Female workers performed 14.24% of total project hours, which far exceeds the approximate 3% regional participation average; and



WHEREAS, eight (8) pre-bid meetings were held to solicit bids for the Phase 2 CGMP1 work, and SFJV is tracking to meet and exceed the 15% DBE participation. Based on the project schedule and anticipated craft work, SFJV estimated that a total of 1.9 million work hours will be performed by SFJV and its subcontractors through the project term in the following table:

	2025	2026	2027	2028	2029	2030	Totals	
Carpenter	4,927	72,227	174,205	44,772	32,004	6,539	334,674	PRIME
Cement Mason	2,210	13,089	26,072	7,191	7,548	4,914	61,023	
Laborer	35,223	122,204	158,038	108,886	103,439	79,666	607,457	
Operator	12,522	47,353	55,647	28,755	25,145	16,861	186,283	
Teamster	988	2,327	3,211	2,236	2,206	998	11,966	
Carpenter		7,065	7,065	7,065	7,065		28,259	SUBS
Laborer	66,656	66,656	66,656	66,656	66,656	66,656	399,938	
Operator	24,570	24,570	24,570	24,570	24,570	24,570	147,420	
Electrician		5,818	11,636	11,636	17,455		46,545	
Ironworker		20,418	20,418	20,418	20,418		81,672	
Teamster	3,520	10,138	10,138	10,138	10,138		44,070	
Totals	150,616	391,865	557,657	332,323	316,643	200,204	1,949,309	; and

WHEREAS, local workers will perform a minimum of 30% of the projected hours. SFJV actively participates in the monthly PLA Local Labor Inclusion meetings hosted by the PLA Administrator, and quarterly HireLAX Contractor Open House events to meet and interview HireLAX graduates to perform project work. Upon award of the Phase 2 CGMP1, SFJV will have assigned local worker coordinators to ensure compliance with the PLA and local worker hiring requirements for all subcontractor tiers; and

WHEREAS, LAWA's Economic Impact Team meets monthly with SFJV to monitor compliance and outcomes associated with the project. SFJV is working on and will submit its Inclusivity and Workforce Development Plan to EIT for review and approval prior to the award of Phase 2 CGMP1 project work. The inclusivity plan establishes the approach, schedule, and compliance methodology to achieve the contract requirements; and

WHEREAS, the cost for Phase 2 CGMP1 of \$429,900,000 brings the total project cost for the ATMP – Roadway Improvements Project to \$862.8 million, which includes SFJV's contract costs, LAWA's owner's contingency, and LAWA owner's soft and other associated costs; and

WHEREAS, the anticipated NTP date for Phase 2 CGMP1 will allow for the advancement of the main roadway segments into LAX prior to the 2028 Summer Olympics. Staff will return to the Board of Airport Commissioners (Board) and request approval for future CGMPs for roadway construction and for appropriation of additional owner associated funds after design development for the Main Works scope is completed and CGMPs are negotiated and finalized; and

WHEREAS, the ATMP Environmental Impact Report (EIR) was certified by the Board for the project on October 7, 2021 (Resolution 27351) and an Addendum to the EIR was completed in December 2024; and

WHEREAS, actions taken on this item by the Board will become final pursuant to the provisions of Los Angeles City Charter Section 373;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the Staff Report; further adopted staff's determination that this item, involving any activity (approval of bids, execution of contracts, allocation of funds, etc.) for which the underlying project has previously been evaluated for environmental significance and processed according to the requirements of

California Environmental Quality Act (CEQA) is exempt from further review pursuant to Article II, Section 2.i of the Los Angeles City CEQA Guidelines; approved the First Amendment to Contract DA-5609 with Skanska-Flatiron, a Joint Venture, to increase the contract authority to an amount not to exceed \$1,472,000,000, covering the Airfield Terminal Modernization Program – Roadway Improvements Project at Los Angeles International Airport; further approved the first Component Guaranteed Maximum Price for Phase 2 of said project in the amount of \$429,900,000; further approved appropriation and allocation of not to exceed \$561,100,000, from LAX Revenue Fund to WBS Element 1.21.24A – 700 (ATMP Roadway Improvements), for said phase of the project; authorized the Chief Executive Officer, or designee, to execute said First Amendment to Contract DA-5609 with Skanska-Flatiron, a Joint Venture, subject to approval by the Los Angeles City Council and approval as to form by the City Attorney; and further authorized the Chief Executive Officer, or designee, to approve and execute change orders, provided that, prior to execution of any change order in excess of \$5,000,000, the Board of Airport Commissioners shall first have reviewed and authorized execution thereof and such authorization shall become final pursuant to the Charter Section 245.

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I hereby certify that this Resolution No. 28155 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, April 17, 2025.



Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS