



RESOLUTION NO. 27239

WHEREAS, on recommendation of Management, there was presented for approval, Reimbursable Agreement with American Airlines, Inc., for \$38,559,605, covering provision of additional electrical capacity to Terminal 4 and power redundancy to the south terminals, and a high-pressure fire water loop around Terminal 4 at Los Angeles International Airport; appropriation of the same amount for the agreement; and project baseline budget of \$42,379,200; and

LAX

Van Nuys

City of Los Angeles

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Mayor

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Chief Executive Officer

WHEREAS, under its Terminal Facilities Lease and License Agreement LAA-9037 for space in Terminal 4 (T4) and Terminal 5 (T5) at Los Angeles International Airport (LAX), American Airlines, Inc. (American) is enabled to renovate its existing premises and adjacent areas, incorporate construction of a Terminal Vertical Core between T4 and T5 to connect the terminals to the Automated People Mover, and to provide the potential for future improvements; and

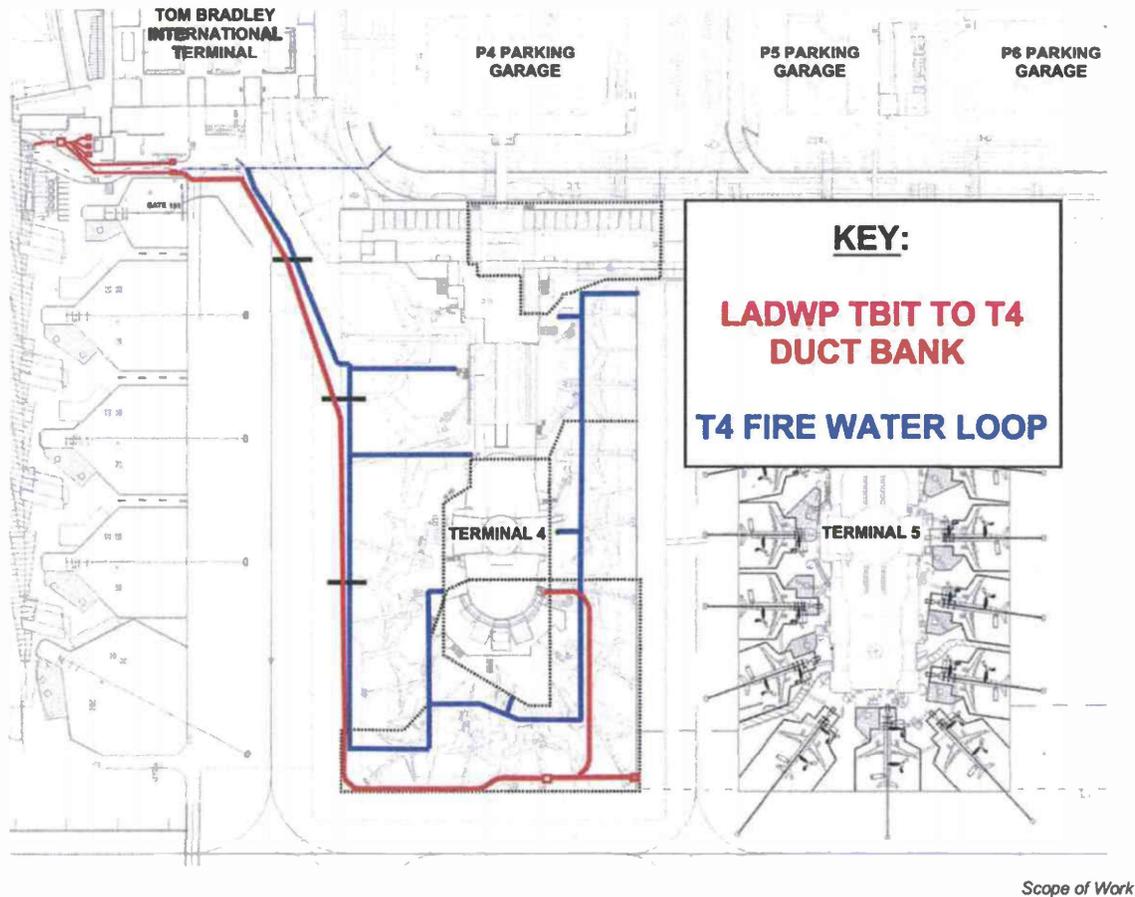
WHEREAS, Los Angeles World Airports (LAWA) has embarked on infrastructural improvements to the south side of the Central Terminal Area at LAX. Part of those improvements is American's renovation of portions of T5 and rebuilding portions of T4. Another part of the improvements includes upgrade of electrical infrastructure that will provide additional power and redundancy to T4 and all south side terminals, and a new underground fire water loop to provide high-pressure fire water around T4. The electric and fire water infrastructure will be constructed in the same area where the T4 and T5 project work will be undertaken; and

WHEREAS, staff determined that it is more feasible for American to provide the design, construction and project management services to perform the upgrade of the electrical and fire water infrastructure as part of its T4/T5 improvement project. The Reimbursable Agreement was negotiated to have American provide said services to improve the electrical and fire water infrastructure servicing the south side terminals. The infrastructural improvements allow LAWA staff to take advantage of the gate closures and associated airside area closures already scheduled to facilitate the new apron paving and underground utilities scope that is part of the planned T4/T5 American modernization project; and

WHEREAS, the Reimbursable Agreement will compensate American for said additional improvements. The scope of work is detailed and illustrated as follows:

- New underground Los Angeles Department of Water and Power (LADWP) infrastructure, which includes a new ductbank, manholes and associated feeders along the western edge and perimeter of the T4 apron. Installation will occur in segments, following the gate closures which are part of the T4/T5 American modernization project, and will connect the existing Tom Bradley International Terminal (TBIT) power systems to existing T4 power systems. This allows LADWP flexibility and capacity to engineer and configure utility-side power to the Industrial Station serving the south side terminals, and will include a cut-over to the future Receiving Station-X. The Reimbursable Agreement includes LADWP costs to install feeders in the new ductbank and provide equipment to connect power to the T4 facility.
- New T4 fire water loop includes installation of a new high-pressure fire water loop around T4 that will meet the requirement by Los Angeles Fire Department (LAFD) of providing 12,000 gallons per minute. Staff has chosen to take advantage of the T4/T5 American modernization project's apron removal to replace the fire water line and achieve LAFD compliance. In addition, a connection feed will be provided to facilitate future connection to T5. The upgrade is part of LAWA's overall strategy to transition the airport's campus up to said high-pressure requirements; and





WHEREAS, the total project budget is as follows:

Component	Amount
Reimbursable Agreement	\$38,559,605
LAWA Direct Costs: <i>Project Controls, Program and Construction Management, Project Support, Inspection Services, Other Agencies (9.9%)</i>	3,819,595
Project Baseline Budget	\$42,379,200; and

WHEREAS, the South Terminal Power Upgrade and Redundancy / Terminal 4 Fire Water Loop Project is included in LAWA's ten (10)-year Capital Improvement Plan, with a direct budget of \$42,379,200, which includes direct project hard costs, soft costs and contingency. At its meeting, the Board of Airport Commissioners approved amendment to the staff report to correct said direct budget amount from \$43,379,200 to \$42,379,200; and

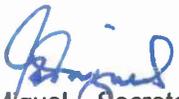
WHEREAS, any activity (approval of bids, execution of contracts, allocation of funds, etc.) for which the underlying project has previously been evaluated for environmental significance and processed according to the requirements of the California Environmental Quality Act (CEQA) is exempt from further review pursuant to Article II, Section 2.i of the Los Angeles City CEQA Guidelines. The underlying project was previously evaluated for environmental significance by Negative Declaration and was adopted by the Board of Airport Commissioners on September 3, 2020 (Resolution 27101); and

WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 245;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the amended Staff Report; determined that this action is exempt from California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.i. of the Los Angeles City CEQA Guidelines; found that, pursuant to Charter Section 371 (e)(10) and based upon the cost and operational benefits set forth herein, use of competitive bidding for work described herein would be undesirable, impractical or impossible; approved the Reimbursable Agreement with American Airlines, Inc., for \$38,559,605, covering provision of additional electrical capacity to Terminal 4 and power redundancy to the south terminals, and a high-pressure fire water loop around Terminal 4 at Los Angeles International Airport; further approved the project baseline budget of \$42,379,200 to include Los Angeles World Airports' costs; further approved appropriation and allocation of not to exceed \$38,559,605 from LAX Revenue Funds to WBS Element 1.21.19A-700 (South Terminal Power Upgrade and Redundancy / Terminal 4 Fire Water Loop Project) as may be required, whereas the balance of the project baseline budget was previously appropriated under professional services contracts; and authorized the Chief Executive Officer to execute said Reimbursable Agreement with American Airlines, Inc. after approval as to form by the City Attorney.

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I hereby certify that this Resolution No. 27239 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, April 1, 2021.


Grace Miguel - Secretary
BOARD OF AIRPORT COMMISSIONERS