

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 31, 2022

CAO File No. 0150-12157-0000

Council File No.

Council District: 11

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer

Reference: Communication from Los Angeles World Airports dated July 21, 2022; referred by the Mayor for a report on July 21, 2022

Subject: **PROPOSED FIRST AMENDMENT TO CONTRACT DA-5383 WITH WOODS BAGOT ARCHITECTS, P.C. TO CONTINUE DESIGN SERVICES FOR THE MIDFIELD SATELLITE CONCOURSE SOUTH PROJECT AT LOS ANGELES INTERNATIONAL AIRPORT**

RECOMMENDATION

That the Mayor:

1. Approve a proposed First Amendment to Contract DA-5383 with Woods Bagot Architects, P.C., to extend the term of the contract by three years for the completion of the design and construction administration services associated with the Midfield Satellite Concourse South project at Los Angeles International Airport, subject to City Attorney approval as to form and compliance with the City's Standard Provisions, including: Living Wage Ordinance, Affirmative Action Program, Business Tax Registration Certification, Child Support Obligations Ordinance, Contractor Responsibility Program, Bidder Contributions City Ethics Commission Form 55, MLO City Ethics Commission Form 50, and Iran Contracting Act of 2010;
2. Authorize the Chief Executive Officer of the Los Angeles World Airports to execute the proposed First Amendment to Contract DA-5383, upon approval by the Los Angeles City Council, and prior to execution of the First Amendment, Woods Bagot Architects, P.C. must:
 - a. Have approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports; and
 - b. Be determined by Public Works, Office of Contract Compliance to be in full compliance with the provisions of the Equal Benefits Ordinance; and
3. Return the request to the Los Angeles World Airports for further processing, including Council Consideration.

SUMMARY

The Los Angeles World Airports (LAWA; Department) Board of Airport Commissioners (BOAC) requests approval of a proposed First Amendment (Amendment; Agreement) to Contract DA-5383 (Contract; Agreement) with Woods Bagot Architects, P.C. (Woods Bagot; Contractor), to extend the term for three years, with no new funding, to support the completion of the design modules related to the Midfield Satellite Concourse South (MSC South) project at Los Angeles International Airport (LAX). The current term of the contract expires on September 2, 2022 and the extended period will enable the Contractor to perform the full scope of the design components of the project until September 2, 2025.

On August 1, 2019, the BOAC awarded a three-year design services contract to Woods Bagot for an amount not-to-exceed \$12 million to support design initiatives for the MSC South project at LAX. The Woods Bagot design team progressed the first three task orders from conceptual design to schematic design. In March 2020, the City of Los Angeles instituted a Safer at Home order in response to the surge in COVID-19 outbreaks and LAWA acted by suspending various initiatives, including the MSC South project. Despite the interruption, the Contractor completed each of the assigned task orders by May 2020, which resulted in fulfilling 30 percent of the Schematic Design package.

In March 2021, the MSC South project was revived to begin subsequent phases of the project. Although work was restored, it was only on a partial basis that included early work and did not involve advancing the design of the main building. The project was fully reactivated in May 2022. At that time, LAWA instructed Woods Bagot to advance the building design package to 90 percent Final Design Documents and initiate Construction Administration Services for ongoing enabling work. LAWA indicated that approximately 50 percent of the design work has been completed to date. Provided that no other unforeseen challenges emerge, the remaining design milestones are on schedule and planned to be delivered to LAWA as follows:

Design Milestone	Delivery Date
60 Percent Design	September 9, 2022
90 Percent Design	December 16, 2022
Final Issued-for-Construction	March 24, 2023

The latest reporting cycle ended on July 31, 2022, and the total design expenditures were \$4,449,452, leaving a contract authority of \$7,550,548. No additional funding is being requested at this time since the unused funds are sufficient to complete the outstanding design work, which comprises complete design, permitting, and construction administration activities.

Considering that the impacts of the COVID-19 pandemic prevented the contractor from fulfilling its contractual obligations, approval of the proposed First Amendment to extend the Contract for three years, at no additional cost, to complete the remaining design components for the MSC South project will demonstrate good faith efforts by LAWA. Upon approval, Woods Bagot will have two years to complete the original project scope and one year to provide support for the estimated

duration of the MSC South project (three years total). The Contract expires contemporaneously with the MSC South's projected construction schedule. LAWA estimates that a substantial amount of the building will be complete by March 2025 and the final delivery of the project is scheduled for May 2025.

LAWA's Procurement Services staff reviewed the proposed action (File No. 8978) and established mandatory goals of 20 percent Small Business Enterprise (SBE), 5 percent Local Business Enterprise (LBE), 3 percent Local Small Business Enterprise (LSBE), and 3 percent Disabled Veterans Business Enterprise (DVBE) for this project. As reported by LAWA staff, Woods Bagot has committed and achieved the following SBE, LBE, LSBE, and DVBE participation levels:

Inclusivity Category	Proposed	Achieved
Small Business Enterprise	28% but not less than 27%	31%
Local Business Enterprise	47% but not less than 41%	44%
Local Small Business Enterprise	28% but not less than 25%	24%
Disabled Veterans Business Enterprise	3%	3%

The BOAC approved the proposed First Amendment at its meeting on July 21, 2022. Actions taken on this item by the BOAC will become final pursuant to the provisions of Los Angeles City Charter Section 373.

FISCAL IMPACT STATEMENT

Approval of the proposed First Amendment with Woods Bagot Architects, P.C., to extend the contract terms through September 2, 2025 will have no impact on the City's General Fund. Costs associated with this Amendment are contained in LAWA's 10-year Capital Improvement Plan (CIP), therefore, approval of this action will not result in a net increase to the programmed CIP budget. No additional funds are required for this action as the contract authority has a remaining balance of \$7,550,548. Funding for the proposed Amendment is appropriated from the LAX Revenue Fund to Work Breakdown Structure (WBS) Element 1.1839A-700. This project complies with the Los Angeles World Airports' adopted Financial Policies.