

RESOLUTION NO. 28015

WHEREAS, on recommendation of Management, there were presented for approval, Second Amendment to Contract DA-5569 with WE O'Neil Construction Co. of California to increase the contract authority by \$11,283,165, for new total not to exceed \$335,703,433, and extend the term through August 9, 2027, covering construction services for the Midfield Satellite Concourse South Project at Los Angeles International Airport; a Change Order to said Contract DA-5569, for amount of \$1,657,360 for added construction services; and appropriation of \$15,800,000 for said project; and

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

**Board of Airport
Commissioners**

Karim Webb
President

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Vice President

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John Ackerman
Chief Executive Officer

WHEREAS, Los Angeles World Airports (LAWA) is in the midst of a multi-billion-dollar modernization program for Los Angeles International Airport. The overall LAWA program includes terminal renovations and modernizations, and airside improvements. The project is for the new Midfield Satellite Concourse (MSC) South facility, which will contain eight (8) Aircraft Design Group III contact gates and is located just south of the previously completed MSC North facility as part of the West Gates; and

WHEREAS, the apron level spaces were originally contemplated as a grey-shell buildout. The buildout creates a modern operational swing space for temporary airline relocation without compromising customer experience. The Second Amendment will be for assistance with design and for construction services of those spaces, and ancillary needs to support both ground support equipment and operations; and

WHEREAS, due to the complexity and uniqueness of the program, additional time is needed to address Los Angeles Department of Building and Safety code compliance issues with the reviewers. This created a 62-day compensable delay for the contractor and a new Substantial Completion date of October 10, 2025; and

WHEREAS, with said new Substantial Completion date of October 10, 2025, and subsequent close-out activities, the Second Amendment will provide sufficient time for close-out and any other potential additions to the project; and

WHEREAS, the increase in contract authority will provide an allowance for design assistance and construction of the space, as well as an allowance for construction of the ancillary ground support equipment and associated infrastructure; and

WHEREAS, the MSC South Project is programmed in LAWA's 2022 Capital Improvement Plan (CIP), with a direct budget of \$420,949,078, which includes hard costs, owner-carried costs, and contingency. Approval of the Second Amendment will result in no net increase to the CIP; 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 373;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the Staff Report; determined that 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, whereas the Midfield Satellite Concourse Environmental Impact Report



was certified by the Board of Airport Commissioners for the project on July 21, 2014 (Resolution 25478); approved the Second Amendment to Contract DA-5569 with WE O'Neil Construction Co. of California to increase the contract authority by \$11,283,165, for new total not to exceed \$335,703,433, and extend the term through August 9, 2027, covering construction services for the Midfield Satellite Concourse South Project at Los Angeles International Airport; further approved a Change Order to said Contract DA-5569 for amount of \$1,657,360, funded from contingency, for added construction services; further approved appropriation and allocation of not to exceed \$15,800,000 (which includes \$11,283,165 for said Second Amendment, \$2,574,360 in additional contingency, and \$1,942,475 in other Los Angeles World Airports costs) for said project, from the LAX Revenue Fund to WBS Element 1.18.39A-700 (Midfield Satellite Concourse South); authorized the Chief Executive Officer, or designee, to approve and execute change orders, up to a budgeted Owner's Contingency of \$23,989,477 provided that prior to execution of any change order in excess of \$500,000, the Board of Airport Commissioners shall have reviewed and authorized execution thereof, and such authorization shall become final pursuant to City Charter Section 245; and further authorized the Chief Executive Officer, or designee, to execute said Second Amendment to Contract DA-5569 with WE O'Neil Construction Co. of California after approval by the Los Angeles City Council and approval as to form by the City Attorney.

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I hereby certify that this Resolution No. 28015 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, August 15, 2024.



Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS