



**CONTRACT AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND
SKANSKA USA CIVIL WEST CALIFORNIA DISTRICT INC.
FOR THE
ROADWAYS, UTILITIES, AND ENABLING PROJECTS
AT LOS ANGELES INTERNATIONAL AIRPORT**

THIS CONTRACT, made and entered into this _____ day of _____, 2020 (hereinafter referred to as "Contract Effective Date"), by and between the **CITY OF LOS ANGELES** (hereinafter referred to as "City"), a municipal corporation, acting by order of and through its Board of Airport Commissioners (hereinafter referred to as "Board"), and **SKANSKA USA CIVIL WEST CALIFORNIA DISTRICT INC.** (hereinafter referred to as "Contractor"),

RECITALS

WHEREAS, City's Department of Airports, by action of the Board; approved and authorized the issuance of a "Request For Proposals" for the construction of the project entitled "Roadways, Utilities, and Enabling (RUE) Projects" (hereinafter referred to as "Project") at Los Angeles International Airport (hereinafter referred to as "Airport"); and

WHEREAS the City of Los Angeles' (City) Department of Airports known as Los Angeles World Airports (LAWA) is responsible for the management and administration of this Contract, and

WHEREAS, in response to said Request For Proposals and said Project Specifications thereto, Contractor was determined to be the proposer with the lowest ultimate cost to the City for the Project; and

WHEREAS, Contractor is engaged in the business of providing Construction services of the type sought by LAWA; and

WHEREAS, the Board has now authorized the Construction of the Project, as specified in said Request For Proposals and the Contractor's Proposal;

NOW THEREFORE, in consideration of the premises, and of the terms, covenants and conditions hereinafter contained to be kept and performed by the respective parties hereto, IT IS MUTUALLY AGREED AS FOLLOWS:

**Section 1.0 Incorporation by Reference.**

It is expressly understood and agreed that this Contract Agreement, Contractor's Cost Proposal Form Part C, Cost Reimbursable Guidelines, First Source Hiring Program, General Conditions, Special Conditions, Project Requirements, RUE Project Criteria Documentation, Appendices, and Administrative Requirements (hereinafter referred to as the "Contract Documents") and any document referenced in said documents, are hereby incorporated by this reference as though specifically set forth herein and shall constitute, and are hereby made, a part of this Contract, and each of the parties does hereby expressly covenant and agree to carry out and fully perform each and all of the provisions of said documents upon its part to be performed.

Section 2.0 Scope of Work.

This Contract is for design, pre-construction, and construction services. Design, pre-construction, and construction services will be authorized based on the Firm Fixed Prices submitted in Contractor's Cost Proposal Form Part C, or under a Guaranteed Maximum Price (GMP) format for projects established under Additional RUE Projects, as set forth in the Contract Documents. The Contractor agrees to furnish all labor, materials, and equipment in a final and finished state in strict compliance with the Contract Documents and to use its best efforts to complete the work in the most expeditious, economical and thorough manner consistent with the interests of LAWA. The design, pre-construction and construction services will be performed/furnished for the Firm Fixed Prices set forth on the Contractor's Cost Proposal Form Part C. Prices for Additional RUE Projects, will be a negotiated GMP based on the Design Builder's Fee established in the Contractor's Cost Proposal Form Part C. The Contractor shall perform Construction Services under a Design/Build delivery method unless otherwise determined by LAWA.

Section 3.0 Term of Contract.

Notwithstanding any other provision herein, the term of this Contract Agreement shall commence on the date of issuance by LAWA to Contractor of a Notice to Proceed and expire no later than five years from the contract effective date and subject to other termination provisions contained within the Contract Documents. Contractor will be assessed Liquidated Damages as set forth in the Contract Documents if it fails to meet the full construction of the Project, consistent with the intent of the Contract Documents, and as defined in each GMP, subject to LAWA authorized modifications as provided for in the Contract Documents. In addition, Contractor may



be assessed Liquidated Damages for failure to meet specific Contract Milestone dates as set forth in the GMP.

Section 4.0 Contract Amount.

For all labor, all materials, all equipment and all services rendered, for all costs direct or indirect, and for all expenses incurred by Contractor pursuant to this Contract, and upon satisfactory completion of said Project in a final finished form consistent with the intent of the Contract Documents, the amount that LAWA may pay to the Contractor under the terms of this Contract is Not-to-Exceed \$334,900,000.00 (three hundred thirty-four million, nine hundred thousand dollars), pursuant to the Contract Documents, and Contractor's Cost Proposal Form Part C, copies of which are attached hereto and incorporated by reference.

Section 5.0 Notices.

Notice to City. Written notices to City hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be given by registered or certified mail, postage prepaid, and addressed to:

**Deputy Executive Director - PDG
7301 World Way West
10th Floor
Los Angeles, CA 90045**

And

**Department of Airports
1 World Way
Post Office Box 92216
Los Angeles, CA 90009-2216**

or to such other address as City may designate by written notice to Contractor.

Notice to Contractor. Written notices to Contractor hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be given by registered or certified mail, postage prepaid, and addressed to:

**Michael Smithson, Sr. Vice President of Operations
1995 Agua Mansa Road
Riverside, CA 92509**

or to such other address as Contractor may designate by written notice to City.

The execution of any such notice by the Executive Director Designee shall be as effective as to Contractor as if it were executed by the Board, or by Resolution or Order of said Board, and



Contractor shall not question the authority of the Executive Director or the designee to execute any such notice.

Section 6.0 Contract Contains Entire Agreement.

The provisions of this Contract Agreement, including the Contract Documents and provisions incorporated herein and by reference, contain the entire agreement between the parties hereto and supersedes any and all prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, or understandings, oral or written, between and among the parties relating to the subject matter contained in this Contract Agreement which are not fully set forth herein. This is an integrated agreement. This agreement may not be changed or modified in any manner except by written amendment fully executed by LAWA and Contractor or as otherwise set forth in the Contract Documents.

Section 7.0 Small Business/Local Business/Local Small Business/Disabled Veteran Business Enterprises.

7.1. Contractor hereby agree and obligates itself to utilize the services of the Small Business Enterprise (SBE) firms designated in its Proposal and any/all subsequent subcontractors that are added on the level designated in its Proposal (specifically, a 20% Small Business Enterprise (SBE) Subcontractor level of participation for the required project designated Work).

7.2 Contractor hereby agrees and obligates itself to utilize the services of the Local Business Enterprise (LBE) firms designated in its Proposal and any/all subsequent subcontractors that are added on the level designated in its Proposal on the level designated in its Proposal (specifically a 7% Local Business Enterprise (LBE) Subcontractor level of participation for the required project designated Work).

7.3 Contractor hereby agrees and obligates itself to utilize the services of the Local Small Business Enterprise (LSBE) firms designated in its Proposal and any/all subsequent subcontractors that are added on the level designated in its Proposal on the level designated in its Proposal (specifically 3% Local Small Business Enterprise (LSBE) Subcontractor level of participation for the required project designated Work).

7.4. Contractor hereby agrees and obligates itself to utilize the services of the Local State Disabled Veteran Business Enterprise (DVBE) firms designated in its Proposal and any/all



subsequent subcontractors that are added on the level designated in its Proposal on the level designated in its Proposal (specifically 3% Local State Disabled Veteran Business Enterprise (DVBE) Subcontractor level of participation for the required project designated Work).

7.5 Contractor hereby further agrees and obligates itself to strictly comply with all of the Rules and Regulations (Rules) of LAW A's Small Business Enterprise Program and LAW A's Local and Local Small Business Enterprise Program (collectively "Programs").

7.5. Failure to comply with any of the Program's requirements shall subject the Contractor to the "Penalties" set forth in the Program's Rules.

7.6 Contractor shall submit, on a monthly basis, together with its invoice for payment, the monthly Subcontractor Utilization Report and/or data entry into a business enterprise monitoring system selected by LAW A listing the SBE/LBE/LSBE/DVBE Subcontractors utilized during the reporting period. Contractor shall cooperate with LAW A personnel in providing such information as shall be requested by LAW A in order to ensure compliance with the provisions of this section. LAW A will not process or pay Contractor's subsequent invoices if the monthly Subcontractor Utilization Report and/or data entry into a business enterprise monitoring system selected by LAW A are not timely submitted or if the Contractor fails to cooperate with LAW A personnel by promptly providing any and all information related to SBE/LBE/LSBE/DVBE participation requested by LAW A.

7.7. Failure to comply with any of the terms of this Section (or the terms of this Contract) shall constitute a material breach of contract and may result in the Contractor being deemed "Non-Responsible." (Section 10.40 et seq. of the Los Angeles Administrative Code.)

Section 8.0 Compliance With Los Angeles City Charter Section 470(c)(12) and 609(E).

8.1 The Contractor, other underwriting firm members of the underwriting syndicate, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Sections 470(c)(12), 609(e) and related ordinances, regarding limitations on campaign contributions and fundraising to certain elected City officials or candidates for elected City office. Gifts to elected officials and certain City officials are also limited. Additionally, Contractor and other underwriting firm members of the underwriting syndicate are required to provide and update certain information to the City as specified by law. Any Contractor and other underwriting firm members of the underwriting syndicate subject to Charter Section 470(c)(12) and 609(e), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:



“Notice Regarding City of Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Sections 470(c)(12), 609(e) and related ordinances, you are subcontractor or underwriting firm on City of Los Angeles Contract/Resolution #_____. Pursuant to City Charter Section 470(c)(12) and 609(e), underwriting firm, subcontractor and principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Additionally, gifts are limited to elected officials and certain City officials. Subcontractor is required to provide to contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to contractor within 10 business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960.”

8.2 Contractor, underwriting firms, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.”

Section 9.0 Assignment of Anti-Trust Claims

Pursuant to California Government Code Sections 4550 et seq. regarding Anti-Trust Claims, it is the policy of the City of Los Angeles to inform each proposer that in submitting a bid/proposal to LAWA the proposer offers and agrees to assign LAWA all rights, title and interest in and to all causes of action it may have under the Clayton Act or Cartwright Act, arising from purchases of goods, services or materials. This assignment is made and becomes effective at the time LAWA tenders final payment to the Proposer.

Section 10.0 Subcontractor Payments

10.1. Progress Payments. The Contractor agrees to pay each subcontractor under this prime contract, and require the same of its subcontractors, not later than seven (7) days after receipt of each progress payment, the respective amounts allowed the Contractor on account of the work performed by the subcontractors, to the extent of each subcontractor's interest therein pursuant to California Business and Professions Code Section 7108.5.

10.2. Retention/Final Payments. Within seven (7) days from the time that all or any portion of the retention proceeds are received by the Contractor, the Contractor shall pay each of its subcontractors from whom retention has been withheld, each subcontractor's share of the



retention received, and require the same of its subcontractors, pursuant to the terms of California Public Contract Code Section 7107.

Section 11.0 Electronic Signature This Contract and any other document necessary for the consummation of the transaction contemplated by this Contract may be executed in counterparts, including counterparts that are manually executed and counterparts that are in the form of electronic records and are electronically executed. An electronic signature means a signature that is executed by symbol attached to or logically associate with a record and adopted by a party with the intent to sign such record, including facsimile or e-mail signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original.

The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Contract and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this Contract had been delivered that had been signed using a handwritten signature.

All parties to this Contract (i) agree that an electronic signature, whether digital or encrypted, of a party to this Contract is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intended to be bound by the signatures (whether original, faxed, or electronic) on any document sent or delivered by facsimile or electronic mail or other electronic means; (iii) are aware that the other party(ies) will rely on such signatures; and, (iv) hereby waive any defenses to the enforcement of the terms of this Contract based on the foregoing forms of signature.

If this Contract has been executed by electronic signature, all parties executing this document are expressly consenting, under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and the California Uniform Electronic Transactions Act ("UETA") (California Civil Code §1633.1 et seq.), that a signature by fax, e-mail, or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.



IN WITNESS WHEREOF, City has caused this Contract Agreement to be executed by the Executive Director of its Department of Airports, and Contractor has caused the same to be executed by its duly authorized officers, and its corporate seal to be hereunto affixed, all as of the day and year first hereinabove written.

APPROVED AS TO FORM:
Michael N. Feuer, City Attorney

CITY OF LOS ANGELES

Date: September 4, 2020

By: _____
Justin Erbacci, Chief Executive Officer

Brian C. Ostler
By: _____
Deputy/Assistant City Attorney

By: _____
Tatiana Starostina, Chief Financial Officer

ATTEST:

SKANSKA USA CIVIL WEST CALIFORNIA DISTRICT INC.

By:  _____
Secretary (Signature)

By:  _____
Signature

Brett Bockmann
Print Name

Michael Aparicio
Print Name

Executive Vice President
Print Title

[SEAL]