



REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

Hans Thilenius

Approved by: Hans Thilenius, Deputy Executive Director

Reviewed by: Bernardo Gogna, Chief Development Officer

D. Dy

City Attorney

Justin Erbacci, Chief Executive Officer

Meeting Date:

6/3/2021

CAO Review:

- Completed
- Pending
- N/A

<u>Reviewed for</u>	<u>Date</u>	<u>Approval Status</u>	<u>By</u>
Finance	5/10/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	JS
CEQA	4/30/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	VW
Procurement	5/6/2021	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> Cond	LK
Guest Experience	5/6/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	TB
Strategic Planning	5/3/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	KC

SUBJECT:

Approve the Second Amendment to Contract No. DA-5262 with Austin Commercial, LP, for the Terminal Cores and Automated People Mover Interface Project, to provide design and construction services to support Los Angeles World Airports' Cellular Distributed Antenna System Initiative at Los Angeles International Airport, in the amount of \$667,448, and appropriate funds in the amount of \$667,448.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.i. of the Los Angeles City CEQA Guidelines.
3. APPROVE the Second Amendment to Contract No. DA-5262 with Austin Commercial, LP, to provide design and construction services for infrastructure improvements to support Los Angeles World Airports' Cellular Distributed Antenna System Initiative at Los Angeles International Airport, in the amount of \$667,448.
4. APPROPRIATE funds in the amount of \$667,448.

5. AUTHORIZE the Chief Executive Officer to execute the Second Amendment with Austin Commercial, LP, upon approval as to form by the City Attorney, and approval by Los Angeles City Council.

DISCUSSION:

1. Purpose

The Distributed Antenna System is a system of spatially separated antenna nodes that will connect to a common source to provide cellular wireless service within a geographic area. Through a negotiated amendment, Los Angeles World Airports (LAWA) is requesting Austin Commercial, LP, (Austin) to provide design and construction services for the installation of the cellular Distributed Antenna System's supporting infrastructure in the Tom Bradley International Terminal (TBIT) Vertical Circulation Cores and the Terminal 5.5 Vertical Circulation Core at Los Angeles International Airport (LAX).

2. Prior Related Actions

- **January 18, 2018 - Resolution No. 26411 (DA-5262)**
The Board of Airport Commissioners (Board) awarded a Two-Phase Design-Build five (5)-year contract to Austin for comprehensive engineering, design, demolition, preconstruction, and construction services for the Terminal Cores and Automated People Mover (APM) Interface Project at LAX, in the amount of \$336,531,000 and appropriated \$129,306,000, for Phase 1 of this project.
- **March 1, 2018 - Resolution No. 26448 (Agreements Nos. LAA-9004, LAA-9005, LAA-9006 and LAA-9007)**
The Board approved four Non -Exclusive License Agreements with cellular service providers: New Cingular Wireless PCS, LLC, wholly owned by AT&T Mobility II LLC and whose manager is AT&T Mobility Corporation (AT&T); Sprint/United Management Company, a Kansas corporation (Sprint); T-Mobile West LLC (T-Mobile); and Los Angeles SMSA Limited Partnership, dba Verizon Wireless (Verizon) to operate cellular communication systems and sites at LAX.
- **September 10, 2019 - Resolution No. 26852 (DA-5262A)**
The Board approved the First Amendment to Contract No. DA-5262 with Austin for the Terminal Cores and APM Interface Project in the amount of \$61,869,876; approved the Guaranteed Maximum Price in the amount of \$398,400,876 for base buildings and three additional scopes of work for the Terminal Cores and APM Interface, and appropriated funds in the amount not-to-exceed \$343,840,876.
- **October 10, 2019 - Resolution No. 26869 (DA-5262)**
The Board approved the modification of the program budget and appropriated the remaining funds to the Terminal Cores and APM Interface Project in the amount of \$31,876,000, revising the appropriated amount to \$505,022,876.
- **October 10, 2019 - Resolution No. 26870 (LAA-9086)**
The Board approved a Reimbursement Agreement with [i] New Cingular Wireless PCS, LLC, wholly owned by AT&T Mobility II, LLC, and whose manager is AT&T Mobility Corporation; [ii] Sprint/United Management Company, a Kansas corporation; [iii] T-Mobile West LLC; and [iv] Los Angeles SMSA Limited Partnership dba Verizon Wireless: Covering costs associated with the installation of

infrastructure to support next-generation cellular communications systems and sites at LAX.

- **June 18, 2020 - Resolution No. 27052 (DA-5262)**

The Board approved the appropriation and allocation of funds in the amount not-to-exceed of \$6,425,000, which included hard costs and soft costs, and authorized the Interim Chief Executive Officer to execute Change Order No. 5 to Contract No. DA-5262 with Austin for the Terminal Cores and APM Interface in the amount not-to-exceed \$5,900,000.

- **December 10, 2020 - Resolution No. 27168 (DA-5262)**

The Board approved Change Order No. 11 to Contract No. DA-5262 with Austin to provide design and construction services in the amount of \$879,860, covering the Terminal Cores and APM Interface Project at LAX.

3. Current Action

Existing cellular communication performance in the LAX campus has been inconsistent, resulting in a poor guest experience when guests try using cellular networks for voice and data communication needs. In March 2018, the Board approved Non-Exclusive License Agreements with the four major cellular service providers (Verizon, AT&T, Sprint, and T-Mobile) that enabled them to implement the necessary infrastructure in the LAX campus to improve cellular coverage. The terms of the Non-Exclusive License Agreements state that the service providers will install any infrastructure required to improve their service and will pay for the design, construction, operation, and maintenance of any such infrastructure deployed at LAX.

Normally, installation of the Distributed Antenna System solution requires the cellular service providers to install base infrastructure in relevant facilities, which then supports the cellular equipment and antennas. This is being done for existing facilities such as Terminals 1, 7 and 8. However, this approach is not efficient for terminals or facilities undergoing construction. For such terminals or facilities, it is more efficient and economical to have the Distributed Antenna System solution implemented as part of the ongoing construction to avoid having to go back and add this at a later date, which requires demolition, rework and increased construction impacts and costs.

Austin currently is constructing the TBIT Vertical Circulation Cores and the Terminal 5.5 Vertical Circulation Core at LAX. Therefore, instead of the cellular service providers installing the infrastructure in these areas after Austin completes its construction, the cellular service providers' team and LAWA staff determined that it is more expedient, customer friendly, and cost-effective to direct Austin to install the Distributed Antenna System solution supporting infrastructure during the construction of the TBIT Vertical Circulation Cores and the Terminal 5.5 Vertical Circulation Core.

Scope Summary

The scope includes design, construction, and project management resources to install horizontal and vertical electrical conduits and cable trays from Information Technology rooms to access point locations, and the supervision of this work.

Budget

The change cost is \$667,448 and includes all fixed-price scope items, including conduit risers, horizontal conduits, cable trays, required supports, design, supervision, and Austin's soft costs for managing the work. LAWA's oversight cost will be funded from the existing project's soft cost budget, which previously has been approved and appropriated. These costs will be reimbursed in full to LAWA under the Master Cost Reimbursement Agreement with the cellular service providers.

Schedule

Austin will install the Distributed Antenna System infrastructure in conjunction with the TBIT Vertical Circulation Cores and the Terminal 5.5 vertical core project schedules. The work will begin June 2021, and is estimated to be completed by July 2022.

How this action advances a specific strategic plan goal and objective

This action advances this strategic goal and objective: *Deliver Facilities & Guest Experiences that are Exceptional: Upgrade every element of the guest experience.* Installation of the Distributed Antenna System will provide guests with an uninterrupted connection of mobile devices to their cellular network from within the terminals.

Fiscal Impact

Three Terminal Vertical Core(s) Projects, which include improvements at TBIT, Terminal 5.5, and Terminal 7, are included in LAWA's 10-Year Capital Improvement Plan (CIP), with a combined direct budget of \$489,776,581. As described above, all hard costs associated with this scope of work are fully reimbursable by the various cellular providers. Additionally, the projects have sufficient soft cost budget to absorb costs associated with LAWA's oversight of this work. Consequently, approval of this action will not increase LAWA's 10-Year CIP.

Terminal Cores and Automated People Mover Interface Project Contract Value Summary	
Contract No. DA-5262 Contract Award	\$ 336,531,000
First Amendment	\$ 61,869,876
Cumulative Change Orders to date	\$ 7,923,042
Authorized Contract Capacity	\$ 406,323,918
Today's Action	
Approve Second Amendment	\$ 667,448
Revised Contract Capacity payable to Austin	\$ 406,991,366

4. Alternatives Considered

- ***Take No Action***

If LAWA does not approve the Second Amendment allowing Austin to complete the installation, the cellular carriers will need to retrofit the facility at a future date. This retrofit will cause an impact on the operations of the facility and cause potential structural effects due to concrete slab penetrations.

- ***Perform Distributed Antenna System Related Work Later***

If this infrastructure is performed after the completion of these projects, then the Non-Exclusive License Agreement team will need to complete this work in an operating environment, which will impact the facility's operations and cause potential structural impacts due to concrete slab penetrations.

APPROPRIATIONS:

Staff requests that funds in the amount of \$667,448 for this Second Amendment be appropriated and allocated into an Internal Order account created by LAWA. These costs will be reimbursed to LAWA under the Master Cost Reimbursement Agreement, Resolution No. 26870, via the executed Task Order No. 5 from the cellular service providers in the same amount of \$667,448.

STANDARD PROVISIONS:

1. 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 Land Access Modernization Program Environmental Impact Report (EIR) was certified by the Board of Airport Commissioners on March 2, 2017 (Resolution 26185).
2. This proposed document(s) is/are subject to approval as to form by the City Attorney.
3. 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.
4. Austin Commercial, LP is required by contract to comply with the provisions of the Living Wage and Service Contractor Worker Retention Ordinances and the Labor Code of the State of California.
5. Procurement Services has reviewed action (File No. 8148) and established a mandatory 20% Small Business Enterprise (SBE), 7% Local Business Enterprise (LBE), 5% Local Small Business Enterprise (LSBE), and 3% Disabled Veteran Business Enterprise (DVBE) goals for this project. Austin Commercial, LP committed to 20% SBE, 7% LBE, 5% LSBE, and 3% DVBE participation and has achieved 25.01% SBE, 37.76% LBE, 13.6% LSBE, and 1.94% DVBE to date.
6. Austin Commercial, LP is required by contract to comply with the provisions of the Affirmative Action Program.
7. Austin Commercial, LP has been assigned Business Tax Registration Certificate No. 0002056400-0001-6.
8. Austin Commercial, LP is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
9. Austin Commercial, LP has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.

10. Pursuant to Charter Section 1022, Staff determined the work specified on this contract can be performed more feasibly and economically by Independent Contractors than by City employees.
11. Austin Commercial, LP has submitted the Contractor Responsibility Program Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Austin Commercial, LP must be determined by Public Works, Office of Contract Compliance to be in compliance with the provisions of the Equal Benefits Ordinance prior to execution of Contract Amendment.
13. Austin Commercial, LP will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.
14. Austin Commercial, LP has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. Austin Commercial, LP has submitted the MLO Bidder Contributions CEC Form 50 and will comply with its provisions.
16. Austin Commercial, LP will be required to comply with the provisions of the Iran Contracting Act.