



RESOLUTION NO. 27463

WHEREAS, on recommendation of Management, there was presented for approval, Award of seven (7)-year Contract to CSDA Design Group covering project management/construction management services for the Los Angeles International Airport Residential Sound Insulation Program, for cost not to exceed \$35,700,000; and appropriation of said amount for implementation of the project; and

LAX

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Chief Executive Officer

WHEREAS, California Code of Regulations Title 21, Airport Noise Standards, requires incompatible land uses, including residential dwellings within the noise impact boundary, to be addressed through various means such as sound insulation and/or easement purchase. To comply with said regulation, Los Angeles World Airports (LAWA) and its surrounding noise-impacted jurisdictions initiated Residential Sound Insulation (RSI) programs in the 1990s; and

WHEREAS, participating in the RSI program is voluntary, and every dwelling unit must meet the following RSI program eligibility criteria:

- Inside 65 dB noise contour of a Federal Aviation Administration (FAA)-approved Part 150 Noise Exposure Map (currently the 2020 Noise Exposure Map)
- Average interior noise level of 45 dB or greater
- Built before October 1, 1998; and

WHEREAS, historically, the City of Inglewood, Los Angeles County, and City of El Segundo implemented and managed their own RSI programs with FAA and LAWA funding. These jurisdictions applied directly to the FAA for Airport Improvement Program (AIP) grants, which funded up to 80% of the total cost of the project, and then requested that LAWA provide the 20% local matching funds; and

WHEREAS, LAWA implemented the RSI program for dwellings within the City of Los Angeles in 1997 and sound insulated 7,327 units through the life of the program, which was deemed completed and closed in 2014. However, over the last few years, new residents have moved into those areas and code issues that previously prevented some homeowners from participating have now been resolved. Approximately 1,239 units that were untreated may be eligible for treatment; consequently, there is renewed interest from residents to provide sound treatments for these homes; and

WHEREAS, as a result of the renewed interest in sound insulation, LAWA has taken steps to establish a new Los Angeles International Airport (LAX)-RSI Program. Under said program, LAWA will provide another opportunity for current owners of noise-impacted dwelling units in the approved noise contour in the City of Los Angeles (Council Districts 8 and 11) to receive sound insulation upgrades. Additionally, LAWA will assume responsibility for providing sound insulation to approximately 1,146 eligible residences in El Segundo; and

WHEREAS, to enable this, LAWA's Capital Committee approved the "LAX-RSI Program" project in June 2021 with the total budget of \$143 million to mitigate approximately 2,385 dwelling units. Up to 80% of the total program cost, or \$114.4 million, is reimbursable by FAA AIP grants. LAWA is targeting completion of the LAX-RSI program in seven (7) years; and

WHEREAS, LAWA has also applied for FAA AIP grants for the sound insulation of the El Segundo and City of Los Angeles dwelling units. In the past two years, LAWA has received two grants for a total of \$10 million; and



WHEREAS, to develop and implement the LAX-RSI Program, staff consulted with subject matter experts and other airport officials involved with active RSI programs and evaluated the availability of LAWA’s internal resources for implementing the program. After considering the available and possible options, staff decided to proceed with a turnkey program management approach by hiring a project management/construction management (PM/CM) firm to establish and manage the program and its construction; and

WHEREAS, LAWA conducted an open procurement under FAA guidelines to secure a consultant for the services. The following three (3) firms responded to the Request for Proposals (RFP):

- C&S Engineers, Inc.
- CSDA Design Group
- Veneklasen Associates, Inc.; and

WHEREAS, all proposers passed LAWA’s Administrative Requirements review. The proposals were evaluated in accordance with the following criteria established in the RFP:

Part	Evaluation Criteria	Points
1	Written Proposal	
	Proposer Experience	30
	Key Personnel and Team Organization	25
	Project Approach	20
	Design Approach	15
	Inclusivity	10
	Total Points	100; and

WHEREAS, Written Technical Proposals were evaluated by an Evaluation Committee. Interviews were then conducted that provided an opportunity for the evaluation panel to get clarification on elements of the Technical Proposal and to ask additional questions pertaining to the above-mentioned evaluation criteria. The proposer’s final score is an aggregate of what was provided in the Technical Proposal and any clarifications or answers provided in the interview; and

WHEREAS, after the interviews and after reviewing the three firms’ written proposals, the Evaluation Committee believes CSDA Design Group provided the best team. The panel believed that CSDA successfully demonstrated that it had extensive experience on similar-sized projects, both locally and nationally, and that many of these projects were completed by several of the same proposed team members. Experience with local jurisdictions and permitting agencies, as well as the cohesiveness of the team, were also attributes that set CSDA Design Group apart from the rest of the proposing field. After the interviews, the Evaluation Committee ranked the firms as follows:

Final Proposal Ranking	
Rank	Proposer
1	CSDA Design Group
2	C&S Engineers, Inc.
3	Veneklasen Associates, Inc.; and

WHEREAS, since LAWA procured the Contract under federal guidelines, LAWA must enter into negotiations with the highest scoring proposer: CSDA Design Group; and

WHEREAS, a not-to-exceed contract value was negotiated in the total amount of \$35,700,000, including \$1,050,000 in optional line items. As part of the federal process, LAWA secured an Independent Fee Estimate (IFE) for the project ahead of negotiations, which was \$32,000,000. The negotiated fee is 8% higher than the IFE; however, staff believes the cost is competitive with the market. The IFE assumed lower multipliers, which primarily led to the lower cost. However, staff audited the overhead of each firm and negotiated profit percentages down to levels commensurate with similar LAWA contracts. Therefore, the multipliers utilized on the Contract are more reflective of actual market conditions; and

WHEREAS, to meet the LAX-RSI goal of sound insulating approximately 2,385 dwelling over the next seven (7) years, CSDA Design Group will perform the following components of the program for the total not-to-exceed cost of \$35,700,000:

Task	Cost
Program Management	\$ 10,170,000
Outreach/Stakeholder Management	4,160,000
Design/Design Management	10,325,000
Construction Management/Acoustical Testing	9,995,000
Total	\$ 34,650,000
Optional Demo Home	450,000
Optional Full AC Design at Homes W of I-405	600,000
Total with Options	\$ 35,700,000; and

WHEREAS, over the course of the Contract, CSDA Design Group will perform a wide variety of tasks as part of its PM/CM duties. Anticipated activities include, but are not limited to, program establishment, program management, project management, construction management, design, design management, acoustic testing, outreach, stakeholder management, communication strategy, and risk management. The scope of work for the Contract includes:

- **Program Management:**
  - *Program Establishment:* Establish program processes, procedures, and specifications; define eligibility criteria; obtain FAA approvals; create program baselines; and establish a demonstration home if necessary.
  - *Program Management Plan:* Create a plan to track and manage program scope, schedule, requirements, and other aspects of the program.
  - *Program and Project Management:* Oversee and manage federal, state, and local agency coordination; prepare program status and financial reports; manage and coordinate design and construction; oversee claims and dispute resolution.
  - *Outreach:* Create a Program website, prepare a Homeowner’s Handbook and outreach materials, coordinate and conduct residence owner meetings, develop an application process, and conduct homeowner sign-ups.
  - *Systems:* Create and manage a GIS-based database, manage and maintain LAWA’s Prolog system’s LAX-RSI Program, and create and maintain a Power BI dashboard for the Program.
- **Acoustical Testing:** Conduct pre- and post-construction acoustical testing, establish baseline for design recommendations, and recommend appropriate products and materials.
- **Design/Design Management:** LAWA has reserved the option to utilize CSDA Design Group services for the LAX-RSI design, depending on the delivery option. LAWA might use varying

project delivery methods, including design/build, construction manager at-risk, and design-bid-build.

- Construction Management: Manage construction procurement and bids, inspections, change orders, project closeout, and warranties.
- Demonstration Home: There is an existing demonstration home in the City of El Segundo left from the prior RSI program, but its condition is not known. An optional line item in the Contract would allow CSDA Design Group to either modify and renovate the existing demonstration home, if feasible, or rent one for the duration of the Contract; and

WHEREAS, this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines. And, interior or exterior alterations involving remodeling or minor construction where there be negligible or no expansion of use is exempt from CEQA requirements pursuant to Article III, Class 1 (1); and

WHEREAS, CSDA Design Group will comply with the provisions of the Living Wage Ordinance, Affirmative Action Program, and Child Support Obligations Ordinance; and

WHEREAS, Procurement Services reviewed this action (File 10046544) and established a 15% Disadvantaged Business Enterprise (DBE) goal. CSDA Design Group proposes to utilize 26% of DBE subcontractors, and will report their participation on a monthly basis; and

WHEREAS, CSDA Design Group has been assigned Business Tax Registration Certificate 0000969171-0001-0; and

WHEREAS, CSDA Design Group must have approved insurance documents, in the terms and amounts required, on file with LAWA prior to issuance of a Notice to Proceed; and

WHEREAS, CSDA Design Group has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance, and will comply with the provisions of said program; and

WHEREAS, CSDA Design Group has been determined by Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance; and

WHEREAS, CSDA Design Group will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX jobs; and

WHEREAS, CSDA Design Group has submitted the Bidder Contributions CEC Form 55, and will comply with its provisions; and

WHEREAS, CSDA Design Group will be required to comply with the provisions of MLO Bidder Contributions CEC Form 50; and

WHEREAS, CSDA Design Group will be required to comply with the provisions of the Iran Contracting Act; 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 this action is exempt from the California Environmental Quality Act pursuant to Article II, Section 2.f. and Article III, Class 1 (1) of the Los Angeles City CEQA

Guidelines; found that the work can be performed more economically or feasibly by an independent contractor than by City employees; approved Award of seven (7)-year Contract to CSDA Design Group covering project management/construction management services for the Los Angeles International Airport Residential Sound Insulation Program, for cost not to exceed \$35,700,000; further approved appropriation and allocation of not to exceed \$35,700,000 from the LAX Revenue Fund to WBS Element 1.22.20A-700 (Noise Mitigation Program – LAX Residential Sound Insulation) as may be required, with 80% of funding for the program to be reimbursed by Airport Improvement Program grants, subject to eligibility of cost per grant requirements; and authorized the Chief Executive Officer, or designee, to execute said Contract with CSDA Design Group after approval as to form by the City Attorney and approval by the Los Angeles City Council.

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I hereby certify that this Resolution No. 27463 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, March 17, 2022.



Grace Miguel – Secretary  
BOARD OF AIRPORT COMMISSIONERS