

0150-11072-0004

TRANSMITTAL

TO Justin Erbacci, Chief Executive Officer Department of Airports	DATE 05/18/2023	COUNCIL FILE NO. 18-0083
FROM The Mayor	COUNCIL DISTRICT 11	

Proposed Third Amendment to Contract DA-5262 with Austin Commercial, LP for the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport

Transmitted for further processing, including Council consideration. See the City Administrative Officer report attached.



MAYOR

(Chris Thompson for)

MWS/PJH/JVW:DG:10230112t

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: March 31, 2023

CAO File No. 0150-11072-0004

Council File No. 18-0083

Council District: 11

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer

Reference: Correspondence from Los Angeles World Airports dated February 16, 2023 and March 8, 2023; referred by the Mayor for a report on February 16, 2023

Subject: **RESOLUTION NO. 27680 AND PROPOSED THIRD AMENDMENT TO CONTRACT DA-5262 WITH AUSTIN COMMERCIAL, LP FOR THE TERMINAL CORES AND AUTOMATED PEOPLE MOVER INTERFACE PROJECT AT LOS ANGELES INTERNATIONAL AIRPORT**

RECOMMENDATION

That the Mayor:

1. Approve the Los Angeles World Airports (LAWA) Resolution No. 27680 authorizing a proposed Third Amendment to Contract DA-5262 with Austin Commercial, LP, to increase the contract limit by \$43 million, including \$35 million in new funding, for a total not-to-exceed amount of \$458,849,110, and extend the term by 18-months from March 26, 2023 through September 25, 2024, in order to complete the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport; and
2. Authorize the Chief Executive Officer of the Los Angeles World Airports to execute the proposed Third Amendment and return the Resolution to LAWA for further processing, including Council consideration.

SUMMARY

On February 16, 2023, the Los Angeles World Airports (LAWA) Board of Airport Commissioners (Board) requested approval to execute a proposed Third Amendment (Amendment) to Contract DA-5262 (Agreement) with Austin Commercial, LP (Austin), originally approved in 2017 (C.F. 18-0083). Approval of the amendment will result in, 1) increasing the total contract authority by \$43 million, (consisting of a new allocation of \$35 million and reappropriated project contingency funds of \$8 million), and 2) extending the contract duration by 18-months from March 26, 2023 through September 25, 2024, in order to settle outstanding change order costs related to the Terminal Cores and Automated People Mover (APM) Interface Project. The proposed new not-to-exceed total contract amount is \$458,849,110 and the total timeframe for the contract, with the amendment,

is six years and six months.

The proposed amendment has been approved as to form by the City Attorney. Pursuant to Charter Section 373 and Los Angeles Administrative Code Section 10.5, Council approval is required because the cumulative contract term exceeds three years.

BACKGROUND

The two-phased Terminal Cores and APM Interface Project support the Landside Access Modernization Program. Key elements of the project comprise the design and construction of elevators, escalators, stairs, and structural support systems for future pedestrian walkways in vertical passenger circulation. The objective of the project is to safely and efficiently connect passengers from the APM stations and pedestrian walkways to the Tom Bradley International Terminal (TBIT) and Terminals 5, 6, and 7. The project contains three cores, two of which are already complete (Areas 2 and Area 3) and open to the public. The most complicated component (Area 4), however, which is the entire frontage of the TBIT, is not complete and has been subject to delays. The remaining project scope includes an upgrade to the existing vertical circulation core at Terminal 7 and the design and construction of interior space to create revenue-generating opportunities. The added open floor space is not open to the public, however, once completed, it will contain features such as leasable office space, passenger convenience areas, kiosks, and various service areas for airline operations.

To date, the Board has authorized execution of one contract between LAWA and Austin and two subsequent amendments to the Agreement. From the original Contract through the Second Amendment, Austin has provided 1) engineering, design, and preconstruction activities, 2) construction, design, and project management services for the Cellular Distributed Antenna System Initiative, and 3) various change orders associated with the Terminal Cores and APM Interface Project. Because of the timing and magnitude of the numerous change order requests, LAWA is soliciting more time and funding to compensate Austin for the unplanned work. A discussion of the delays warranting the time extensions are discussed below.

Project Delays

- *Unforeseen Conditions* – Austin has made significant improvements to the Terminal Cores and APM Interface Project but was hindered from completing the necessary enhancements to meet the original substantial completion date of May 31, 2022. An accumulation of unforeseen factors compelled Austin to shift its approach, schedule, and methodology. Austin encountered major underground obstructions that were not documented on any as-build plans. Infrastructure blockages such as an elevator pit and a utility tunnel were the most significant obstacles uncovered. These areas could not be explored beforehand because old structures were sitting on top of the surface upon which they were discovered. This caused a two-month delay as Austin had to revise shoring plans and relocate sewer lines;

- *Various Change Orders through Board Actions* - The scope of the project was modified on numerous occasions to accommodate LAWA's request to enhance the original plan. These changes consisted of 1) better window glazing to achieve energy savings and a reduced need for artificial lighting, 2) multistory open floor space to highlight the Tom Bradley Bust, and 3) a full definition of the entry/exit portal to the APM for better wayfinding; and
- *Site & Operational Challenges* – Lack of ingress and egress points to the building is a major construction constraint on a project of this magnitude. There are no aprons or backdoor access points and limited construction staging areas. Passengers and LAX staff enter the building through the front door, therefore, most of the work is completed at night to avoid passenger interference. Subsequently, the airport experiences delayed flights and traffic closures which directly impact the start of the work day and create schedule inconsistencies.

Updated Project Cost and Funding

LAWA's request for the Third Amendment proposes to add \$43 million in funding to the contract authority which would increase the total overall value to \$458,849,110 from the current \$415,849,110. The Department indicates that there is insufficient contract authority to cover the outstanding invoices and the additional work (discussed in the Project Delay section of the report). In fact, the remaining balance of \$49,732,421 after projected expenditures of \$366,116,689, including change orders, are **fully** committed and will be exhausted by March 18, 2024. Completion of Change Order No. 48 and other related expenses must be satisfied to conclude the project. The \$43 million being requested includes \$8 million in reallocated contingency project funds held separately in LAWA's Owners Contingency Summary, reflected on Page 7 of the February 16, 2023 Board report and a net new appropriation of \$35 million. The table below summarizes the contract activities and the additional funds required to complete the project:

Contract DA-5262 with Austin Commercial, LP – Contract Authority and Expenses	
Description of Budget Activities	Amount
Original Contract Authority	\$336,531,000
First Amendment Increase	\$61,869,876
Second Amendment Increase	\$667,449
<u>*Cumulative Change Orders through No. 47</u>	<u>\$16,780,785</u>
Current Contract Value	\$415,849,110
Remaining Contract Authority vs Total Expenditures	
Current Contract Value	\$415,849,110
<u>Total Expenditures, including Change Orders</u>	<u>\$366,116,689</u>
Remaining Contract Authority	\$49,732,421
Additional Reallocated and New Funds Required for Change Orders	
Change Order No. 48	\$35,000,000
<u>*Use of Existing Owners Project Contingency</u>	<u>\$8,000,000</u>
Third Amendment Increase	\$43,000,000
Revised Contract Value	\$415,849,110
(Current Contract Value +	\$43,000,000
Third Amendment Increase)	\$458,849,110

*Funded through LAWA's Owners Project Contingency.

Approval of new funding and a term extension will provide sufficient capital and time for Austin to bring the project to substantial completion by November 10, 2023 and full commission by the proposed term expiration date. The design-builder will be assessed liquidated damages commencing on November 11, 2023 if it fails to meet specific contractual milestone dates or full construction of the project by the proposed term limit (provided that LAWA does not request additional change orders).

Costs associated with the Terminal Cores and APM Interface Project are programmed in LAWA's 2018 Capital Improvement Program (CIP). Funds associated with the proposed Third Amendment are budgeted in the Department's 2022 CIP. LAWA will continue to manage the work through completion through the issuance of task orders based on associated fees and specific scopes of work.

CITY COMPLIANCE

The City Attorney has reviewed and approved the proposed Third Amendment as to form and legality. The proposed Third Amendment and Agreement include provisions to ensure compliance with applicable City Ordinances, contracting, and insurance requirements. In accordance with Charter Section 373 and Administrative Code Section 10.5(a) and 10.5(b)(2), the Amendment and Agreement require Council approval because the total term of the Agreement exceeds three years. The Department's Procurement Services Division staff has reviewed this action (File No. 8148) and established mandatory business inclusion participation goals of 20 percent Small Business Enterprise (SBE), seven percent Local Business Enterprise (LBE), five percent Local Small Business Enterprise (LSBE), and three percent Disabled Veteran Business Enterprise (DVBE). As reported by LAWA staff, Austin Commercial, LP proposed 20 percent SBE, seven percent LBE, five percent LSBE, and three percent DVBE participation and has achieved 29.2 percent SBE, 39.1 percent LBE, 19.4 percent LSBE, and 4.9 percent DVBE to date.

FISCAL IMPACT STATEMENT

Approval of the proposed Third Amendment to Contract DA-5262 with Austin Commercial, LP to extend the term by 18-months and appropriate \$43 million (\$35 million in new funding; \$8 million from the existing project contingency), for a cost not-to-exceed \$458,849,110 will have no impact on the City's General Fund. LAWA staff requests that capital funds for the proposed Amendment are appropriated from the LAX Revenue fund to WBS Element 1.17.03A-700 (TBIT Core and APM Interface). The actions of the proposed Agreement comply with the Los Angeles World Airports' adopted Financial Policies.

Attachment 1 – BOAC February 16, 2023 Report and March 8, 2023 Resolution No. 27680

February 17, 2023

The Honorable Karen Bass
Mayor, City of Los Angeles
City Hall – Room 303
Los Angeles, CA 90012

ATTN: Heleen Ramirez, Legislative Coordinator
ATTN: Thomas Arechiga, Deputy Legislative Coordinator

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

Board of Airport
Commissioners

Beatrice C. Hsu
President

Valeria C. Velasco
Vice President

Gabriel L. Eshaghian
Nicholas P. Roxborough
Belinda M. Vega
Karim Webb

Justin Erbacci
Chief Executive Officer

RE: Request to approve the Third Amendment to Contract DA-5262 with Austin Commercial, LP

In accordance with Executive Directive No. 4, we are transmitting a copy of the specified board report for the request to approve the Third Amendment to Contract DA-5262 with Austin Commercial, LP, for the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport to (a) add funding in the amount of \$43,000,000 to settle outstanding disputed change requests; (b) extend the term of the agreement to September 26, 2024, and (c) appropriate new funds in the amount of \$35,000,000.

City Council approval is required pursuant to Section 373 of the Los Angeles City Charter.


Sincerely,



Justin Erbacci
Chief Executive Officer

JPE:MSA:ksf
Attachments



 Report to the BOARD OF AIRPORT COMMISSIONERS		Item Number <div style="border: 1px solid black; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center; font-size: 24px; font-weight: bold;">11</div>																							
<p><i>Hans Thilenius</i> <small>Hans Thilenius (Feb 10, 2023 14:44 PST)</small></p> <p>Approver: _____ Hans Thilenius, Deputy Executive Director Terminal Development & Improvement Program</p> <p><i>D. Dazé</i> <small>D Dazé (Feb 10, 2023 15:22 PST)</small></p> <p>Reviewer: _____ Brian C. Ostler, City Attorney <i>EGR</i></p> <p><i>Justin Erbacci</i> <small>Justin Erbacci (Feb 10, 2023 15:48 PST)</small></p> <p>_____ Justin Erbacci, Chief Executive Officer</p>	<p>Meeting Date</p> <p style="text-align: center; font-size: 1.2em;">2/16/2023</p> <hr/> <p>Needs Council Approval: <input checked="" type="checkbox"/> Y</p> <table border="1" style="width: 100%; border-collapse: collapse; font-size: 0.8em;"> <tr> <th>Reviewed for/by</th> <th>Date</th> <th>Approval Status</th> <th>By</th> </tr> <tr> <td>Finance</td> <td>2/9/2023</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> NA</td> <td>JS</td> </tr> <tr> <td>CEQA</td> <td>2/2/2023</td> <td><input checked="" type="checkbox"/> Y</td> <td>bms</td> </tr> <tr> <td>Procurement</td> <td>2/7/2023</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> Cond</td> <td>LK</td> </tr> <tr> <td>Guest Experience</td> <td>2/6/2023</td> <td><input checked="" type="checkbox"/> Y</td> <td>TB</td> </tr> <tr> <td>Strategic Planning</td> <td>2/2/2023</td> <td><input checked="" type="checkbox"/> Y</td> <td>BNZ</td> </tr> </table>	Reviewed for/by	Date	Approval Status	By	Finance	2/9/2023	<input checked="" type="checkbox"/> Y <input type="checkbox"/> NA	JS	CEQA	2/2/2023	<input checked="" type="checkbox"/> Y	bms	Procurement	2/7/2023	<input checked="" type="checkbox"/> Y <input type="checkbox"/> Cond	LK	Guest Experience	2/6/2023	<input checked="" type="checkbox"/> Y	TB	Strategic Planning	2/2/2023	<input checked="" type="checkbox"/> Y	BNZ
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Strategic Planning	2/2/2023	<input checked="" type="checkbox"/> Y	BNZ																						

SUBJECT

Request to approve the Third Amendment to Contract DA-5262 with Austin Commercial, LP, for the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport to (a) add funding in the amount of \$43,000,000 to settle outstanding disputed change requests; (b) extend the term of the agreement to September 26, 2024, and (c) appropriate new funds in the amount of \$35,000,000.

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 Third Amendment to Contract DA-5262 with Austin Commercial, LP, to settle outstanding disputed change requests in the amount of \$43,000,000 and increase the term of the agreement to September 26, 2024.
4. APPROPRIATE new funds in the amount of \$35,000,000.
5. AUTHORIZE the Chief Executive Officer, or designee, to execute the Third Amendment with Austin Commercial, LP, upon approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION

1. Purpose

The purpose of this amendment is to memorialize the resolution of disputed project change requests between Los Angeles World Airports (LAWA) and Austin Commercial, LP (Austin), and amend the agreement to provide sufficient time to complete the project.

2. Prior Related Actions/History of Board Actions

- **January 18, 2018 – Resolution No. 26411 (DA-5262)**
The Board of Airport Commissioners (Board) awarded a two-phase Design-Build (DB) five-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 Los Angeles International Airport (LAX), in the amount of \$336,531,000, and appropriated \$129,306,000 for Phase 1 of the project.
- **September 10, 2019 – Resolution No. 26852 (DA-5262A)**
The Board approved the First Amendment to Contract DA-5262 with Austin for the Terminal Cores and APM Interface Project in the amount of \$61,869,876, approved the GMP in the amount of \$398,400,876 for base buildings and three additional scopes of work for the Terminal Cores and APM Interface Project, and appropriated funds in an amount not to exceed \$343,840,876.
- **October 10, 2019 – Resolution No. 26869**
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.
- **June 18, 2020 – Resolution No. 27052**
The Board approved the appropriation and allocation of funds in an amount not to exceed \$6,425,000 for Central Terminal Area (CTA) related additional Fire Water Lines, which included hard costs and soft costs, and authorized the Chief Executive Officer to execute Change Order No. 5 to Contract DA-5262 with Austin for the Terminal Cores and APM Interface in an amount not to exceed \$5,900,000.
- **December 12, 2020 – Resolution No. 27168 (DA-5262)**
The Board approved Change Order No. 11 to Contract DA-5262 with Austin for the unrealized cost savings to the GMP from the value engineering efforts completed prior to the approval of the GMP in the amount of \$879,860.
- **June 3, 2021 – Resolution No. 27271**
The Board approved the Second Amendment to Contract DA-5262 with Austin for the Terminal Cores and APM Interface Project, to provide design and construction services to support LAWA's Cellular Distributed Antenna System Initiative at LAX, in the amount of \$667,448, and appropriated funds in the amount of \$667,448.

- **July 8, 2021 – Resolution No. 27300**

The Board approved Change Order No. 19 to Contract DA-5262 with Austin to provide site investigation, design, and construction services for Seismic Joints at T5.5 in the amount of \$638,073.

- **May 19, 2022 – Resolution No. 27496**

The Board approved Change Order No. 31 to Contract DA-5262 with Austin to provide design and construction services for various items related to vertical transportation, quality control management, COVID direct costs, traffic control issues, and scope gap adjustments between Phase 1 and 2 in the amount of \$5,115,062.

3. Background

The Terminal Cores and APM Interface Project will support the Landside Access Modernization Program by designing and constructing new facilities with vertical circulation "cores" (i.e., elevators, escalators, stairs, and circulation areas) to connect passengers from the new APM stations and pedestrian walkways to:

- a) Tom Bradley International Terminal (TBIT)
- b) Terminals 5 and 6
- c) Terminal 7 (T7)

The project delivery method is a DB process that included two phases of previous Board action approvals:

- a) Phase 1 (January 18, 2018) for design, site investigations, preconstruction, cost estimating efforts, enabling work and early work (foundations, underground utility and some steel procurement)
- b) Phase 2 (September 10, 2019) for all the trade construction and general conditions/general requirements work

The sum of these two phases defined the final DB GMP for the work as originally defined in LAWA's Basis of Design documents

Since the Phase 2 Board action, LAWA issued multiple change orders via Board actions and Chief Executive Officer authorizations in the amount of \$16,780,785 for varying items (a detailed listing of these change orders can be found in the Appendix of this report). These have been related to categories ranging from scope betterment at LAWA's request to unforeseen field conditions that needed to be addressed. The change orders have been funded from existing program contingency, with the exception of Change Order No. 5 for the work to add a CTA loop fire water line that was needed to go underneath the building for which new money was appropriated..

4. Current Action/Rationale

This proposed Third Amendment covers three major categories:

- a) Site Condition challenges due to operational and physical constraints,
- b) Scope changes requested after the GMP was defined in September 2019
- c) Extension of schedule, some of which is compensable due to the above conditions

This proposed amendment covers all direct and indirect costs and extends the agreement to September 26, 2024, with a revised project substantial completion date of November 10, 2023.

A. Site Conditions and Location Relative to the CTA

This contract covered three different locations: T7, T5.5, and TBIT

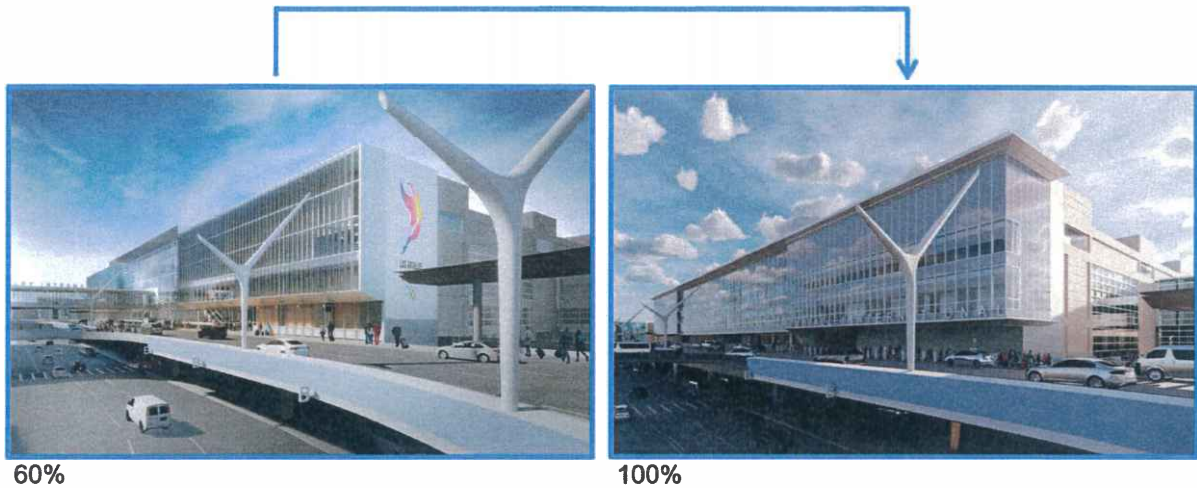


The TBIT project site is a significantly constrained construction site due to limited access to the construction site which is reachable only through the front door of the TBIT terminal. Thus, much of the work to get materials and machinery to the site can only be done when most passenger activity has ended for the day in TBIT. As a result, the ability for Austin to bring in materials and equipment and perform their work was significantly impacted by irregular airline operational changes that would occur such as delayed international arrivals, traffic congestion, passenger/pedestrian management, etc. Austin's ability to access the site also was impacted by the multiple remobilizations that were required due to changes in surrounding interdependency projects (e.g., APM pedestrian bridge work, Terminal 3 and Terminal 4 projects, etc.), loss of laydown areas due to bussing operations, and other events. The accumulation of these operational impacts created a significant impact on the project. The original budget for the project did account for some operational impacts, but the magnitude and the number of interruptions could not have been easily anticipated.

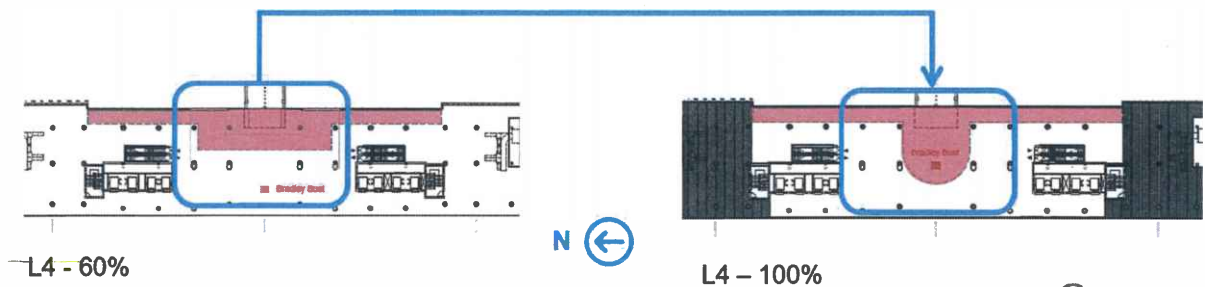
B. Scope Changes Post 60 Percent Design and the GMP

In anticipation of the APM operational opening, the construction contractor proceeded with the project based on the 60 percent design. After 60 percent design, specific areas of the project scope were re-examined and direction was given to the construction contractor to make enhancements or owner betterments. These enhancements include the following scope:

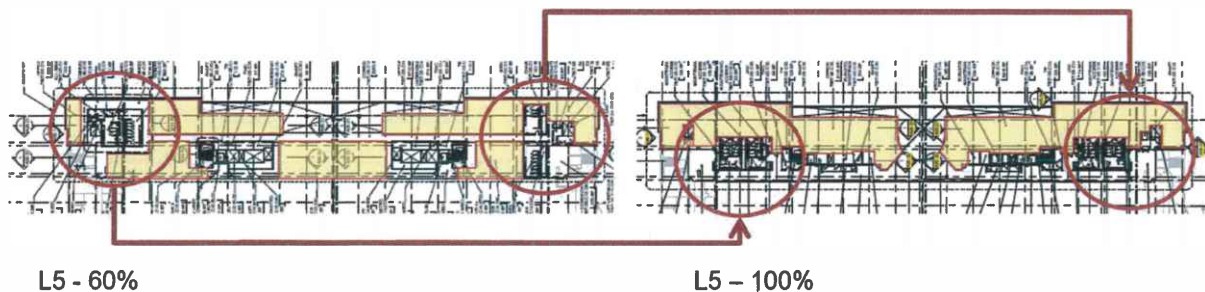
- **Enhanced façade:** The façade was changed to a monolithic seamless glass wall and glass added to the north and south facades. The glass has a reflective coating that helps regulate the passage of solar radiation and works to lower heat gain, lower energy costs and reduce the need for artificial lighting, as well as block harmful UV rays. The façade enhancement also included new overhangs at the roofline and at the pedestrian level to further articulate the area as an entry point into TBIT.



- **Redesign to the Tom Bradley Bust Monument Area:** A grander multistory volume space was created that more appropriately accommodates the bust monument by carving out the floors above, impacting already purchased materials such as steel.



- **Rearrangement and the Addition of the Fifth Floor:** A fifth floor was added to the project, providing approximately 30,000 square feet of area, taking advantage of the opportunity to create 19,000 square feet of gross leaseable area in a high demand location. The restrooms were moved on the fifth floor to provide a more flexible and contiguous leaseable area. This will lead to additional lease revenue.



LAWA assumed that these changes could be covered by existing contingencies. Austin tried to do this work within their budgeted contingencies, but due to the magnitude of the above site

conditions, COVID impacts, and the re-ordering of materials after fabrication was released there was not enough budget to cover all of these costs. This was not discovered until late in the project and it was confirmed that these changes were not considered during the original Basis of Design.

Each one of these items was reviewed by LAWA's estimating group for cost validation, and the project management team verified documents that this work was excluded from the original GMP.

C. Schedule Extension

All the above items had an impact on the original schedule of the project. There were also impacts to the schedule that were COVID-19 driven, as the tight project site limited concurrent work activities. When key equipment or crane operators called in sick due to Covid, this often impacted the ability of the whole team to perform their work that day.

To resolve the sum of all these issues, LAWA agreed that the total project substantial completion should be moved from May 31, 2022 to November 10, 2023. Of this adjustment, slightly less than half of this time delay is considered excusable and compensable, while the remaining is excusable but not compensable. With the movement of this end date, the contractual Liquidated Damages would commence on November 11, 2023, if the project is not substantially complete at that time (should there be no additional owner-driven impacts).

Other Project Metrics:

Safety

Since the beginning of the project (2019), Austin Commercial has been performing the work in a very safe manner. They are well below the National Average for Total Recordable Incident Rates (TRIR), Lost Time Incident Rates (LTR) and Days Away Restriction Transfer (DART) metrics. LAWA's Goals are much stricter and they are within the acceptable range of achieving those also.

Sustainability

The project is targeting LEED Silver. Sustainable scope included a dual pipe reclaimed water system, LED lights and lighting controls.

Inclusivity and Local Hire

Austin Commercial is performing 14% above the project's XBE goal, with 39% represented by local businesses. They have had 28% local higher participation, of which 7 are graduates from HireLAX. To date there have been 3,147 craft workers on the project.

Financial summaries for this change order are as follows:

- a. Contract Authority Summary – Amendment No. 3 to Contract DA-5262 with Austin in the amount of \$43,000,000 for the reconciliation of the above stated change items, which shall be funded partially from the existing owner contingency (\$8,000,000) and the balance from newly-appropriated monies.

Contract Value Summary	
Original GMP Phase 1 & 2 Contract Value (Includes Amendment 1 & 2)	\$ 399,068,325
Authorized Cumulative Change Orders to Date	\$ 16,780,785
Current Contract Value through Change Order No. 47	\$ 415,849,110
Proposed Amendment No. 3 (aka Change Order No. 48)	\$ 43,000,000
Revised Contract Value to Austin Commercial LP	\$ 458,849,110

b. Program Contingency Summary

LAWA's Owners Contingency Summary	
Approved Project Contingency	\$ 41,876,000
Authorized Cumulative Change Orders to Date To Austin Commercial LP	\$ (16,780,785)
TBIT Concessionair Buyout (Seven-Eleven)	\$ (3,314,487)
Other	\$ (334,984)
LA General Services and IDO's	\$ (473,664)
Current Project Contingency	\$ 20,972,080
Proposed Amendment No. 3 (Use of existing Owner Contingency Funds)	\$ (8,000,000)
Proposed Amendment No. 3 (Use of Newly Appropriated Funds)	\$35M New Funds
Remaining Project Contingency	\$ 12,972,080

c. Change Order Categories – Below is a summary of the varying types of categories of all the changes to-date..

Change Order Catagories				
	Original GMP	CO 1-47	CO 48 Amendment No. 3	Total
0. Original Contract Value	\$ 399,068,325			\$ 399,068,325
1. Site Conditions		\$ 1,435,400	\$ 9,000,000	\$ 10,435,400
2. GMP Clarifications		\$ 3,099,112	\$ 9,000,000	\$ 12,099,112
3. Document Corrections		\$ 1,235,546	\$ -	\$ 1,235,546
4. COVID Related		\$ 2,102,730	\$ -	\$ 2,102,730
5. Owner Betterment		\$ 8,907,998	\$ 25,000,000	\$ 33,907,998
	\$ 399,068,325	\$ 16,780,785	\$ 43,000,000	\$ 458,849,110

5. Fiscal Impact

The TBIT Core and APM Interface Project is programmed in LAWA's 2018 Capital Improvement Plan (CIP) with a direct budget of \$272,257,230, which includes hard costs, soft costs, and contingency. As this request is for budget above the programmed amount, with the approval of this action, \$35,000,000 will be included in LAWA's 2022 CIP for this change.

6. Alternatives Considered

- **Take No Action**

In the event the Board takes no action, it is anticipated that Austin Commercial would file a claim.

APPROPRIATIONS

Staff requests that funds in the not-to-exceed amount of \$35,000,000 be appropriated and allocated from the LAX Revenue fund to WBS Element 1.17.03A-700 (TBIT Core and APM Interface).

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 Landside Access Modernization Project Environmental Impact Report was certified by the Board of Airport Commissioners for this project on March 2, 2017 (Resolution No. 26185).
2. The 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 29.2% SBE, 39.1% LBE, 19.4% LSBE, and 4.9% 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 has been determined by Public Works, Office of Contract Compliance to be in compliance with the provisions of the Equal Benefits Ordinance.
13. Austin Commercial, LP is required by contract 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 is required by contract to comply with the provisions of the Iran Contracting Act.

APPENDIX

Austin Commercial LP Contract Value Summary						
Scope	Change Order Value	Site Conditions	GMP Clarifications	Document Corrections	COVID Related	Owner Betterment
Original Contract + Amendment 1	\$ 398,400,876					
Amendment 2 - NELA DAS	\$ 667,449					
CO#1 Schedule Milestone Date Revision Based on Actual NTP Date	\$ -					
CO#2 Administrative Change - Budget Transfer Allowance 2 to Allowance 6	\$ -					
CO#3 Administrative Change - Budget Transfer Allowance 2 to Allowance 6	\$ -					
CO#4 T5.5-T6 West Gates Interim Striping	\$ 189,589					\$ 189,589
CO#5 T5.5 Core Fire Water Work	\$ 5,900,000					\$ 5,900,000
CO#6 T6 W Gate Striping/Temp Signage/T5.5 AOA Barricade Gate Relo	\$ 27,699					\$ 27,699
CO#7 T5.5-T6 Interim Striping / P608 Emulsified Asphalt Seal Coat	\$ 76,591					\$ 76,591
CO#8 T5.5-Alaska Program Interface Agreement Seismic Joint Investigations	\$ 95,513					\$ 95,513
CO#9 T5.5 APM Interface Requirements	\$ -					
CO#10 November 2020 Multiple CCR's	\$ 151,133					\$ 151,133
CO#11 Value Engineering Reconciliation	\$ 879,860		\$ 879,860			
CO#12 January 2021 Multiple CCR's	\$ 87,944		\$ 60,000			\$ 27,944
CO#13 February 2021 Multiple CCR's	\$ 106,601					\$ 106,601
CO#14 COVID Direct Costs through Nov. 2020	\$ 408,112				\$ 408,112	
CO#15 SITA Scope for the TBIT and T5.5 Cores Credit	\$ (50,822)					\$ (50,822)
CO#16 T5.5 RFI 0722 VMS Storage Credit	\$ (38,574)					\$ (38,574)
CO#17 T5.5 and TBIT Art Lighting Changes	\$ 144,066					\$ 144,066
CO#18 T5.5 Flagger	\$ 266,494	\$ 266,494				
CO#19 T5.5 Seismic Joint	\$ 638,073					\$ 638,073
CO#20 Not Used (Same as Amendment No. 2)	\$ -					
CO#21 TBIT Art Storage Room - Power and Data	\$ 10,903					\$ 10,903
CO#22 TBIT - Additional POC in Sewer Line for LINXS	\$ 68,030					\$ 68,030
CO#23 TCAPM- COVID-19 Impacts Proposal - Site supervisor	\$ 197,465				\$ 197,465	
CO#24 TBIT - VMS Storage System Upgrade Credit	\$ (38,178)					\$ (38,178)
CO#25 - TBIT - Cutover of Existing 216 Strand Fiber Loop	\$ 466,541	\$ 466,541				
CO#26 - T7 Modification of Existing Gate at Escalator and Stair	\$ 8,899	\$ 8,899				
CO#27 - November 2021 Multiple CCR's	\$ (526,338)					\$ (526,338)
CO#28 - Administrative Change - Transfer from Allowance E to Allowance T	\$ -					
CO#29 - T5.5 Credit for Busduct Grounding	\$ (33,130)					\$ (33,130)
CO#30 - Administrative Deductive Change Order - Allowance H Reduction	\$ (63,860)		\$ (63,860)			
CO #31 Request for adjustmet of contract	\$ 5,115,062	\$ 600,000	\$ 1,864,040	\$ 781,169	\$ 869,853	\$ 1,000,000
CO #32 T5.5 LAWA Lift Storage Lift Purchase Serview & Warrenty	\$ 46,552					\$ 46,552
CO #33 T5.5 Art Lighting Revision	\$ 42,506					\$ 42,506
CO #34 COVID-19 Material Expedirto Manager	\$ 269,966				\$ 269,966	
CO #35 T5.5 Enabling Enhancemtn Cost and Concourse Level Low Roof Access Door	\$ 453,754					\$ 453,754
CO #36 TBIT Incorporate New Elevators into Existing Remote Recall	\$ 268,342		\$ 268,342			
CO #37 T5.5 ASR 803 Added Spotter, T7 Wayfings Signage Drawing	\$ 155,877			\$ 155,877		
CO #38 T5.5 Terazzo Extents behind Alaska Tiketing Departure Floor	\$ (9,320)	\$ (9,320)				
CO #39 TBIT Air Curtains at Temporary Doors	\$ 90,730		\$ 90,730			
CO #40 Administrative Change Transfer Allowances S, C, E & J to Allow U, B, K & T	\$ -					\$ -
CO #41 TCAPM Covid 19 Direct Cost Impacts	\$ 357,334				\$ 357,334	
CO #42 TCAPM Basis of Design Revise & Resubmit and T5.5 - Claim Device 1	\$ 298,500			\$ 298,500		
CO #43 TBIT Curtainwall Design Changes	\$ 344,881					\$ 344,881
CO #44 TBIT Confirmation of Dynamic Signage Hardware Changes	\$ 271,205					\$ 271,205
CO #45 T5.5 AOA Pavement Removal and Restoration Changes	\$ (13,665)	\$ (13,665)				
CO #46 T5.5 Concourse Ramp TSA Wall to Remain & Glass Wing Wall Desclope	\$ (27,754)	\$ (27,754)				
CO #47 T5.5 Failed TCO Inspection due to Alaska Temporary Generator Operation	\$ 144,205	\$ 144,205				
		\$ 1,435,400	\$ 3,099,112	\$ 1,235,546	\$ 2,102,730	\$ 8,907,998
Original Contract + Amendment 1 + Amendment 2	\$ 399,068,325					
Change Order nos. 1 - 47	\$ 16,780,785					
Total Contract Value Through Change Order No. 47	\$ 415,849,110					

Note: CO # 5 was funded from newly approved budget (BOAC Action June 18, 2020)

March 8, 2023

The Honorable City Council
of the City of Los Angeles
City Hall, Room 395
Los Angeles, CA 9001

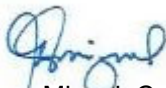
Subject: Third Amendment to Contract DA-5262 with Austin Commercial, LP

Pursuant to Section 373 of the City Charter, enclosed for your approval is the Third Amendment to Contract DA-5262 with Austin Commercial, LP that was approved by the Board of Airport Commissioners at its February 16, 2023 meeting. There is no impact to the General Fund.

RECOMMENDATIONS FOR CITY COUNCIL:

1. Adopt the determination by said Board 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; and
2. Approve the Third Amendment to Contract DA-5262 with Austin Commercial, LP, covering the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport, to add funding of \$43,000,000 to settle outstanding disputed change requests and extend the term to September 26, 2024; and
3. Concur with said Board's action on February 16, 2023, by Resolution 27680, authorizing the Chief Executive Officer, or designee, of Los Angeles World Airports to execute said Third Amendment to Contract DA-5262 with Austin Commercial, LP.

Very truly yours,



Grace Miguel, Commission Executive Assistant II
BOARD OF AIRPORT COMMISSIONERS

Enclosures

cc: Trade, Travel and Tourism Committee
Councilmember Park, e-file
Councilmember McOsker, e-file
Councilmember Soto-Martinez, e-file
CAO (Airport Analyst), e-file
CLA (Airport Analyst), e-file
City Clerk's Office, e-file



RESOLUTION NO. 27680

WHEREAS, on recommendation of Management, there was presented for approval, Third Amendment to Contract DA-5262 with Austin Commercial, LP to add funding of \$43,000,000 to settle outstanding disputed change requests and extend the term to September 26, 2024, covering the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport; and appropriation of \$35,000,000; and

WHEREAS, the Terminal Cores and Automated People Mover (APM) Interface Project will support the Landside Access Modernization Program (LAMP) by designing and constructing new facilities with vertical circulation "cores" (i.e., elevators, escalators, stairs, and circulation areas) to connect passengers from the new APM stations and pedestrian walkways to:

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

Board of Airport
Commissioners

Beatrice C. Hsu
President

Valeria C. Velasco
Vice President

Gabriel L. Eshaghian
Matthew M. Johnson
Nicholas P. Roxborough
Belinda M. Vega
Karim Webb

Justin Erbacci
Chief Executive Officer

- a) Tom Bradley International Terminal (TBIT)
- b) Terminals 5 and 6
- c) Terminal 7; and

WHEREAS, the project delivery method is a design-build (DB) process that included two (2) phases of previous Board of Airport Commissioners (Board) action approvals:

- a) Phase 1 (January 18, 2018) for design, site investigations, preconstruction, cost estimating efforts, enabling work and early work (foundations, underground utility and some steel procurement)
- b) Phase 2 (September 10, 2019) for all the trade construction and general conditions/general requirements work; and

WHEREAS, the sum of said two (2) phases defined the final DB Guaranteed Maximum Price (GMP) for the work as originally defined in the Basis of Design documents of Los Angeles World Airports (LAWA); and

WHEREAS, since the Phase 2 Board action, LAWA issued multiple change orders via Board actions and Chief Executive Officer authorizations in the amount of \$16,780,785 for varying items. Those have been related to categories ranging from scope betterment at LAWA's request to unforeseen field conditions that needed to be addressed. The change orders have been funded from existing program contingency, with the exception of Change Order 5 for the work to add a Central Terminal Area (CTA) loop fire water line that was needed to go underneath the building for which new money was appropriated; and

WHEREAS, the Third Amendment covers all direct and indirect costs and extends the term to September 26, 2024, with a revised project substantial completion date of November 10, 2023. It covers three (3) major categories:

A. site condition challenges due to operational and physical constraints

The contract covered Terminal 7, Terminal 5.5 and TBIT. The TBIT project site is a significantly constrained construction site due to limited access to the construction site, which is reachable only through the front door of TBIT. Thus, much of the work to get materials and machinery to the site can only be done when most passenger activity has ended for the day in TBIT. As a result, the ability for Austin Commercial, LP (Austin) to bring in materials and equipment and perform work was significantly impacted by irregular airline operational changes that would occur such as delayed international arrivals, traffic congestion, passenger/pedestrian management, etc. Austin's ability to access the site was also impacted by the multiple remobilizations that were required due to changes in surrounding interdependency projects



(e.g., APM pedestrian bridge work, Terminal 3 and Terminal 4 projects, etc.), loss of laydown areas due to bussing operations, and other events. The accumulation of said operational impacts created a significant impact on the project. The original budget for the project did account for some operational impacts, but the magnitude and number of interruptions could not have been easily anticipated.

B. scope changes requested after the GMP was defined in September 2019

In anticipation of the APM operational opening, the construction contractor proceeded with the project based on the 60% design. After 60% design, specific areas of the project scope were re-examined and direction was given to the construction contractor to make enhancements or owner betterments. Those enhancements include the following scope:

- Enhanced facade: The facade was changed to a monolithic seamless glass wall and glass added to the north and south facades. The glass has a reflective coating that helps regulate the passage of solar radiation and works to lower heat gain, lower energy costs and reduce the need for artificial lighting, as well as block harmful ultraviolet rays. The facade enhancement also included new overhangs at the roofline and at the pedestrian level to further articulate the area as an entry point into TBIT.
- Redesign to the Tom Bradley Bust Monument Area: A grander multistory volume space was created that more appropriately accommodates the bust monument by carving out the floors above, impacting already purchased materials such as steel.
- Rearrangement and Addition of the Fifth Floor: A fifth floor was added to the project, providing approximately 30,000 square feet of area, taking advantage of the opportunity to create 19,000 square feet of gross leasable area in a high demand location. The restrooms were moved on the fifth floor to provide a more flexible and contiguous leasable area. This will lead to additional lease revenue.

LAWA assumed that those changes could be covered by exiting contingencies. Austin tried to do the work within its budgeted contingencies, but due to the magnitude of said site conditions, COVID impacts, and re-ordering of materials after fabrication was released, there was not enough budget to cover all of those costs. This was not discovered until late in the project and it was confirmed that the changes were not considered during the original Basis of Design.

Each one of those items was reviewed by LAWA's estimating group for cost validation. And the project management team verified documents that the work was excluded from the original GMP.

C. extension of schedule, some of which is compensable due to the above conditions

All the above-mentioned items had an impact on the original schedule of the project. There were also impacts to the schedule that were COVID-19 driven, as the tight project site limited concurrent work activities. When key equipment or crane operators called in sick due to COVID, it often impacted the ability of the whole team to perform their work that day.

To resolve the sum of all those issues, LAWA agreed that the total project substantial completion should be moved from May 31, 2022 to November 10, 2023. Of this adjustment, slightly less than half of the time delay is considered excusable and compensable, while the remaining is excusable but not compensable. With the movement of the end date, the contractual Liquidated Damages would commence on November 11, 2023, if the project is not substantially complete at that time (should there be no additional owner-driven impacts); and

WHEREAS, since the beginning of the project (2019), Austin has been performing the work in a very safe manner. It is well below the national average for Total Recordable Incident Rates, Lost

Time Incident Rates, and Days Away Restriction Transfer metrics. LAWA's goals are much stricter and are within the acceptable range of achieving them; and

WHEREAS, the project is targeting LEED silver. Sustainable scope included a dual pipe reclaimed water system, LED lights and lighting controls; and

WHEREAS, Austin is performing 14% above the project's XBE goal, with 39% represented by local businesses. It has had 28% local higher participation, of which 7 are graduates from HireLAX. To date, there have been 3,147 craft workers on the project; and

WHEREAS, the Third Amendment amount of \$43,000,000 will be for reconciliation of the above-stated change items, which shall be funded partially from the existing owner contingency (\$8,000,000) and the balance from newly-appropriated monies. Following is the contract value summary:

Original GMP Phase 1 & 2 Contract Value (includes Amendments 1 & 2)	\$399,068,325
Authorized Cumulative Change Orders to Date	16,780,785
Current Contract Value through Change Order 47	\$415,849,110
Amendment 3 (aka Change Order 48)	43,000,000
Revised Contract Value to Austin	\$458,849,110; and

WHEREAS, following is the program contingency summary:

Approved Project Contingency	\$ 41,876,000
Authorized Cumulative Change Orders to date to Austin	(16,780,785)
TBIT Concessionaire Buyout (Seven-Eleven)	(3,314,487)
Other	(334,984)
LA General Services and Interdepartmental Orders	(473,664)
Current Project Contingency	20,972,080
Amendment 3 (use of existing Owner Contingency funds)	(8,000,000)
Amendment 3 (use of newly appropriated funds)	35M new funds
Remaining Project Contingency	\$ 12,972,080; and

WHEREAS, following is a summary of the varying types of categories of all the changes to date:

	Original GMP	CO 1-47	CO 48 Amendment 3	Total
0. Original Contract Value	\$399,068,325			\$399,068,325
1. Site Conditions		\$ 1,435,400	\$ 9,000,000	\$ 10,435,400
2. GMP Clarifications		3,099,112	9,000,000	\$ 12,099,112
3. Document Corrections		1,235,546	-	\$ 1,235,546
4. COVID-related		2,102,730	-	\$ 2,102,730
5. Owner Betterment		8,907,998	25,000,000	\$ 33,907,998
	\$399,068,325	\$16,780,785	\$43,000,000	\$458,849,110; and

WHEREAS, 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 LAMP Environmental Impact Report was certified by the Board for the project on March 2, 2017 (Resolution 26185); and

WHEREAS, Austin 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; and

WHEREAS, Procurement Services has reviewed this action (File 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 the project. Austin committed to said goals, and has achieved 29.2% SBE, 39.1% LBE, 19.4% LSBE, and 4.9% DVBE to date; and

WHEREAS, Austin is required by contract to comply with the provisions of the Affirmative Action Program; and

WHEREAS, Austin is assigned Business Tax Registration Certificate 0002056400-0001-6; and

WHEREAS, Austin is required by contract to comply with the provisions of the Child Support Obligations Ordinance; and

WHEREAS, Austin has approved insurance documents, in the terms and amounts required, on file with LAWA; and

WHEREAS, pursuant to Charter Section 1022, staff determined that the work specified on the contract can be performed more feasibly and economically by Independent Contractors than by City employees; and

WHEREAS, Austin has submitted the Contractor Responsibility Program Pledge of Compliance, and will comply with the provisions of said program; and

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

WHEREAS, Austin is required by contract to comply with the provisions of the First Source Hiring Program for all non-trade Los Angeles International Airport jobs; and

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

WHEREAS, Austin has submitted the MLO Bidder Contributions CEC Form 50, and will comply with its provisions; and

WHEREAS, Austin is required by contract 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 (CEQA) pursuant to Article II, Section 2.i of the Los Angeles City CEQA Guidelines; find that the work can be performed more economically or feasibly by an independent contractor than by City employees; approved the Third Amendment to Contract DA-5262 with Austin Commercial, LP covering the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport to add funding of \$43,000,000 to settle outstanding disputed change requests and extend the term to September 26, 2024; further approved appropriation and allocation of not to exceed \$35,000,000 from the LAX Revenue fund to WBS Element 1.17.03A-700 (TBIT Core and APM Interface); and authorized the Chief Executive Officer, or designee, to execute said Third Amendment to Contract DA-5262 with Austin Commercial, LP 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. 27680 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, February 16, 2023.

A handwritten signature in blue ink, appearing to read "Grace Miguel".

Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS

**THIRD AMENDMENT TO CONTRACT DA-5262
BETWEEN THE CITY OF LOS ANGELES AND AUSTIN COMMERCIAL, L.P. FOR THE
TERMINAL CORES AND APM INTERFACE AT
LOS ANGELES INTERNATIONAL AIRPORT**

THIS THIRD AMENDMENT TO CONTRACT NO. DA-5262, is made and entered into this _____ day of _____, 2023, by and between the **CITY OF LOS ANGELES** ("City"), a municipal corporation, acting by order of and through its Board of Airport Commissioners ("Board"), and **AUSTIN COMMERCIAL, L.P.**, ("Design/Builder"),

RECITALS

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

WHEREAS, the Board awarded Contract DA-5262 for Design/Build Services for Terminal Cores and APM at Los Angeles International Airport, with a term of five (5) years; and

WHEREAS, the Board approved the First Amendment to Contract DA-5262 on September 10, 2019, to increase the total sum of the Contract by an additional sixty-one million eight hundred sixty-nine thousand eight hundred seventy-six dollars (\$61,869,876.00), for a total of three hundred ninety-eight million four hundred thousand eight hundred seventy-six dollars (\$398,400,876.00);

WHEREAS; the Board approved the Second Amendment to Contract DA-5262 on June 3, 2021, to provide design and construction services, for cost of six hundred sixty-seven thousand four hundred forty-eight dollars (\$667,448.00), to support the Cellular Distributed Antenna System initiative, for the Terminal Cores and Automated People Mover Interface Project at Los Angeles International Airport, and appropriation of said amount for the service;

WHEREAS, the parties desire now to amend Contract DA-5262 to extend the term of the contract by one (1) year and six (6) months.

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 that Contract DA-5262 be further amended as follows:

Section 3.0 of Contract DA-5262, is amended and restated in its entirety to read:

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 Design/Builder of a Notice to Proceed and expire no later than six (6) years and six (6) months from said date, and subject to other termination provisions contained within the Contract Documents. Design/Builder 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 CGMP, subject to LAWA authorized modifications as provided for in the Contract Documents. In addition, Design/Builder may be assessed Liquidated Damages for failure to meet specific Contract Milestone dates as set forth in the individual CGMPs. The term of this Contract Agreement may be extended by the Board of Airport Commissioners (BOAC) subject to approval by the Los Angeles City Council.

It is understood and agreed by and between the parties hereto that, except as specifically provided herein, this Third Amendment shall not, in any manner, alter, change, modify or affect any of the rights, privileges, duties or obligations of either of the parties hereto under or by reason of said Contract DA-5262.

IN WITNESS WHEREOF, the parties hereto have made and executed this Third Amendment on the day and year first above written.

[Remainder of Page Intentionally Left Blank]

APPROVED AS TO FORM:
Hydee Feldstein Soto, City Attorney

CITY OF LOS ANGELES

Date: Feb 17, 2023

By: _____
Executive Director
Department of Airports

By: E. J. Ross
Deputy City Attorney

By: _____
Comptroller
Department of Airports

ATTEST:

By: _____
Secretary (Signature)

[Signature]
AUSTIN COMMERCIAL, L.P.
By: _____
Signature

Print Name

RALPH Ketchum
Print Name

[SEAL]

SR Vice President
Print Title