

ADMINISTRATIVE EXEMPTION and INNOVATION, GRANTS, TECHNOLOGY, COMMERCE AND TRADE COMMITTEE REPORT relative to eight, seven-year contracts with Berg and Associates, Inc.; CMTS, LLC; Lea and Elliott, Inc.; Jacobs Project Management Co.; Jacobsen/Daniels Associates, LLC; Parsons Transportation Group Inc.; Simpson and Simpson Management Consulting Inc.; and Vanir/ASL, LLC, for program management and advisory support services and project and construction management services, in support of the Capital Improvement Program at Los Angeles World Airports (LAWA).

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (Board) that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE the eight, seven-year contracts with Berg and Associates, Inc.; CMTS, LLC; Lea and Elliott, Inc.; Jacobs Project Management Co.; Jacobsen/Daniels Associates, LLC; Parsons Transportation Group Inc.; Simpson and Simpson Management Consulting Inc.; and Vanir/ASL, LLC.
3. CONCUR with the Board's action of September 21, 2016 by Resolution No. 26073 authorizing the Chief Executive Officer, LAWA, to execute the eight, seven-year contracts with Berg and Associates, Inc.; CMTS, LLC; Lea and Elliott, Inc.; Jacobs Project Management Co.; Jacobsen/Daniels Associates, LLC; Parsons Transportation Group Inc.; Simpson and Simpson Management Consulting Inc.; and Vanir/ASL, LLC, for program management and advisory support services and project and construction management services, in support of the Capital Improvement Program at LAWA.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of the proposed contracts will have no impact on the General Fund. Contract expenditures will be capitalized and, when individual projects are put in service, such costs will be allocated across the associated cost centers; costs will then be recovered from landing fees, terminal rates and charges, and non-aeronautical revenues (e.g., concessions, parking lot revenue, etc.). LAWA's executive management and, to some degree, other non-capital projects may also be supported by the proposed contracts. In such instances, funding may come from LAWA's Operating Budget within various cost centers. These costs will also be recovered from landing fees, terminal rates and charges, and non-aeronautical revenues. Funding for Years 1 and 2 of the proposed contracts has been requested from the Board from the Los Angeles International Airport (LAX) and Van Nuys Airport Revenue Funds to various Board approved WBS (Work Breakdown Structure or cost center) Elements, as required. This project complies with LAWA's adopted Financial Policies.

Community Impact Statement: None submitted.

TIME LIMIT FILE – NOVEMBER 26, 2016

(LAST DAY FOR COUNCIL ACTION – NOVEMBER 23, 2016)

SUMMARY

At the meeting held on November 1, 2016, your Innovation, Grants, Technology, Commerce and Trade Committee considered a LAWA transmittal relative to eight, seven-year contracts with Berg and Associates, Inc.; CMTS, LLC; Lea and Elliott, Inc.; Jacobs Project Management Co.; Jacobsen/Daniels Associates, LLC; Parsons Transportation Group Inc.; Simpson and Simpson Management Consulting Inc.; and Vanir/ASL, LLC, for program management and advisory support services and project and construction management services, in support of the Capital Improvement Program at LAWA.

The CAO reports that with over \$14 billion in capital improvements planned or in process for LAX alone, as well as significant improvements being financed by major airline tenants, the need for a cadre of experienced program, project, and construction managers working to support LAWA staff within a flexible, scalable staffing framework is essential for the successful completion of the Airport Capital Improvement Plan and Airport Improvement Program. Of the \$185 million total estimated cost, LAWA has requested a \$113 million initial appropriation from the Board to finance the first two years of the construction, project, and program management support and advisory services leaving a balance of \$72 million to finance years three through five. At the conclusion of the initial two-year period, LAWA will reassess its need for program management staff support for the remaining years of the term. The eight contracts were approved by the Board at its meeting of September 21, 2016.

An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE AND TRADE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BLUMENFELD:	YES
BONIN:	ABSENT
KREKORIAN:	YES
BUSCAINO:	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-