

May 21, 2024

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Recommendation to authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 34964 with Swinerton Builders, of Santa Ana, CA for completion of construction of the Phase II Terminal Area Improvements at the Long Beach Airport and to increase the contingency by \$3,300,000, for a revised contingency amount of \$15,315,675, and revised total contract amount not to exceed \$108,052,178; and,

Increase appropriations in the Airport Fund Group in the Airport Department by \$3,300,000, offset by airport operating revenues for the Phase II Terminal Area Improvements project at Long Beach Airport. (Districts 4, 5)

**DISCUSSION**

City Council approval is requested to amend Contract No. 34964 with Swinerton Builders, of Santa Ana, CA (Swinerton) for completion of construction of the Phase II Terminal Area Improvements at the Long Beach Airport and to increase the contingency by \$3,300,000, for a revised contingency amount of \$15,315,675, and revised total contract amount not to exceed \$108,052,178.

On May 8, 2018, the City Council awarded a design-build contract to Swinerton as part of the adoption of RFP AP18-033 for the design and construction of Phase II, in the amount of \$58,809,490 plus a contingency of \$6,450,000, for a total contract amount not to exceed \$65,259,490. Based on preliminary concept drawings and cost estimates, Phase II identified nine project components including a new ticketing lobby (Ticketing), new checked baggage screening facility (CBIS), new baggage claim facility (Baggage Claim), rehabilitation of the Historic Terminal (Terminal Renovation), pre-security concessions, restrooms, and enhancement of the meeter/greeter plaza (Plaza Improvements), relocation of rental car services into the Historic Terminal (Terminal Rental Car Services), roadway improvements, rental car storage relocation, and a ground transportation center.

On February 11, 2020, the City Council authorized an amendment to Contract No. 34964 with Swinerton to increase the contract by \$21,295,013, and increase the contingency amount by \$5,565,675, for a revised total contract amount not to exceed \$92,120,178 to complete six of the Phase II projects including Ticketing, CBIS, Baggage Claim, Terminal Renovation, Plaza Improvements, and Terminal Rental Car Services. The revised base contract reflected critical and enhanced design improvements as well as increases in costs due to conditions resulting from a volatile material and labor market environment. Ticketing and CBIS opened for

operations on May 4, 2022.

On December 6, 2022, the City Council authorized an amendment to Contract No. 34964 with Swinerton to increase the contract by \$12,632,000 for a revised total contract amount not to exceed \$104,752,178. This additional contract authority funded cost increases largely due to economic inflation and pandemic-related impacts such as construction schedule lengthening and resequencing, escalation costs, supply chain impacts, and labor shortages. It also funded additional project improvements including terrazzo flooring and the state-of-the art video wall for Baggage Claim and exterior skycap podiums for Ticketing. Baggage Claim commenced operations on April 13, 2023, and the Plaza Improvements building elements were completed and fully available for use on March 11, 2024.

As the Phase II program nears completion, City Council approval is requested to increase the contract contingency amount by \$3,300,000 to allow for additional unforeseen work necessary to complete the program. This additional funding will support enhanced seismic reinforcement and the expanded scope of fire protection renovations to each floor of the Historic Terminal to maintain proper fire rating. The funding will also support replacing air handling units, additional security components, increased restoration services to protect the expansive mosaic art, and unforeseen project delays due to inclement weather and labor and material shortages. The revised total contract will not exceed \$108,052,178. Terminal Renovation is expected to be completed by the end of the second quarter of 2024 and the new Terminal Rental Car Service counters will become operational by December 2024.

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on April 18, 2024, Purchasing Agent Michelle Wilson on April 15, 2024, and by Budget Analysis Officer Greg Sorensen on April 17, 2024.

#### TIMING CONSIDERATIONS

City Council action to increase the contract contingency of Contract No. 34964 is requested on May 21, 2024, to ensure sufficient funding and appropriations to complete Phase II.

#### FISCAL IMPACT

The requested action increases the contract contingency by \$3,300,000 with Swinerton. The total amount of the contract will not exceed \$108,052,178, inclusive of the \$15,315,675 contract contingency. An increase in appropriations in the amount of \$3,300,000 is requested in the Airport Fund Group in the Airport Department to complete the construction of Phase II, offset by airport operating revenues. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. It is anticipated that this project will have a positive impact on the local job market.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Cynthia Guidry  
Director  
Long Beach Airport

APPROVED:



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THOMAS B. MODICA  
CITY MANAGER