

File No. 230010

Committee Item No. 2

Board Item No. 16

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date February 1, 2023

Board of Supervisors Meeting Date February 7, 2023

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 22-0182 12/6/2022</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Original Agreement - Contract No. 10072.41 - 12/19/2017</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 1 9/1/2018</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 2 2/19/2019</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 3 8/1/2019</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 4 3/1/2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 5 6/1/2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 6 11/23/2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 7 5/31/2022</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Modification No. 8 12/7/2022</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 17-0189 8/15/2017</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 17-0321 12/19/2017</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 19-0030 2/19/2019</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 19-0273 11/5/2019</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 20-0028 2/18/2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 22-0029 2/18/2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 22-0055 4/5/2022</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>PLN Final Negative Declaration 7/28/2017</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Airport Commission Resolution No. 17-0188 4/24/2020</u> |

Completed by: Brent Jalipa Date January 26, 2023

Completed by: Brent Jalipa Date _____

1 [Airport Professional Services Agreement - PGH Wong & Partners JV - Project Management
2 Support Services for the Courtyard 3 Connector Project - Further Modifications Not to Exceed
3 \$25,000,000]

4 **Resolution approving Modification No. 9 to Airport Contract No. 10072.41, Project**
5 **Management Support Services for the San Francisco International Airport, Courtyard 3**
6 **Connector Project with PGH Wong & Partners JV, a joint venture consisting of PGH**
7 **Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to**
8 **increase the Contract amount by \$7,750,000 for a new not to exceed amount of**
9 **\$25,000,000 for services, pursuant to Charter, Section 9.118(b); and making findings**
10 **under the California Environmental Quality Act.**

11
12 WHEREAS, The San Francisco International Airport Courtyard 3 Connector Project
13 (“Project”) is constructing a new pre-security and post-security connector between Terminal 2
14 and Terminal 3, as well as an adjacent building for office space, tenant lease space,
15 passenger amenities, and lounges; and

16 WHEREAS, On December 19, 2017, by Resolution No. 17-0321, the Airport
17 Commission (“Commission”) awarded Contract No. 10072.41, Project Management Support
18 Services for the Project (“Contract”), to PGH Wong & Partners JV, a joint venture then
19 consisting of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and
20 Associates Consulting Engineers, Inc., in the not to exceed amount of \$3,250,000 for the first
21 year of services; and

22 WHEREAS, The Contract scope of work includes project-level management, design,
23 and construction management services, project controls, contract administration, cost
24 estimating services, and field inspections for the Project; and

25

1 WHEREAS, Effective September 1, 2018, the Airport Director approved Modification
2 No. 1, updating overhead rates with no changes to the Contract amount or term; and

3 WHEREAS, On February 19, 2019, by Resolution No. 19-0030, the Commission
4 approved Modification No. 2, increasing the Contract not to exceed amount to \$8,250,000 for
5 services and extending the term through March 12, 2020; and

6 WHEREAS, Effective October 18, 2019, the Airport Director approved Modification
7 No. 3, updating labor rates with no changes to the Contract amount or term; and

8 WHEREAS, On November 5, 2019, by Resolution No. 19-0273, the Commission
9 approved Modification No. 4, increasing the Contract not to exceed amount to \$17,250,000
10 and extending the term through June 30, 2022, and directing the Commission Secretary to
11 seek Board of Supervisors' approval of Modification No 4; and

12 WHEREAS, Commission staff neither executed nor sought the Board of Supervisors'
13 approval of Modification No. 4 because, after Commission adoption of Resolution
14 No. 19-0273, Commission staff learned joint venture member CFWright Consulting, LLC had
15 resigned from the joint venture PGH Wong & Partners JV, and therefore, Commission staff did
16 not seek Board of Supervisors' approval of Modification No.4; and

17 WHEREAS, On February 18, 2020, by Resolution No. 20-0028, the Commission
18 approved a revised Modification No. 4, increasing the Contract not to exceed amount to
19 \$9,750,000 for services and extending the term through June 30, 2022, and acknowledged
20 CFWright Consulting LLC's withdrawal as a member of the joint venture PGH Wong &
21 Partners JV; and

22 WHEREAS, On February 18, 2020, by Resolution No. 20-0029, the Commission
23 approved Modification No. 5 to the Contract, increasing the not to exceed amount to
24 \$17,250,000 with no change to the contract term and directing the Commission Secretary to
25

1 seek Board of Supervisors' approval of the proposed increase to the Contract's not to exceed
2 amount; and

3 WHEREAS, On June 23, 2020, by Resolution No. 279-20, the Board of Supervisors
4 approved Modification No. 5 under San Francisco Charter, Section 9.118(b); and

5 WHEREAS, Effective July 1, 2020, the Airport Director approved Modification No. 6,
6 updating labor rates with no changes to the Contract amount or term; and

7 WHEREAS, On April 5, 2022, by Resolution No. 22-0055, the Commission approved
8 Modification No. 7 to extend the Contract through December 31, 2023, with no change to the
9 Contract amount, and adding a subcontractor firm to the list of approved subcontractors; and

10 WHEREAS, Effective November 21, 2022, the Airport Director approved Modification
11 No. 8, modifying the Contract to include new classifications, a new subconsultant, and labor
12 rates with no changes to the Contract term or Contract amount; and

13 WHEREAS, On December 6, 2022, by Resolution No. 22-0182, the Commission
14 approved Modification No. 9 to the Contract, increasing the not to exceed amount by
15 \$10,600,000 for a new Contract amount not to exceed \$27,850,000 and extending the
16 Contract term for services through January 25, 2025, and directing the Commission Secretary
17 to seek Board of Supervisors' approval of the proposed increase to the Contract's not to
18 exceed amount; and

19 WHEREAS, Charter, Section 9.118(b), provides that modifications exceeding \$500,000
20 for agreements entered into by a department, board, or commission requiring anticipated
21 expenditures of ten million dollars or more, shall be subject to approval by the Board of
22 Supervisors by resolution; and

23 WHEREAS, After reviewing the information regarding the Project, the San Francisco
24 Planning Department, Environmental Planning Division ("Planning Department") prepared a
25 Preliminary Negative Declaration for the Project, dated May 24, 2017, which was thereafter

1 amended to respond to a comment received during the public review period, and a Final
2 Negative Declaration (“FND”) (File No. 2016-000857ENV), dated July 28, 2017, was issued
3 by the Planning Department, all in accordance with the California Environmental Quality Act
4 (California Public Resources Code Section 21000, et seq.) (“CEQA”), the State CEQA
5 Guidelines (14 Cal. Code Regs. Section 15000, et seq.), and Chapter 31 of the San Francisco
6 Administrative Code; and

7 WHEREAS, In issuing the FND, the Planning Department determined that the Project
8 would not have a significant effect on the environment; and

9 WHEREAS, By Resolution No. 17-0188 dated August 15, 2017, the Commission
10 adopted the FND for the Project and adopted the findings under CEQA; and

11 WHEREAS, Since the FND has been finalized, there have been no substantial Project
12 changes and no substantial changes in Project circumstances that would require major
13 revisions to the FND due to the involvement of new significant environmental effects or an
14 increase in the severity of previously identified significant impacts, and there is no new
15 information of substantial importance that would change the findings set forth in the FND; and

16 WHEREAS, The Board has considered the FND and finds that there is no substantial
17 evidence that the Project will result in a significant impact on the environment and that the
18 FND reflects the City’s independent judgment and analysis; now, therefore, be it

19 RESOLVED, That the Board of Supervisors adopts the FND, and, be it

20 RESOLVED, That the Board of Supervisors hereby approves Modification No. 9 to
21 Airport Contract No. 10072.41, Program Management Support Services for the San Francisco
22 International Airport Courtyard 3 Connector Project, with PGH Wong & Partners JV, a joint
23 venture consisting of PGH Wong Engineering, Inc., and Avila and Associates Consulting
24 Engineers, Inc., increasing the Contract amount by \$7,750,000 for a new total Contract not to
25 exceed amount of \$25,000,000; a copy of Modification No. 9 is contained in Board of

1 Supervisors File No. 230010 along with the Contract and all previously executed
2 modifications; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors requests that the Airport
4 conduct a performance evaluation of the contractor and submit the report to the Board of
5 Supervisors for inclusion into the official file within ninety (90) days of Modification No. 9 being
6 fully executed by all parties; and, be it

7 FURTHER RESOLVED, That within thirty (30) days of Modification No. 9 being fully
8 executed by all parties, the Commission shall provide a copy to the Clerk of the Board for
9 inclusion in the official file.

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| <p>Item 2 File 23-0010</p> | <p>Department: San Francisco International Airport (Airport)</p> |
| <p>EXECUTIVE SUMMARY</p> | |
| <p>Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed resolution would approve Modification No. 9 to the project management support services contract for the Courtyard 3 Connector Project between the San Francisco International Airport (Airport) and PGH Wong & Partners JV (PGH Wong), increasing the not-to-exceed amount by \$10,600,000, for a total not to exceed \$27,850,000, and extending the term by approximately one year and one month through January 25, 2025. <p>Key Points</p> <ul style="list-style-type: none"> • The Airport’s Courtyard 3 Connector Project includes a pre-security and post-security connector between Terminals 2 and 3, as well as an adjacent five-story building for office space (including the Airport Integrated Operations Center, or AIOC), tenant lease space, passenger amenities, and lounges. The terminal connectors and building shell are complete and the remaining project scope is the building interior, including the planning and buildout of the AIOC, which had been suspended since November 2020 due to the impact of the COVID-19 pandemic on Airport revenues. Project completion is estimated in mid-2025. • PGH Wong’s support services include project and construction management and quality assurance oversight, building code compliance, safety policy, procedure oversight, project controls, scheduling, contract administration, cost estimating services, and field inspection. Because the Airport suspended annual contractor performance evaluations during the early phase of the pandemic, the contractor has not been evaluated since October 2020. • The proposed resolution’s not to exceed amount includes spending through FY 2025-26, however the contract term ends in January 2025. <p>Fiscal Impact</p> <ul style="list-style-type: none"> • The proposed Modification No. 9 would increase the not-to-exceed amount of the contract by \$10,600,000. Contract costs are funded by Airport capital revenues. <p>Recommendations</p> <ul style="list-style-type: none"> • Amend the proposed resolution to request that Airport staff conduct a performance evaluation of the contractor within 90 days and to submit the report to the legislative file. • Amend the proposed resolution to reduce the contract not-to-exceed amount to \$25,000,000. • Approve the resolution, as amended. | |

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

The San Francisco International Airport’s (Airport) Courtyard 3 Connector Project includes a pre-security and post-security connector between Terminals 2 and 3, as well as an adjacent five-story building for office space, tenant lease space, passenger amenities, and lounges. In December 2017, after conducting a Request for Proposals (RFP) process, the Airport Commission awarded a project management support services contract to PGH Wong & Partners JV (PGH Wong), a joint venture then consisting of PGH Wong Engineering, Inc., CFWRight Consulting, LLC, and Avila Associates Consulting Engineers, Inc. for an initial one-year term from March 12, 2018 through March 12, 2019 and an amount not to exceed \$3,250,000. The contract has since been modified eight times, as shown in Exhibit 1 below.

Exhibit 1: Previous Contract Modifications

| No. | Date | Approval | Description |
|-----|------------|----------------------|---|
| 1 | 9/1/2018 | Administrative | Amended overhead rates |
| 2 | 2/19/2019 | Airport Commission | Extended term by 1 year through March 12, 2020 and increased not-to-exceed amount to \$8,250,000 |
| 3 | 10/18/2019 | Administrative | Amended base labor rates |
| 4 | 2/18/2020 | Airport Commission | Extended term by approximately 2 years and 3 months through June 30, 2022, increased not-to-exceed amount to \$9,750,000, and acknowledged that CFWRight was no longer a joint venture member |
| 5 | 6/23/2020 | Board of Supervisors | Increased not-to-exceed amount to \$17,250,000 (File 20-0418) to accommodate the increased scope of work of Courtyard 3 project. |
| 6 | 11/23/2020 | Administrative | Amended base labor rates |
| 7 | 4/5/2022 | Airport Commission | Extended term by 1 year and 6 months through December 31, 2023, added subconsultant STOK LLC, and amended labor rates |
| 8 | 11/21/2022 | Administrative | Added subconsultant Helton Ventures ¹ |

Source: Airport, Previous Contract Modifications

In November 2020, due to the impact of the COVID-19 pandemic on air travel and Airport revenues, the Airport suspended construction of the building’s interior. Construction of the building shell and terminal connectors continued. In August 2022, the Airport lifted the suspension and directed contractors to proceed with the building interiors. In December 2022, the Airport Commission approved Modification No. 9 to the PGH Wong contract to continue project management support services through substantial completion of the project.

¹ As of Modification No. 8 to the contract, PGH Wong’s subcontractors are Chaves & Associates, Helton Ventures LLC, Montez Group, Saylor Consulting Group, Stok LLC, Studio 151, and UDC Pros.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve Modification No. 9 to the Airport's contract with PGH Wong, increasing the not-to-exceed amount by \$10,600,000, for a total not to exceed \$27,850,000, and extending the term by approximately one year and one month through January 25, 2025. The proposed resolution would also adopt the Planning Department's Final Negative Declaration (FND) under the California Environmental Quality Act (CEQA).

Under the proposed Modification No. 9, PGH Wong would continue to provide project management support services for the Courtyard 3 Connector Project. Support services include project and construction management and quality assurance oversight, building code compliance, safety policy, procedure oversight, project controls,² scheduling, contract administration, cost estimating services, and field inspection.

Contract Term

The total contract term from December 2017 through January 2025 is approximately 3.5 years longer than the 40-month term specified in the original RFP because the Courtyard 3 Connector Project and associated design-build contract scope and timeline increased, requiring continued project management and support services. According to Victor M. Madrigal Jr., Airport Principal Administrative Analyst, the term end date is approximately six months prior to the scheduled completion date of mid-2025 of the Courtyard 3 Connector Project because the project is currently refining the schedule associated with the Airport's new AIOC. The project will return to the Airport Commission to authorize a duration extension once the schedule related to the AIOC is fully developed. A future contract amendment may be needed to extend the term through project completion.

Project Status

According to Principal Administrative Analyst Madrigal, the terminal connectors and building shell are complete, and the remaining project scope is the building interior. The fourth floor of the building would house the new Airport Integrated Operations Center (AIOC). According to Principal Administrative Analyst Madrigal, the AIOC would integrate the Airport's current Communications Center, Security Operations Center, and Emergency Operations Center, and house representatives from the Airport Operations and Facilities Departments. These functions are currently operating out of Terminal 2 and Airport Building 682. The space would consist of open workstations, enclosed offices, and conference rooms and would contain infrastructure and technology to support critical Airport systems. The Airport is still finalizing the programming plan for the AIOC, and project completion is estimated in mid-2025.³ The total project budget has increased by \$68.3 million (27 percent) overall from approximately \$253.7 million in the FY 2017-

² Project controls include utilizing systems compatible with the Airport's project control software, real-time data entry, assisting the design-build contractor to exchange information with other contractors, producing regular reports to Airport staff, and providing high-level project cost information to the Airport's Capital Improvement Program (CIP) consultants.

³ According to Principal Administrative Analyst Madrigal, the original anticipated completion before the COVID disruption was January 25, 2022. However, this date did not include any work associated with the AIOC, which is a contributing factor in the cost increases.

18 Capital Improvement Plan to approximately \$322.0 million as of January 2023, including a \$29.0 million increase since June 2020.⁴ According to Principal Administrative Analyst Madrigal, the \$29.0 million increase since June 2020 is due to escalation cost impacts for the suspended scope of work and the estimated cost of programming, design, and construction of the Airport's new AIOC.

Performance Monitoring

The contract is subject to compliance with standard reporting and monitoring requirements. Annual performance requirements for the contract include reporting on the following criteria categories: (1) general issues (safety and security, management, technical enterprise, responsive to requests, dependability and trust, independent action, and innovation); (2) project controls; (3) data entry; (4) change order preparation; (5) quality control; (6) contract administration; (7) teamwork and communication; (8) management of the project cost and schedule; and (9) team resources management. In the most recent performance evaluation, dated October 31, 2020, PGH Wong met or exceeded expectations in 29 of 30 measures and received a score of 52 out of 60 points. Although the contractor performed \$7.1 million of work during FY 2020-21 and FY 2021-22, according to Principal Administrative Analyst Madrigal, the Airport suspended annual contractor performance evaluations during the pandemic, which were not conducted in 2021 and 2022. Evaluations will resume in 2023. The Budget and Legislative Analyst recommends amending the proposed resolution to request Airport staff to conduct a performance evaluation within 90 days and submit the report to the legislative file.

FISCAL IMPACT

The proposed Modification No. 9 would increase the not-to-exceed amount of the contract by \$10,600,000, for a total not to exceed \$27,850,000. Contract costs are primarily labor costs, which range from \$42 to \$125 per hour.

The increase in the contract budget is due to changes in the project scope for the Courtyard 3 Connector Project discussed above, according to Principal Administrative Analyst Madrigal. Actual expenditures on the contract through December 2022 total \$16,287,277. Projected expenditures for the remainder of the contract plus are shown in Exhibit 2 below.

⁴ The \$39.3 million increase between the FY 2017-18 Capital Improvement Plan budget of \$253.7 million and the June 2020 budget of \$293.0 million was due to project scope changes including: (a) additional structural and infrastructure requirements; (b) new elevator cab; (c) net-zero energy initiatives such as mechanical system and dynamic glazing; (d) special systems room infrastructure relocation and upgrades of selected systems; (e) interim relocation of Airport's Security Operation Center and Communications Center that required relocation and upgrade of 911 System and other security systems.

Exhibit 2: Projected Contract Expenditures

| Task | FY 2022-23 (6 Months) | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--|--------------------------|--------------------|--------------------|--------------------|---------------------|
| Construction Management | \$1,008,509 | \$2,476,694 | \$2,173,485 | \$1,288,228 | \$6,946,916 |
| Project Controls | 296,614 | 587,753 | 540,178 | 212,359 | 1,636,903 |
| Architectural Support | 197,837 | 399,306 | 317,038 | 188,763 | 1,102,944 |
| Contract Administration | 280,068 | 616,428 | 525,704 | 94,382 | 1,516,581 |
| Inspection | 28,228 | 68,800 | 48,151 | - | 145,180 |
| Other Direct Costs | 45,900 | 91,800 | 76,500 | - | 214,200 |
| Total Projected Expenditures | \$1,857,155 | \$4,240,781 | \$3,681,055 | \$1,783,732 | \$11,562,723 |
| Actual Expenditures (Through Dec. 2022) | | | | | 16,287,277 |
| Total Not-to-Exceed | | | | | \$27,850,000 |

Source: Airport. Totals may not add due to rounding.

The contract is funded by Airport capital funds.

Not To Exceed Amount Is Not Consistent with Contract Term

Although the proposed contract term expires in January 2025, the proposed Modification No. 9 provides funding in FY 2025-26 because the forecasted budget reflects the latest project schedule extending through FY 2025-26 based on the anticipated project duration. According to Principal Administrative Analyst Madrigal, the project will return to the Airport Commission to authorize a duration extension once the schedule related to the AIOC is fully developed. The Budget and Legislative Analyst recommends amending the proposed resolution to reduce the not-to-exceed amount of the contract to \$25,000,000, which is sufficient to cover costs through the proposed contract term ending January 2025.

RECOMMENDATIONS

1. Amend the proposed resolution to request that Airport staff conduct a performance evaluation of the contractor within 90 days and to submit the report to the legislative file.
2. Amend the proposed resolution to reduce the contract not-to-exceed amount to \$25,000,000.
3. Approve the resolution, as amended.

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 9

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

This Modification is made this 20th day of February 2023 in the City and County of San Francisco, State of California, by and between: PGH Wong & Partners JV (the “Contractor”), and the City and County of San Francisco, a municipal corporation (the “City”), acting by and through its Airport Commission, (the “Commission”).

RECITALS

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the “Airport” or “SFO”) (as defined below); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$3,250,000 for the first year of services; and
- D. On September 1, 2018, City and Contractor administratively modified the Agreement to update the Contractor’s overhead rates through Modification No. 1; and
- E. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2, increasing the contract amount by \$5,000,000 for a new total contract amount not to exceed \$8,250,000 and extending the term of the Agreement through March 12, 2020; and
- F. On August 1, 2019, City and Contractor administratively modified the Agreement to update standard contractual clauses and update the direct labor rates through Modification No. 3; and
- G. On November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4, increasing the contract amount by \$9,000,000 for a new total contract amount not to exceed \$17,250,000, extending the term of the Agreement for services through June 30, 2022, and directing the Commission Secretary to seek Board of Supervisors approval of Modification No. 4; and
- H. After the Commission adopted Resolution No. 19-0273, the Contractor informed the Airport that joint venture member CFWright Consulting, LLC had resigned from the joint venture, and therefore, Staff neither executed nor sought Board of Supervisors approval of Modification No. 4; and
- I. On February 18, 2020, by Resolution No. 20-0028, the Commission approved a revised Modification No. 4, dated March 1, 2020, increasing the contract amount by \$1,500,000 for a new total contract amount not to exceed \$9,750,000, extending the term of the Agreement for services through June 30, 2022, and recognizing CFWright Consulting, LLC’s complete withdrawal as a member of the joint

venture that is the Contractor for this Agreement. Standard contractual clauses were also updated through Modification No. 4; and

J. On February 18, 2020, by Resolution No. 20-0029, the Commission approved Modification No. 5, increasing the contract amount by \$7,500,000 for a new total contract amount not to exceed \$17,250,000 and directing the Commission Secretary to seek Board of Supervisors approval of Modification No. 5; and

K. On June 23, 2020, by Resolution No. 279-20, the Board of Supervisors approved Modification No. 5 under San Francisco Charter Section 9.118(b); and

L. On July 1, 2020, City and Contractor administratively modified the Agreement to amend Appendix B, Calculation of Charges, and to update standard contractual clauses through Modification No. 6; and

M. On April 5, 2022, by Resolution No. 22-0055, the Commission approved Modification No. 7, extending the term of the Agreement for services through December 31, 2023, with no change to the contract amount and adding a subcontractor firm to the list of approved subcontractors. Standard contractual clauses were also updated through Modification No. 7; and

N. On November 21, 2022, City and Contractor administratively modified the Agreement, adding a subcontractor firm and updating the overhead rates through Modification No. 8; and

O. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount, extend the term of the Agreement, direct the Commission Secretary to seek Board of Supervisors approval, and update standard contractual clauses; and

P. On December 6, 2022, by Resolution No. 22-0182, the Commission approved this Modification No. 9, increasing the contract amount by \$10,600,000 for a new total not-to-exceed amount of \$27,850,000, extending the term of the Agreement for services through January 25, 2025, and directing the Commission Secretary to seek Board of Supervisors approval of Modification No. 9; and

L. On _____, by Resolution No. _____, the Board of Supervisors approved this Modification No. 9 under San Francisco Charter Section 9.118(b); and

Q. Approval for this Agreement was obtained when the Department of Human Resources approved Modification No. 1 to PSC No. 47501-16/17 on November 29, 2021; and

R. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

NOW, THEREFORE, Contractor and City agree as follows:

1. **Section 1.1 Agreement** is hereby replaced in its entirety with the following:

1.1 “Agreement” means the contract document dated December 19, 2017, Modification No. 1 dated September 1, 2018, Modification No. 2 dated February 19, 2019, Modification No. 3 dated August 1, 2019, Modification No. 4 dated March 1, 2020, Modification No. 5 dated July 3, 2020, Modification No. 6 dated July 1, 2020, Modification No. 7 dated April 5, 2022, and Modification No. 8 dated November 21, 2022, including all attached appendices, and all applicable city ordinances and “Mandatory City Requirements” which are specifically incorporated by reference into the Agreement.

2. **Article 2. Term of the Agreement** is hereby amended to extend the term of the Agreement to a new ending date of January 25, 2025.

3. **Article 3. Financial Matters, 3.3. Compensation, Section 3.3.1 Calculation of Charges** is hereby amended to increase the total compensation payable by Ten Million Six Hundred Thousand Dollars (**\$10,600,000**) for a new total not-to-exceed amount of Twenty-Seven Million Eight Hundred Fifty Thousand Dollars (**\$27,850,000**).

4. **Section 11.1 Notices to the Parties**, is hereby deleted in its entirety and replaced with the following:

11.1 Notices to the Parties. Unless otherwise indicated in this Agreement, all written communications sent by the Parties may be by U.S. mail or e-mail and shall be addressed as follows:

To City: Jacob Ehrenberg
Airport Project Manager
San Francisco International Airport
P.O. Box 8097
San Francisco, California 94128
Email: jacob.ehrenberg@flsfo.com

To Contractor: Matthew Kyauk
Project Manager
PGH Wong Engineering, Inc.
182 2nd Street, Suite 500
San Francisco, CA 94105
Email: matthew.kyauk.pgh@sfoconsultant.com

Any notice of default must be sent by registered mail. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

5. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

6. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| CITY | CONTRACTOR |
|--|--|
| AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO | |
| By: _____ Ivar C. Satero, Airport Director | _____ Authorized Signature |
| Attest: | _____ <u>Cliff Wong</u> Printed Name |
| By _____ Kantrice Ogletree, Secretary Airport Commission | _____ <u>President, PGH Wong Engineering, Inc.</u> Title |
| Resolution No: 22-0182 | _____ Authorized Signature |
| Adopted on: <u>December 6, 2022</u> | _____ <u>Ernesto A. Avila</u> Printed Name |
| Approved as to Form: | _____ President |
| David Chiu City Attorney | _____ <u>Avila and Associates Consulting Engineers, Inc.</u> Title |
| By: _____ Daniel A. Edington Deputy City Attorney | _____ <u>PGH Wong & Partners JV</u> Company Name |
| | _____ <u>182 2nd Street, Suite 500</u> Address |
| | _____ <u>San Francisco, California 94105</u> City, State, ZIP |
| | _____ <u>(415) 566-0800</u> Telephone Number |
| | _____ <u>0000029434</u> City Supplier ID |
| | _____ <u>82-3487026</u> Federal Employer ID Number |



MEMORANDUM

December 6, 2022

TO: AIRPORT COMMISSION
Hon. Eleanor Johns, President
Hon. Malcolm Yeung, Vice President
Hon. Everett A. Hewlett, Jr.
Hon. Jane Natoli
Hon. Jose F. Almanza

22-0182
DEC 6 2022

FROM: Airport Director

SUBJECT: Approval of Modification No. 9 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 9 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., AND AVILA AND ASSOCIATES CONSULTING ENGINEERS, INC., TO INCREASE THE CONTRACT AMOUNT BY \$10,600,000 FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$27,850,000, AND TO EXTEND THE CONTRACT FOR SERVICES THROUGH JANUARY 25, 2025.

Executive Summary

The Courtyard 3 Connector Project (Project) will construct a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges. In November 2020, the Airport suspended construction of the building's interior as a cost-saving measure in light of COVID-19's impact on Airport revenue. In August 2022, Staff lifted the suspension and directed the team to proceed with the completion of the building interiors, including the new Integrated Operations Center.

The Project Management Support Services (PMSS) consultant provides overall management expertise and oversight of the Project. The Contract's scope of work includes design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

Proposed Modification No. 9 would increase the Contract amount by \$10,600,000 and extend the Contract duration through January 25, 2025. Upon approval, the Commission will direct the Commission Secretary to seek the Board of Supervisors' approval of Modification No. 9 to this Contract consistent with San Francisco Charter Section 9.118(b).

Background

The Project has constructed a new pre-security and post-security connector between Terminal 2 and Terminal 3 and continues construction of office and tenant spaces.

On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Contract to PGH Wong & Partners JV in a not-to-exceed amount of \$3,250,000 for the initial year of services. At that time, the joint venture consisted of three member firms including: PGH Wong Engineering, Inc., CF Wright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc.

The Commission previously approved Modification Nos. 2, 4, 5, and 7, increasing the Contract not-to-exceed amount to \$17,250,000 and extending the Contract duration through December 31, 2022.

On June 23, 2020, by Resolution No. 279-20, the Board of Supervisors (BOS) approved Modification No. 5 increasing the Contract amount by \$7,500,000 for a new total Contract amount not to exceed \$ 17,250,000.

Modification Nos. 1, 3, 6, and 8 were administrative modifications adjusting labor rates and acknowledging CF Wright Consulting, LLC was no longer a member of the joint venture PGH Wong & Partners JV and adding new sub-consultants.

Modification No. 9 would increase the Contract not-to-exceed amount by \$10,600,000 for a new Contract not-to-exceed amount of \$27,850,000 and extend the Contract duration through January 25, 2025.

Because the Contract amount has exceeded \$10,000,000, and the cost of this modification exceeds \$500,000, pending Commission authorization, Staff will seek BOS's approval to increase the authorized not-to-exceed amount as required by San Francisco Charter Section 9.118(b) for the full estimated Contract amount of \$27,850,000.

The proposed full Contract not-to-exceed amount is within the budget for this Contract and funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 21% for this Contract. PGH Wong & Partners JV is committed to meeting this subconsulting participation requirement.

Recommendation

I recommend the Commission approve Modification No. 9 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners JV, a joint venture between PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to increase the Contract amount by \$10,600,000 for a new Contract not-to-exceed amount of \$27,850,000 for services through January 25, 2025.

I also recommend that the Commission direct the Commission Secretary to seek the Board of Supervisors' approval of Modification No. 9 to this Contract consistent with San Francisco Charter Section 9.118(b).



Ivar C. Satero
Airport Director

Prepared by: Judi Mosqueda
Chief Development Officer
Design & Construction

Attachments

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
December 6, 2022

Contract No.: 10072.41 Project Management Support Services for the Courtyard 3 Connector Project

Consultant: PGH Wong & Partners JV

Modification No. 9

| Date | Modification No. | Resolution No. | Description | Scope | Amount |
|------------|------------------|----------------|--|--|-------------|
| 8/15/2017 | | 17-0188 | Environmental Review | Adoption of the Final Negative Declaration, adoption of CEQA findings, and determination to proceed with the project. | |
| 12/19/2017 | - | 17-0321 | Award of Contract | Project Management Support Services | \$3,250,000 |
| 9/1/2019 | 1 | - | Administrative Modification | Amendment of overhead rates | \$0 |
| 2/19/2019 | 2 | 19-0030 | Annual Renewal | Annual renewal for the second year of services | \$5,000,000 |
| 10/18/2019 | 3 | - | Administrative Modification | Amendment of base labor rates | \$0 |
| 11/5/2019 | 4 | 19-0273 | Renewal through end of Services | NOT EXECUTED | N/A |
| 2/18/2020 | 4 | 20-0028 | Renewal through end of Services | Renewal of services through June 30, 2022, amendment of Contract Amount, and acknowledgment that CFWRight Consulting LLC is no longer a member of PGH Wong & Partners Joint Venture. | \$1,500,000 |
| 2/18/2020 | 5 | 20-0029 | Budget Increase | Amendment of Contract Amount. | \$7,500,000 |
| 11/23/2020 | 6 | - | Administrative Modification | Amendment of base labor rates | \$0 |
| 4/5/2022 | 7 | 22-0055 | Contract Extension / Administrative Modification | Extend Contract through December 31, 2023, add subconsultant STOK LLC and amendment of rates | \$0 |

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
 December 6, 2022

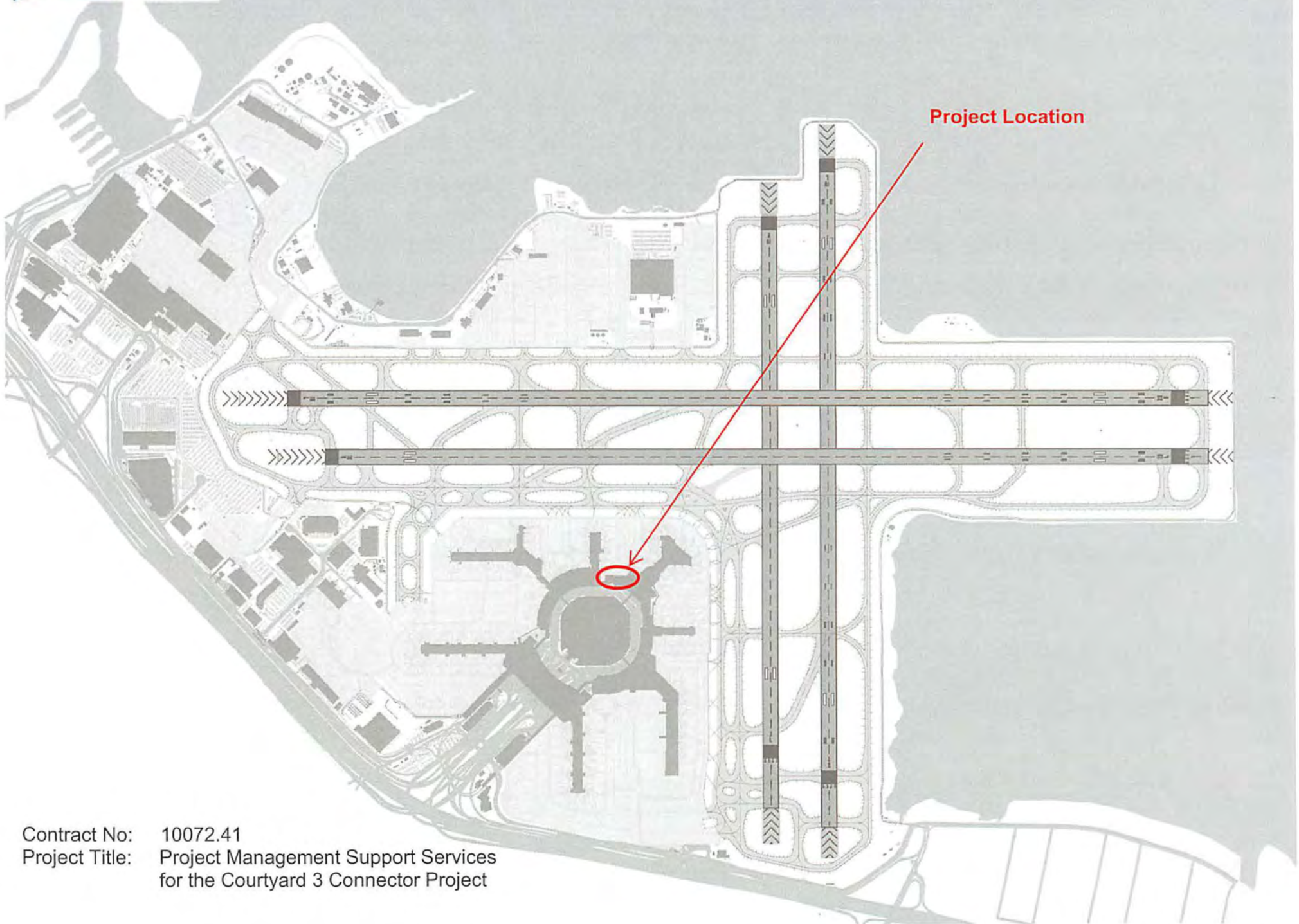
Contract No.: 10072.41 Project Management Support Services for the Courtyard 3 Connector Project

Consultant: PGH Wong & Partners JV

Modification No. 9

| Date | Modification No. | Resolution No. | Description | Scope | Amount |
|------------|------------------|----------------|-----------------------------|-----------------------------------|--------|
| 11/21/2022 | 8 | - | Administrative Modification | Add subconsultant Helton Ventures | \$0 |

| | |
|---|---------------------|
| Contract As-Modified to Date | \$17,250,000 |
| Proposed Contract Modification No. 9 Amount | <u>\$10,600,000</u> |
| Proposed Modified Contract Amount | \$27,850,000 |



Project Location

Contract No: 10072.41
Project Title: Project Management Support Services
for the Courtyard 3 Connector Project

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 22-0182

APPROVAL OF MODIFICATION NO. 9 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$10,600,000 FOR A NEW CONTRACT AMOUNT OF \$27,850,000 AND TO EXTEND THE CONTRACT FOR SERVICES THROUGH JANUARY 25, 2025

- WHEREAS, the Courtyard 3 Connector Project (Project) was the subject of a Negative Declaration prepared by the San Francisco Planning Department, Environmental Planning Division, dated July 28, 2017, in accordance with the requirements of the California Environmental Quality Act, Cal. Public Resources Code Sec. 21000, *et seq.* (CEQA); Title 14, Section 15000, *et seq.* of the Code of California Regulations (CEQA Guidelines); and Chapter 31 of the San Francisco Administrative Code; and
- WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration for the Project and adopted as its own the findings made therein by the San Francisco Planning Department, Environmental Planning Division, including Improvement Measure I-TR, Coordinated Construction Traffic Control Plan, as required by CEQA; and
- WHEREAS, since the Negative Declaration was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Negative Declaration; and
- WHEREAS, the Project will construct a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges; and
- WHEREAS, the Project Management Support Services (PMSS) Consultant provides overall management expertise and oversight of the Project by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection; and
- WHEREAS, on December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Contract to PGH Wong & Partners JV, a joint venture then consisting of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for the Project in the not-to-exceed amount of \$3,250,000 for one year of services; and
- WHEREAS, on February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 increasing the Contract amount by \$5,000,000 for a new not-to-exceed Contract amount of \$8,250,000 for the second year of services through March 12, 2020; and

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. **22-0182**

- WHEREAS, on November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4, increasing the Contract amount by \$9,000,000 for a new Contract amount not to exceed \$17,250,000, extending the term of the Contract through June 30, 2022, and directing Staff to seek approval of the Board of Supervisors (BOS) for Modification No. 4; and
- WHEREAS, Staff neither executed nor sought BOS approval of Modification No. 4 because after Commission adoption of Resolution No. 19-0273 Staff learned joint venture member CFWright Consulting, LLC had resigned from the joint venture PGH Wong & Partners JV; and
- WHEREAS, on February 18, 2020, by Resolution No. 20-0028, the Commission approved a revised Modification No. 4 to increase the Contract amount by \$1,500,000 for a new Contract amount not to exceed \$9,750,000 and extend the Contract for services through June 30, 2022; Modification No. 4 also administratively modified the Contract to acknowledge that CFWright Consulting, LLC is no longer a member of the joint venture PGH Wong & Partners JV; and
- WHEREAS, on February 18, 2020, by Resolution No. 20-0029, the Commission approved Modification No. 5 to increase the Contract amount by \$7,500,000 for a new Contract amount not to exceed \$17,250,000 and to extend the Contract duration through June 30, 2022; and
- WHEREAS, on June 23, 2020, by Resolution No. 279-20, the Board of Supervisors approved Modification No. 5; and
- WHEREAS, on April 5, 2022, by Resolution No. 22-0055, the Commission approved Modification No. 7 to extend the Contract duration through December 31, 2023, with no change to the Contract amount; and
- WHEREAS, the Director executed administrative Modification Nos. 1, 3, 6, and 8 to adjust labor rates and add new sub-consultants with no change to the Contract amount or duration; and
- WHEREAS, Modification No. 9 would increase the Contract not-to-exceed amount by \$10,600,000 for a new Contract not-to-exceed amount of \$27,850,000 and would extend the Contract through January 25, 2025; and
- WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise sub-consulting participation requirement of 21% for this Contract, and PGH Wong & Partners JV is committed to meeting this subconsulting participation requirement; now, therefore, be it

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **22-0182**

RESOLVED, the Commission has reviewed and considered the Final Negative Declaration and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Modification No. 9 to Contract No. 10072.41, and incorporates the CEQA findings contained in Resolution No.17-0188 as though set forth in this Resolution; and, be it further

RESOLVED, that the Commission hereby approves Modification No. 9 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV, a joint venture between PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to increase the Contract not-to-exceed amount by \$10,600,000 for a new Contract amount not to exceed \$27,850,000 and to extend the Contract for services through January 25, 2025; and, be it further

RESOLVED, that the Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of Modification No. 9 consistent with San Francisco Charter Section 9.118(b) in a total not-to-exceed amount equal to the amount of \$27,850,000.

Page 3 of 3

I hereby certify that the foregoing resolution was adopted by the Airport Commission
- **DEC 6 2022**
at its meeting of _____



Secretary

CITY AND COUNTY OF SAN FRANCISCO

CONTRACT ORDER

CONTRACT WITH:

PGH WONG & PARTNERS JV

182 2ND STREET, SUITE 500
SAN FRANCISCO, CA 94105

MODIFICATION

ORIGINAL
 INCREASE
 DECREASE
 OTHERS

| | | |
|---|-------------|-----------------------|
| DEPARTMENT: | | CONTROLLER NO. |
| 27 AIRPORT COMMISSION | | 0000159674 |
| DEPARTMENT CONTACT | | TELEPHONE NO |
| KRIS OPBROEK | | (650) 821-5316 |
| PS Contract | PS PO | DATE: |
| 1000009229 | 0000159674 | 03/08/2018 |
| | | PAGE 1 OF 1 |
| CATEGORY | SUPPLIER ID | JOB NO. |
| 95877 | 0000029434 | CT 10072.41 |
| PERIOD COVERED: | | AMOUNT: |
| ONE YEAR FROM THE DATE OF NOTICE TO PROCEED | | \$300,000.00 |

FOR THE PURPOSE OF: CT NO. 10072.41 - PROGRAM MANAGEMENT SUPPORT SERVICES (PMSS) FOR THE COURTYARD 3 CONNECTOR PROJECT

TO PROVIDE OVARALL MANAGEMENT EXPERTISE AND OVERSIGHT OF THE COURTYARD 3 CONNECTOR PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF \$3,250,000.00 FOR THE FIRST YEAR OF SERVICES.

CSC APPROVAL ON 08/07/2017

PSC# 47501-16/17 (UP TO 08/01/2022) \$280,000,000.00

PSC# FORM 2: 7/1/2017 - 6/30/2018 \$3,250,000.00

| | | | |
|--------------------------|----|------------|------------|
| THIS ENCUMBRANCE: | \$ | 300,000.00 | 0000159674 |
| TOTAL ENCUMBRANCE: | \$ | 300,000.00 | |

CONTRACT PERIOD: ONE YEAR FROM THE DATE OF NOTICE TO PROCEED

CONTRACT AWARD: \$3,250,000.00 FOR FIRST YEAR PER COMMISSION RESOLUTION NO. 17-0321.

| | | | |
|--------------------|--------------------------------|-----------------------------|------------------------------|
| Insurance Required | PGH WONG | CFWRIGHT CONSULTING | AVILA & ASSOCIATES |
| Worker's Comp. | 9/1/2018 \$ 1,000,000.00 | 7/1/2018 \$ 1,000,000.00 | 3/9/2018 \$ 1,000,000.00 |
| Comp. Gen. Liab. | 12/18/2018 \$ 1,000,000.00 | 7/1/2018 \$ 2,000,000.00 | 2/20/2019 \$ 2,000,000.00 |
| Automobile | 9/30/2018 \$ 1,000,000.00 | 7/1/2018 \$ 2,000,000.00 | 4/20/2018 \$ 1,000,000.00 |
| Umbrella | 12/18/2018 \$ 10,000,000.00 | N/A | 2/20/2019 \$ 5,000,000.00 |
| Professional Liab. | 12/15/2018 \$ 10,000,000.00 | 7/1/2018 \$ 2,000,000.00 | 2/20/2019 \$ 5,000,000.00 |

MAIL INVOICE TO:
 KRIS OPBROEK
 PLANNING, DESIGN & CONSTRUCTION
 San Francisco Airport Commission
 P.O. Box 8097
 San Francisco, CA 94128

RECOMMENDED AND APPROVED

| | | | | |
|-----|------------------------------------|--|--|---|
| By: | IVAR C. SATERO Airport Director | Chief Administrative Officer, Board of supervisor | Materials, Supplies & Services Purchaser Real Property Leases & Rents Director of Property | Certification Date: MAR 12 2018 |
| | | | | |

| LN | Number | AMOUNT | ACCOUNT | FUND | DEPT | AUTHORITY | PROJECT | ACTIVITY |
|----|------------|---------------|---------|-------|--------|-----------|----------|----------|
| 01 | 0000159674 | \$ 210,543.00 | 527990 | 19391 | 109722 | 19698 | 10004227 | 0033 |
| 02 | 0000159674 | \$ 39,457.00 | 527990 | 18510 | 109722 | 10345 | 10004227 | 0033 |
| 03 | 0000159674 | \$ 50,000.00 | 527990 | 19383 | 109722 | 10345 | 10004227 | 0033 |

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Agreement between the City and County of San Francisco and

PGH Wong & Partners JV

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

This Agreement is made this 19th day of December, 2017, in the City and County of San Francisco, State of California, by and between: **PGH Wong & Partners JV**, 182 2nd Street, Suite 500, San Francisco, California 94105 (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

Recitals

- A. The Commission wishes to enter into an agreement for Project Management Support Services for the Courtyard 3 Connector Project for the San Francisco International Airport (the "Airport" or "SFO"); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On August 15, 2017, the Commission issued a Request for Proposals ("RFP") and as a result of the selection process prescribed in the RFP and upon the recommendation of the Airport Director, the Commission determined that the Contractor was the qualified proposer receiving the highest evaluation score; and
- D. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not-to-exceed \$3,250,000 for the first year of services; and
- E. The Local Business Entity ("LBE") subcontracting participation requirement for this Agreement is 21%; and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 47501-16/17 on August 7, 2017; and
- G. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, the parties agree as follows:

Article 1 Definitions

The following definitions apply to this Agreement:

1.1 "Agreement" means this contract document, including all attached appendices, and all applicable City Ordinances and Mandatory City Requirements which are specifically incorporated by reference into this Agreement.

1.2 "City" or "the City" means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration, referred to as "Purchasing," or the Director's designated agent, Airport Commission.

1.3 "CMD" means the Contract Monitoring Division of the City.

1.4 "Contractor" or "Consultant" means PGH Wong & Partners JV, 182 2nd Street, Suite 500, San Francisco, California 94105.

1.5 "Deliverables" means Contractor's work product resulting from the Services that are provided by Contractor to City during the course of Contractor's performance of the Agreement, including without limitation, the work product described in the "Scope of Services" attached as Appendix A.

1.6 "Effective Date" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.

1.7 "Mandatory City Requirements" means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws, that impose specific duties and obligations upon Contractor.

1.8 "Party" and "Parties" mean the City and Contractor either collectively or individually.

1.9 "Services" means the work performed by Contractor under this Agreement as specifically described in the "Scope of Services" attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

Article 2 Term of the Agreement

2.1 The term of this Agreement will commence on the date of the Notice to Proceed and expire one (1) year later, unless earlier terminated as otherwise provided in this Agreement.

Article 3 Financial Matters

3.1 **Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation.** This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation under this Agreement shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of

Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

3.2 Guaranteed Maximum Costs. The City's payment obligation to Contractor cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5, "Modification of this Agreement."

3.3 Compensation.

3.3.1 Payment. Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the Airport Director, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed **Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached and incorporated by reference as though fully set forth in this Agreement. A portion of payment may be withheld until conclusion of the Agreement if agreed to both parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments.

3.3.2 Payment Limited to Satisfactory Services. Contractor is not entitled to any payments from City until Airport Commission approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables, including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. The City may reject Deliverables, equipment, components, materials and Services that do not conform to the requirements of this Agreement and in such case must be replaced by Contractor without delay at no cost to the City.

3.3.3 Withhold Payments. If Contractor fails to provide Services consistent with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided in this Agreement.

3.3.4 Invoice Format. Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City, and must include a unique invoice number. Payment shall be made by City as specified in 3.3.6, or in such alternate manner as the Parties have mutually agreed upon in writing.

3.3.5 LBE Payment and Utilization Tracking System. Contractor must submit all required payment information using the online LBE Utilization Tracking System (LBEUTS) as required by

business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing consistent with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five (5) business days of Contractor's receipt of such notice, and consistent with Contractor policy and procedure, Contractor shall remedy the deficiency. If City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

4.4.2 Payment of Employment Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to the preceding two paragraphs shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this section.

4.5 Assignment. The Services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations may be assigned or delegated by Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement. Any purported assignment made in violation of this provision shall be null and void.

4.6 Warranty. Contractor warrants to City that the Services will be performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at the time the Services are performed so as to ensure that all Services performed are correct and appropriate for the purposes contemplated in this Agreement.

Article 5 Insurance and Indemnity

5.1 Insurance.

5.1.1 Required Coverages. Without in any way limiting Contractor's liability under the "Indemnification" section of this Agreement, Contractor, or each of Contractor's Joint Venture Partners, must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(b) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(c) Commercial Automobile Liability Insurance with limits not less than \$2,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(d) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Professional Services to be provided under this Agreement. If the Contractor is a Joint Venture, each member of the Joint Venture must maintain individual Professional Liability insurance and each policy must include 'Joint Venture' coverage but only for the liability arising out of the professional services performed by the Joint Venture member. The Contractor may be asked to provide all applicable policies for verification of coverage.

5.1.2 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

(a) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees. If the Contractor is a Joint Venture, each Joint Venture Partner's policies must be endorsed to include each other Joint Venture partner AND the Joint Venture as additional insureds.

(b) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

5.1.3 All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 11.1, entitled "Notices to the Parties."

5.1.4 Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

5.1.5 Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

5.1.6 Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability.

5.1.7 The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor or any Joint Venture Partner, their employees, agents and subcontractors.

5.1.8 If Contractor or any Joint Venture Partner will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

5.2 **Indemnification.** Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's Services.

Article 6 Liability of the Parties

6.1 **Liability of City.** CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "PAYMENT," OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

6.2 **Liability for Use of Equipment.** City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.

6.3 **Liability for Incidental and Consequential Damages.** Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions.

Article 7 Payment of Taxes

7.1 Except for any applicable California sales and use taxes charged by Contractor to City, Contractor shall pay all taxes, including possessory interest taxes levied upon or as a result of this Agreement, or the Services delivered under this Agreement. Contractor shall remit to the State of California any sales or use taxes paid by City to Contractor under this Agreement. Contractor agrees to promptly provide information requested by the City to verify Contractor's compliance with any State requirements for reporting sales and use tax paid by City under this Agreement.

7.2 Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.

7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code section 64, as amended from time to time). Contractor agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

Article 8 Termination and Default

8.1 **Termination for Convenience.**

8.1.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

8.1.2 Upon receipt of the notice of termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions shall include, without limitation:

(a) Halting the performance of all Services under this Agreement on the date(s) and in the manner specified by City.

(b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, Services, equipment or other items.

(c) At City's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. Upon such assignment, City shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

(d) Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.

(e) Completing performance of any Services that City designates to be completed prior to the date of termination specified by City.

(f) Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.

8.1.3 Within 30 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

(a) The reasonable cost to Contractor, without profit, for all Services prior to the specified termination date, for which Services City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for Services. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

(b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all Services under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.

(c) The reasonable cost to Contractor of handling material or equipment returned to the supplier, delivered to the City or otherwise disposed of as directed by the City.

(d) A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to City, and any other appropriate credits to City against the cost of the Services or other work.

8.1.4 In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically enumerated and described in Section 8.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Services under this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under Section 8.1.3.

8.1.5 In arriving at the amount due to Contractor under this Section, City may deduct: (i) all payments previously made by City for Services covered by Contractor's final invoice; (ii) any claim which City may have against Contractor in connection with this Agreement; (iii) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection 8.1.4; and (iv) in instances in which, in the opinion of the City, the cost of any Service performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected Services, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.

8.1.6 City's payment obligation under this Section shall survive termination of this Agreement.

8.2 Termination for Default; Remedies.

8.2.1 Each of the following shall constitute an immediate event of default ("Event of Default") under this Agreement:

(a) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

| | | | |
|-----------|--------------------------|-------|---|
| 3.5 | Submitting False Claims. | 10.10 | Alcohol and Drug-Free Workplace |
| 4.5 | Assignment | | |
| Article 5 | Insurance and Indemnity | 11.10 | Compliance with Laws |
| Article 7 | Payment of Taxes | 13.1 | Nondisclosure of Private, Proprietary or Confidential Information |

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated into this Agreement by reference, and such default continues for a period of ten days after written notice thereof from City to Contractor.

(c) Contractor (i) is generally not paying its debts as they become due; (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction; (iii) makes an assignment for the benefit of its creditors; (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar

powers of Contractor or of any substantial part of Contractor's property; or (v) takes action for the purpose of any of the foregoing.

(d) A court or government authority enters an order (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, where applicable, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City.

8.2.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

8.2.4 Any notice of default must be sent by registered mail to the address set forth in Article 11.

8.3 **Non-Waiver of Rights.** The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions.

8.4 Rights and Duties upon Termination or Expiration.

8.4.1 This Section and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

| | | | |
|-----------|--|------|-------------------------------------|
| 3.3.2 | Payment Limited to Satisfactory Services | 9.1 | Ownership of Results |
| | | 9.2 | Works for Hire |
| 3.4 | Audit and Inspection of Records | 11.6 | Dispute Resolution Procedure |
| 3.5 | Submitting False Claims | 11.7 | Agreement Made in California; Venue |
| Article 5 | Insurance and Indemnity | 11.8 | Construction |

| | | | |
|-----------|--|-------|---|
| 6.1 | Liability of City | 11.9 | Entire Agreement |
| 6.3 | Liability for Incidental and Consequential Damages | 11.10 | Compliance with Laws |
| Article 7 | Payment of Taxes | 11.11 | Severability |
| 8.1.6 | Payment Obligation | 13.1 | Nondisclosure of Private, Proprietary or Confidential Information |

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City.

Article 9 Rights In Deliverables

9.1 **Ownership of Results.** Any interest of Contractor or its subcontractors, in the Deliverables, including any drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors for the purposes of this agreement, shall become the property of and will be transmitted to City. However, unless expressly prohibited elsewhere in this Agreement, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

9.2 **Works for Hire.** If, in connection with Services, Contractor or its subcontractors creates Deliverables including, without limitation, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes, or any other original works of authorship, whether in digital or any other format, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works shall be the property of the City. If any Deliverables created by Contractor or its subcontractor(s) under this Agreement are ever determined not to be works for hire under U.S. law, Contractor assigns all Contractor's copyrights to such Deliverables to the City, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon subcontractor(s). With City's prior written approval, Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

Article 10 Additional Requirements Incorporated by Reference

10.1 **Laws Incorporated by Reference.** The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement ("Mandatory City Requirements") are available at [http://www.amlegal.com/codes/client/san-francisco ca/](http://www.amlegal.com/codes/client/san-francisco-ca/).

10.2 **Conflict of Interest.** By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government

Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

10.3 Prohibition on Use of Public Funds for Political Activity. In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

10.4 Reserved.

10.5 Nondiscrimination Requirements.

10.5.1 Nondiscrimination in Contracts. Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

10.5.2 Nondiscrimination in the Provision of Employee Benefits. San Francisco Administrative Code 12B.2. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Contractor shall comply with all applicable provisions of Chapter 14B ("LBE Ordinance"). Contractor is subject to the enforcement and penalty provisions in Chapter 14B. Contractor shall utilize LBE Subcontractors for at least 21% of the Services except as otherwise authorized in writing by the Director of CMD. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor's LBE subcontracting commitments.

10.7 Minimum Compensation Ordinance. Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. By signing and executing this Agreement, Contractor certifies that it is in compliance with Chapter 12P.

10.8 Health Care Accountability Ordinance. Contractor shall comply with San Francisco Administrative Code Chapter 12Q. Contractor shall choose and perform one of the Health Care Accountability options set forth in San Francisco Administrative Code Chapter 12Q.3. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q.

10.9 First Source Hiring Program. Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

10.10 Alcohol and Drug-Free Workplace. City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has

reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

10.11 Limitations on Contributions. By executing this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor must inform each such person of the limitation on contributions imposed by Section 1.126 and provide the names of the persons required to be informed to City.

10.12 Slavery Era Disclosure. – Not applicable.

10.13 Working with Minors. – Not applicable.

10.14 Consideration of Criminal History in Hiring and Employment Decisions

10.14.1 Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T, "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code ("Chapter 12T"), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

10.14.2 The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco which excludes Airport property. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

10.15 Public Access to Nonprofit Records and Meetings. – Not applicable.

10.16 **Food Service Waste Reduction Requirements.** Contractor shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the provided remedies for noncompliance.

10.17 **Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

10.18 **Tropical Hardwood and Virgin Redwood Ban.** Under San Francisco Environment Code Section 804(b), the City urges Contractor not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

10.18.1 Contractor shall comply with San Francisco Environment Code Chapter 8, which provides that except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, Contractor shall not provide any items to the City in performance of this contract which are tropical hardwoods, tropical hardwood wood products, virgin redwood or virgin redwood wood products. Contractor is subject to the penalty and enforcement provisions of Chapter 8.

10.19 **Preservative Treated Wood Products. – Not applicable.**

Article 11 General Provisions

11.1 **Notices to the Parties.** Unless otherwise indicated in this Agreement, all written communications sent by the Parties may be by U.S. mail or e-mail, and shall be addressed as follows:

To City: Kris Opbroek
 Airport Project Manager
 San Francisco International Airport
 P.O. Box 8097
 San Francisco, California 94128
 Email: Kris.Opbroek@flysfo.com
 Fax: (650) 821-9410

To Contractor: Joseph Magnello
 Project Manager
 PGH Wong Engineering, Inc.
 182 2nd Street, Suite 500
 San Francisco, CA 94105
 Email: jmagnello@pghwong.com
 Fax: (415) 566-6030

Any notice of default must be sent by registered mail. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

11.2 **Compliance with Americans with Disabilities Act.** Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

11.3 Reserved

11.4 **Sunshine Ordinance.** Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are subject to the California Public Records Act, (California Government Code §6250 *et. seq.*), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

11.5 **Modification of this Agreement.** This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1, "Notices to Parties," regarding change in personnel or place, and except by written instrument executed and approved in the same manner as this Agreement. Contractor shall cooperate with Department to submit to the Director of CMD any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

11.6 Dispute Resolution Procedure.

11.6.1 **Negotiation; Alternative Dispute Resolution.** The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, under San Francisco Administrative Code Section 21.36, Contractor may submit to the Contracting Officer a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contracting Officer shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, the Parties may resolve disputes by a mutually agreed-upon alternative dispute resolution process. If the parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations consistent with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this section.

11.6.2 **Government Code Claim Requirement.** No suit for money or damages may be brought against the City until a written claim has first been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, *et seq.* Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the California Government Code Claim requirements set forth in San Francisco Administrative Code Chapter 10 and California Government Code Section 900, *et seq.*

11.7 **Agreement Made in California; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

11.8 **Construction.** All paragraph captions are for reference only and shall not be considered in construing this Agreement.

11.9 **Entire Agreement.** This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5, "Modification of this Agreement."

11.10 **Compliance with Laws.** Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

11.11 **Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

11.12 **Cooperative Drafting.** This Agreement has been drafted through a cooperative effort of City and Contractor, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

11.13 **Order of Precedence.** Contractor agrees to perform the services described below consistent with the terms and conditions of this Agreement, implementing task orders, the RFP, and Contractor's proposal dated September 25, 2017. The RFP and Contractor's proposal are incorporated by reference into this Agreement. Should there be a conflict of terms or conditions, this Agreement and any implementing task orders shall control over the RFP and the Contractor's proposal.

Article 12 Requirements For Airport Contracts

12.1 **Airport Commission Rules and Regulations.** Contractor agrees to comply with the Airport Commission's Rules and Regulations for the San Francisco International Airport as amended from time to time. A copy of the current Rules and Regulations can be found at: <http://www.fliesfo.com/about-sfo/the-organization/rules-and-regulations>.

12.2 **Airport Intellectual Property.** Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

12.3 **Labor Peace / Card Check Rule.** Without limiting the generality of other provisions in this Agreement requiring Contractor to comply with all Airport Rules, Contractor shall comply with the Airport's Labor Peace / Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "Labor Peace / Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check Rule, Contractor shall, among other actions: (a) Enter into a Labor Peace/Card Check Rule Agreement with any Labor Organization which requests such an agreement and which has registered with the Airport Director or his / her designee, within thirty (30) days after Labor Peace/Card Check Rule Agreement has been requested; (b) Not less than thirty (30) days prior to the modification of this Agreement, Contractor shall provide notice by mail to any Labor Organization or federation of labor organizations which have

registered with the Airport Director or his / her designee (registered labor organization”), that Contractor is seeking to modify or extend this Agreement; (c) Upon issuing any request for proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract, Contractor shall provide notice to all registered Labor Organizations that Contractor is seeking to enter into such Subcontract; and (d) Contractor shall include in any subcontract with a Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If Airport Director determines that Contractor violated the Labor Peace/Card Check Rule, Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to him / her.

12.4 Federal Fair Labor Standards Act. This Agreement incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Contractor has full responsibility to monitor compliance to the referenced statute or regulation. Contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

12.5 Occupational Safety and Health Act of 1970. This Agreement incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Contractor retains full responsibility to monitor its compliance and their subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

12.6 Federal Nondiscrimination Requirements. During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as “Contractor”) agrees as follows:

12.6.1 Compliance with Regulations. Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

12.6.2 Nondiscrimination. Contractor, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR §21.

12.6.3 Solicitations for Subcontracts. Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of Contractor's obligations under this Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

12.6.4 Information and Reports. Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its

books, records, accounts, other sources of information, and its facilities as may be determined by the Airport or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Airport or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

12.6.5 Sanctions for Noncompliance. In the event of a contractor's noncompliance with the Non-discrimination provisions of this Agreement, the Airport will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

(a) Withholding payments to the contractor under the contract until the contractor complies; and/or

(b) Cancelling, terminating, or suspending a contract, in whole or in part.

12.6.6 Incorporation of Provisions. Contractor will include the provisions of paragraphs 12.6.1 through 12.6.6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor will take action with respect to any subcontract or procurement as the Airport or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contractor may request the Airport to enter into any litigation to protect the interests of the Airport. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

12.6.7 Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC §4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended, (42 USC §6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration’s Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 *et seq.*).

12.7 **Quality Standards Program.** This Agreement is subject to the Airport's Quality Standards Program. The Airport's Employment and Quality Standards (EQS) office oversees the Airport's Quality Standards Program (QSP) which is applicable to Service Providers at the Airport whose employees are involved in performing services that have an impact on Airport security and safety. More information may be found at: <http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations> . EQS may be contacted at (650) 821-1003.

Article 13 Data and Security

13.1 Nondisclosure of Private, Proprietary or Confidential Information.

13.1.1 If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 In the performance of Services, Contractor may have access to City's proprietary or confidential information, the disclosure of which to third parties may damage City. If City discloses proprietary or confidential information to Contractor, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or confidential information.






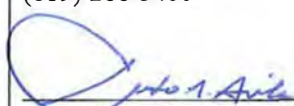
13.2 **Payment Card Industry (“PCI”) Requirements. – Not applicable.**

13.3 **Business Associate Agreement. – Not applicable.**

Article 14 MacBride And Signature

14.1 **MacBride Principles - Northern Ireland.** The provisions of San Francisco Administrative Code §12F are incorporated by this reference and made part of this Agreement. By signing this Agreement, Contractor confirms that Contractor has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

| CITY | CONTRACTOR |
|---|--|
| AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO | |
| By:  Ivar C. Satero, Airport Director |  Authorized Signature Clifford S. M. Wong President PGH Wong Engineering, Inc. 182 2 nd Street, Suite 500 San Francisco, California 94105 (415) 566-0800 |
| Attest: By:  Jean Caramatti, Secretary Airport Commission |  Authorized Signature Curtis Wright President CFWright Consulting, LLC 1108- A Bryant Street San Francisco, CA 94103 (619) 288-5400 |
| Resolution No: 17-0321 | |
| Adopted on: December 19, 2017 | |
| Approved as to Form: Dennis J. Herrera City Attorney | |
| By:  Heather Wolnick Deputy City Attorney |  Authorized Signature Ernesto A. Avila President Avila and Associates Consulting Engineers, Inc. 490 Post Street, Suite 1415 San Francisco, CA 94102 (415) 576-1230 |
| | City Supplier Number: 0000029434 Federal Employer ID Number: 82-3487026 |

Appendices

- A: Scope of Services
- B: Calculation of Charge
- C: Strategic Plan
- D: Partnering Requirements

APPENDIX A SCOPE OF SERVICES

The Contractor will be responsible for providing all staffing and services listed below to oversee the Project.

1. PROJECT CONTROLS AND REPORTING

At a minimum, Contractor shall provide the following, but not limited to, Project controls and reporting services:

- 1.1 Utilize systems that are compatible with current Airport project control software. These include, but are not to be limited to, Primavera P6 EPPM (scheduling), Primavera Unifier (cost management and business processes), CIP Planner (project financial planning), OpenText eDocs (document control), Microsoft Outlook (email), AutoCAD, and Revit.
- 1.2 Input real-time project data into the Airport's Project Management System (PMS), Primavera Unifier. These inputs will be used to report on the progress of the Project including information on the Contractor and subcontractors' work, percentage of completion of the work, current estimates, forecasted contract growth, trade package buyouts, updated monthly schedules, including projected time to completion and estimated cost to complete the work, digital progress photographs, logs for Requests for Information, submittals and shop drawings, pending and approved change orders, meetings minutes, and other project metrics as requested by the Airport.
- 1.3 Perform data entry into the PMS to ensure that real-time data is readily available. Contractor shall perform quality control to reduce input error, thus enhancing consistency and accuracy in the reporting of all information.
- 1.4 Provide an environment that allows the Design-Builder to uniformly exchange information with other contractors relating to Project budgets, costs, estimates, risk, and schedule using the Stakeholder Engagement Process (SEP) to maintain transparency between interfacing with adjoining projects.
- 1.5 Produce reports and deliverables that help the Airport to manage the Project and make decisions. Reports and deliverables shall be outputted from and generated using the data entered into the PMS. At the request of the Airport, hard copy color duplicates shall be made available. The reports and deliverables shall include, but not limited to, the following:
 - 1.5.1 A monthly report to the Airport on services provided to the Airport under this Agreement in a format consistent with the Airport reporting process. Contractor will report on its progress and any problems in performing the Services of which Contractor becomes aware.
 - 1.5.2 Project cost and budget reports as part of the required monthly report in a format determined by the Airport to include total Project budget amounts, total Project cost to date, earned value estimates, trends and forecasts. Reports shall include costs and payments to the Design-Builder, and Airport cost and expenses.

-
- 1.5.3 Update schedules by monitoring progress in relationship to the existing baseline schedules for adjoining projects. Prepare detailed monthly schedule reports and schedule trend reports. Provide schedule recovery recommendations on a monthly basis and anticipated schedule phases.
 - 1.5.4 A monthly cash flow and trend reports and additional reports as requested by the Airport.
 - 1.5.5 Report all potential and anticipated Project risks and issues. Provide cost recovery recommendations on a monthly basis.
 - 1.5.6 Quality assurance and quality control processes and how these are being engaged on a monthly basis.
 - 1.5.7 A monthly safety report.
 - 1.5.8 Prepare other reports and presentations so that varying levels of details can be communicated to different management levels within the Airport organization as well as to the public, as requested. Contractor shall provide reports monthly, quarterly, annually, or at other frequencies to be determined by the Airport.
- 1.6 Provide high-level Project cost information to the Airport's Capital Improvement Program (CIP) Management Support Services consultant for input into the overall program-level management and coordination of the Airport's CIP.

2. PROJECT SCHEDULING SERVICES

Using the Airport-provided scheduling tools, Contractor shall, at a minimum, provide the following project schedules and analysis services:

- 2.1 Compile applicable schedules from Airport staff, major tenants, Design-Builder, and other agencies to prepare a Level 1 schedule for the Project using the Airport-provided scheduling tools. The Level 1, or Contract Master Schedule, is a summary level schedule that establishes key completion objectives for the Project. At a minimum, it defines the overall period of performance, major milestones, contractual milestones, contract deliveries, and other major project phases. It also shows milestones that interface with other adjoining projects.
- 2.2 Verify and validate Level 2 schedules provided by the Design-Builder. The Level 2, or Intermediate Schedule, should contain a detailed reflection of the activities that must be accomplished to achieve the Level 1 schedule objectives. At a minimum, the Level 2 schedule shall include contractually-required deliveries of critical long lead items, hardware, software, and performance requirements.
- 2.3 Verify and validate Level 3 schedules provided by Design-Builder. The Level 3, or Detailed Schedule, contains a detailed set of activities that must be accomplished to achieve Level 2 schedule objectives. This schedule should contain enough detail for the Airport Project Manager to plan, direct, and monitor the completion of work and to reliably calculate the Project's critical path. The Level 3 schedule shall reflect Contractor's review and monitoring of construction schedules and the coordination of those schedules with other Airport projects, either planned or ongoing.

2.4 Identify and analyze dependencies, controls, and interfaces for the Project with other airport operational activities, and/or with external projects and perform alternative analysis project sequence to optimize Project delivery within the Level 3 schedule.

2.5 Develop, review, update, and monitor project schedules to the required management level during all Project phases as directed by the Airport Project Manager.

2.6 Provide high-level project schedule information to the Airport's CIP Management Support Services consultant for input into the overall program-level management and coordination of the Airport's CIP.

3. PROJECT BUDGET AND ESTIMATING SERVICES

The Contractor will support Airport financial analyses by performing, at a minimum, the following tasks:

- 3.1 Prepare and review Project hard and soft cost budget estimates, resulting in the establishment of the Project baseline budget. The estimates will follow a Work Breakdown Structure consistent with Airport requirements.
- 3.2 Analyze financial consequences of design alternatives, alternatives resulting from value engineering reviews of design and construction techniques, and costs due to site and schedule constraints.
- 3.3 Provide project-level cost and trend management services.
- 3.4 Provide a wide range of cost estimates, including pre-construction, concept, budgetary, design, construction, and engineer's estimates.
- 3.5 Use the cost management system provided by the Airport.
- 3.6 Establish, review, and support Airport staff in making appropriate budgetary contingencies and reviewing Project risks.
- 3.7 Provide budget and funding report services, documenting sources of funds and cash flow projections for the Project.
- 3.8 Develop and maintain procedures to forecast Project costs and advise the Airport on corrective actions if forecasted budgets are to be exceeded.
- 3.9 Prepare and review life cycle costs including operations and maintenance costs.
- 3.10 Prepare and review cost benefit analysis.
- 3.11 Reconcile the Project scope with appropriate budgets.
- 3.12 Prepare preliminary estimates of construction costs and times of completion for the Project.

4. DOCUMENT CONTROL SERVICES

The Contractor will support the Airport's document control by providing, at a minimum, the following document control services:

- 4.1 Use Airport's document control system and tools for the Project and provide training to Design-Builder.
- 4.2 Maintain all the Project documentation in an integrated, accessible electronic format with hard copy stored in a retrievable system as directed by the Airport.
- 4.3 Using the PMS, maintain status logs of Project documents such as design activities and status, requests for information, submittals, substitution requests, etc.
- 4.4 Develop and maintain systems for the efficient distribution of Project documents to Design-Builder, external agencies, City departments, and other stakeholders as directed.

5. SPECIALIZED TECHNICAL SUPPORT SERVICES

The Contractor shall provide specialized services to manage the complex programming, design, construction, activation, and closeout issues associated with the all impacted Airport systems, including, but not limited to those listed below. Contractor's team should include individual team members with specific expertise in each of the following areas.

- 5.1 Civil, Underground Utilities, Architectural, Mechanical, Electrical, and Plumbing
- 5.2 Airport Special Systems
- 5.3 Sustainability

6. AIRPORT STRATEGIC PLAN

Contractor will assist in the advancement of the Mission, Vision, Overall Goals, and Core Values in the Airport Strategic Plan, which can be found using the following link: <https://sfoconnect.com/sites/default/files/Strategic-Plan-2017-2021.pdf> and is Appendix C of the Agreement.

7. STRUCTURED COLLABORATIVE PARTNERING PROCESS

Contractor shall participate in the Structured Collaborative Partnering process (SCP) as described in the Delivering Exceptional Projects: Our Guiding Principles document (DEP) which can be found using the following link: www.sfoconstruction.com and the Partnering Requirements document which is included in Appendix G of this RFP which will become Appendix D of the Agreement.

8. STAKEHOLDER ENGAGEMENT PROCESS PARTICIPATION AND ADMINISTRATION

Contractor will coordinate, participate in, and document the SEP process throughout the Project lifecycle and:

- 8.1 Manage the overall SEP process for the Project, including organizing the SEP groups, scheduling and coordinating meetings and ensuring that invitees can attend, assigning SEP leaders where Airport staff is not available and providing administrative and documentation

support, including the preparation and distribution of meeting agendas and minutes and tracking action items.

- 8.2 Prepare the project requirements narrative as appropriate and with concurrence from the Airport Project Manager, and oversee inclusion of requirements into Design-Builder construction documents.
- 8.3 Use the SEPs to prepare for all start-up and activation activities.

9. REVENUE ENHANCEMENT AND CUSTOMER HOSPITALITY (REACH)

San Francisco International Airport (Airport) is proud of the development of the Principles of Revenue Enhancement and Customer Hospitality program, also known as “REACH” which can be found using the following link: <http://www.flysfo.com/business-at-sfo> Contractor shall provide support to Airport staff for the incorporation of REACH principles and goals into the Project.

Contractor will:

- 9.1 Ensure that the Principles of REACH are incorporated into all applicable aspects of the Project.
- 9.2 Work alongside the Airport, stakeholders, and the Design-Builder to incorporate REACH principles throughout the Project.
- 9.3 Review the Project construction documents and construction site for consistency with the applicable REACH principles and goals set for the Project.

10. SUSTAINABILITY

The Airport has achieved significant environmental sustainability goals and intends to incorporate sustainability procedures and practices in all spheres of Airport operations. Contractor shall provide support to Airport staff for the incorporation of sustainability requirements and goals into the procurement and bid documents for the Project.

Contractor will:

- 10.1 Ensure that all applicable Sustainability Guidelines of the Airport, as well as relevant local, state, and federal codes and regulations for renovation or construction of non-residential buildings are incorporated into the Project.
- 10.2 Work alongside the Airport, stakeholders, and the Design-Builder to consider and implement sustainable design and construction solutions throughout the Project.
- 10.3 Review the Project construction documents and construction site for consistency with the applicable Airport sustainability guidelines, and green building codes and standards based on the sustainability goals set for the Project.

11. PROJECT COORDINATION

The Contractor will support the Airport's Project coordination efforts and shall provide the following coordination services at a minimum:

- 11.1 In all phases, assist Airport staff with Project coordination and development efforts with Airport Management, airlines, tenants and other Stakeholders as defined in the SEP, and Airport Architecture and Engineering staff, as required and directed by the Airport.
- 11.2 Coordinate Project work with all ongoing Airport activities, and other adjacent or coordinated projects.
- 11.3 Assist with the establishment, implementation, and modification of Project administrative procedures.
- 11.4 Implement and support an Action Item system to track key Project activities.
- 11.5 Develop and monitor a Risk Register to identify, track and respond to Project risks.
- 11.6 Develop and monitor a list of project Trends.
- 11.7 Coordinate and document SEP programming and design review input.
- 11.8 Coordinate, lead, and document appropriate weekly Project meetings throughout each phase of the Project.
- 11.9 Manage the programming, design, construction, activation, and closeout activities associated with all impacted Airport systems, including but not limited to the following:
 - 11.9.1 Civil, Underground Utilities, Architectural, Mechanical, Electrical, and Plumbing
 - 11.9.2 Airport Special Systems
 - 11.9.3 Sustainability
- 11.10 Assist Airport staff with maintaining phasing, environmental issues, off-hours work, utility connection and associated activities.
- 11.11 Coordinate any hazardous material survey, reporting and abatements work to ensure Airport compliance with appropriate entities.
- 11.12 Assist Airport staff with the San Francisco Arts Commission Civic Design Review and Art Enrichment processes, as appropriate to the size and scope of this Project.
- 11.13 Assist Airport staff with preparing for reporting and presenting to various levels of Airport Management, including the Planning, Design & Construction Advisory Board and the Executive Committee, as directed by the Airport Project Manager.
- 11.14 Assist the Airport Project Manager in gathering information for and responding to internal and external audits of the Project, and modify and implement processes to address any findings from such audits.

12. PRE-PROGRAMMING PHASE

The Contractor will support the Project team to provide the following pre-programming phase services:

- 12.1 Develop preliminary Project schedules in coordination with all components of the Project and all other affected Airport activities and stakeholders.
- 12.2 Provide an initial cost model for the Project and develop strategies to ensure meeting the Project budget.
- 12.3 Prepare a list of Project permits and requirements pertaining to environmental quality, including but not limited to, Air Quality, and Water Quality. Contractor shall ensure permits required to be obtained are listed in construction documents, and proper permits are obtained and facilitate adherence to all applicable requirements.

13. PROGRAMMING PHASE

The Contractor will support the Project team to provide the following programming phase services:

- 13.1 Develop a comprehensive Project Management Plan detailing the organization, reporting structure, tools, systems and procedures to be followed by the Project team. The Project Management Plan shall also detail how the selected Contractor will support the Airport's Project Manager overseeing the management of the Project.
- 13.2 Provide oversight and coordination of the Design-Builder in generating its deliverables for the Programming Phase, which shall include, but not be limited to:
 - 13.2.1 SEP Narratives. For each Group as part of the SEP, ensure information collected during the Programming Phase is assembled in a comprehensive narrative report to be used to prepare the Basis of Design. Narratives shall include minimum performance criteria and standards.
 - 13.2.2 Conceptual drawings illustrating key project requirements.
 - 13.2.3 Cost model
 - 13.2.4 Project Schedule
- 13.3 Provide oversight and coordination of the Design-Builder generating Project design criteria and standards based on Airport and other regulatory standards as well as input and requirements from the SEP. Design criteria shall include, but not limited to:
 - 13.3.1 Identification of preliminary civil, architectural, engineering, landscaping, site layout, utility, vertical transportation, security and special systems for the Project.
 - 13.3.2 Compilation of civil, architectural, engineering, landscaping/site layout, vertical transportation, security and special systems specification outlines based on conceptual design. The outline specifications shall include minimum performance criteria and standards and preferred manufacturers.

- 13.3.3 Identification of preliminary building code classifications, accessibility, egress requirements, and life safety requirements.
- 13.3.4 Identification of sustainability goals and expectations.
- 13.3.5 Preliminary schedules and cost models based on all proposed Basis of Design.
- 13.4 Continually reconcile the Project estimate with the Airport's budget, advise the Airport if the Project and budget are not in compliance, and recommend potential solutions.
- 13.5 Prepare reports, exhibits, and presentation materials to present the Project as requested by the Airport Project Manager.
- 13.6 Identify, analyze and conform to the requirements of governmental authorities having jurisdiction to approve the design of the Project and participate in consultations with such authorities.
- 13.7 At the end of the Programming Phase, Contractor will provide a cost loaded Staffing Plan for Contractor for each phase of the remainder of the Project and an anticipated direct labor cost for the remainder of the Project.
- 13.8 Provide oversight and review of proposed design fees and construction fees.
- 13.9 Assist with preparing documents for the Airport Commission as requested by the Airport Project Manager.

14. DESIGN PHASE

The Contractor will, at a minimum, provide the following design phase services:

- 14.1 Management, administration, and oversight of Airport issued Design-Build contract. Coordinate with other Airport projects and Stakeholders.
- 14.2 Third-party, peer, and quality assurance reviews of design deliverables and construction documents produced by the Design-Builder and verification that all design review comments are incorporated. Furthermore, Contractor shall ensure that the Design-Builder implements the standards and Basis of Design developed in the SEP.
- 14.3 Coordinate and facilitate additional SEP meetings to resolve design issues and identify any necessary deviations from the Basis of Design developed during the Programming Phase and propose alternative solutions.
- 14.4 Provide design oversight, monitor design progress and deliverables, and recommend corrective action when required.
- 14.5 Coordinate proposed design elements and phasing in conjunction with all components of the Project and all other affected Airport activities and stakeholders.

15. CONSTRUCTION PHASE

The Contractor will provide the following construction phase services at a minimum:

- 15.1 Provide procurement support, management, administration, and oversight of the Design-Build contract.
- 15.2 Perform third-party cost estimates for independent cost verification as requested by the Airport Project Manager.
- 15.3 Perform as the Construction Manager during the Project lifecycle. The Contractor will provide the following construction management services:
 - 15.3.1 Review construction documents for constructability, impact to Airport operations, and consistency with the Project schedule.
 - 15.3.2 Review construction work plans and make recommendations.
 - 15.3.3 Report on and participate in the trade subcontract procurement process with the Design-Builder.
 - 15.3.4 Review and/or prepare construction quality assurance/quality control plans.
 - 15.3.5 Provide technical, full-time, on-site observation and inspection of the progress and quality of the construction work. (Note: During the construction phase, Contractor may need to integrate, within its technical support staff, Airport/City staff to provide on-site observation of the work, depending upon availability of Airport/City personnel.)
 - 15.3.6 Monitor environmental inspection for Design-Builder's compliance with environmental regulations.
 - 15.3.7 Examine materials and equipment being incorporated into the work to verify that they are supported by approved submittals, handled, stored, and installed properly.
 - 15.3.8 Coordinate or procure the services of testing laboratories to assure that the proper number and type of tests are being performed in a timely manner.
 - 15.3.9 Provide special inspections and materials testing as required.
 - 15.3.10 Prepare inspection and engineer's reports for submission to the Airport.
 - 15.3.11 Manage and review for contract and code compliance the submission of samples, shop drawings, Operation & Maintenance (O&M) manuals, and other submittals between contractors and the Airport. Contractor shall maintain a log of all submittals for the Project.

-
- 15.3.12 Identify problems encountered in accomplishing the work and recommend appropriate action to the Airport in order to resolve problems with a minimum effect on the timely completion of the Project.
 - 15.3.13 Provide all testing and special inspections required by the California Building Code. The Airport Project Manager will judge the acceptability of all testing and inspection means, methods, results and reports performed on behalf of Contractor. The Airport building official has the authority to require additional testing based on final code requirements and interpretation.
 - 15.3.14 Maintain a log of any requests for information and prepare the Airport's non-technical responses for approval by the Airport Project Manager.
 - 15.3.15 Review progress payment requests for accuracy and recommend approval. Contractor will prepare all supporting documentation for progress payment requests, including but not limited to, certified payroll tracking forms.
 - 15.3.16 Review contractor reports, as-built drawings, and other construction documentation and ensure information is captured in the Airport's record keeping system.
 - 15.3.17 Attend job site meetings and prepare meeting minutes. Contractor will review and communicate information presented at the meetings to Airport Managers and all attendees.
 - 15.3.18 Monitor compliance by the Design-Builder of all contract terms and conditions including, but not limited to, CMD requirements, certified payroll, labor standards, drug policy, security requirements, site cleanliness, and safety.
 - 15.3.19 Administer the evaluation and negotiation of change orders and prepare and process change orders and contract modifications.
 - 15.3.20 Conduct final inspections prior to Project acceptance, notify the Airport in a timely manner of the results of the inspections, and administer acceptance procedures and tests for each phase of the Project.
 - 15.3.21 Support dispute and/or claim resolution analysis and reconciliation efforts.
 - 15.3.22 Negotiate on the Airport's behalf, the Guaranteed Maximum Price for the Trade Package Sets and the Final Guaranteed Maximum Price.

16. ACTIVATION PHASE

The Contractor will provide the following activation phase services at a minimum:

- 16.1 Participate and provide oversight of the Design-Builder to develop an activation plan. The plan shall include input from the SEP.
- 16.2 Manage activation activities and prepare written status reports. Status reports shall verify that the facility and all of its systems and assemblies are constructed, installed, tested, operated and maintained to meet the project's requirements.

- 16.3 Coordinate and conduct final inspections prior to Project acceptance, and administer acceptance procedures and tests for each phase of the Project.
- 16.4 Provide coordination with the Design-Builder regarding testing procedures and clearly document the procedures in a test plan as it pertains to technology infrastructure.

17. CLOSEOUT PHASE

The Contractor will provide the following Project closeout services at a minimum:

- 17.1 Coordinate and conduct final inspections prior to Project acceptance, and administer acceptance procedures and tests for each phase of the Project.
- 17.2 Review and report on progress of the Design-Builder regarding testing procedures and clearly document the procedures in a test plan as it pertains to technology infrastructure.
- 17.3 Review and report on progress of training or operation and maintenance of new systems as required by the Airport and/or individual Project specifications.
- 17.4 Provide oversight of all LEED commission activities.
- 17.5 Support closeout activities for the Project. All procedures and documentation shall use Airport standards for the closeout process.
- 17.6 Support dispute and/or claim resolution analysis and reconciliation efforts.

END OF APPENDIX B

**Appendix B
Calculation of Charges**

This is Appendix B attached to, and incorporated by reference in the Agreement made on December 19, 2017 between the City and County of San Francisco, acting by and through its Airport Commission (Commission), and **PGH Wong & Partners JV** (Contractor) providing for Program Management Support Services for the Courtyard 3 Connector Project.

1. GENERAL

1.1 As set forth in in Article 3.3 "Compensation" of the Agreement, Compensation for work performed under Agreement will be on a time and materials basis, and/or a lump sum basis if approved by the Airport Project Manager.

| | |
|-----------------------------|--------------|
| Professional Services = | \$ 2,916,000 |
| Mobilization = | \$ 250,000 |
| Other Direct Costs (ODCs) = | \$ 84,000 |

TOTAL FIRST YEAR OF SERVICES = \$ 3,250,000

1.2 No charges shall be incurred under this Agreement nor shall any payments become due to the Contractor until reports, services, or both required under this Agreement are received from the Contractor and approved by the Airport as being in accordance with this Agreement. In no event shall the Commission be liable for interest or late charges for any late payments.

1.3 Such compensation shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).

2. METHOD OF PAYMENT

2.1 Unless approved otherwise by the Airport, the Contractor shall submit invoices for its services on a monthly basis, and the City will issue payments within thirty (30) days of receipt of an acceptable invoice with satisfactory backup documentation, approved by the Airport Project Manager. The term "invoice" shall include the Contractor's bill or other written request for payment under this Agreement for services performed. All invoices shall be made in writing.

2.2 The Contractor shall submit invoices for the Work performed in conformance with procedures approved by the Airport.

2.2.1 Such invoices shall segregate current costs from previously invoiced costs.

2.2.2 Costs for individual labor shall be segregated by task and subtasks, if any.

2.2.3 Notwithstanding the above, in no case shall the Contractor's invoices include costs that the Airport has disallowed or otherwise indicated that it will not recognize. Costs shall be invoiced by Contractor's accounting categories and shall be subject to the audit provisions of this Agreement.

- 2.2.4 Each invoice shall clearly distinguish Contractor's personnel that are invoiced at the home office rate versus the field office rate. See paragraph 3 below for rate definitions.
- 2.2.5 Such invoices shall be at a minimum: (1) mechanically accurate; (2) substantially evidenced and properly supported; and (3) in compliance with generally accepted accounting principles.
- 2.3 The Contractor shall also certify, for each invoice, that (i) the hourly rates for direct labor to be reimbursed under this Agreement, whether for Contractor or its subcontractor(s), are not in excess of the hourly rates in effect for the Contractor or subcontractor employees engaged in the performance of services under this Agreement at that time; and (ii) that such hourly rates are in conformance with the Agreement.
- 2.4 The Airport reserves the right to withhold payment(s) otherwise due the Contractor in the event of the Contractor's material non-compliance with any of the provisions of this Agreement, including, but not limited to, the requirements imposed upon the Contractor in Article 5, Insurance, and Article 5, Indemnification. The Airport shall provide notice of withholding, and may continue the withholding until the Contractor has provided evidence of compliance that is acceptable to the Airport.
- 2.5 All invoices shall be made in writing and delivered or mailed to the Commission at the Airport mailing address listed in Article 11.1, Notice to Parties, of the Agreement.

3. LABOR RATES AND FEES

3.1 Direct Labor Rate and Direct Labor Rate Adjustment

- 3.1.1 Contractor shall pay salaried personnel based on a maximum of 40 hours per week, with no overtime. Contractor shall pay salaried personnel assigned to multiple Projects on a pro-rata share of a 40-hour week. Contractor shall provide copies of signed time cards showing all assigned Projects and the shared calculation.
- 3.1.2 The approved labor rates stated Article 3.1.3 of this Agreement shall remain in effect for the first year of contract services. At the option of the Commission, if this is a multi-year contract, the Airport may approve an annual adjustment to the direct hourly labor rates effective on the anniversary date of this Agreement, based on an increase in the Consumer Price Index for the preceding twelve (12) months for the San Francisco Bay Area as published by the U.S. Department of Labor, Bureau of Labor Statistics, under the title of: "All Urban Consumers – San Francisco/Oakland/San Jose, California." Adjustments in the rates are subject to prior written approval by the Airport and must be included in a written modification to the Agreement before any increase labor rate is incurred, unless the adjustment is made to meet the requirements of prevailing or minimum wage legislative mandates.
- 3.1.3 The direct labor rate for each person serving in a position/classification must fall within the approved direct labor rate range as follows:

| Position/Classification | Direct Labor Rate Range | |
|---------------------------------------|-------------------------|------|
| | Low | High |
| Administrative Assistant - FSH | \$21 | \$40 |
| Airfield and Aircraft Systems Manager | \$70 | \$94 |
| Airline Coordinator/Resident Engineer | \$66 | \$89 |

| | | |
|---|------|-------|
| Assistant Resident Engineer | \$54 | \$75 |
| Baggage Handling Manager | \$70 | \$94 |
| Concessions Coordinator | \$66 | \$89 |
| Constructability Reviewer | \$66 | \$89 |
| Construction Manager | \$79 | \$105 |
| Cost Control/Lead Office Engineer | \$54 | \$75 |
| Cost Estimator | \$59 | \$81 |
| Deputy Design Manager - SEP Coordinator | \$56 | \$77 |
| Design Manager | \$74 | \$99 |
| Document Control Manager | \$43 | \$62 |
| Environmental Technical Support | \$61 | \$84 |
| Field Engineer | \$40 | \$58 |
| Geotechnical Technical Support | \$61 | \$84 |
| Intern | \$21 | \$36 |
| Lab / Material Testing Technician | \$39 | \$57 |
| MEP Manager | \$70 | \$94 |
| Office Engineer | \$54 | \$75 |
| Project Controls Engineer | \$54 | \$75 |
| Project Controls Manager | \$74 | \$99 |
| Project Manager | \$84 | \$111 |
| QA Inspector | \$50 | \$69 |
| QA/QC/Code Compliance/Safety Manager | \$50 | \$83 |
| Resident Engineer | \$70 | \$94 |
| Scheduler | \$56 | \$80 |
| Senior Cost Estimator | \$74 | \$99 |
| Senior Inspector | \$63 | \$86 |
| Senior Scheduler | \$79 | \$105 |
| SEP Manager | \$70 | \$94 |
| Signage and Phasing Coordinator | \$66 | \$90 |
| Special Inspector | \$50 | \$86 |
| Special Inspector (OSHPD) | \$63 | \$86 |
| Special Systems Manager | \$84 | \$111 |
| Special Systems Support | \$59 | \$81 |
| Sustainability Manager | \$66 | \$89 |
| Tenant Space Coordinator | \$50 | \$70 |
| TSA OTA Technical Review | \$59 | \$81 |

3.2 Overhead Rates

3.2.1 The Airport shall pay the lesser of a firm's current audited overhead rates, or the maximum approved overhead rates as follows:

| FIRM NAME | HOME OFFICE OVERHEAD RATE | FIELD OFFICE OVERHEAD RATE |
|----------------------------|---------------------------|----------------------------|
| PGH Wong Engineering, Inc. | 125.00% | 125.00% |
| CFWright Consulting | 110.00% | 110.00% |
| Avila and Associates | 135.00% | 125.00% |
| Montez Group | 135.00% | 132.00% |
| Saylor Consulting Group | 163.20% | 150.00% |
| Chaves & Associates | 145.00% | 145.00% |
| Studio 151 | 135.00% | 125.00% |

| | | |
|----------|---------|---------|
| UDC Pros | 125.00% | 110.00% |
|----------|---------|---------|

3.2.2 Contractor shall submit to the Airport current certified reviewed financial audit report(s) of overhead rates for home and/or field office rates upon request for a change or addition to the approved overhead rates stated in this Paragraph 3.2.

3.2.3 The home office overhead rate shall be used when staff works in an office provided by the Contractor. The field office overhead rate shall be used when staff is assigned full time to an office provided by the Airport. To qualify for the field office overhead rate the Airport shall provide office spaces, utilities, telephone service, internet access, and computers.

3.3 Fee

The maximum Fee of **ten percent (10%)** shall be applied to the sum of direct labor and overhead only, whether Contractor or subcontractors of any tier. The Fee shall not be applied to Other Direct Costs.

3.4 Approved Mark-Up on First-Tier Subcontractors

Contractor is permitted a **two percent (2%)** mark-up on first tier subcontractor invoices.

4. Other Direct Cost (ODC)

4.1 Only the actual costs incurred by the Contractor, including fees paid to third parties for Partnering, shall be allowed and invoiced as ODCs. The Contractor shall not submit any cost in excess of \$500 without prior written authorization from the Airport Project Manager. There shall be no mark-ups of any kind allowed on costs reimbursed under this Paragraph 4. Costs shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with the Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).

4.2 The costs of renderings, computer-animated presentations, and presentation models required for meetings and approvals described in Appendix A of this Agreement are considered a part of the approved overhead rates stated in Paragraph 3.2, and not ODCs. The cost of additional renderings, computer-animated presentations, or presentations requested in writing and directed by the Airport shall be ODCs. Such materials prepared by the Contractor without written advance approval by the Commission shall be considered non-reimbursable.

4.3 The following items are considered normal Agreement costs, a part of the Approved Overhead Rates, and are not considered ODCs: (a) phone calls, faxes, mail, express mail, courier delivery or overnight delivery service charges, or other communications charges between members of the Contractor's team, regardless of location; regional phone calls and faxes for all area codes having any geographical land area within 100 miles of San Francisco even though its outlying boundary exceeds the 100 mile limitation; (b) Internet gateways, electronic mail service or other technology-based communication service, FTP sites, or data file transfer or research services; (c) travel by the Contractor or its subcontractors between its home office and the San Francisco Bay Area; (d) travel within 100 mile radius of San Francisco; travel outside 100 mile radius of San Francisco unless approved in writing in advance by the Commission; (e) in-house coordination materials among the Contractor's team and subcontractors, including photocopy and drawing materials, messenger services; (f) presentation material, reproductions, all CADD and other computer-related time and expenses in support of those items specifically listed in Appendix A of this Agreement; and (g) food and beverage and/or entertainment charges of any kind unless approved in writing in advance

by the Chief Development Officer of Planning, Design & Construction.

- 4.4 Unless authorized by the Airport's Chief Development Officer prior to incurring the expense, the Airport will not reimburse the Contractor for the costs of business travel, contractor meals, or accommodations, including specialists that are based out of town and not assigned to the jobsite office. Travel and *per diem* expenses for the project team's management, jobsite personnel, or staff that commute to or from other offices or residences is not allowed. When authorized, travel expenses shall be in accordance with the City & County of San Francisco Travel Guidelines can be found at the following link:

<http://sfcontroller.org/sites/default/files/FileCenter/Documents/2174-Travel%2001-06-15%20Update.pdf>

END OF APPENDIX B



APPENDIX C

STRATEGIC PLAN – LINK: <http://www.flysfo.com/about-sfo/the-organization/strategic-5-year-plan>



SAN FRANCISCO INTERNATIONAL AIRPORT

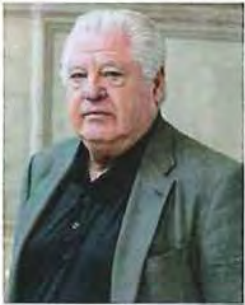
FIVE-YEAR STRATEGIC PLAN
2017-2021



SFO continues to be an economic engine for our region, powering jobs, tourism, and revenue. I congratulate the Airport for their achievements, and wish the team continued success as they embark on their 5-Year Strategic Plan.

San Francisco Mayor
Edwin M. Lee

Airport Commission



Larry Mazzola
President



Linda S. Crayton
Vice President



Eleanor Johns



Richard J. Guggenhime



Peter A. Stern

Senior Staff

John L. Martin

Airport Director

Shauna Marie Rose

Executive Assistant to the Airport Director

Sheryl L. Bregman

Airport General Counsel

Ivar Satero

Chief Operating Officer

Kandace Bender

Chief Marketing and Communications Officer

Leo Fermin

Chief Business and Finance Officer

Julian Potter

Chief Administrative and Policy Officer

Ian Law

Deputy Airport Director/CIO

Blake Summers

Director and Chief Curator

Jeff Littlefield

Deputy Airport Director
Operations & Security

Geoffrey W. Neumayr

Deputy Airport Director
Design & Construction

John Bergener

Airport Planning Director

Peter Acton

Director of Facilities

Linda Yeung

Director
People, Performance & Development

Jean Caramatti

Commission Secretary



A Message from the Director

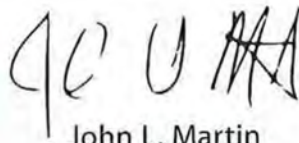
I am pleased to present San Francisco International Airport's new Strategic Plan, 2017-2021, which along with our core values and task force committee recommendations, provides a solid road map for SFO for the next five years.

The Plan was a truly collaborative venture. Its months-long development was led by SFO's Senior Staff and included significant input from several hundred SFO employees, who participated in numerous brainstorming sessions.

The Plan includes seven major goals supported by 32 objectives, as outlined in this document. More than 160 initiatives were created by employees to support these objectives and goals. The process of supporting SFO's overall goals will be extended to individual employees as they prepare their personal goals. In this way, we are all working as one team.

In addition, this document includes a policy statement on SFO's overall philosophy on doing business with the Airport and another statement that reiterates our commitment to work collaboratively with all departments in the City family to deliver services in an efficient and innovative manner.

I am extraordinarily proud of the work that went into creating this new strategic plan. SFO continues to be an exceptional Airport, delivering an outstanding guest experience, strong business performances, top-rated safety and security practices and demonstrating a genuine devotion to environmental leadership. SFO has a world class dream team, and I am confident the Airport is in good hands as we move forward into the next five years.

A handwritten signature in black ink, appearing to read 'John L. Martin', with a stylized flourish at the end.

John L. Martin
Airport Director (1995-2016)



MISSION

We provide an exceptional airport in service to our communities



VISION

Reaching for #1



OVERALL GOALS

7 New Goals



OBJECTIVES

32 New Key Objectives



STRATEGIC INITIATIVES



CORE VALUES

Safety and security is our first priority

We are one team

We treat everyone with respect

We communicate fully and help one another

We strive to be the best

We are innovative

We are open to new ideas

We are committed to SFO being a great place to work for all employees

We are each responsible for the Airport's success

We take pride in SFO and in our accomplishments



Goals and Objectives

Our new Strategic Plan includes seven high-level goals which will guide us in the next five years. The seven goals are supported by 32 key objectives. These are supported by more than 160 initiatives created by individual divisions working together. In a seamless fashion, the initiatives, objectives, and goals help SFO achieve its mission "To provide an exceptional Airport in service to our communities."

GOALS AND OBJECTIVES

| GOAL #1: REVOLUTIONIZE THE PASSENGER EXPERIENCE | GOAL #2: ACHIEVE ZERO BY 2021 | GOAL #3: BE THE INDUSTRY LEADER IN SAFETY AND SECURITY | GOAL #4: NURTURE A HIGHLY COMPETITIVE AND ROBUST AIR SERVICE MARKET |
|---|---|---|--|
| <p>1. Ensure Terminal 1 is rated as the best terminal in the world by Skytrax and Airport Service Quality (ASQ) Surveys</p> <p>2. Create seamless door-to-door airport experience for passengers who want leisurely dwell time and passengers who want a speedy and efficient process and achieve overall airport score of 4.4 on ASQ survey</p> <p>3. Bring the innovative flair of San Francisco and Silicon Valley with revolutionary technology solutions</p> | <p>1. Achieve Net Zero Energy at SFO</p> <p>2. Achieve Zero Waste</p> <p>3. Achieve carbon neutrality and reduce greenhouse gas emission by 50% (From 1990 Baseline)</p> <p>4. Implement a Healthy Buildings strategy for new and existing infrastructure</p> <p>5. Maximize water conservation to achieve 15% reduction per passenger per year¹</p> | <p>1. Achieve an exceptional safety culture and superior regulatory inspections through a robust Safety Management System (SMS)</p> <p>2. By 2020, be the safest and most secure Airport in the U.S. with the lowest number of breaches and incursions</p> <p>3. Implement international standards for cyber-security</p> <p>4. Be excellent in the operation and maintenance of our airfield</p> <p>5. Enhance partnerships with local/federal regulators and law enforcement agencies (FAA, TSA, CBP, etc.)</p> | <p>1. Goal of maintaining and controlling CPE through 2021²</p> <p>2. Increase international carrier service by 25% and ensure maintenance of 24% low-cost carriers (LCC)</p> <p>3. Ensure a competitive environment by providing sufficient operational capacity for new and current airlines</p> <p>4. Educate stakeholders on value of SFO airline services</p> <p>5. Create the most welcoming and efficient Federal Inspection Services (FIS) area by ASQ survey</p> <p>6. Provide for an innovative and friendly environment for airlines</p> |
| <p>R4N1 Committees:</p> <ul style="list-style-type: none"> · Disrupters · Universal Access | <p>R4N1 Committees:</p> <ul style="list-style-type: none"> · Sustainability · Water Conservation | <p>R4N1 Committees:</p> <ul style="list-style-type: none"> · Safety & Security Best Practices | <p>R4N1 Committees:</p> <ul style="list-style-type: none"> · CBP Processing |

¹ Baseline year: 2013

² Final amount TBD upon approval of Capital Improvement Plan

| GOAL #5: BE A WORLD CLASS DREAM TEAM | GOAL #6: DELIVER EXCEPTIONAL BUSINESS PERFORMANCE | GOAL #7: CARE FOR AND PROTECT OUR AIRPORT AND COMMUNITIES |
|---|---|---|
| <ol style="list-style-type: none"> 1. Be the Employer of Choice and achieve 85% overall employee satisfaction in bi-annual Work Climate survey 2. Ensure diversity of people, ideas, socio-economic and cultural backgrounds across entire Airport community 3. Engage Airport community to embrace SFO's standard of excellence 4. Provide a work climate that supports wellness, health and work/life balance | <ol style="list-style-type: none"> 1. Have the highest per passenger spend rate for combined food & beverage, retail and duty free in the U.S. 2. Achieve an airport wide goal of 40% small business participation 3. Introduce new technology to improve and streamline business performance 4. Own and maintain superior technological infrastructure to support airport stakeholder business needs 5. Maximize non-airline revenues | <ol style="list-style-type: none"> 1. Maintain Airport's infrastructure to the highest standard of excellence to ensure no interruption in operations 2. Ensure that on site airport employers meet the safety, security, and employee benefit standards of SFO 3. Promote safe & healthy working conditions for Airport-based employees 4. Support and promote giving back to the communities we serve |
| R4N1 Committees: <ul style="list-style-type: none"> · Great Place to Work · Team SFO · Wellness | R4N1 Committees: <ul style="list-style-type: none"> · Performance Management | R4N1 Committees: <ul style="list-style-type: none"> · MVP · Airport Business Continuity |

Implementing the Strategic Plan

SFO's five-year strategic plan will be overseen by the Airport Director and Senior Staff. It is the responsibility of these groups to ensure all Airport staff work toward achieving the goals that have been established in a collaborative and collegial fashion. "Reaching for Number 1" (R4N1) is our aspirational vision that guides us to achieve the strategic plan. Established in 2011, R4N1 comprises 12 ad hoc task force committees, consisting of several hundred Airport employees, who provide recommendations and suggestions as the Airport works toward achieving its goals.

SFO'S REACHING FOR #1 TASK FORCE COMMITTEES:

- **Airport Business Continuity** – Utilize the Airport's Business Continuity Plan to further refine organizational structure and training programs that will support post-event recovery efforts.
- **Customs and Border Protection Processing** – Create a superior customer experience in the customs and immigration hall using facility upgrades, technology enhancements and collaboration with CBP officers.
- **Disrupters** – Identify and monitor new trends that could increase efficiency and the guest experiences at SFO; and conversely, evaluate those trends for risks to current business models.
- **Universal Access** – Research and recommend ideas that will make SFO the most accessible airport in the world for guests with unique traveling needs, disabilities and those whose first language is not English.
- **Safety and Security Best Practices** – Implement one new safety and one new security best practice that is industry-leading.
- **Performance Management** – Facilitate continuous organizational improvement and collaboration through the use of Airport data.
- **Sustainability** – Increase community awareness of airport-wide principles of sustainability. The following are subcommittees:
 - **Transit** – Establish SFO as a leader in airport transit and sustainability.
 - **Solid waste** – Achieve Zero waste by 2020.
 - **Social-economic responsibility** – Establish SFO's framework and priorities for social-economic programs.
 - **Net Zero Energy** – Achieve Net Zero Energy throughout the SFO campus.
- **Water Conservation** – Use education, new procedures and technologies to achieve a 15 percent water reduction per passengers by December 2016.
- **Great Place to Work** – Create new programs that celebrate and strengthen SFO as a great place to work.
- **Wellness** – Promote existing wellness programs and expand curriculum with additional stress-relieving activities.
- **Team SFO** – Create innovative programs and events that build camaraderie and teamwork.
- **MVP** – Motivate and maximize employee volunteer participation, such as Human Trafficking Awareness fundraising and training programs.

The SFO Way

SFO has been highly successful in achieving its mission of providing an exceptional airport in service to our communities through collaboration and fairness, creating a level playing field for all tenants, encouraging excellence in all areas and maintaining Airport control of its assets.

SFO adheres to three guiding principles in doing business with its hundreds of tenants and stakeholders:

- Ensuring high standards of Safety and Security
- Maintaining full control of all Airport assets and infrastructure
- Fostering a high level of market competition

Several Airport Commission policies help frame the management and operation of SFO while following the guiding principles. The policies include:

1. Wi-Fi Policy

- SFO is committed to providing exceptional Wi-Fi services to guests, airlines and concessionaires. This policy documents the approach for setting the standards and controlling SFO's Wi-Fi system.

2. Shared Use Policy

- This policy describes SFO's method of managing systems, infrastructure and services shared by multiple airline tenants, concessionaires and other Airport partners. This policy gives SFO the greatest flexibility in managing its operations.

3. Policy on Control of Data and Digital Assets

- This policy acknowledges the value of SFO data and digital assets and mandates that SFO retains ownership and control its data and digital assets and that such data and digital assets be used exclusively for the benefit and protection of SFO. SFO data includes all internal metrics, measures, counts and information concerning any aspect of SFO property, facilities or operations. SFO digital assets include all outward-facing media including but not limited to SFO's Wi-Fi splash pages, social media outlets, and information display units (FIDs).

4. Policy on Control of International Air Service Marketing

- This policy recognizes SFO as the lead agency in all international aviation development programs undertaken in partnership with the San Francisco Chamber of Commerce, SF Travel, Bay Area Council and other organizations. This policy also provides for the use of SFO's digital media in providing incentives to air carriers.

5. Policy on Maintaining a Competitive Air Service Environment

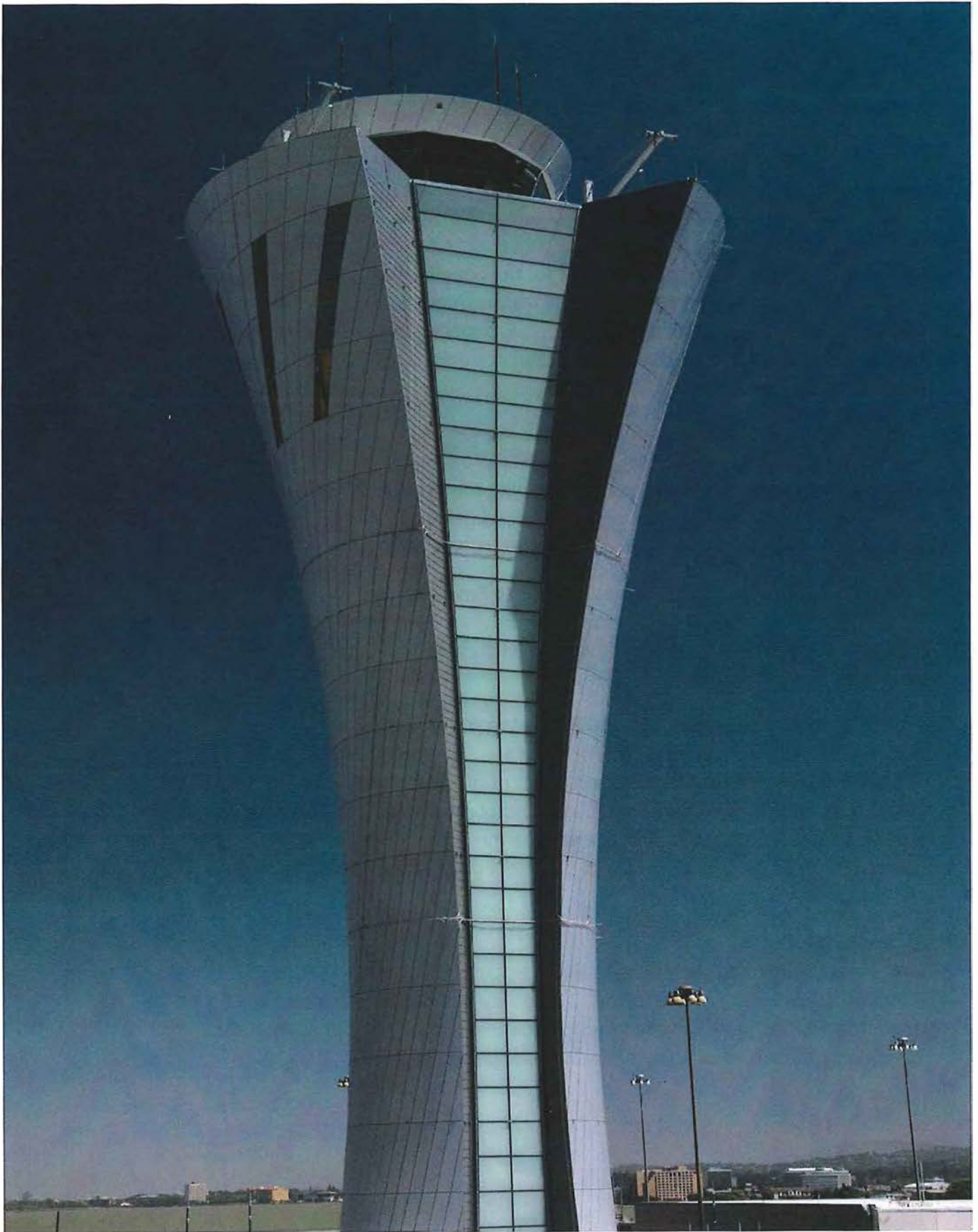
- This policy underscores SFO's commitment to provide a level playing field for all air carriers in order to foster competitive air service choices and competitive air fares for the travelling public.

6. Policy on Controlling, Developing and Financing of Airport Assets

- SFO is committed to the control, development and financing of Airport assets and infrastructure to meet the changing needs of the aviation industry in the future. This policy outlines SFO's need, as a land-constrained entity, to manage its assets without resorting to public-private partnerships. The policy also ensures SFO reaps the greatest financial benefit of development on behalf of the City and County of San Francisco.

7. Policy on Partnering

- Collaborative, structured partnering in all development programs is key to SFO's successful delivery of its projects. This policy outlines the elevated role of integrating partnering into all of the airports business processes to influence the exceptional outcome of all Airport development projects.



Collaboration with other City & County of San Francisco Departments

SFO has identified various initiatives that demonstrate how the Airport will work interdependently with other City Departments to achieve citywide goals in an innovative and efficient manner.

Department of Environment

Partner in support of the Airport's strategic goal to Achieve Zero and our adoption of the airport-specific EONS (Economic Viability, Operational Efficiency, Natural Resource Conservation, Social Responsibility).

Department of Public Works

Continue to share best practices in project delivery through our Partnering Program and Small Business/LBE Participation Program.

Department of Technology and Committee on Information Technology (COIT)

Collaborate to establish citywide Information Technology & Telecommunications (ITT) policies and standards to ensure technology sustainability and compliance, as well as manage risk.

Department of Human Resources

Continue to partner in support of improving HR processes and growing of talent to ensure operational excellence.

Office of the Controller and Office of Contract Administration

Collaborate to support the Airport's growing capital program by adding resources in the Purchaser's office, as well as streamlining financial and contracting processes through new technology systems.

Planning Department

Partner in support of our capital improvement program to obtain environmental determination in accordance with CCSF Chapter 31 Code and California Environmental Quality Act (CEQA) implementing procedures.

Public Utilities Commission

Collaborate to drive further water conservation efforts.

San Francisco Fire Department, San Francisco Police Department and Department of Emergency Management

Partner in support of the Airport's Core Value: Safety and Security is our first priority, and the Airport Business Continuity Plan.



San Francisco International Airport **Fact Sheet**

Passengers (Calendar Year 2015)

| | | | |
|---|------------|--------------------------------------|-------|
| Total Airport Passengers (7th in U.S., 21st in the world in 2014) | 50,067,094 | Bay Area Market Share | 70.4% |
| Domestic Enplaned & Deplaned Passengers (77.5%) | 38,824,059 | Bay Area Market Share | 65.7% |
| International Enplaned & Deplaned Passengers (22.5%) | 11,243,035 | Bay Area Market Share | 94.0% |
| Traffic by Region (Share of SFO International Passengers) | | Asia | 43.4% |
| | | Europe | 28.5% |
| | | Canada | 13.9% |
| | | Mexico/Caribbean/ Central America | 10.6% |
| | | Australia/Oceania | 3.6% |
| Average Number of Passengers per Day (2015) | 137,170 | | |
| Most Passengers in a Calendar Year (2015) | 50,067,094 | | |

Most Operations in a Calendar Year (2015)

| | |
|--|---------|
| Total Operations | 429,815 |
| Total Air Carrier Operations (82.4%) | 354,151 |
| Total Commuter Operations (13.9%) | 59,556 |
| Total General Aviation Operations (3.2%) | 13,686 |
| Total Military Operations (<1.0%) | 2,422 |
| Most Operations in a Calendar Year (2000) | 438,685 |

San Francisco International Airport Fact Sheet

Cargo (Calendar Year 2015)

| | | | |
|---|------------------------|-----------------------|-------|
| Total Loaded and Unloaded Cargo (Air Mail & Freight) | 459,468 metric tons | Bay Area Market Share | 44.0% |
| Total Domestic Cargo (Air Mail & Freight) | 185,390 metric tons | Bay Area Market Share | 25.0% |
| International Cargo (Air Mail & Freight) | 274,078 metric tons | Bay Area Market Share | 92.0% |

Airport & Airfield

| | | | |
|--------------------------------|---------------------|------------------|-------------|
| Total Airport Property Size | 5,171 acres | Useable Land : | 2,383 acres |
| | | Unused tideland: | 2,788 acres |
| International Terminal | 2,533,196 sq. ft | | |
| Terminal 1 | 713,036 sq. ft | | |
| Terminal 2 | 720,790 sq. ft | | |
| Terminal 3 | 1,184,614 sq. ft | | |
| Total Number of Gates | 91 | | |
| Total Number of Domestic Gates | 67 | | |
| Runway Lengths | 28R/10L | 11,870 feet | |
| | 28L/10R | 11,381 feet | |
| | 01R/19L | 8,650 feet | |
| | 01L/19R | 7,650 feet | |
| Runway Widths (all four) | 200 feet | | |

AirTrain System

| | | | |
|--|------------|-------------------------------|-------|
| Number of Stations | 9 | Total Number of Cars | 38 |
| Total System Length (2 Independent Loops) | 5 miles | Capacity (Passengers/Hour) | 3,400 |
| Top Speed | 30 mph | | |

San Francisco International Airport **Fact Sheet**

Airlines at SFO (Calendar Year 2015)

| | |
|---|----|
| Total Number of Airlines Operating at SFO | 58 |
| Domestic Passenger Carriers | 13 |
| International Foreign Flag Carriers | 32 |
| Commuter Air Carriers | 5 |
| Seasonal/Charter Air Carriers | 1 |
| Cargo Only Air Carriers | 7 |

Airline Market Share at SFO

| | | | |
|---------------------|-------|------------------------|------------|
| United | 44.4% | Alaska | 2.9% |
| American/US Airways | 9.6% | JetBlue | 2.8% |
| Delta | 8.4% | Air Canada | 1.7% |
| Virgin America | 8.4% | Frontier | 1.2% |
| Southwest | 6.9% | Lufthansa | 1.0% |
| | | All Other Air Carriers | <1.0% each |

Top Five Domestic Markets (Weekly Flights)

| | |
|-------------------------------------|-----|
| Los Angeles – (BUR/LAX/LGB/ONT/SNA) | 577 |
| New York – (EWR/JFK) | 314 |
| Chicago – (MDW/ORD) | 224 |
| Seattle – (SEA) | 200 |
| Las Vegas – (LAS) | 161 |

San Francisco International Airport **Fact Sheet**

Airport Finances (Calendar Year 2015)

Sources of Revenues FY 2015/16 Budget

| | | |
|---------------------------------|-----------------|-------|
| Terminal Rentals | \$259.0 million | 26.7% |
| Landing Fees | \$161.3 million | 16.6% |
| Concessions | \$89.3 million | 9.2% |
| Parking & Ground Transportation | \$179.3 million | 18.5% |
| Other Aviation Revenue | \$76.5 million | 7.9% |
| Other Sales & Services | \$79.8 million | 8.2% |
| Sales of Electricity | \$25.5 million | 2.6% |
| Interest Income | \$5.4 million | 0.6% |
| PFC Revenues | \$58.1 million | 6.0% |
| Fund Balance | \$36.5 million | 3.8% |
| Total Revenues | \$970.8 million | |

Airline Rates - FY 2015-16

| | |
|-------------------------------------|---------|
| Landing Fees (per 1,000 lbs) | \$4.87 |
| Average Cost per Enplaned Passenger | \$17.26 |

Food/Beverage/Retail Sales FY 2014/15

| | |
|--|-----------------|
| Gross Sales (w/o duty free) | \$328.8 million |
| Food & Beverage Sales | \$209.2 million |
| Retails Sales (w/o duty free) | \$119.6 million |
| Duty Free Sales | \$116.6 million |
| Average concession spent per passenger | \$13.68 |

San Francisco International Airport Fact Sheet

Airport Finances (Calendar Year 2015)

| FY2015/16 Approved Budget | | | % of Total |
|------------------------------------|-----------------|----------------|-------------------|
| Debt Service | \$ 424.4 | million | 43.7% |
| Personnel Costs | \$ 218.3 | million | 22.5% |
| Non-Personnel Services | \$ 105.9 | million | 10.9% |
| Police & Fire Services | \$ 76.5 | million | 7.9% |
| Annual Service Payment | \$ 40.8 | million | 4.2% |
| Services of Other City Departments | \$ 68.6 | million | 7.1% |
| Materials & Supplies | \$ 17.4 | million | 1.8% |
| Other Transfers | \$ 17.0 | million | 1.8% |
| Equipment | \$ 2.0 | million | 0.2% |
| Total | \$ 970.8 | million | |

Airport Commission Staffing and Assets

| | | | |
|--------------------|------------|---|---------------|
| Budgeted Positions | FY 2015/16 | = | 1,732.5 |
| Filled Positions | FY 2015/16 | = | 1,512.5 |
| Current Assets | FY 2014/15 | = | \$696,316,749 |
| Total Net Position | FY 2014/15 | = | \$117,135,800 |



**San Francisco
International
Airport**

www.flysfo.com

APPENDIX D PARTNERING REQUIREMENTS

PART 1 - GENERAL

1.1 PARTNERING LEVEL

This Project shall incorporate the required partnering elements for **Partnering Level 5**

| Level | Estimated Construction Amount | Complexity | Political Significance | Relationships |
|-------|-------------------------------|--|---|--|
| 5 | \$200 million + | Highly technical and complex design & construction | High visibility/oversight; significant strategic project | New project relationships; high potential for conflict (strained relationship, previous litigation, or high probability of claims) |
| 4 | \$50 - \$200 million | High complexity – schedule constraints, uncommon materials, etc. | Probable | New contractors or CM, new subs |
| 3 | \$20 - \$50 million | Increased complexity | Likely, depending on the location and other project characteristics | Established relationships; new CM, subs, or other key stakeholders |
| 2 | \$5 - \$20 million | Moderate complexity | Unlikely, unless in a place of importance | Established relationships; new subs, new stakeholders |
| 1 | \$100,000 - \$5 million | Standard complexity | Unlikely, unless in a place of importance | Established relationships; new subs, new stakeholders |

1.2 SUMMARY

- A. This Section specifies the requirements for establishing a collaborative partnering process. The partnering process will assist the City and Contractor to develop a collaborative environment so that communication, coordination, and cooperation are the norm, and to encourage resolution of conflicts at the lowest responsible management level.
- B. The partnering process is not intended to have any legal significance or to be construed as denoting a legal relationship of agency, partnership, or joint venture between the City and Contractor.
- C. This Section does not supersede or modify any other provisions of the Contract, nor does it reduce or change the respective rights and duties of the City and Contractor under the Contract, nor supersede contractual procedures for the resolution of disputes.

1.3 PURPOSE/GOALS

- A. The goals of project partnering are to:
 1. Use early and regular communication with involved parties;
 2. Establish and maintain a relationship of shared trust, equity and commitment;
 3. Identify, quantify, and support attainment of mutual goals;

4. Develop strategies for using risk management concepts and identify potential project efficiencies;
5. Implement timely communication and decision-making;
6. Resolve potential problems at the lowest possible level to avoid negative impacts;
7. Hold periodic partnering workshops throughout the life of the contract to maintain the benefits of a partnered relationship;
8. Establish periodic joint evaluations of the partnering process and attainment of mutual goals.

1.4 DEFINITIONS

- A. Unless specifically defined in this Section 01 31 33, all terms have the same meaning as defined in Section 00 72 00, General Conditions.
- B. **Stakeholders:** Any person or entity that has a stake in the outcome of a construction project. Examples include the end users, neighbors, vendors, special interest groups, those who must maintain the facility, those providing funding, and those who own one or more of the systems.
- C. **Project Team:** Key members from the City and Contractor organizations responsible for the management, implementation, and execution of the Project, and will participate in the partnering process.

PART 2 - PARTNERING PROCESS

2.1 SELECTION OF A FACILITATOR

- A. An Internal Facilitator or a Professional Neutral Facilitator shall be retained for projects with a Partnering Level of 1 through 3. A Professional Neutral Facilitator must be retained for projects with a Partnering Level of 4 or 5. The City and Contractor shall meet as soon as practicable after award of Contract to work cooperatively and in good faith to select a Facilitator.
- B. An Internal Facilitator is a trained employee or representative of the City who provides partnering facilitation services.
- C. A Professional Neutral Facilitator must have the following qualifications:
 1. The Facilitator shall be trained in the recognized principles of partnering;
 2. The Facilitator shall have at least three (3) years' experience in partnering facilitation with a demonstrated track record, including public sector construction for a city or other municipal agency;
 3. The Facilitator shall have a skill set that may include construction management, negotiations, labor-management mediation, and/or human relations; and
 4. The Facilitator must be in the business of providing partnering services for construction projects.
- D. Within thirty (30) days of NTP, Contractor and the selected Professional Neutral Facilitator shall execute an agreement that establishes a budget for fees and expenses of the Facilitator,

workshop site costs, if any, and the describe the Facilitator's role for the Project consistent with the requirements of this Section. The scope of the Facilitator's role is for descriptive purposes only and is not a guarantee for payment as the scope of work will be revised as needed throughout the Project. The agreement shall be terminable at will.

- E. The Facilitator shall be evaluated by the Project Team: (1) at the end of the Kick-off Partnering Workshop; and (2) at the Project close-out partnering session.
- F. In the event that either Contractor or the City is not satisfied by the services provided by the Facilitator, a new mutually acceptable Facilitator shall be chosen in a reasonable amount of time in the same manner pursuant to Subparagraph A above, and a new agreement shall be executed by Contractor and the new Professional Neutral Facilitator pursuant to Subparagraph D above.

2.2 PARTNERING ELEMENTS

- A. All Partnering Levels require the following elements:
 - 1. **Executive Sponsorship.** Commitment to and support of the partnering process from the senior most levels of the City and Contractor organizations.
 - 2. **Collaborative Partnering.** A structured and scalable process made up of elements that develop and grow a culture (value system) of trust among the parties of a construction contract. Together, the combination of elements including the Partnering Charter, Executive Sponsorship, partnering workshops, an accountability tool for the Project Team (Scorecards), and the Facilitator create a collaborative atmosphere on each project.
 - 3. **Facilitator.** Depending on the Project's Partnering Level, the City and Contractor shall retain either an Internal Facilitator or a Professional Neutral Facilitator according to the process listed in subparagraph 2.1 above to lead workshops.
 - 4. **Partnering Charter and/or mission statement.** The City and Contractor shall create a Partnering Charter that is the guiding focus for the Project Team. It documents the team's vision and commitment to work openly and cooperatively together toward mutual success during the life of the Project. The Partnering Charter helps to maintain accountability and clarity of agreements made and allows for broader communication of the team's distinct goals and partnering process. At a minimum, the Partnering Charter must include the following elements:
 - (a) Mutual goals, including core project goals and may also include project-specific goals and mutually-supported individual goals. The required core project goals relate to project schedule, budget, quality, and safety.
 - (b) Partnering maintenance and close-out plan, including partnering session attendees and frequency of workshops.
 - (c) Dispute resolution plan that includes an Escalation Resolution Ladder.
 - (d) Team commitment statement and signatures.
 - 5. **Partnering Workshops.** At a minimum, the following two workshops are required:
 - (a) **Kick-off Partnering Workshop.** Within 45 days of NTP, the City and Contractor shall meet for the Kick-off Partnering Workshop; determine the workshop site and duration, and other administrative details. At the Kick-off Partnering Workshop, the City, Contractor, and Facilitator shall meet to

mutually develop a strategy for a successful partnering process and to develop their Partnering Charter.

- (b) **Close-out Partnering Workshop.** Prior to final closeout, the City and Contractor shall schedule the Close-out Partnering Workshop. At the Close-Out Partnering Workshop, the City, Contractor, and Facilitator, shall meet to discuss lessons learned throughout the Project, focus on ensuring continued collaboration and cooperation through the end of the Project, and to discuss requirements for the close-out process. At the conclusion of the workshop, a summary of the lessons learned should be prepared to be distributed to the Project Team. The City and Contractor shall also evaluate the Facilitator.

The Project Team may participate in additional workshops during the life of the Project as they agree is necessary and appropriate. Each workshop is a formalized meeting focused on developing a collaborative culture among the Project Team. The Project Team will use these workshops to set Project goals, define Project commitments, attend joint training sessions, and perform other tasks.

- 6. **Multi-tiered Partnering (Core Team – Executive – Stakeholder).** The Partnering Team will divide into smaller groups and convene multiple workshops including a Core Team Workshop, an Executive Workshop, and a Stakeholder Workshop.

- (a) **Core Team Workshop.** The Core Team is made up of Project Team members who are a part of the Project for its duration, including the following (not in order of hierarchy):

| City: | Contractor: |
|---|---|
| Resident Engineer | Building Superintendent |
| Project Manager | Project Executive |
| Construction Manager | Jobsite Supervisor |
| Engineer, Architect | Project Engineer |
| Division Manager | Subcontractors |
| Construction Engineer | Key suppliers |
| Inspectors | Senior Management (e.g. Area Manager, Operations Manager, VP, President, Owner) |
| Client Department representative | |
| Critical third parties: stakeholders, other agencies, utilities, etc., or anyone who could potentially stop or delay the project. | |

- (b) **Executive Workshop.** The senior leaders of the City and Contractor may form a Project Board of Directors. The Project Board of Directors is charged with steering the project to success.
- (c) **Stakeholder Workshop.** As the Project progresses, various systems and processes will be the focus. The Stakeholder Workshop is a meeting of the key stakeholder groups, made up of Stakeholders that are involved in the current focus of the systems or processes.
- (d) **Special Task Forces.** The Project Team may task a subset of its members to work on a particular issue or opportunity for the good of the overall project.

7. **Escalation Resolution Ladder.** The City and Contractor shall mutually develop an Escalation Resolution Ladder, which is a stepped process that formalizes the negotiation between the Parties. The intent of this ladder is to provide a process that elevates issues up the chain of command between the Parties. The objective is to resolve issues at the lowest practical level and to not allow individual project issues to disrupt project momentum. When an issue is escalated one level, it is expected that a special meeting focusing on the negotiated settlement for that issue will be called with the goal of settling as quickly as possible.

Sample Escalation Resolution Ladder:

| Level | Awarding City Department | Contractor | Time to Elevate |
|-------|--------------------------------|-------------------------|-----------------|
| I | Inspector or Resident Engineer | Foreman/ Superintendent | 1 day |
| II | Project Manager | Project Manager | 1 week |
| III | Program Manager | Area Manager | 1 week |
| IV | Division Manager | Operations Manager | 2 weeks |
| V | Deputy Department Director | Owner, President | 2 weeks |

8. **Project Scorecards.** The City and Contractor shall participate in periodic partnering evaluation surveys to measure progress on mutual goals and short-term key issues as they arise. Project Scorecards are an accountability tool that allows the City and the Contractor to measure how well they are doing at following through on commitments made to one another. Typically the Project Scorecards are confidential surveys prepared and submitted to the Project Team by the Facilitator. The Facilitator typically then compiles the responses into a report which is then sent out to the Project Team for review.

B. **Level 1 Projects** require all of the following elements:

1. Kickoff Workshop
2. Partnering Workshops:
 - Executive Board Workshops – As Needed
 - Stakeholder Workshops – As Needed
 - Core Team Workshops – As Needed
3. Close-Out Workshop
4. No Project Scorecards are required. The City and Contractor may agree to participate in partnering evaluation surveys.

C. **Level 2 Projects** require all of the following elements:

1. Kickoff Workshop
2. Partnering Workshops:
 - Core Team Workshops – As Needed
 - Executive Board Workshops – As Needed

- Stakeholder Workshops – As Needed
3. Close-Out Workshop
 4. Two Project Scorecards are required. The City and Contractor may agree to participate in more regular partnering evaluation surveys.
- D. **Level 3 Projects** require all of the following elements:
1. Kickoff Workshop
 2. Partnering Workshops:
 - Core Team Workshops – Quarterly. Additional workshops may be led by the Professional Neutral Facilitator, and Internal Facilitator, or may be self-directed by the Project Team.
 - Executive Board Workshops – As Needed
 - Stakeholder Workshops – As Needed
 3. Close-Out Workshop
 4. Quarterly Project Scorecards are required. The City and Contractor may agree to participate in more regular partnering evaluation surveys. Monthly Project Scorecards are recommended.
- E. **Level 4 Projects** require all of the following elements:
1. Kickoff Workshop
 2. Partnering Workshops:
 - Core Team Workshops – Quarterly. Additional workshops may be led by the Professional Neutral Facilitator, and Internal Facilitator, or may be self-directed by the Project Team.
 - Executive Board Workshops – Quarterly
 - Stakeholder Workshops – Quarterly
 3. Close-Out Workshop
 4. Quarterly Project Scorecards are required. The City and Contractor may agree to participate in more regular partnering evaluation surveys. Monthly Project Scorecards are recommended.
- F. **Level 5 Projects** require all of the following elements:
1. Kickoff Workshop
 2. Partnering Workshops:
 - Core Team Workshops – Monthly. Additional workshops may be led by the Professional Neutral Facilitator, and Internal Facilitator, or may be self-directed by the Project Team.
 - Executive Board Workshops – Quarterly
 - Stakeholder Workshops – Quarterly

3. Close-Out Workshop
4. Monthly Project Scorecards are required.

2.3 COSTS

- A. The fees and expenses of the Internal Facilitator, if any, shall be paid by the Airport.
- B. The fees and expenses of the Professional Neutral Facilitator, if any, and workshop site costs, if any, shall be paid by the Airport as set forth in the Third Party Agreement.
- C. With the exception of the Facilitators' fees and workshop site costs described in subparagraph 2.03.A and 2.04B above, all costs associated with the Partnering participation, workshops and sessions, partnering evaluation surveys, or partnering skills trainings are deemed to be included in the Price Proposal(s).

END OF SECTION

CERTIFICATION CHECKLIST FOR NON-FEDERAL FUNDED CONTRACTS

Contractor Name: PGH Wong & Partners JV

Original or Mod #: Original

Contract #: 10072.41

Funding Source: Capital

Contract \$\$: \$3,250,000

Date: 2/2/2018

Contract Manager Name & Telephone #: Kris Opbroek / 65-821-5316

Included?:

- Y N 1. Budget Confirmation (Informal contracts only)
- Y N 2. Airport Commission Resolution (Required if ≥ \$110,000)
- Y N 3. Civil Service Commission or DHR Approval (PSC Form 1 and PSC Form 2)
- Y N 4. Three (3) sets of signed contract documents, four (4) for OCA (refer to notes)
- Y N 5. CMD Form 2A: CMD Contract Participation Form (email copy to: sfo.asbao@flysfso.com)
or
Document 00435, Subcontractor List for Construction Contracts (email copy to: sfo.asbao@flysfso.com)
- Y N 6. First Source Hiring Agreement (original contract only)
- Y N 7. Certificate of Insurance and/or Bond: **Pending Approval**

| | | Amount | Exp. Date | Add. Insured Endorsement |
|-----|---|--------------|------------|--|
| 7.1 | Commercial General Liability - PGH Wong | \$1,000,000 | 12/18/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.1 | Commercial General Liability - CF Wright Consulting | \$2,000,000 | 7/1/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.1 | Commercial General Liability - Avila & Assoc. | \$2,000,000 | 2/20/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.2 | Commercial Automobile Liability - PGH Wong | \$1,000,000 | 9/30/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.2 | Commercial Automobile Liability - CF Wright Consulting | \$2,000,000 | 7/1/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.2 | Commercial Automobile Liability - Avila & Assoc. | \$1,000,000 | 4/20/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.3 | Workers' Compensation with Waiver of Subrogation - PGH Wong | \$1,000,000 | 9/1/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.3 | Workers' Compensation with Waiver of Subrogation - CF Wright Consulting | \$1,000,000 | 7/1/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.3 | Workers' Compensation with Waiver of Subrogation - Avila & Assoc. | \$1,000,000 | 3/9/2018 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N |
| 7.4 | Professional Liability - PGH Wong | \$10,000,000 | 12/15/2018 | |
| 7.4 | Professional Liability- CF Wright Consulting | \$2,000,000 | 7/1/2018 | |
| 7.4 | Professional Liability - Avila & Assoc. | \$5,000,000 | 2/20/2018 | |
| 7.5 | Umbrella Liability - PGH Wong | \$10,000,000 | 12/18/2018 | |
| 7.5 | Umbrella Liability - CF Wright Consulting | \$10,000,000 | 5/1/2018 | |
| 7.5 | Umbrella Liability - Avila & Assoc. | \$5,000,000 | 2/20/2018 | |

- Y N 8a. CMD Form 3 (original) Compliance Affidavit
- Y N 8b. CMD Form 10 (modification) - Fax to CMD: (650) 821-7820 and email copy to: sfo.asbao@flysfso.com.
- Y N 9. OCA approval required?
- Y N 10. DT CIO approval (if required)

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-^321

AWARD OF PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT, TO PGH WONG & PARTNERS JOINT VENTURE, A JOINT VENTURE OF PGH WONG ENGINEERING, INC. AND CFWRIGHT CONSULTING, LLC AND AVILA & ASSOCIATES CONSULTING ENGINEERS, INC., IN A CONTRACT AMOUNT NOT TO EXCEED \$3,250,000 FOR THE FIRST YEAR OF SERVICES

WHEREAS, the Project Management Support Services Consultant will provide overall management expertise and oversight of the Courtyard 3 Connector Project. The scope of work for this Contract will include design and construction management services, project controls, contract administration, cost estimating services and field inspection; and

WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration and related California Environmental Quality Act findings for the Courtyard 3 Connector Project (File No. 2016-000857ENV); and

WHEREAS, on August 15, 2017, by Resolution No. 17-0189, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals (RFQ/RFP) for Project Management Support Services for the Courtyard 3 Connector Project and to negotiate with the highest-ranked proposer; and

WHEREAS, on August 15, 2017, Staff issued the RFQ/RFP; and

WHEREAS, on September 25, 2017, the Airport received four proposals in response to the RFQ/RFP; and

WHEREAS, the Airport convened a four-member Selection Panel that thoroughly reviewed the responsive proposals, interviewed the firms and key personnel, and determined that PGH Wong & Partners Joint Venture is the highest-ranked proposer; and

WHEREAS, Staff negotiated the scope of services, contract terms and conditions, and fee with PGH Wong & Partners Joint Venture for this Contract. The agreed upon initial Contract amount for the first year of services is \$3,250,000 and

WHEREAS, since the Project will be a multi-year, phased project, Staff estimates that the total Contract amount for PGH Wong & Partners Joint Venture will be \$11,500,000 with a total Contract duration of 40 months; and

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0321

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise sub-consultant participation requirement of 21% for this Contract and PGH Wong & Partners Joint Venture has committed to meeting that requirement; now, therefore, be it

RESOLVED, that the Commission hereby awards Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners Joint Venture in an amount not to exceed \$3,250,000 for the first year of services.

Page 2 of 2

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____

DEC 19 2017


Secretary

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: AIRPORT COMMISSION -- AIR Dept. Code: AIR

Type of Request: [X] Initial [] Modification of an existing PSC (PSC # _____)

Type of Approval: [] Expedited [X] Regular [] Omit Posting

Type of Service: Project Management Support Services (PMSS) and Design-Build (DB) Services for the Terminal 2 t

Funding Source: Capital Funds PSC Duration: 5 years 1 day
PSC Amount: \$280,000,000 PSC Est. Start Date: 08/01/2017 PSC Est. End Date: 08/01/2022

1. Description of Work

A. Scope of Work:

Project Management Support Services (PMSS) and Design-Build (DB) service teams with airport design and management expertise are required to manage the design and construction of the Terminal 2 (T2) to Terminal 3 (T3) Secure Connector Project (Project). Services to be provided include project controls, scheduling, document control, design management, contracts management, architectural and engineering design services, and construction of the project. The scope of work of this Project includes, 1) the design and construction of a new, elevated, secure connector for passengers to efficiently and securely connect between T2 and T3, and 2) an associated building addition that will provide additional square footage for passenger amenities, lounge areas, and airline or other tenant office space. To accommodate the new building addition, the Project will relocate the Airport's Emergency Operations Center and Communication Center. Both are critical to safe and secure airport operations and neither can be out of service for any period of time. Relocation of these facilities includes complex infrastructure modifications and specialized handling of equipment. Additionally, work related to airport security systems, airfield geometry and aircraft systems will be required for the new build out and this Project will facilitate systems connections and the future installation of new baggage handling system transfer line between the terminals. Sustainable growth and continuing the San Francisco International Airport (Airport) leadership in the

B. Explain why this service is necessary and the consequence of denial:

As a result of the significant passenger growth and forecasted demand, the Airport will build a new secure connector between T2 and T3 to provide greater flexibility for gates use and to improve the passenger experience, as well as, creating new square footage to meet airline and airport needs. Additionally, relocation of the Emergency Operations Center and Communication Center are highly sensitive activities. Any interruption to these facilities would have major impacts to operations throughout the Airport.

If the services for this project are denied, the project will be delayed, resulting in loss of revenue by not having gate flexibility, decreased level of service to passengers that need to go through security more than once for

C. Has this service been provided in the past. If so, how? If the service was provided via a PSC, provide the most recently approved PSC # and upload a copy of the PSC. This is a new service.

D. Will the contract(s) be renewed? Yes, if there continues to be a need for such services at the Airport.

2. Union Notification: On 06/09/2017, the Department notified the following employee organizations of this PSC/RFP request: Professional & Tech Engrs, Local 21

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 47501 - 16/17

DHR Analysis/Recommendation:

08/07/2017

Commission Approval Required

Approved by Civil Service Commission

DHR Approved for 08/07/2017

3. Description of Required Skills/Expertise

A. Specify required skills and/or expertise:

PMSS and DB teams with airport terminal design and management expertise are required. Project architectural, engineering, planning, programming and construction administration skills with direct and current experience related to airport facility development, baggage handling systems, aviation design management, integration of airline and tenant business requirements, and aviation specific project and construction management are required. This project will be constructed in a Transportation Security Administration (TSA) designated sterile

B. Which, if any, civil service class(es) normally perform(s) this work?

5174,5201,5203,5207,5211,5212,5218,5241,5260,5261,5265,5266,5268,5362,5364,5366,5502,5504,5506,5508,

C. Will contractor provide facilities and/or equipment not currently possessed by the City? If yes, explain:

Yes, the contractor will provide all construction equipment to build the project and will also provide construction office space for project team.

4. Why Classified Civil Service Cannot Perform

A. Explain why civil service classes are not applicable:

The existing Civil Service classifications do not have the required expertise and specialized skills necessary for the development, management, design and construction of a large-scale airport facility project. Knowledge of various airport systems, airline operations, baggage handling system components, passenger processing security and TSA requirements, airfield geometry, fuel hydrant systems, aircraft systems and operations, and construction management in an active airport environment are necessary. Relevant experience in maintaining critical airport

B. Would it be practical to adopt a new civil service class to perform this work? Explain.

No, it would not be practical to adopt a new civil service class to perform this work because an Airport facility project of this scope and scale does not occur frequently enough to justify permanent staffing. Once the project is completed, specialized services will not be required.

5. Additional Information (if "yes", attach explanation)

| | <u>YES</u> | <u>NO</u> |
|--|--------------------------|-------------------------------------|
| A. Will the contractor directly supervise City and County employee? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. Will the contractor train City and County employee? No training will be provided because an Airport facility project of this scope | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| C. Are there legal mandates requiring the use of contractual services? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| D. Are there federal or state grant requirements regarding the use of contractual services? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| E. Has a board or commission determined that contracting is the most effective way to provide this service? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

THE ABOVE INFORMATION IS SUBMITTED AS COMPLETE AND ACCURATE ON BEHALF OF THE DEPARTMENT HEAD ON 07/12/2017 BY:

Name: Cynthia Avakian Phone: 650-821-2014 Email: cynthia.avakian@flysfso.com

Address: P.O. Box 8097 San Francisco, CA 94128

PERSONAL SERVICES CONTRACT AWARD NOTICE

DATE: February 2, 2018

DEPARTMENT: Airport Commission DEPARTMENT NUMBER: 27

PERSONAL SERVICES CONTRACT NUMBER (PSC#): 47501-16/17

PERSONAL SERVICES CONTRACT APPROVAL DATE: August 7, 2017

WILL THIS CONTRACT BE AWARDED TO MULTIPLE CONTRACTORS? No

IF YES, THIS AWARD NOTICE IS FOR CONTRACTOR NUMBER _____ OF _____

CONTRACTOR: PGH Wong & Partners JV, Ct. 10072.41

AMOUNT: \$3,250,000 DURATION: 7/1/2017 - 6/30/2018

Prior History

| Date | Amount | Fiscal Year | Unspent Balance |
|--------------|------------|-------------|-----------------|
| None | \$0 | | |
| Total | \$0 | | |

THE ABOVE INFORMATION IS SUBMITTED AS COMPLETE AND ACCURATE ON BEHALF OF THE DEPARTMENT HEAD.

Cynthia Avakian

Signature of Departmental Personal Services Contract (PSC) Coordinator

Cynthia P. Avakian

Print or Type Name

(650) 821-2014

Telephone Number

NOTE: At the same time the contract is awarded, the department must submit this form to Personal Services Contracts, Department of Human Resources (Dept. 33), 1 South Van Ness Avenue, 4th Floor, San Francisco, CA 94103.



FORM 2A: CMD CONTRACT PARTICIPATION FORM

Section 1: This form must be submitted with the proposal or the proposal may be deemed non-responsive and rejected. Prime Proposer, each Joint Venture Partner, Subconsultants, Vendors, and lower sub tiers must be listed on this form. Only CMD certified Small and/or Micro-LBEs can be used to meet the LBE subconsultant participation requirement unless the RFP allows for SBA-LBE subconsultants to count towards the LBE participation requirement. A Small and/or Micro- LBE Prime proposer/JV with LBE participation must meet the LBE subconsultant requirement. A Small and/or Micro-LBE Prime proposer/JV with LBE participation may not count its participation towards meeting the LBE subconsultant participation requirement. Be sure to check box for Rating Bonus. If more space is needed, attach additional copies of this form. This form is also completed and submitted for all contract modifications which exceed the original contract amount by more than 20%.

| | | | |
|------------------------|---|--|--|
| Contract: | Project Management Support Services for the Courtyard 3 Connector Project at the San Francisco International Airport, Contract No. 10072.41 | RATING BONUS | |
| Firm: | PGH Wong & Partners JV | <input type="checkbox"/> LBE 10% | <input type="checkbox"/> Joint Venture 7.5% |
| Contact Person: | Clifford S. M. Wong, P.E. | <input type="checkbox"/> Joint Venture 5% | <input type="checkbox"/> Joint Venture 10% (LBEs ONLY) |
| Address: | 182 2 nd Street, Suite 500 | <input type="checkbox"/> No Rating Bonus Requested | |
| City/ZIP | San Francisco, CA 94105 | LBE Requirement 21 % | |
| Phone | 415-566-0800 | | |

*Type: Identify if prime (P), JV partner (J), Subconsultant (S), or Vendor (V)

| TYPE * | Firm | PORTION OF WORK (describe scope(s) of work) | % OF WORK | INDICATE LBE YES/NO | If an LBE, Identify MBE, WBE, or OBE ** | % OF LBE SUBWORK (CARRY-OVER FROM % OF WORK COLUMN) |
|--------|----------------------------|---|-----------|---------------------|---|---|
| J | PGH Wong Engineering, Inc. | Program/Project Management, Construction Management, Design Management, MEP Systems Expertise and Management, Sustainability Management, Resident Engineering, Office Engineering, Field Inspection, Budgeting and Estimating, Stakeholder Engagement Process Management, Partnering, and Project Coordination. | 54.52% | NO | | % |
| J | CFWright Consulting | Program/Project Management, Design Management, Airport Systems and Airfield Management, Partnering, and Project Coordination | 11.69% | YES | OBE | % |
| J | Avila & Associates | Project Controls and Reporting, Scheduling, Partnering, and Project Coordination | 11.67% | YES | WBE | % |
| S | Chaves & Associates | Document Control Services and Administrative Services, First Source Hiring Program | 6.64% | YES | WBE | 6.64% |
| S | Montez Group, Inc. | Quality Control, Quality Assurance, Inspection Services, Scheduling, and Construction Management | 4.36% | YES | MBE | 4.36% |

CITY AND COUNTY OF SAN FRANCISCO
 CONTRACT MONITORING DIVISION



CHAPTER 14B
 CMD ATTACHMENT 2

Architecture, Engineering, and Professional Services

| | | | | | | |
|---|-------------------------|---|------------------------------|-----|---------------------------------|---------------|
| S | Saylor Consulting Group | Cost Estimating Support Services, Contract Administration, Change Management, Scheduling, and Document Control Services | 8.57% | YES | WBE | 8.57% |
| S | Studio 151 | Special Systems, SEP for Special Systems | 2.17% | YES | OBE | 2.17% |
| S | UDC, LLC | Project Controls Support, Contract Administration, Primavera Unifier expertise, Cost Estimating Support Services, and Change Management | 0.38% | YES | OBE | 0.38% |
| | | | Total % of Work: 100% | | Total LBE Subconsulting% | 22.12% |

I declare, under penalty of perjury under the laws of the State of California, that I am utilizing the above Consultants for the portions of work and amounts as reflected in the Proposal for this Contract.

Owner/Authorized Representative (Signature):

Date: September 22, 2017

Print Name and Title: Clifford S. M. Wong, P.E., President

** MBE = Minority Business Enterprise, WBE = Women Business Enterprise, OBE = Other Business Enterprise. See CMD website: <http://sfgov.org/cmd> for each firm's status.



Section 2. Prime Proposer, Joint Venture Partners, Subconsultant, and Vendor Information

Provide information for each firm listed in Section 1 of this form. Firms which have previously worked on City contracts may already have a vendor number. Vendor numbers of LBE firms are located in the CMD LBE website at <http://sfgov.org/cmd>. Use additional sheets if necessary.

| | | | |
|--|---------------------------------------|---------------|--------------|
| FIRM NAME: | PGH Wong Engineering, Inc. | VENDOR #: | 14532 |
| ADDRESS: | 182 2 nd Street, Suite 500 | FEDERAL ID #: | 94-2987905 |
| CITY, ST, ZIP: | San Francisco, CA 94105 | PHONE: | 415-566-0800 |
| | | FAX: | 415-566-6030 |
| SERVICE: Program/Project Management, Construction Management | | | |

| | | | |
|--|--------------------------|---------------|--------------|
| FIRM NAME: | CFWright Consulting, LLC | VENDOR #: | 107113 |
| ADDRESS: | 1108-A Bryant Street | FEDERAL ID #: | 47-5578155 |
| CITY, ST, ZIP: | San Francisco, CA 94103 | PHONE: | 619-288-5400 |
| | | FAX: | |
| SERVICE: Airport Systems and Airfield Management | | | |

| | | | |
|---|---|---------------|--------------|
| FIRM NAME: | Avila and Associates Consulting Engineers, Inc. | VENDOR #: | 65115 |
| ADDRESS: | 490 Post Street, Suite 1415 | FEDERAL ID #: | 61-1396429 |
| CITY, ST, ZIP: | San Francisco, CA 94102 | PHONE: | 415-576-1230 |
| | | FAX: | 415-576-1235 |
| SERVICE: Project Controls and Reporting, Scheduling | | | |

| | | | |
|--|---------------------------|---------------|----------------|
| FIRM NAME: | Chaves & Associates | VENDOR #: | 41385 |
| ADDRESS: | 5 Third Street, Suite 505 | FEDERAL ID #: | 94-3218722 |
| CITY, ST, ZIP: | San Francisco, CA 94103 | PHONE: | (510) 206-3590 |
| | | FAX: | (415) 693-9030 |
| SERVICE: Document Control, First Source Hiring | | | |

| | | | |
|--|-----------------------------|---------------|--------------|
| FIRM NAME: | Montez Group, Inc. | VENDOR #: | 97420 |
| ADDRESS: | 1 Avenue of the Palms, #407 | FEDERAL ID #: | 27-4826015 |
| CITY, ST, ZIP: | San Francisco, CA 94130 | PHONE: | 415-430-5029 |
| | | FAX: | 510 689 2789 |
| SERVICE: Quality Control, Quality Assurance, Inspection Services | | | |

| | | | |
|--------------------------|---------------------------|---------------|--------------|
| FIRM NAME: | Saylor Consulting Group | VENDOR #: | 36614 |
| ADDRESS: | 71 Stevenson Street, #400 | FEDERAL ID #: | 68-0297594 |
| CITY, ST, ZIP: | San Francisco, CA 94105 | PHONE: | 415-399-9990 |
| | | FAX: | 415-354-8392 |
| SERVICE: Cost Estimating | | | |



| | | | |
|----------------|-------------------------|---------------|----------------|
| FIRM NAME: | Studio 151 | VENDOR #: | 101193 |
| ADDRESS: | 2425 17th Street | FEDERAL ID #: | 20-4107212 |
| CITY, ST, ZIP: | San Francisco, CA 94115 | PHONE: | (650) 597-1950 |
| | | FAX: | (650) 597-1955 |
| SERVICE: | Special Systems | | |

| | | | |
|----------------|-------------------------|---------------|--------------|
| FIRM NAME: | UDC, LLC (OBE) | VENDOR #: | 401363 |
| ADDRESS: | 1369 Sacramento St. #3 | FEDERAL ID #: | 47-4238104 |
| CITY, ST, ZIP: | San Francisco, CA 94109 | PHONE: | 415-420-0456 |
| | | FAX: | |
| SERVICE: | Contract Administration | | |




FIRST SOURCE HIRING AGREEMENT
FOR PROFESSIONAL SERVICES

City Agency: San Francisco International Airport Contract Number and Name: Project Management Support Services for the Courtyard 3 Connector Project at the San Francisco International Airport, Contract No. 10072.41

Consultant Name: PGH Wong & Partners JV Main Contact: Clifford S.M. Wong, P.E.

Phone: 415-566-0800 Email: Cliff@pghwong.com


Signature of Authorized Representative* Clifford S.M. Wong, P.E. Name of Authorized Representative Clifford S.M. Wong, P.E. Date 9/22/17

**By signing the First Source Hiring Agreement, the Consultant agrees to participate and comply with the provisions of the First Source Hiring Program pursuant to San Francisco Administrative Code Chapter 83*

Instructions:

- All bidders must complete, sign and submit a *First Source Hiring Agreement* with bidder's Proposal. All Proposals without a completed and signed *First Source Hiring Agreement* will be rejected.
- In Section 2, list the number of Entry Level Positions for the Prime Consultant and all sub-consultants. The Consultant shall make good faith efforts to hire Trainees referred by the First Source Hiring Program to fulfill all available Entry Level Positions.
- Reference specification section, *First Source Hiring Program* for workforce obligations. Questions and assistance, please contact Emily Chea: Email: emily.chea@sfgov.org. Tel: (415)701-4880.

Section 1: Select all that apply

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Administrative Services | <input type="checkbox"/> Financial Services | <input type="checkbox"/> Mechanical/Electrical Engineering |
| <input type="checkbox"/> Architecture | <input type="checkbox"/> Geotechnical Engineering | <input type="checkbox"/> Property Management |
| <input type="checkbox"/> Asbestos and Lead | <input checked="" type="checkbox"/> Green Building Consulting | <input type="checkbox"/> Real Estate Services |
| <input type="checkbox"/> As-Needed | <input checked="" type="checkbox"/> Health/Medical Services | <input type="checkbox"/> Sediment Analysis |
| <input type="checkbox"/> Civil/Structural/Hydraulic Engineering | <input checked="" type="checkbox"/> IITechnical Services | <input type="checkbox"/> Special Inspection and Testing |
| <input checked="" type="checkbox"/> Construction Management | <input type="checkbox"/> Landscape Architecture | <input type="checkbox"/> Surveying |
| <input type="checkbox"/> Design Services | <input type="checkbox"/> Will require an office or trailer near the project site | |
| <input type="checkbox"/> Environmental Services | <input type="checkbox"/> I don't see my services (<i>please describe</i>) _____ | |

Section 2: List Entry Level Positions

| Job Title | Job Description | Number of Trainee Hires |
|---------------------------|--|-------------------------|
| Document Control Services | Oversees and coordinates execution of document management plan | 2 |
| Administrative Assistant | Provides technical and administrative support | 2 |
| Assistant Office Engineer | Coordinates with Stakeholders and assists in oversight and implementation of SET Program | 1 |
| | | |



FORM 3: CMD COMPLIANCE AFFIDAVIT

1. I will ensure that my firm complies fully with the provisions of Chapter 14B of the San Francisco Administrative Code and its implementing Rules and Regulations and attest to the truth and accuracy of all information provided regarding such compliance.
2. Upon request, I will provide the CMD with copies of contracts, subcontract agreements, certified payroll records and other documents requested so the HRC and CMD (as applicable) may investigate claims of discrimination or non-compliance with either Chapter 12B or Chapter 14B.
3. I acknowledge and agree that any monetary penalty assessed against my firm by the Director of the Contract Monitoring Division shall be payable to the City and County of San Francisco upon demand. I further acknowledge and agree that any monetary penalty assessed may be withheld from any monies due to my firm on any contract with the City and County of San Francisco.
4. I declare and swear under penalty of perjury under the laws of the State of California that the foregoing statements are true and correct and accurately reflect my intentions.

Signature of Owner/Authorized Representative: _____

A handwritten signature in blue ink, appearing to read "Clifford S. M. Wong".

Owner/Authorized Representative (Print): Clifford S. M. Wong, P.E.

Name of Firm (Print): PGH Wong Engineers, Inc.

Title and Position: President

Address, City, ZIP: 182 2nd Street, Suite 500, San Francisco, CA 94105

Federal Employer Identification Number (FEIN): 94-2987905

Date: September 21, 2017



FORM 3: CMD COMPLIANCE AFFIDAVIT

1. I will ensure that my firm complies fully with the provisions of Chapter 14B of the San Francisco Administrative Code and its implementing Rules and Regulations and attest to the truth and accuracy of all information provided regarding such compliance.
2. Upon request, I will provide the CMD with copies of contracts, subcontract agreements, certified payroll records and other documents requested so the HRC and CMD (as applicable) may investigate claims of discrimination or non-compliance with either Chapter 12B or Chapter 14B.
3. I acknowledge and agree that any monetary penalty assessed against my firm by the Director of the Contract Monitoring Division shall be payable to the City and County of San Francisco upon demand. I further acknowledge and agree that any monetary penalty assessed may be withheld from any monies due to my firm on any contract with the City and County of San Francisco.
4. I declare and swear under penalty of perjury under the laws of the State of California that the foregoing statements are true and correct and accurately reflect my intentions.

Signature of Owner/Authorized Representative: _____



Owner/Authorized Representative (Print): Curtis Wright, P.E.

Name of Firm (Print): CFWRIGHT CONSULTING

Title and Position: Principal

Address, City, ZIP: 1108-A Bryant Street. San Francisco, CA 94103

Federal Employer Identification Number (FEIN): 47-5578155

Date: September 21, 2017



FORM 3: CMD COMPLIANCE AFFIDAVIT

1. I will ensure that my firm complies fully with the provisions of Chapter 14B of the San Francisco Administrative Code and its implementing Rules and Regulations and attest to the truth and accuracy of all information provided regarding such compliance.
2. Upon request, I will provide the CMD with copies of contracts, subcontract agreements, certified payroll records and other documents requested so the HRC and CMD (as applicable) may investigate claims of discrimination or non-compliance with either Chapter 12B or Chapter 14B.
3. I acknowledge and agree that any monetary penalty assessed against my firm by the Director of the Contract Monitoring Division shall be payable to the City and County of San Francisco upon demand. I further acknowledge and agree that any monetary penalty assessed may be withheld from any monies due to my firm on any contract with the City and County of San Francisco.
4. I declare and swear under penalty of perjury under the laws of the State of California that the foregoing statements are true and correct and accurately reflect my intentions.

Signature of Owner/Authorized Representative: _____

A handwritten signature in blue ink, appearing to read "Ernesto A. Avila", written over a horizontal line.

Owner/Authorized Representative (Print): Ernesto A. Avila, P.E.

Name of Firm (Print): Avila and Associates Consulting Engineers, Inc.

Title and Position: Principal

Address, City, ZIP: 490 Post Street, Suite 1415, San Francisco, CA 94102

Federal Employer Identification Number (FEIN): 61-1396429

Date: September 21, 2017



FORM 4: CMD JOINT VENTURE FORM

This form must be submitted ONLY if the proposer is requesting a Joint Venture partnership with a Small and/or Micro-LBE firm for the rating bonus. The Joint Venture partners must submit a joint venture agreement and management plan with the proposal. All work must be accounted for including subconsulting work.

SECTION 1: GENERAL INFORMATION

1. Name of Contract or Project: Project Management Support Services for the Courtyard 3 Connector Project at the San Francisco International Airport, Contract No. 10072.41

2. Name of all JV partners: (Check LBE if applicable)

| | |
|----------------------------|-------------------------------------|
| PGH Wong Engineering, Inc. | LBE <input type="checkbox"/> |
| CFWright Consulting | <input checked="" type="checkbox"/> |
| Avila & Associates | <input checked="" type="checkbox"/> |

3. Attach a copy of Joint Venture Agreement and Management plans.

4. The management plan must include the following information:

- a. Describe in detail how decisions will be made for work distribution and compliance of Small and/or Micro-LBE Joint Venture participation.
- b. Provide each Joint Venture partner's specific duties and responsibilities (include organizational chart)
- c. Identify the Location of Joint Venture Office.
- d. Provide in detail how decision will be made for work distribution to Small and /or Micro-LBE subconsultants and/or vendors.
- e. Submit copies of bank signature cards with authorized names, titles, and address/city of the bank (required after award of contract.)

5. Calculation of the Rating Bonus. See §2.02D of CMD Attachment 2 for an example.

If the joint venture partners are dividing the work according to a different formula than that described below, please contact CMD staff and describe the arrangement in detail prior to submittal of proposal.

Joint venture partners are encouraged to meet with CMD regarding their joint venture prior to submitting their proposal.

The rating bonus is awarded based on the Small and/or Micro-LBE JV partner tasks calculated as a percentage of the total JV partner tasks.

Joint Venture partners may be in different industries provided that each joint venture partner meets the minimum qualifications in the bid or proposal, and each is acting as a prime. The LBE joint venture partner must perform Prime Level Work and be CMD certified for the scope of work they are proposing to perform in order to be eligible for the rating bonus. "Prime Level Work" means any portion of work that is listed in the prime's minimum qualification section in the RFQ/RFP. Joint ventures receive rating bonuses depending upon the LBE percentage of prime level participation as set forth in Section 14B.7(F). Note that any supportive/subconsulting level work will not be counted towards the eligibility for the joint venture rating bonus.



Step 1. Calculate total JV partner tasks.

| | | |
|--|---|--------|
| Total Contract Tasks | = | 100% |
| Percentage of Total Work to be Performed by Subconsultants | - | 22.12% |
| Percentage of JV partner tasks | = | 77.88% |

Step 2. Calculate Small and/or Micro-LBE JV partner tasks:

| Description of JV partner Scopes of Work (Specific details of work) | A JV Partners' Work as a % of the total project | B % of Task by Non-LBE JV Partner | C % of Task by Small and/or Micro-LBE JV Partner |
|--|--|--------------------------------------|---|
| PGH WONG ENGINEERING, INC. As Lead Joint Venture Partner, PGH Wong is responsible for Program/Project Management, Construction Management, Design Management, MEP Systems Expertise and Management, Sustainability Management, Resident Engineering, Office Engineering, Field Inspection, Budgeting and Estimating, Stakeholder Engagement Process Management, Partnering, and Project | 54.52% | 54.52% | % |
| CFWRIGHT CONSULTING (LBE) As a Joint Venture Partner, CFWright Consulting takes on the roles of Program/Project Management, Design Management, Airport Systems and Airfield Management, Partnering, and Project Coordination. | 11.69% | % | 11.69% |
| AVILA & ASSOCIATES (LBE) As a Joint Venture Partner, Avila & Associates is primarily responsible for Project Controls and Reporting, Scheduling, Partnering, and Project Coordination. | 11.67% | % | 11.67% |
| TOTAL JV % | 77.88% | 54.52% | 23.36% |

Step 3. Calculate Small and/or Micro-LBE JV partner work as a percentage of the total JV partner work for the rating bonus.

| | | | | | | |
|---|-------|---|------------|-------|---|--------|
| Total Small and/or Micro-LBE JV Partner % | 23.36 | ÷ | Total JV % | 77.88 | = | 29.99% |
|---|-------|---|------------|-------|---|--------|



JOINT VENTURE PARTNERS MUST SIGN THIS FORM

| | | |
|--|--|--|
|  _____ Owner/Authorized Representative (Signature) |  _____ Owner/Authorized Representative (Signature) |  _____ Owner/Authorized Representative (Signature) |
| Clifford S. M. Wong, P.E., President _____ Name and Title (Print) | Curtis Wright, P.E., Principal _____ Name and Title (Print) | Ernesto A. Avila, P.E., Principal _____ Name and Title (Print) |
| PGH Wong Engineering, Inc. _____ Firm Name | CFWright Consulting _____ Firm Name | Avila & Associates Consulting Engineers, Inc. _____ Firm Name |
| 415-566-0800 9/21/17 _____ Telephone Date | 619-288-5400 9/21/17 _____ Telephone Date | 415-576-1230 9/21/17 _____ Telephone Date |

JOINT VENTURE AGREEMENT AND MANAGEMENT PLAN

AMONG

**PGH WONG ENGINEERING, INC.,
CFWRIGHT CONSULTING, LLC,
AND
AVILA & ASSOCIATES CONSULTING ENGINEERS, INC.**

ON THE

**PROJECT MANAGEMENT SUPPORT SERVICES
FOR THE COURTYARD 3 CONNECTOR PROJECT
AT THE
SAN FRANCISCO INTERNATIONAL AIRPORT**

THIS JOINT VENTURE AGREEMENT, made, entered into, and effective as of September 14, 2017 by and between PGH WONG ENGINEERING, INC. (Wong), a California corporation with principal offices located at 182 2nd Street, San Francisco, California 94105, CFWRIGHT CONSULTING, LLC (CFWRIGHT), a California limited liability corporation with a place of business located at 1108-A Bryant Street, San Francisco, California 94103, and Avila & Associates Consulting Engineers, Inc. (Avila), a California corporation with principal offices located at 490 Post Street, #1415, San Francisco, California 94102. In this Agreement, the above-identified companies are individually referred to as a "Party" and collectively as "Parties" pursuant to the terms herein.

WITNESSETH THAT:

WHEREAS, the Parties on September 25, 2017 will submit a Proposal to the City and County of San Francisco Airport Commission (hereinafter called the "Client") for the Project Management Support Services for The Courtyard 3 Connector Project Request for Proposals No. 10072.41 (hereinafter called the "Project");

AND

WHEREAS, the Client may select the Parties to negotiate an agreement for professional services indicated in the Client's Request for Proposals dated September 25, 2017 (hereinafter called the "SERVICES");

AND

WHEREAS, the Parties intend to enter into a Contract with the Client (hereinafter called the "Contract"), under which the proposed professional SERVICES will be provided;

AND

WHEREAS, the Parties desire to agree upon their respective rights, interests, and obligations as between themselves in the said Contract and the performance thereof;

AND

WHEREAS, each Party represents and warrants that it will share in the responsibilities, ownership, control, and management, risks, and financial losses and gains of the Joint Venture in proportion to its respective Interests;

NOW, THEREFORE, the Parties do hereby mutually agree as follows:

FIRST: ASSOCIATION OF THE PARTIES

The Parties hereby associate themselves as a Joint Venture for the sole purpose of accepting the Contract and performing the SERVICES or additional services under the Contract, or in any supplement thereto or modification thereof.

Nothing contained herein shall require either Party to give up any other ventures or employment now engaged in, or to refuse to accept other employment or other ventures. It being distinctly agreed that each of the Parties is entirely free to engage in any other activity, provided that the undertaking of any such other activity shall not affect the performance of the Parties under the Contract and this Agreement, and does not compromise or divulge without written authorization, any proprietary data of any of the other Parties or subconsultants to the Joint Venture.

SECOND: NAME AND ADDRESS OF JOINT VENTURE

The name of the Joint Venture under which the Contract shall be performed shall be:

PGH Wong & Partners

The office of the Joint Venture shall be at 182 2nd Street, Suite 500, San Francisco, California 94105-3801 and at other such locations as the Joint Venture may from time to time designate.

THIRD: RESPONSIBILITIES OF THE PARTIES

The Parties shall be jointly and severally responsible for the performance of the SERVICES required by the Contract, and the work to be performed shall be divided between them in the general manner hereinafter described. As permitted herein, the Joint Venture may subcontract portions of the SERVICES to third parties and may assign portions to affiliated companies of either Party; however, the responsibility for all such performance of SERVICES is shared by the Parties as provided for in the Contract and in this Agreement.

The specific duties and responsibilities of each of the Parties are as follows:

- **PGH Wong Engineering, Inc.** – Joint Venture management, project management, construction management, tenant coordination and sustainability, office engineering, and MEP manager.
- **CFWright Consulting, LLC.** – Joint Venture board participation, design management, as-needed scheduler, as-needed airfield management, and as-needed project management support services.
- **Avila & Associates, Consulting Engineers, Inc.** – Joint Venture board participation, project controls, inspection services, and as-needed project management support services.

An organization chart for the Joint Venture is included in the Proposal to the Courtyard 3 Connector Project in Envelope 4.

FOURTH: JOINT VENTURE MANAGEMENT

The business and affairs of the Joint Venture, and the direction and management of the performance of the Contract, as well as the determination of all policies connected therewith, shall be under the direction and control of a Board of Control (hereinafter called the “Board”).

Wong shall be the Managing Joint Venturer in the performance of the Contract. The Managing Joint Venturer shall have management and control, subject to the direction and guidance of the Board, of all matters pertaining to performance of the Contract.

Responsibilities of each Party in managing the joint venture shall be initially divided per the following responsibility matrix, subject to the direction of the Board of Control:

| | Wong | CFWright | Avila |
|--|------|----------|-------|
| Issue Subcontracts | X | | |
| Write Task Orders | X | | |
| Monitor Contract and Subcontract Task Orders | | | X |
| Perform Background Checks (Badge Holders) | X | | X |
| Monitor Construction Badge Issuance | | | X |
| Authorized Signatory for Badge Holders | X | X | X |
| Bank Reconciliation | X | | |
| Prepare Invoices | X | | |
| Prepared Insurance Contribution Reports | | X | |
| Accounts Receivable | X | | |
| General Ledger | X | | |
| Insurance Administration | X | | |
| Monitor Legal Matters | | X | |
| Review Contracts | X | | X |
| Wrap-up Administration | | X | |
| Contract Record Retention | | | X |

| | | | |
|-----------------------------|---|---|---|
| Release Job Checks | X | | |
| Audif Job Checks | | X | |
| 1099 Reports / K-1 Issuance | X | | |
| Maintain Company Job Files | X | X | |
| Monitor City Payments | | X | |
| Summary of Injury Reports | | | X |

FIFTH: BOARD OF CONTROL MEMBERSHIP

The Board shall consist of three (3) members - one (1) representative from each Party. Wong's representative shall be the Chairman of the Board. To be qualified to serve on the Board, the representative selected by each Party must be an Officer of the Party's corporation.

Each Party shall designate an alternate member of the Board, each of whom must also be an Officer of the Party's corporation and who shall be authorized to vote or otherwise act only in the absence of the regular member.

Upon the signing of this Agreement, and unless and until a different representative is selected by each Party hereto, the regular and alternate members of the Board shall be as follows:

Representing Wong:

Regular Member: Clifford S.M. Wong, P.E., Chairman and Principal-in-Charge

Alternate Member: Ronald S.W. Wong, P.E.

Representing CFWright:

Regular Member: Curtis Wright, P.E.

Alternate Member: Kerry Wright

Representing Avila:

Regular Member: Ernesto A. Avila, P.E.

Alternate Member: Cathy Avila, P.E.

SIXTH: BOARD OF CONTROL AUTHORITY

The Board shall have complete responsibility and authority for the conduct and management of the Joint Venture. It shall formulate and determine the policies of the Joint Venture; approve consultants and subconsultants, approve consulting and subcontract agreements; approve budgets and schedules prepared by the Project Manager; determine the allocation of SERVICES among the Parties,

and among consultants and subconsultants; and decide all other matters necessary to the management of Joint Venture affairs.

Each member of the Board shall have one (1) vote, and the votes of the members shall be weighted in proportion to the Party's interest as indicated in Article Ninth. All members, or respective alternates, must be present at Board meetings and decisions shall be made only by votes in accordance to the weighted portion of the regular members (or their alternates, if applicable).

In the event of death, resignation, or disability of an individual serving as the representative of each Party on the Board, such Party's alternate member shall serve on the Board until the Party selects a successor, duly qualified as aforesaid.

In the event a dispute arises within the Board when an alternate member is representing any Party, the matter in dispute shall be referred to the regular members of the Board for resolution. If the regular members are unable to reach agreement, the matter shall be dealt with according to the provisions of Article TWENTY-NINTH.

Each of the Parties may at any time replace any or all representatives designated by it by a written notice served upon the other Party as provided in Article EIGHTH.

Each of the Parties authorizes its representative on the Board to act on behalf of such Party in the making of all decisions, within the terms of this Agreement.

Neither the Contract nor any revision or amendment thereto shall be entered into by the Chairman of the Board on behalf of the Joint Venture or as designated by the Chairman of the Board.

The Board shall appoint key personnel and subordinates as may be required. Each of the aforesaid personnel shall be subject to removal from his or her position by the Board. In the event of any such removal, the Board shall appoint a competent and qualified successor with the same corporate affiliation as the person removed.

SEVENTH: BOARD OF CONTROL MEETINGS

The Board shall meet as needed in San Francisco, California and at such other reasonable times, frequency, or location as the Parties may request. Any member of the Board may call a special meeting of the Board upon not fewer than three (3) days notice by letter or e-mail. Such special meetings may be conducted telephonically due to geographic considerations. Any member of the Board may waive notice of any such meeting by signing a written consent to any actions taken by the Board at such meeting. Any scheduled meeting of the Board may be cancelled by mutual consent of the Parties. Meetings of the Board shall be recorded in minutes of such meetings which shall be provided to the representatives of the Parties.

EIGHTH: ATTENTION OF THE PARTIES

Each Party shall contribute such time and attention as may be necessary to prosecute and carry out the business of the Joint Venture, and to perform the SERVICES required by the Contract, in an

SEVENTEENTH: INDIRECT COST ALLOCATION

To the extent that the Joint Venture is not reimbursed under the Contract, the Joint Venture shall be reimbursed by the Parties, for the indirect costs of providing and maintaining the Joint Venture. Such costs may include office space rental, utilities, furnishings, office equipment, telephone system, taxes, legal fees, and any other necessary indirect costs, which may not be reimbursable in whole or in part under the Contract. Each Party shall share in these indirect costs in the proportions set forth in Article NINTH and shall pay to the Joint Venture monthly its share of such costs as invoiced by the Joint Venture to each Party.

EIGHTEENTH: BILLINGS AND RECEIPTS

The Parties agree that all monies and fees paid or to be paid by the Client pursuant to the Contract shall be paid directly to the Joint Venture, unless otherwise directed in writing signed by regular members of the Board.

Invoices for SERVICES performed and costs incurred by each Party shall be rendered to the Joint Venture at least monthly. Joint Venture invoices for SERVICES performed shall be submitted to the Client by the Joint Venture only and not separately by any Party.

NINETEENTH: JOINT VENTURE ACCOUNTING

Adequate books of account shall be maintained by Wong for the Joint Venture and such books of account may be examined by any Party at all reasonable times. Reports of the financial condition of the Joint Venture and the progress of the SERVICES being performed by each Party, and by the Joint Venture as a whole, shall be made monthly to the Board.

Records of the Joint Venture which are required pursuant to law to be kept beyond the duration of this Agreement shall be retained at such place or places as determined by the Board, and the cost thereof shall be shared by the Parties in proportion to their respective interests as described in Article NINTH.

TWENTIETH: PROPRIETARY DATA

Subject to applicable requirements of the Contract, (i) information relating to the Joint Venture or to the Contract which is gathered or exchanged by the Parties during the term of this Agreement shall be maintained in confidence and shall not be utilized except for the purposes of the Joint Venture and the exercise of rights, obligations, duties, and privileges as set forth herein; and (ii) such information will not be disclosed to any third parties or to a Party's own personnel except as there is a good faith need to know; provided, however, that neither Party shall be liable for any utilization or disclosure if the information:

- (a) Is in the public domain (other than by a Party's breach of its duty of confidentiality hereunder) prior to use or disclosure;

- (b) Is used or disclosed with the consent of any Party or as permitted by or necessary to carry out other provisions of this Agreement;
- (c) Is used or disclosed inadvertently despite the exercise of a reasonable degree of care; or
- (d) Is used or disclosed after three (3) years from the date of receipt.

During the term of this Agreement, it may be necessary for the Parties to provide to one another certain information considered to be private or proprietary (hereafter called Proprietary Information). Neither Party shall, without the other Party's prior written consent, disclose, provide, or make available any of the Proprietary Information of the other Party in any form to any person, except to bona fide employees, officers, directors or consultants of such Party whose access is necessary to the Project and who are similarly bound to hold the Proprietary Information in confidence. Proprietary Information as used in this Agreement includes, without limitation, all information disclosed at any time before, after or at the time of execution of this Agreement between the Parties and relating to their respective businesses, customers, products, services, patents, software, copyrights and/or other intellectual property rights, methods, marketing and sales plans, financial status, strategies and the like and any other confidential information or trade secrets which have been or will be disclosed among the Parties.

All such Proprietary Information shall be in writing or other tangible form and clearly marked with a "Confidential" or "Proprietary" legend. Proprietary Information conveyed orally shall be designated as Proprietary or Confidential at the time of such oral conveyance and shall be reduced to writing within ten (10) calendar days. All source code of any software or work product provided by any Party shall be deemed to be Confidential or Proprietary Information.

Neither Party will have an obligation to protect any portion of the other Party's Proprietary Information which:

- (e) Is in the public domain (other than by a Party's breach of its duty of confidentiality hereunder) prior to use or disclosure;
- (f) Is released by the Disclosing Party in writing or as necessary to carry out the provisions of this Agreement;
- (g) Is lawfully obtained by the Receiving Party from any source other than the Disclosing Party;
- (h) Is previously known to the Receiving Party without an obligation to keep it confidential; and
- (i) Is required to be disclosed to any government agency or court of competent jurisdiction by written order, subpoena or decree, provided that the Disclosing Party is provided advance written notice thereof, and has the opportunity to obtain an appropriate protective order or otherwise challenge such disclosure.

The Receiving Party will only make copies of the Proprietary Information received from the Disclosing Party as are necessary for its use on the Project, and each such copy will be marked with the same proprietary notices as appear on the originals. The Receiving Party agrees to use the Proprietary

efficient and satisfactory manner and in proper time. It is the intent of the Parties that the assignment of qualified personnel to perform the work as set forth in Article FIFTEENTH shall approximate the respective interests of the Parties as set forth in Article NINTH.

It is the intent of the Joint Venture to perform as much of the SERVICES as practical in the Client's designated offices located throughout the San Francisco Bay Area, and to subcontract certain SERVICES, as generally set forth in the Contract.

Each Party shall submit to the Project Manager a list of its staff members to be assigned to the Project. The list shall contain a brief description of the qualifications for each name on the list and state to what part of the SERVICES they will be assigned.

Written notice among the Parties to this Joint venture shall be deemed to have been duly served if delivered in person or by registered or certified mail to each Party's regular or alternate representative.

Staffing of the Joint Venture is the joint responsibility of the Parties. The employees of each Party assigned to the Joint Venture shall remain the employees solely of that Party, and they shall not be employees of the Joint Venture, nor shall any new employee be hired in the name of the Joint Venture.

NINTH: INTERESTS OF THE PARTIES

The interests of the Parties in, to, and under the Contract and the performance thereof, and in and to any intellectual property except as indicated in Articles TWENTIETH, realty, personal property, capital, fixed assets, and equipment, if any, acquired by the Joint Venture in connection with the SERVICES to be performed under the Contract, in and to all monies received, profits realized, and losses incurred in the performance of the Contract, and in the contribution of human resources to the performance of the SERVICES shall be those percentages set forth opposite their respective names, as follows, except as hereinafter defined:

| | |
|------------------|-----|
| Wong: | 70% |
| CFWright: | 15% |
| Avila: | 15% |

The net profits and the net losses of the Joint Venture resulting from the performance of the Contract, of from any source, matter, or thing, whether arising from or connected with the Contract or otherwise, shall be divided among the Parties in accordance with the above percentages.

The above percentages shall be calculated after the distribution of work to subconsultants, including Small and/or Micro-LBE subconsultants. The Parties agree to a subcontracting goal as identified in the Joint Venture's Proposal, Form 4: CMD Joint Venture Form. This form identifies the percentage goals for each of the Joint Venture's subconsultants.

Following notice-to-proceed, the Joint Venture shall develop a cost-loaded staffing plan that distributes the work according to Joint Venture interests and the subconsultant goals. The Joint

Venture interests and subcontracting goals will be monitored on a monthly basis, and the actual participation shall be reported to the Joint Venture Board by the Joint Venture accountant.

In the event that the actual contributions of human resources by the Parties vary from the proportions set forth above by more than five (5) percentage points, the division of net profits or net losses shall be subject to review and reconsideration by the Parties. For purposes of measuring such contributions of effort, the index shall be the respective cost of the sum of wages and salaries of eligible personnel, and the related overhead allowance of each of the Parties under the Contract. Every six (6) months, the Board shall endeavor to immediately correct imbalances on the prospective cumulative basis so that the Participation Percentages at the completion of the Contract reflect the percentages indicated above.

In addition, the Joint Venture shall pay to Wong in accordance with the Parties' percentage interests the costs directly associated with maintenance of the Joint Venture books of account, as required by Article NINETEENTH, including wages and salaries of accounting personnel, and related direct expenses, and an allowance for fringe benefits. Included in allowable direct expenses is the cost of an outside service for the auditing of Joint Venture books of account. Such costs shall be approved by the Board prior to commencement of the associated work.

TENTH: WORKING CAPITAL CONTRIBUTION

The Parties shall initially provide to the Joint Venture the total sum of Ten Thousand Dollars (\$10,000) toward the working capital of the Joint Venture, divided in proportion to the percentage interests of the Parties as set forth in Article NINTH. The Parties shall contribute such additional capital as the Board may from time to time determine, also in proportion to the percentage interests of the Parties as set forth in Article NINTH. Contributions to working capital shall be made within five (5) days of the request by the Board. Working capital will be returned to the respective Parties based upon the determination of the Board.

ELEVENTH: BANK ACCOUNTS

The Joint Venture shall use the Merrill Lynch Division of the Bank of America as depository, and all monies contributed as working capital by the Parties, as well as other monies, or instruments for the payment of money, received on behalf of the Joint Venture pursuant to the Contract or from any other source, shall be deposited in such bank account or accounts, and shall be subject to withdrawal by check only. For all checks, only the signature of the Chairman of the Board shall be required. In the Chairman's absence, the Project Manager is authorized to sign checks.

TWELFTH: BORROWING OF MONEY

The Joint Venture shall not borrow money except upon the prior consent of each Party. No Party shall borrow money in the name of or for the Joint Venture, or pledge the credit of the Joint Venture, or sign any note or other instrument for the payment of Joint Venture funds, except upon the prior written consent of the other Party. No Party shall incur any debt, obligation, or liability on the

behalf of the Joint Venture (other than for direct salary and other reimbursable costs as defined in the Contract) except upon written prior consent of each Party.

THIRTEENTH: PROJECT MANAGER

The Project Manager shall report to and be responsible to the Board. The Project Manager shall have personal direction and charge, at all times, of the SERVICES to be performed under the Contract and will be responsible for the management, administration, and coordination of the SERVICES being provided to the Client and shall direct the activities of all personnel of both Parties while such personnel are assigned to the Joint Venture. The Project Manager shall manage the preparation of all deliverables under the Contract, shall maintain contact with the Client, and shall, at all reasonable times, be available for meetings with the Board whenever it meets. The Project Manager shall be responsible for the assignment of the SERVICES, and related schedules and budgets, to the staffs of the Parties hereto in accordance with Article EIGHTH within the staffing plan adopted by the Board. The Project Manager shall be the contact person to act on behalf of the Joint Venture.

All of the aforesaid duties, responsibilities, and acts of the Project Manager shall be subject to the direction and control of the Board, and shall be carried out in accordance with the policies, directions, limitations, and restrictions prescribed by the Board.

FOURTEENTH: NOT USED

FIFTEENTH: STAFFING OF AND DIVISION OF SERVICES

It is understood that the Contract requires the Joint Venture at all times to assign to the performance of said Contract a sufficient number of competent project managers, engineers, architects, office engineers, inspectors, schedulers, estimators, construction specialists, administrative assistants, and other personnel for the satisfactory performance of the Contract, and to utilize, for the performance of the Contract, all necessary personnel and facilities of the Parties.

It is the intent of each of the Parties to furnish a share of the personnel required for the performance of the Contract in proportion to the percentage interests of the Parties as set forth in Article NINTH. It is agreed that such share of competent professional and/or technical personnel is generally defined as the personnel required by the scope and schedule of the SERVICES of the Contract divided among the Parties.

It is proposed to subcontract certain portions of the SERVICES included in the Contract. All such subcontracting shall be determined by the Board and as set forth in Article NINTH.

The Project Manager shall issue a semi-annual report to the Board which will contain the percentage of SERVICES completed to date; the names of the personnel assigned to the Project; the hours they have worked in that time period; the total accumulated hours to date; and the total budgeted for the phase and task that is being reported. Any forecasted deviations from the established work distribution goals will be addressed through a revised and updated staffing plan.

SIXTEENTH: COMPENSATION

In the furnishing of personnel by each of the Parties for the performance of the SERVICES, each Party shall be considered as if it were an independent subcontractor to the Joint Venture. For the SERVICES of its personnel, each Party shall be reimbursed by the Joint Venture for the following costs:

- (a) All wages and salaries actually paid to personnel approved for reimbursement under the terms of the Contract;
- (b) All direct expenses of each Party which shall include monies expended in connection with the SERVICES and reimbursable under the terms of the Contract; and
- (c) Overhead allowance, including fringe benefits of each Party, which shall be equal to the then-current basis of billings established from time-to-time under the terms of the Contract.

In the event of disallowance by the Client of any invoiced costs submitted by either Party, the applicable invoice shall thereupon be reduced, and the amount paid or to be paid appropriately adjusted to reflect such disallowance. Similarly, should payments made by the Client to the Joint Venture require later adjustment upward or downward as a result of audit, such adjustments shall be passed on to the respective Party or Parties whose past billings are the subject of such adjustment.

In addition, when either Party expends monies beyond those included hereinabove for the benefit of the Joint Venture and with the prior approval of the Board, such sums shall also be billed to the Joint Venture at cost, as hereinafter defined:

- (a) Costs paid or incurred under the established policies of Wong, CF Wright or Avila which are excessive of the limits for eligibility for reimbursement under the Contract subject to the prior approval of the Board;
- (b) Costs paid or incurred by each Party in direct support of the Joint Venture including the wages and salaries and fringe benefits of personnel not eligible for reimbursement under the Contract, while such personnel are assigned to the Joint Venture subject to the prior approval of the Board;
- (c) Costs paid or incurred by Wong directly associated with maintenance of the Joint Venture books of account as set forth in Article NINTH; and
- (d) Other costs paid or incurred by each Party following the prior approval of the Board. When costs are paid or incurred by each Party for the benefit of the Joint Venture and such costs are not eligible for reimbursement under the Contract, these costs shall be invoiced to the Joint Venture and shall remain on the books of the Joint Venture and be included in any accounting of net profits or net losses, except as provided in Article SEVENTEENTH.

All preliminary, travel, out-of-pocket, and other expenses related to this Joint Venture incurred by any Party up to and including the date of this Agreement or the date of execution of the Contract, whichever is later, shall be borne by the Party incurring such expenses.

Information solely in performing work on the Project pursuant to the terms of this Agreement and for no other customer or purpose.

TWENTY-FIRST: NOT USED

TWENTY-SECOND: PUBLICITY

No Party shall release any publicity or other public statements concerning this Agreement, the Joint Venture formed hereunder, the Contract, or the Project, without obtaining the prior consent of the other Party, which consent will not be unreasonably withheld.

TWENTY-THIRD: CONFLICT OF INTEREST

Each Party represents and warrants to the other that (i) no public official of any jurisdiction or governmental body, department, agency, or commission shall be admitted to any share or part of any contract made by the Joint Venture, or to any benefit that may arise there from, but this provision shall not be construed to extend to any contract if made with a corporation for its general benefit, and (ii) no person or selling agency has been employed or retained to solicit or secure any contract on behalf of the Joint Venture upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by a Party for the purpose of securing business.

TWENTY-FOURTH: VIOLATION OF AGREEMENT

If any Party should materially violate any provisions of this Agreement, then the other Party may terminate this Joint Venture in the manner subject to the conditions hereinafter set forth. Said other or complaining Party shall first give the violating Party a written notice of the provisions alleged to have been violated, and thereupon the violating Party shall either defend or correct the violation within fifteen (15) days after receipt of said notice, or shall give to the complaining Party a written denial of such alleged violation within fifteen (15) days after receipt of such notice; and if the violating Party shall fail either to correct the violation complained of or to send such written denial of the violation within the time specified above, then the complaining Party may, within fifteen (15) days after the time to defend or correct the violation or to send such written denial has expired, subject the matter to mediation pursuant to Article TWENTY-NINTH herein. Likewise, if the violating Party shall send the complaining Party a written denial of the alleged violation as hereinabove provided, then the complaining Party may within fifteen (15) days after receipt of such written denial, submit the matter to mediation pursuant to Article TWENTY-NINTH herein.

Whenever the complaining Party shall elect to terminate the Joint Venture pursuant to any provision of this Article, such Party shall simultaneously with sending its written notice of intention to terminate to the violating Party also send a written request to the Client for its approval of such termination on the date as stated in the notice of termination sent to the violating Party.

Upon the termination of the Joint Venture pursuant to any provision of this Article, the Parties shall have the rights and benefits and shall be subject to the liabilities set forth in Article TWENTY-EIGHTH of this Agreement.

The termination of the Joint Venture by reason of a violation of this Agreement shall not be the sole remedy of the complaining Party, but shall be in addition to any other remedy to which such complaining Party may be entitled under law.

Notwithstanding the above, the project manager shall see that the SERVICES under the Contract are continued without interruption pending the resolution of the issues of material violation.

TWENTY-FIFTH: DISSOLUTION OR BANKRUPTCY OF A PARTY

In the event of bankruptcy, dissolution, or insolvency of any of the Parties, the Joint Venture shall immediately upon the occurrence thereof cease and terminate. Thereafter, the successor, receiver, trustee, or other legal representative (hereinafter called "Representative") of the affected Party shall cease to have any interest in and to the Joint Venture or the assets thereof. In any case, the remaining Parties shall have the right to continue the affairs of the Joint Venture and, in that connection, to carry out and complete the performance of the Contract. Upon such completion or sooner termination of the Contract, and receipt of payment of all amounts due under the Contract, the remaining Parties shall account to the affected Party, or to its Representative, and the affected Party or its Representative shall then be entitled to receive from the remaining Parties an amount equal to the sums advanced by or for the account of the affected Party, less the affected Party's proportionate share of the losses and plus the affected Party's proportionate share of any profits resulting from the performance of the Contract to the date of such termination of the Joint Venture; provided that, if the amount of the affected Party's proportionate share of the losses exceeds the sum advanced by or for the account of the affected Party, the amount of such excess shall be paid by the affected Party or its Representative to the remaining Parties, and provided further that, the profit or loss computed as of the time of such termination shall be in the same proportion to the whole profit or loss resulting from the performance of the Contract as the amount of SERVICES performed there under at such time bears to all of the SERVICES which are to be performed there under. The books of the Joint Venture shall be conclusive in establishing whether a profit has been realized or a loss sustained, the amount thereof, and the proportionate amount of the SERVICES performed as of any given time or date.

In any case of default, the defaulting Party shall immediately, subject to the concurrence of the Client, turn over to the remaining Parties all plans, drawings, studies, and other documents relating to the Contract which it has on hand or subject to its control, whether prepared by the affected Party for its own use, or by others, so as to permit the remaining Parties to use these documents to continue the Contract.

TWENTY-SIXTH: JOINT VENTURE TENURE

This Agreement extends only to the performance of the Contract with the Client, including any amendments thereto, and upon completion thereof the Joint Venture shall cease and terminate. In the event negotiations related to the Contract terminate without reasonable probability of resumption or the Contract fails to be approved by the Client and such Contract is therefore never entered into, the Joint Venture shall cease and terminate.

TWENTY-SEVENTH: INSURANCE AND INDEMNITY

The Parties agree to maintain, each in its own name and at its own expense, insurance coverage including operations under the Contract, in amounts to be set by the Board, but not less than the requirements set forth in the Contract. Subconsultants will be required to provide insurance covering their Project operations as determined by the Board, but not less than the requirements set forth in the Contract.

Notwithstanding the provisions of the Agreement, Article THIRD:

- (a) Wong agrees, at its own expense, to discharge and satisfy and to indemnify, defend, and hold harmless the Joint Venture, CFWRight, and Avila from and against any liability, cost, or expense arising solely out of or resulting solely from any negligent act, error or omission by Wong or by any person employed by Wong in the performance of the SERVICES;
- (b) CFWRight agrees, at its own expense, to discharge and satisfy and to indemnify, defend, and hold harmless the Joint Venture, Wong, and Avila from and against any liability, cost, or expense arising solely out of or resulting solely from any negligent act, error or omission by CFWRight or by any person employed by CFWRight in the performance of the SERVICES;
- (c) Avila agrees, at its own expense, to discharge and satisfy and to indemnify, defend, and hold harmless the Joint Venture, Wong, and CFWRight from and against any liability, cost, or expense arising solely out of or resulting solely from any negligent act, error or omission by Avila or by any person employed by Avila in the performance of the SERVICES; and
- (d) In the event any liability, cost, or expense arises out of any negligent act, error or omission not covered under (a), (b) or (c) above, then the Parties' respective shares in such liability, cost, or expense shall be shared in accordance with their respective percentage interest as set forth in Article NINTH.

TWENTY-EIGHTH: TERMINATION

In the event that the Joint Venture shall be terminated by mutual consent of the Parties, or by reason of the cancellation or other termination of the Contract by the Client pursuant to the provisions of the Contract, or in the event of the termination of the Joint Venture for any reason whatsoever other than those specified in Article TWENTY-FIFTH, then the Parties, or their legal representatives, shall cause an accurate inventory and accounting to be prepared and the assets, income, debts, expenses, receipts and disbursements, and liabilities of the Joint Venture to be ascertained. Such inventory and accounting shall be prepared by the firm of accountants then employed by the Joint Venture and if there be no such firm of accountants so employed, then by such accountants as the Parties may select. The net profit or net loss of the Joint Venture to the date of its termination shall then be determined. If there be a net loss in the performance of the Contract, then each of the Parties shall pay to the Joint Venture such Party's proportionate share of such loss in accordance with its percentage interest as set forth in Article NINTH. If there be a net profit from the performance of the Contract, such profit shall, after all debts and liabilities of the Joint Venture are paid, be distributed and paid over to the Parties in

proportion to their respective percentage interests as set forth in Article NINTH. Thereafter the Parties shall adjust and settle all accounts between them connected with the Joint Venture. If after all accounts between the Parties are settled, all debts and liabilities of the Joint Venture are paid in full, and there remains any assets, such remaining assets will be paid over and distributed to the Parties in proportion to their percentage interests, as set forth in Article NINTH.

TWENTY-NINTH: DISPUTES

If any disagreement arises between the Parties with respect to the conduct of the Joint Venture or of its termination or dissolution, or with respect to any other matter, cause, or thing whatsoever not herein otherwise provided for has not been resolved within thirty (30) days of the initial date of the dispute, the Parties shall attempt in good faith effort to resolve the controversy or claim through mediation. If the dispute has not been resolved by the mediation procedure within sixty (60) days of commencing mediation, any Party may initiate litigation or the Parties may mutually agree to submit to arbitration.

THIRTIETH: AMENDMENT OF AGREEMENT

This Agreement may be modified or amended by mutual agreement, in writing, of the Parties. There are no agreements or terms among the Parties related to performance of the Contract other than those stipulated or contained herein.

THIRTY-FIRST: TRANSFER OF INTEREST

None of the Parties hereto shall sell, assign, transfer, mortgage, pledge or in any manner encumber its interest in the Joint Venture or in the Contract or any other contract belonging to the Joint Venture or in any of the proceeds from said Contract or other contract, without first obtaining the prior written consent of the other Party.

THIRTY-SECOND: BINDING AGREEMENT

This Agreement shall inure to the benefit of, and be binding upon, the successors in interest, trustees, legal representatives, and permitted assigns of the Parties hereto, but shall not inure to the benefit of any other third party.

THIRTY-THIRD: APPLICABLE LAW

This Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, each of the Parties has executed this Joint Venture Agreement by signature of their duly authorized officer the day and year first above written.

PGH WONG ENGINEERING, INC.:


Signature

Clifford S.M. Wong, P.E.
Printed or Typed Name

President
Title

CFWRIGHT CONSULTING, LLC:


Signature

Curtis F. Wright, P.E.
Printed or Typed Name

CEO
Title

AVILA & ASSOCIATES CONSULTING
ENGINEERS, INC.:


Signature

Ernesto A. Avila, P.E.
Printed or Typed Name

Vice-President
Title

SFO Routing Slip



FUSH

Time Sensitive

Please Return by

2/20/2018

Subject

CONTRACT CERTIFICATION
Contract #10072.41 Project Management Support Services for the Courtyard 3 Connector Project

Origination

Date 2/2/2018
 Division Planning Design and Construction
 Dept./Sec. Project Management

| No. | Name | Action | Initial | Date |
|-----|-----------------------------------|------------------|----------------------|----------------|
| 1 | CMU - Victor M. Madrigal Jr. | Review & Initial | <i>VMadrigal</i> | <i>2/2/18</i> |
| 2 | CAU | Review & Initial | <i>AK</i> <i>ces</i> | <i>2/14/18</i> |
| 3 | Legal - Heather Wolnick | Signature | <i>Hw</i> | <i>2/15/18</i> |
| 4 | Jean Caramatti | Signature | <i>JC</i> | <i>2/16/18</i> |
| 5 | Airport Director - Ivar C. Satero | Signature | <i>IS</i> | <i>2/16/18</i> |
| 6 | CAU | Review & Initial | <i>CS</i> | <i>2/16/18</i> |
| 7 | CMU - Victor M. Madrigal Jr. | Information | <i>VM</i> | <i>2/22/18</i> |
| 8 | Accounting | Review & Initial | | |
| 9 | CMU - Victor M. Madrigal Jr. | Information | | |

Comments

CT 10072.41 - Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV. Funding source is Capital.

Return to

| | | | |
|-------|--|------|--------------|
| Name | Victor M. Madrigal Jr. | Ext. | 650-821-5324 |
| Email | victor.madrigal@flysfo.com | | |

City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128

First Modification

Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project

THIS MODIFICATION (this "Modification") is made as of **September 1, 2018**, in San Francisco, California, by and between: **PGH Wong & Partners JV** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission**."

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not-to-exceed \$3,250,000 for the first year of services; and
- C. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to update the contractor's overhead rates; and
- D. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 47501-16/17 on August 7, 2017; and

NOW, THEREFORE, Contractor and the City agree as follows:

1. **Definitions.** The following definitions shall apply to this Modification:

a. **Agreement.** The term "Agreement" shall mean the Agreement dated **December 19, 2017** between Contractor and City.

b. **Other Terms.** Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.

2. **Appendix B, Calculation of Charges**, is hereby amended as follows:

a. **Section 3.2 Overhead Rates**, is hereby deleted in its entirety and replaced with the following:

3.2. Overhead Rates

3.2.1 The Airport shall pay the lesser of a firm's current audited overhead rates, or the maximum approved overhead rates as follows:

011 OCT 25 PM 3:44
[Handwritten signature]





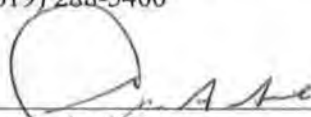
| Firm Name | Home Office Overhead Rate | Field Office Overhead Rate |
|----------------------------|----------------------------------|-----------------------------------|
| PGH Wong Engineering, Inc. | 125.00% | 125.00% |
| CFWright Consulting | 134.58% | 134.58% |
| Avila and Associates | 135.00% | 125.00% |
| Montez Group | 135.00% | 132.00% |
| Saylor Consulting Group | 163.20% | 150.00% |
| Chaves & Associates | 145.00% | 145.00% |
| Studio 151 | 135.00% | 125.00% |
| UDC Pros | 150.00% | 125.00% |

- 3.2.2 Contractor shall submit to the Airport current certified reviewed financial audit report(s) of overhead cost rates for home and/or field office rates upon request for a change or addition to the approved overhead rates stated in this Paragraph 3.2.
- 3.2.3 The Contractor shall apply the home office indirect cost rate when its staff works in an office provided by the Contractor. Contractor shall apply the field office indirect cost rate when it assigns its staff full time to an office provided by the Airport. Offices provided by the Airport will provide office spaces, utilities, telephone service, internet access, and computers.

3 Effective Date. Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

4. Legal Effect. Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| | |
|---|--|
| <p>CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO</p> <p>By:  Ivar G. Satero, Airport Director</p> <p>Approved as to Form: Dennis J. Herrera City Attorney</p> <p>By:  Heather Wolnick Deputy City Attorney</p> | <p> Authorized Signature</p> <p>Clifford S. M. Wong President PGH Wong Engineering, Inc. 182 2nd Street, Suite 500 San Francisco, California 94105 (415) 566-0800</p> <p> Authorized Signature</p> <p>Curtis Wright President CFWright Consulting, LLC 1108- A Bryant Street San Francisco, CA 94103 (619) 288-5400</p> <p> Authorized Signature</p> <p>Ernesto A. Avila President Avila and Associates Consulting Engineers, Inc. 490 Post Street, Suite 1415 San Francisco, CA 94102 (415) 576-1230</p> <p>City Supplier Number: 0000029434</p> <p>Federal Employer ID Number: 82-3487026</p> |
|---|--|

CITY AND COUNTY OF SAN FRANCISCO

CONTRACT ORDER

CONTRACT WITH:

HENSEL PHELPS CONSTRUCTION COMPANY

226 AIRPORT PARKWAY, SUITE 150

SAN JOSE, CA 95110

Original
 Modification - Increase
 - Decrease
 Date Change Only

| | | |
|---------------------------------------|----------------------------|---|
| Department: 27 Airport Commission | | Controller No.: 0000159674 |
| * Department Contact: KRIS OPBROEK | | Tel. No: (650) 821-5316 |
| PS Contract No. 1000009505 | | Date: 05/13/2019 Page <u>1</u> of <u>1</u> |
| * Category Code 95877 | Supplier No. 0000029434 | Job No. CT 10072.41 |

| | | | |
|--|------------|-------------------|--------------|
| Period Covered: 3/13/2018 – 3/12/2020 | | Amount: \$0.00 | |
| Insurance Required | PGH Wong | CFWright | Avila & Ass. |
| Worker's Comp. | 09/01/2019 | 07/01/2019 | 03/09/2020 |
| Comp. Gen. Liab. | 12/18/2019 | 07/01/2019 | 02/20/2020 |
| Automobile | 09/30/2019 | 07/01/2019 | 04/20/2020 |
| Umbrella | 12/18/2019 | 07/01/2019 | 02/20/2020 |
| Professional Liab. | 12/15/2019 | 07/01/2019 | 02/20/2020 |

FOR THE PURPOSE OF: MODIFICATION NO. 2 FOR CT10072.41 - PROGRAM MANAGEMENT SUPPORT SERVICES (PMSS) FOR THE COURTYARD 3 CONNECTOR PROJECT

TO PROVIDE OVERALL MANAGEMENT EXPERTISE AND OVERSIGHT OF THE COURTYARD 3 CONNECTOR PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF \$3,250,000.00.
 MODIFICATION NO. 2 TO INCREASE THE CONTRACT AMOUNT BY \$5,000,000 FOR NEW TOTAL NOT TO EXCEED AMOUNT OF \$8,250,000 AND EXTEND THE TERM OF CONTRACT THROUGH MARCH 12, 2020.

PSC 47501-16/17 APPROVED AMOUNT: \$280,000,000
 PSC FORM 2 (7/1/2017 - 06/30/2019) : \$8,250,000

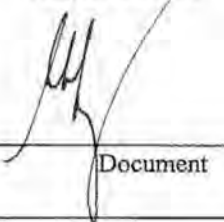
PREVIOUS ENCUMBRANCE: \$ 2,494,000.00 (0000159674)
THIS ENCUMBRANCE: \$0.00 (0000159674)
 TOTAL ENCUMBRANCE: \$ 2,494,000.00

CONTRACT PERIOD: ONE YEAR FROM THE DATE OF NOTICE TO PROCEED (NTP DATE: 03/13/18)
CONTRACT AWARD: \$3,250,000.00 FOR FIRST YEAR PER COMMISSION RESOLUTION NO. 17-0321.
 \$5,000,000.00 FOR FIRST YEAR PER COMMISSION RESOLUTION NO. 19-0030.

Mail Invoice to:
 Kris Opbroek – Planning, Design & Construction

San Francisco Airport Commission
 P.O. Box 8097
 San Francisco, CA 94128

RECOMMENDED AND APPROVED

| By:  IVAR C. SATERO Airport Director | | Chief Administrative Officer, Board of Supervisor | | Materials, Supplies & Services Purchaser Real Property Leases & Rents Director of Property | | | Certification Date: MAY 13 2019 | |
|---|----------|--|---------|--|------|-----------|--|----------|
| Ln. No | Document | Amount | Account | Fund | Dept | Authority | Project | Activity |
| | | \$0.00 | | | | | | |

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 2

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

THIS MODIFICATION (this "Modification") is made as of **February 19, 2019**, in San Francisco, California, by and between: **PGH Wong & Partners JV** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not-to-exceed \$3,250,000 for the first year of services; and
- C. On September 1, 2018, City and Contractor administratively modified the Agreement to update rates and incorporate a new subcontractor through Modification No. 1; and
- D. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount and extend the term of the contract; and
- E. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 to increase the contract amount by \$5,000,000, for a new not-to-exceed amount of \$8,250,000; to extend the term of the contract through March 12, 2020 and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 47501-16/17 on August 7, 2017; and
- G. Any prior modification shall here and in the future be identified as a Modification and numbered accordingly—for example, "First Amendment," "First Modification," or "Amendment No. 1" shall be identified as Modification No. 1.

NOW, THEREFORE, Contractor and the City agree as follows:

- 1. **Definitions.** The following definitions shall apply to this Modification:

Agreement. The term "Agreement" shall mean the Agreement dated **December 19, 2017** between Contractor and City, as amended by the:

Modification No. 1, dated September 1, 2018

- 2. **Article 1. Definitions, 1.10 Other Terms** is now added to the Agreement as follows:

1.10 Other Terms. Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.




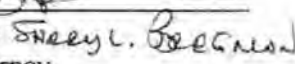
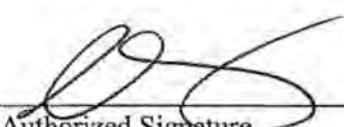
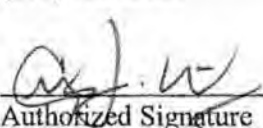
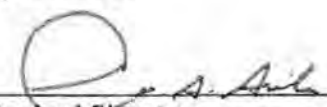
3. Article 2. Term of the Agreement, Section 2.1 is hereby amended to extend the term of the contract for **365 days** for a new ending date of **March 12, 2020**.

4. Article 3. Financial Matters, 3.3. Compensation, Section 3.3.1 Payment is hereby amended to increase the total compensation payable by Five Million Dollars (\$5,000,000) for a new total not-to-exceed amount of Eight Million Two Hundred Fifty Thousand Dollars (\$8,250,000).

5. Effective Date. Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

6. Legal Effect. Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| | |
|---|--|
| <p>CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO</p> <p>By:  Ivar C. Satero, Airport Director</p> <p>Attest:</p> <p>By:  C. Corina Monzón, Secretary Airport Commission</p> <p>Resolution No: 19-0030</p> <p>Adopted on: February 19, 2019</p> <p>Approved as to Form:</p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By:  Heather Wolnick  Sneyl. Beegman Deputy City Attorney</p> | <p> Authorized Signature</p> <p>Clifford S. M. Wong President PGH Wong Engineering, Inc. 182 2nd Street, Suite 500 San Francisco, California 94105 (415) 566-0800</p> <p> Authorized Signature</p> <p>Curtis Wright President CFWright Consulting, LLC 1108- A Bryant Street San Francisco, CA 94103 (619) 288-5400</p> <p> Authorized Signature</p> <p>Ernesto A. Avila President Avila and Associates Consulting Engineers, Inc. 490 Post Street, Suite 1415 San Francisco, CA 94102 (415) 576-1230</p> <p>City Supplier Number: 0000029434</p> <p>Federal Employer ID Number: 82-3487026</p> |
|---|--|

CITY AND COUNTY OF SAN FRANCISCO

CONTRACT ORDER

CONTRACT WITH:

PGH WONG & PARTNERS JV

182 2ND STREET, SUITE 500
SAN FRANCISCO, CA 95105

Original
 Modification - Increase
 - Decrease
 Admin

| | | |
|--------------------------------------|----------------------------|---|
| Department: 27 Airport Commission | | Controller No.: 0000159674 & 0000320412 |
| Department Contact: KRIS OPBROEK | | Tel. No: (650) 821-5316 |
| PS Contract No. 1000009229 | | Date: 10/18/2019 Page <u>1</u> of <u>1</u> |
| * Category Code 95877 | Supplier No. 0000029434 | Job No. CT 10072.41 |

| | |
|--|----------------|
| Period Covered: 3/13/2018 – 3/12/2020 | Amount: \$0 |
|--|----------------|

FOR THE PURPOSE OF: MODIFICATION 3 FOR CT10072.41 - PROGRAM MANAGEMENT SUPPORT SERVICES (PMSS) FOR THE COURTYARD 3 CONNECTOR PROJECT

TO PROVIDE OVERALL MANAGEMENT EXPERTISE AND OVERSIGHT OF THE COURTYARD 3 CONNECTOR PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF \$8,250,000.00. MODIFICATION NO. 3 IS TO ADMINISTRATIVELY MODIFY THE AGREEMENT ON TERMS AND CONDITIONS.

PSC 47501-16/17 APPROVED AMOUNT: \$280,000,000
 PSC FORM 2 (7/1/2017 - 06/30/2019) : \$8,250,000


| | | |
|--------------------------|-----------------|--------------|
| PREVIOUS ENCUMBRANCE: | \$ 2,882,900.00 | (0000159674) |
| PREVIOUS ENCUMBRANCE | 2,086,100.00 | (0000320412) |
| THIS ENCUMBRANCE: | <u>0</u> | |
| TOTAL ENCUMBRANCE: | \$ 4,969,000.00 | |

CONTRACT PERIOD: 03/18/2018-03/12/2020
CONTRACT AWARD: \$3,250,000.00 FOR FIRST YEAR PER COMMISSION RESOLUTION NO. 17-0321. \$8,250,000.00 FOR SERVICES THROUGH MARCH 12, 2020 PER COMMISSION RESOLUTION NO. 19-0030.

| | | | |
|--------------------|------------|------------|--------------|
| Insurance Required | PGH Wong | CFWright | Avila & Ass. |
| Worker's Comp. | 09/01/2020 | 07/01/2020 | 03/09/2020 |
| Comp. Gen. Liab. | 12/18/2019 | 07/01/2020 | 02/20/2020 |
| Automobile | 09/30/2019 | 07/01/2020 | 04/20/2020 |
| Umbrella | 12/18/2019 | 07/01/2020 | 02/20/2020 |
| Professional Liab. | 12/15/2019 | 07/01/2020 | 02/20/2020 |

| |
|--|
| Mail Invoice to: Kris Opbroek Planning, Design & Construction |
| San Francisco Airport Commission P.O. Box 8097 San Francisco, CA 94128 |

RECOMMENDED AND APPROVED

| | | | |
|--|--|--|---------------------|
| By: IVAR C. SATERO Airport Director  | Chief Administrative Officer, Board of Supervisor | Materials, Supplies & Services Purchaser Real Property Leases & Rents Director of Property | Certification Date: |
|--|--|--|---------------------|

| Ln. | Document | Amount | Account | Fund | Dept | Authority | Project | Activity |
|-----|----------|--------|---------|------|--------|-----------|----------|----------|
| | | | | | 109722 | 19698 | 10004227 | 0033 |

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 3

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

THIS MODIFICATION (this "Modification") is made as of August 1, 2019, in San Francisco, California, by and between: **PGH Wong & Partners JV** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not-to-exceed \$3,250,000 for the first year of services; and
- C. On September 1, 2018, City and Contractor administratively modified the Agreement to update the Contractor's overhead rates through Modification No. 1; and
- D. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 to increase the contract amount and to extend the term of the Agreement; and
- E. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to amend Appendix B – Calculation of Charges, to update the direct labor rate ranges; and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 47501-16/17 on August 7, 2017; and

NOW, THEREFORE, Contractor and the City agree as follows:

- 1. **Definitions.** The following definitions shall apply to this Modification:

Agreement. The term "Agreement" shall mean the Agreement dated December 19, 2017 between Contractor and City, as amended by the:

Modification No. 1, dated September 1, 2018, and
Modification No. 2, dated February 19, 2019.

- 2. **Article 1. Definitions, 1.10 Other Terms** is now added to the Agreement as follows:

1.10 Other Terms. Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 4

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

THIS MODIFICATION (this "Modification") is made effective as of March 1, 2020, in San Francisco, California, by and between **PGH Wong & Partners JV**, a joint venture between PGH Wong Engineering, Inc. and Avila and Associates Consulting Engineers, Inc. ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") (as defined below); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$3,250,000 for the first year of services; and
- D. On September 1, 2018, City and Contractor administratively modified the Agreement to update the Contractor's overhead rates through Modification No. 1; and
- E. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 to increase the contract amount by \$5,000,000, for a new not-to-exceed amount of \$8,250,000, and to extend the term of the contract through March 12, 2020; and
- F. On August 1, 2019, City and Contractor administratively modified the Agreement to amend Appendix B, Calculation of Charges and to update the direct labor rates through Modification No. 3; and
- G. On November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 to increase the contract amount by \$9,000,000, for a new total not-to-exceed amount of \$17,250,000, to extend the term of the contract for services through June 30, 2022, and to seek Board of Supervisors approval of Modification No.4; and
- H. After the Commission adopted Resolution No. 19-0273, PGH Wong & Partners JV informed the Airport that joint venture member CFWright Consulting, LLC had resigned from the joint venture, and therefore, Staff neither executed nor sought Board of Supervisors approval of Modification No. 4; and
- I. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount, extend the term of the contract, and update the Agreement to maintain consistency with statutory, Code and other applicable standard changes to City contracts that occurred since execution of the Agreement; and

J. On February 18, 2020, by Resolution No. 20-0028, the Commission approved this Modification No. 4 to increase the contract amount by \$1,500,000, for a new total not-to-exceed amount of \$9,750,000 and to extend the term of the contract for services through June 30, 2022; and

K. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 47501-16/17 on August 7, 2017; and

L. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, City and the Contractor agree as follows:

1. **Article 1. Definitions** is amended as follows:

a. **Section 1.1. Agreement** has been revised. The definition "Agreement" shall mean the Agreement dated December 19, 2017 between Contractor and City, as amended by the:

| | |
|---------------------|------------------------------|
| Modification No. 1, | dated September 1, 2018, |
| Modification No. 2, | dated February 19, 2019, and |
| Modification No. 3, | dated August 1, 2019. |

b. **New Section 1.11 "City Data" or "Data"** is hereby added to the Agreement to read as follows:

1.11 "City Data" or "Data" includes, but is not limited to, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement. This includes data that is provided by a third-party for use under this Agreement.

c. **New Section 1.12 Confidential Information** is hereby added to the Agreement to read as follows:

1.12 **Confidential Information.** The term "Confidential Information" means confidential City information including, but not limited to, personally-identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of Part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

2. **Article 2. Term of the Agreement, Section 2.1** is hereby amended to extend the term of the contract for a new ending date of June 30, 2022.

3. **Article 3. Financial Matters, 3.3. Compensation, Section 3.3.1 Payment** is hereby amended to increase the total compensation payable by One Million Five Hundred Thousand Dollars (**\$1,500,000**) for a new total not-to-exceed amount of Nine Million Seven Hundred Fifty Thousand Dollars (**\$9,750,000**).

4. **New Section 3.3.7 Subcontractor Prompt Payment** is hereby added to the Agreement to read as follows:

3.3.7 **Subcontractor Prompt Payment.** Except as otherwise required by Chapter 14B of the Administrative Code, and consistent with the provisions of Section 6.42(f) of the Administrative Code, Contractor shall pay its subcontractors within seven calendar days after receipt of each progress payment from the City, unless otherwise agreed to in writing by both Contractor and the subcontractor. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from Contractor to a subcontractor, the Contractor may withhold the disputed amount, but shall pay the undisputed amount. If Contractor violates the provisions of Section 6.42(f), then Contractor shall pay to the subcontractor directly the penalty specified in Section 6.42(f).

5. **New Section 7.3 Withholding** is hereby added to the Agreement to read as follows:

7.3 **Withholding.** Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

6. **Section 8.2.1(a)** is hereby amended to include **Article 13. Data and Security** in the table of contractual provisions the breach of which shall constitute an immediate event of default under the Agreement.

7. **Section 8.4.1** is hereby amended to include **Article 13. Data and Security** in the table of contractual provisions that shall survive termination or expiration of the Agreement.

8. **Section 10.7 Minimum Compensation Ordinance** is hereby deleted in its entirety and replaced with **New Section 10.7 Minimum Compensation Ordinance** to read as follows:

10.7 **Minimum Compensation Ordinance.** If Administrative Code Chapter 12P applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at <http://sfgov.org/olse/mco>. Contractor is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.

9. **Section 10.8 Health Care Accountability Ordinance** is hereby deleted in its entirety and replaced with **New Section 10.8 Health Care Accountability Ordinance** to read as follows:

10.8 **Health Care Accountability Ordinance.** If Administrative Code Chapter 12Q applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of the Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at <http://sfgov.org/olse/hcao>. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q. Any Subcontract entered

into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

10. New Section 10.20 Consideration of Salary History is hereby added to the Agreement to read as follows:

10.20 Consideration of Salary History. Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

11. Section 10.21 Limitations on Contributions is hereby deleted in its entirety and replaced with **New Section 10.21 Limitations on Contributions** to read as follows:

10.21 Limitations on Contributions. By executing this Agreement, Contractor acknowledges its obligations under Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

11. Section 11.13 Order of Precedence is hereby deleted in its entirety and replaced with **New Section 11.13 Order of Precedence** to read as follows:

11.13 Order of Precedence. Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, implementing task orders, the Request for Qualifications/Request for Proposals (RFQ/RFP), and Contractor's proposal dated September 25, 2017. The RFQ/RFP and Contractor's proposal are incorporated by reference as though fully set forth herein. Should there be a conflict of terms or conditions, this Agreement and any implementing task orders shall control over the RFQ/RFP and the Contractor's proposal. If the Appendices to this Agreement include any standard printed terms from the Contractor, Contractor agrees that in the event of discrepancy, inconsistency, gap,

ambiguity, or conflicting language between the City's terms and Contractor's printed terms attached, the City's terms shall take precedence, followed by the procurement issued by the department, Contractor's proposal, and Contractor's printed terms, respectively.

12. New Section 11.14 Incorporation of Recitals is hereby added to the Agreement to read as follows:

11.14 Incorporation of Recitals. The matters recited above are hereby incorporated into and made part of this Agreement.

13. New Section 11.15 Notification of Legal Requests is hereby added to the Agreement to read as follows:

11.15 Notification of Legal Requests. Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests and other legal requests ("Legal Requests") related to all data given to Contractor by City in the performance of this Agreement ("City Data" or "Data"), or which in any way might reasonably require access to City's Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

14. Article 13 Data and Security is hereby deleted in its entirety and replaced with **New Article 13 Data and Security** to read as follows:

Article 13 Data and Security

13.1. Nondisclosure of City Data, Private or Confidential Information.

13.1.1 Protection of Private Information. If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 Confidential Information. In the performance of Services, Contractor may have access to City Data and /or City's Confidential Information, the disclosure of which to third parties may damage City. If City discloses City Data or Confidential Information to Contractor, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own Confidential Information.

13.2 Payment Card Industry ("PCI") Requirements. - Not Applicable.

13.3 Business Associate Agreement. – Not Applicable.

13.4 Management of City Data and Confidential Information

13.4.1 Access to City Data. City shall at all times have access to and control of all data given to Contractor by City in the performance of this Agreement ("City Data" or "Data"), and shall be able to retrieve it in a readable format, in electronic form and/or print, at any time, at no additional cost.

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 5

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

THIS MODIFICATION (this “Modification”) is made effective as of June 1, 2020, in San Francisco, California, by and between **PGH Wong & Partners JV**, a joint venture between PGH Wong Engineering, Inc. and Avila and Associates Consulting Engineers, Inc. (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Airport Commission, hereinafter referred to as “**Commission.**”

RECITALS

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the “Airport” or “SFO”) (as defined below); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$3,250,000 for the first year of services; and
- D. On September 1, 2018, City and Contractor administratively modified the Agreement to update the Contractor’s overhead rates through Modification No. 1; and
- E. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 to increase the contract amount by \$5,000,000, for a new not-to-exceed amount of \$8,250,000, to extend the term of the contract through March 12, 2020; and
- F. On August 1, 2019, City and Contractor administratively modified the Agreement to amend Appendix B, Calculation of Charges and to update the direct labor rates through Modification No. 3; and
- G. On November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 to increase the contract amount by \$9,000,000, for a new total not-to-exceed amount of \$17,250,000, to extend the term of the contract for services through June 30, 2022, and to seek Board of Supervisors approval of Modification No. 4; and
- H. After the Commission adopted Resolution No. 19-0273, PGH Wong & Partners JV informed the Airport that CFWright Consulting, LLC had resigned from the joint venture, and therefore, Staff neither executed nor sought Board of Supervisors approval of Modification No. 4; and
- I. On February 18, 2020, by Resolution No. 20-0028, the Commission approved a revised Modification No. 4 to increase the contract amount by \$1,500,000, for a new total not-to-exceed amount of \$9,750,000 and to extend the term of the contract for services through June 30, 2022, and to recognize

CFWright Consulting, LLC withdrawal as a member of the joint venture that is the Contractor for this Agreement; and

J. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount; and

K. On February 18, 2020, by Resolution No. 20-0029, the Commission approved this Modification No. 5 to increase the contract amount by \$7,500,000, for a new total not-to-exceed amount of \$17,250,000, and to seek Board of Supervisors approval of Modification No. 5; and

L. On _____, by Resolution No. _____, the Board of Supervisors approved this Modification No. 5 under San Francisco Charter Section 9.118; and

M. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 47501-16/17 on August 7, 2017; and

N. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, City and the Contractor agree as follows:

1. Article 1. Definitions are amended as follows:

a. Section 1.1. Agreement has been revised. The definition “Agreement” shall mean the Agreement dated December 19, 2017, between Contractor and City, as amended by the:

| | |
|---------------------|---------------------------|
| Modification No. 1, | dated September 1, 2018, |
| Modification No. 2, | dated February 19, 2019, |
| Modification No. 3, | dated August 1, 2019, and |
| Modification No. 4, | dated March 1, 2020. |

2. Article 3. Financial Matters, 3.3. Compensation, Section 3.3.1 Payment is hereby amended to increase the total compensation payable by Seven Million Five Hundred Thousand Dollars **(\$7,500,000)** for a new total not-to-exceed amount of Seventeen Million Two Hundred Fifty Thousand Dollars **(\$17,250,000)**.

3. Legal Effect. Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| | |
|---|--|
| <p>CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO</p> <p>By: _____ Ivar C. Satero, Airport Director</p> <p>Attest:</p> <p>By _____ C. Corina Monzón, Secretary Airport Commission</p> <p>Resolution No: 20-0029</p> <p>Adopted on: <u>February 18, 2020</u></p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By _____ Daniel A. Edington Deputy City Attorney</p> | <p>_____</p> <p>Authorized Signature</p> <p>Clifford S. M. Wong President PGH Wong Engineering, Inc. 182 2nd Street, Suite 500 San Francisco, California 94105 (415) 566-0800</p> <p>_____</p> <p>Authorized Signature</p> <p>Ernesto A. Avila President Avila and Associates Consulting Engineers, Inc. 490 Post Street, Suite 1415 San Francisco, CA 94102 (415) 576-1230</p> <p>City Supplier Number: 0000029434</p> <p>Federal Employer ID Number: 82-3487026</p> |
|---|--|

CITY AND COUNTY OF SAN FRANCISCO

CONTRACT ORDER

CONTRACT WITH:

PGH WONG & PARTNERS JV

182 2ND STREET, SUITE 500
SAN FRANCISCO, CA 95105

Original

Modification - Increase

- Decrease

Other

| | | |
|--|----------------------------|---|
| Department: 27 Airport Commission | | Controller No.: 0000159674 & 0000320412 0000378083 |
| Department Contact: KRIS OPBROEK | | Tel. No: (650) 821-5316 |
| PS Contract No. 1000009229 | | Date: 11/23/2020 Page <u>1</u> of <u>1</u> |
| * Category Code 95877 | Supplier No. 0000029434 | Job No. CT 10072.41 |
| Period Covered: 3/13/2018 – 3/12/2022 | | Amount: \$0.00 |

FOR THE PURPOSE OF: MODIFICATION NO. 6 FOR CT10072.41 - PROGRAM MANAGEMENT SUPPORT SERVICES (PMSS) FOR THE COURTYARD 3 CONNECTOR PROJECT

TO PROVIDE OVERALL MANAGEMENT EXPERTISE AND OVERSIGHT OF THE COURTYARD 3 CONNECTOR PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF \$9,750,000. MODIFICATION NO. 6 ADMINISTRATIVELY MODIFY THE AGREEMENT ON THE TERMS AND CONDITIONS SET FORTH HEREIN TO AMEND APPENDIX B, CALCULATION OF CHARGES, AND TO UPDATE THE AGREEMENT TO MAINTAIN CONSISTENCY WITH STATUTORY, CODE, SAN FRANCISCO ORDINANCES EFFECTING CONTRACTING, AND OTHER APPLICABLE STANDARD CHANGES TO CITY CONTRACTS THAT OCCURRED SINCE EXECUTION OF THE AGREEMENT.

PSC 47501-16/17 APPROVED AMOUNT: \$280,000,000
PSC FORM 2 (7/1/2017 - 06/30/2020) : \$17,250,000

| | | |
|--------------------------|-----------------|---------------------|
| PREVIOUS ENCUMBRANCE: | \$ 2,882,900.00 | (0000159674) |
| PREVIOUS ENCUMBRANCE | 2,086,100.00 | (0000320412) |
| PREVIOUS ENCUMBRANCE | 5,400,000.00 | (0000378083) |
| THIS ENCUMBRANCE: | 0.00 | (0000378083) |
| TOTAL ENCUMBRANCE: | \$10,369,000.00 | |


CONTRACT PERIOD: 03/18/2018-03/12/2022

CONTRACT AWARD: \$3,250,000 PER COMMISSION RESOLUTION NO. 17-0321.
\$5,000,000 PER COMMISSION RESOLUTION NO. 19-0030.
\$1,500,000 PER COMMISSION RESOLUTION NO. 20-0028
\$7,500,000 PER COMMISSION RESOLUTION NO. 20-0029

| | | |
|--------------------|------------|--------------|
| Insurance Required | PGH Wong | Avila & Ass. |
| Worker's Comp. | 09/01/2021 | 02/20/2021 |
| Comp. Gen. Liab. | 12/18/2020 | 02/20/2021 |
| Automobile | 12/18/2020 | 02/20/2021 |
| Umbrella | 12/18/2020 | 02/20/2021 |
| Professional Liab. | 12/15/2020 | 02/20/2021 |

| |
|--|
| Mail Invoice to: Kris Opbroek – Planning, Design & Construction |
| San Francisco Airport Commission P.O. Box 8097 San Francisco, CA 94128 |

RECOMMENDED AND APPROVED

| | | | |
|--|--|--|--|
| By:  IVAR C. SATERO Airport Director | Chief Administrative Officer, Board of Supervisor | Materials, Supplies & Services Purchaser Real Property Leases & Rents Director of Property | Certification Date: NOV 23 2020 |
|--|--|--|--|

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 6

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

THIS MODIFICATION (this "Modification") is made effective as of July 1, 2020, in San Francisco, California, by and between **PGH Wong & Partners JV**, a joint venture between PGH Wong Engineering, Inc. and Avila and Associates Consulting Engineers, Inc. ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") (as defined below); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$3,250,000 for the first year of services; and
- D. On September 1, 2018, City and Contractor administratively modified the Agreement to update the Contractor's overhead rates through Modification No. 1; and
- E. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 to increase the contract amount by \$5,000,000, for a new not-to-exceed amount of \$8,250,000, to extend the term of the contract through March 12, 2020; and
- F. On August 1, 2019, City and Contractor administratively modified the Agreement to amend Appendix B, Calculation of Charges and to update the direct labor rates through Modification No. 3; and
- G. On November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 to increase the contract amount by \$9,000,000, for a new total not-to-exceed amount of \$17,250,000, to extend the term of the contract for services through June 30, 2022, and to seek Board of Supervisors approval of Modification No.4; and
- H. After the Commission adopted Resolution No. 19-0273, PGH Wong & Partners JV informed the Airport that CFWright Consulting, LLC had resigned from the joint venture, and therefore, Staff neither executed nor sought Board of Supervisors approval of Modification No. 4; and
- I. On February 18, 2020, by Resolution No. 20-0028, the Commission approved a revised Modification No. 4, dated March 1, 2020, to increase the contract amount by \$1,500,000, for a new total not-to-exceed amount of \$9,750,000 and to extend the term of the contract for services through June 30,

2022, and to recognize CFWright Consulting, LLC complete withdrawal as a member of the joint venture that is the Contractor for this Agreement; and

J. On February 18, 2020, by Resolution No. 20-0029, the Commission approved Modification No. 5 to increase the contract amount by \$7,500,000, for a new total not-to-exceed amount of \$17,250,000; and

K. On June 23, 2020, by Resolution No. 279-20, the Board of Supervisors approved Modification No. 5 under San Francisco Charter Section 9.118; and

L. WHEREAS, due to the financial impacts that the Airport and City are currently experiencing as a result of the COVID-19 pandemic, City requested that all professional service contractors reduce hourly rates and fees under their contracts, which will assist in maintaining the financial feasibility of Airport's continued procurement of Services under this Agreement, of acknowledged value to Contractor; and

L. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to amend Appendix B, Calculation of Charges, and to update the Agreement to maintain consistency with statutory, Code, San Francisco ordinances effecting contracting, and other applicable standard changes to City contracts that occurred since execution of the Agreement; and

M. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 47501-16/17 on August 7, 2017; and

N. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, City and the Contractor agree as follows:

1. **Article 1. Definitions** are amended as follows:

a. **Section 1.1. Agreement** has been revised. The definition "Agreement" shall mean the Agreement dated December 19, 2017, between Contractor and City, as amended by the:

| | |
|---------------------|--------------------------|
| Modification No. 1, | dated September 1, 2018, |
| Modification No. 2, | dated February 19, 2019, |
| Modification No. 3, | dated August 1, 2019, |
| Modification No. 4, | dated March 1, 2020, and |
| Modificaiton No. 5, | dated July 3, 2020. |

b. **Section 1.11 Confidential Information**, is hereby deleted in its entirety and replaced with **New Section 1.11 Confidential Informaton** to read as follows:

1.11 Confidential Information.

1.11.1.. "Confidential Information" means confidential City information including, but not limited to, personally-identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 *et seq.*); the California Confidentiality of Medical Information Act (Civil Code § 56 *et seq.*); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security

information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and Administrative Code Chapter 12M (“Chapter 12M”).

1.11.2. “Confidential Information” also means any and all nonpublic information, whether written, electronic, or oral, concerning or relating to Airport technology, computer, or data systems, processes, or procedures, or Critical Infrastructure Information or Protected Critical Infrastructure Information as defined under the Homeland Security Act of 2002 and 6 CFR §29.2, which information or access to such information is supplied by the Airport or on behalf of the Airport to Contractor or otherwise acquired by Contractor during the course of dealings with the Airport. Additionally, “Confidential Information” includes security or security-related information, whether or not such information constitutes sensitive security information (“SSI”) as provided under 49 CFR Part 1520. In the event Contractor acquires SSI, it shall treat such information in conformance with federal law and the provisions of this Contract.

1.11.3. “Confidential Information” is confidential regardless of whether such information is in its original form, a copy, or a derivative product. “Derivative” means written or electronic material created from or with, or based on Confidential Information (i.e., a report analyzing Confidential Information shall also be considered Confidential Information). Confidential Information shall also mean proprietary, trade secret or other protected information, identified as Confidential Information by the Airport.

2. Article 10. Additional Requirements Incorporated by Reference, Section 10.17. Sugar-Sweetened Beverage Prohibition is hereby deleted in its entirety and replaced with **New Section 10.17. Distribution of Beverages and Water** to read as follows:

10.17 Distribution of Beverages and Water.


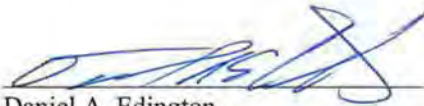


10.17.1 **Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

10.17.2 **Packaged Water Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

3. Appendix B, Calculation of Charges, is hereby deleted in its entirety and replaced with **New Appendix B, Calculation of Charges,** attached to this Modification No. 6.

4. Legal Effect. Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| | |
|--|--|
| <p>CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO</p> <p>By:  Ivar C. Satero, Airport Director</p> <p>Approved as to Form: Dennis J. Herrera City Attorney</p> <p>By:  Daniel A. Edington Deputy City Attorney</p> | <p> Authorized Signature</p> <p>Peter Wong Chief Executive Officer PGH Wong Engineering, Inc. 182 2nd Street, Suite 500 San Francisco, California 94105 (415) 566-0800</p> <p> Authorized Signature</p> <p>Ernesto A. Avila President Avila and Associates Consulting Engineers, Inc. 490 Post Street, Suite 1415 San Francisco, CA 94102 (415) 576-1230</p> <p>City Supplier Number: 0000029434 Federal Employer ID Number: 82-3487026</p> |
|--|--|

**APPENDIX B
CALCULATION OF CHARGES**

1. GENERAL

- 1.1 As set forth in Section 3.3, "Compensation," of the Agreement, compensation for Work performed under this Agreement will be on a time and materials basis, unless otherwise approved by the Airport Project Manager.
- 1.2 No charges shall be incurred under this Agreement nor shall any payments become due to the Contractor until reports, services, or both required under this Agreement are received from the Contractor and approved by the Airport as being in accordance with this Agreement. In no event shall the Airport be liable for interest or late charges for any late payments.
- 1.3 Compensation shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).

2. METHOD OF PAYMENT

- 2.1 Unless approved otherwise by the Airport, the Contractor shall submit invoices for its services on a monthly basis, and the City will issue payments within thirty (30) days of receipt of an acceptable invoice with satisfactory backup documentation, approved by the Airport Project Manager. The term "invoice" shall include the Contractor's bill or other written request for payment under this Agreement for services performed. All invoices shall be made in writing and delivered or mailed to the Airport to the mailing address listed in Section 11.1 "Notices to the Parties," of the Agreement.
- 2.2 The Contractor shall submit invoices for the Work performed in conformance with procedures approved by the Airport.
 - 2.2.1 Such invoices shall segregate current costs from previously invoiced costs.
 - 2.2.2 Costs for individual labor shall be segregated by task and subtasks, if any.
 - 2.2.3 In no case shall the Contractor's invoices include costs that the Airport has disallowed or otherwise indicated that it will not recognize. Costs shall be invoiced by Contractor's accounting categories and shall be subject to the audit provisions of this Agreement.
 - 2.2.4 Each invoice shall clearly distinguish Contractor's personnel that are invoiced at the home office multiplier versus the field office multiplier. See Paragraph 3 below for rate definitions.
 - 2.2.5 Such invoices shall be, at a minimum: (i) mechanically accurate; (ii) substantially evidenced and properly supported; and (iii) in compliance with generally accepted accounting principles.
- 2.3 The Contractor shall also certify, for each invoice, that (i) the hourly rates for direct labor to be reimbursed under this Agreement, whether for Contractor or its subcontractor(s), are not in excess of the hourly rates in effect for the Contractor or subcontractor employees engaged in

the performance of services under this Agreement at that time; and (ii) that such hourly rates are in conformance with the Agreement.

- 2.4 The Airport reserves the right to withhold payment(s) otherwise due the Contractor in the event of the Contractor’s material non-compliance with any of the provisions of this Agreement, including, but not limited to, the requirements imposed upon the Contractor in Article 5, “Insurance and Indemnity,” of the Agreement. The Airport shall provide notice of withholding and may continue the withholding until the Contractor has provided evidence of compliance that is acceptable to the Airport.

3. LABOR RATES AND FEES

3.1 Direct Labor Rates and Direct Labor Rate Adjustments

3.1.1 Contractor shall pay salaried personnel based on a maximum of forty (40) hours per week with no overtime. Contractor shall pay salaried personnel assigned to multiple projects on a pro-rata share of a forty (40)-hour week. Contractor shall provide copies of signed timecards showing all assigned projects and the shared calculation.

3.1.2 If the Agreement is extended, the Airport may approve an annual adjustment to the direct labor rates effective on the anniversary date of this Agreement, based on an increase in the Consumer Price Index for the preceding twelve (12) months for the San Francisco Bay Area as published by the U.S. Department of Labor, Bureau of Labor Statistics, under the title of: “All Urban Consumers – San Francisco-Oakland-San Jose, California.” Such adjustments are subject to prior written approval by the Airport Project Manager and must be included in a written modification to the Agreement before any increase to any labor rate is incurred, unless the adjustment is made to meet the requirements of prevailing or minimum wage legislative mandates.

3.1.3 Effective June 1, 2020, the approved direct labor rates are as follows:

| Classification | Direct Labor Rate |
|-----------------------------|--------------------------|
| Construction Manager | \$85.13 |
| Program Manager | \$103.68 |
| Office Engineer | \$57.95 |
| Project Controls Manager | \$90.25 |
| Project Controls Engineer | \$67.52 |
| Project Controls Engineer | \$74.15 |
| Tenant Space Coordinator | \$66.54 |
| Assistant Resident Engineer | \$71.25 |
| Office Engineer | \$53.20 |
| Design Manager | \$84.68 |
| Administrative Assistant | \$25.00 |
| Steel Fab/Install | \$50.35 |
| Steel Installation | \$50.35 |
| Concrete | \$50.35 |
| Document Control Manager | \$51.30 |

| | |
|------------------------------------|----------|
| Electrical/Special Systems Manager | \$105.45 |
| Sr. Scheduler | \$95.33 |
| Project Manager | \$86.97 |

3.2 Overhead Rates

Effective June 1, 2020, the following multipliers shall be applied to direct labor:

- a. A field office multiplier of 2.3 shall be applied to all field staff (resident engineers, field inspectors, etc.) and all office staff provided with a work station at the Airport, furnished with normal office equipment and materials including computers, printers, internet access, email addresses, and office supplies.
- b. A home office multiplier of 2.5 shall be applied to staff working from Contractor's or subcontractors' offices and not provided with an Airport computer. Use of the home office multiplier requires pre-authorization from the Airport Project Manager.

3.3 Fee

Effective June 1, 2020, no additional fees shall be applied to direct labor or Other Direct Costs, unless approved in writing by the Airport in advance.

3.4 Mark-Up on Subcontractors

Effective June 1, 2020, no additional mark-ups shall be applied to subcontractor (of any tier) invoices.

4. OTHER DIRECT COSTS (ODC)

- 4.1 Only the actual costs incurred by the Contractor shall be allowed and invoiced as ODCs. The Contractor shall not submit any cost in excess of \$500 without prior written authorization from the Airport. There shall be no mark-ups of any kind allowed on costs reimbursed under this Section. Costs shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with the Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).
- 4.2 The costs of renderings, computer-animated presentations, and presentation models required for meetings and approvals described in Appendix A, Scope of Services, of this Agreement are not ODCs. The cost of additional renderings, computer-animated presentations, or presentations requested in writing and directed by the Airport shall be ODCs. Such materials prepared by the Contractor without written advance approval by the Airport shall be considered non-reimbursable.
- 4.3 The following items are not considered ODCs: (i) phone calls, faxes, mail, express mail, courier delivery or overnight delivery service charges, or other communications charges between members of the Contractor's team, regardless of location; regional phone calls and faxes for all area codes having any geographical land area within 100 miles of San Francisco even though its outlying boundary exceeds the 100 mile limitation; (ii) Internet gateways, electronic mail service or other technology-based communication service, FTP sites, or data file transfer or research services; (iii) travel by the Contractor or its subcontractors between its home office

and the San Francisco Bay Area; (iv) travel within 100 mile radius of San Francisco; travel outside 100 mile radius of San Francisco unless approved in writing in advance by the Airport; (v) in-house coordination materials among the Contractor's team and subcontractors, including photocopy and drawing materials, messenger services; (vi) presentation material, reproductions, all CADD and other computer-related time and expenses in support of those items specifically listed in Appendix A of this Agreement; and (vii) food and beverage and/or entertainment charges of any kind unless approved in writing in advance by the Airport.

- 4.4 Unless authorized by the Airport, the Airport will not reimburse the Contractor for the costs of business travel, contractor meals, or accommodations, including specialists that are based out of town and not assigned to the jobsite office. Travel and per diem expenses for the project team's management, jobsite personnel, or staff that commute to or from other offices or residences is not allowed. When authorized, travel expenses shall be in accordance with the City & County of San Francisco Travel Guidelines can be found at the following link:
https://www.google.com/url?q=http://sfcontroller.org/Modules/ShowDocument.aspx%3Fdocumentid%3D2174&sa=U&ved=0CAUQFjAAahUKEwjU0_TaqLjHAhUImogKHT3iCMw&client=internal-uds-cse&usg=AFQjCNHkyPKe3iRnxQ0y7-OQ2M7NqoiPbA

END OF APPENDIX B

Exhibit A
Approved Billing Rates

Date: Revised 6/18/2020

Project Name: Courtyard 3 Connector
Contract No.: 10072.41
Prime Consultant: PGH Wong & Partners JV
Prime Contact: Clifford Wong, (415) 566-0800, cliff@pghwong.com

| Name | Classification | Current Direct Rate | Revised Direct Rate* | Multiplier (FO) | Approved Billing Rate (FO) | Multiplier (HO) | Approved Billing Rate (HO) |
|-------------------------|-----------------------------------|---------------------|----------------------|-----------------|----------------------------|-----------------|----------------------------|
| 1 Apontes, Lakovos | Construction Manager | \$ 89.61 | \$ 85.13 | 2.3 | \$ 195.80 | 2.5 | \$ 212.82 |
| 2 Casey, Simon | Program Manager | \$ 109.14 | \$ 103.68 | 2.3 | \$ 238.47 | 2.5 | \$ 259.21 |
| 3 Chan, Jamie Yu | Office Engineer | \$ 61.00 | \$ 57.95 | 2.3 | \$ 133.29 | 2.5 | \$ 144.88 |
| 4 Gragnani, Aron | Project Controls Manager | \$ 95.00 | \$ 90.25 | 2.3 | \$ 207.58 | 2.5 | \$ 225.63 |
| 5 Hararah, Morad | Project Controls Engineer | \$ 71.07 | \$ 67.52 | 2.3 | \$ 155.29 | 2.5 | \$ 168.79 |
| 6 Kahn, Sajjad | Project Controls Engineer | \$ 78.05 | \$ 74.15 | 2.3 | \$ 170.54 | 2.5 | \$ 185.37 |
| 7 Manuel, Lyndon | Tenant Space Coordinator | \$ 70.04 | \$ 66.54 | 2.3 | \$ 153.04 | 2.5 | \$ 166.35 |
| 8 Moustafa, Loai | Assistant Resident Engineer | \$ 75.00 | \$ 71.25 | 2.3 | \$ 163.88 | 2.5 | \$ 178.13 |
| 9 Nicolas, Elijah | Office Engineer | \$ 56.00 | \$ 53.20 | 2.3 | \$ 122.36 | 2.5 | \$ 133.00 |
| 10 Sandri, Phillip | Design Manager | \$ 89.14 | \$ 84.68 | 2.3 | \$ 194.77 | 2.5 | \$ 211.71 |
| 11 Soriano, Sammy (FSH) | Administrative Assistant | \$ 25.00 | \$ 25.00 | 2.3 | \$ 57.50 | 2.5 | \$ 62.50 |
| 12 Special Inspection | Steel Fab/Install | \$ 53.00 | \$ 50.35 | 2.3 | \$ 115.81 | 2.5 | \$ 125.88 |
| 13 Special Inspection | Steel Installation | \$ 53.00 | \$ 50.35 | 2.3 | \$ 115.81 | 2.5 | \$ 125.88 |
| 14 Special Inspection | Concrete | \$ 53.00 | \$ 50.35 | 2.3 | \$ 115.81 | 2.5 | \$ 125.88 |
| 15 Turner, Kara | Document Control Manager | \$ 54.00 | \$ 51.30 | 2.3 | \$ 117.99 | 2.5 | \$ 128.25 |
| 16 Wennstromm, Eric | Electrial/Special Systems Manager | \$ 111.00 | \$ 105.45 | 2.3 | \$ 242.54 | 2.5 | \$ 263.63 |
| 17 Whipple, Vicki | Sr. Scheduler | \$ 100.35 | \$ 95.33 | 2.3 | \$ 219.26 | 2.5 | \$ 238.33 |
| 18 Whitman, Lisa | Project Manager | \$ 91.55 | \$ 86.97 | 2.3 | \$ 200.04 | 2.5 | \$ 217.43 |

*Direct Rates of over \$50 have been reduced by 5%. Rates \$50 and under have not been adjusted.

Multipliers:

Field Office Multiplier: The Field Office (FO) multiplier of 2.3 shall be applied to all field staff (resident engineers, field inspectors, etc.) and all office staff provided with a work station at the Airport, furnished with normal office equipment and materials including computers, printers, internet access, email addresses, and office supplies.

Home Office Multiplier: The Home Office (HO) multiplier of 2.5 shall be applied to staff working from a consultant's office and not provided with an Airport computer. Use of the HO multiplier requires pre-authorization from the Airport Project Manager.

CITY AND COUNTY OF SAN FRANCISCO

CONTRACT ORDER

CONTRACT WITH:

PGH WONG & PARTNERS JV

182 2ND STREET, SUITE 500
SAN FRANCISCO, CA 95105

Original
 Modification - Increase
 - Decrease
 Other

| | | |
|--------------------------------------|----------------------------|---|
| Department: 27 Airport Commission | | Controller No.: 0000159674 & 0000320412 0000378083 |
| Department Contact: KRIS OPBROEK | | Tel. No: (650) 821-5316 |
| PS Contract No. 1000009229 | | Date: 05/31/2022 Page <u>1</u> of <u>1</u> |
| * Category Code 95877 | Supplier No. 0000029434 | Job No. CT 10072.41 |

| | | |
|---|----------------|--------------|
| Period Covered: 3/13/2018 – 12/31/2023 | Amount: \$0 | |
| Insurance Required | PGH Wong | Avila & Ass. |
| Worker's Comp. | 12/18/2022 | 02/20/2023 |
| Comp. Gen. Liab. | 12/18/2022 | 02/20/2023 |
| Automobile | 12/18/2022 | 02/20/2023 |
| Umbrella | 12/18/2022 | 02/20/2023 |
| Professional Liab. | 12/15/2022 | 02/20/2023 |

FOR THE PURPOSE OF: MODIFICATION NO.7 FOR CT10072.41 - PROGRAM MANAGEMENT SUPPORT SERVICES (PMSS) FOR THE COURTYARD 3 CONNECTOR PROJECT

TO PROVIDE OVARALL MANAGEMENT EXPERTISE AND OVERSIGHT OF THE COURTYARD 3 CONNECTOR PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF \$17,250,000. THIS MODIFICATION 7 IS HEREBY AMENDED TO EXTEND THE TERM OF AGREEMENT FOR ADDITIONAL YEAR AND SIX MONTHS FOR A NEW ENDING DATE OF DECEMBER 31, 2023.

PSC 47501-16/17 APPROVED AMOUNT: \$350,000,000
 PSC FORM 2 (7/1/2017 - 06/30/2020) : \$17,250,000


| | | |
|-------------------------|-----------------|--|
| PREVIOUS ENCUMBRANCE: | 2,882,900.00 | (0000159674) |
| PREVIOUS ENCUMBRANCE | 2,086,100.00 | (0000320412) |
| PREVIOUS ENCUMBRANCE | 10,642,331.00 | (0000378083) |
| ADJUSTMENT | (221,879.30) | (Reissue voucher for lost check PMT45) |
| THIS ENCUMBRANCE | 0 | (0000378083) |
| TOTAL ENCUMBRANCE: | \$15,388,551.70 | |

CONTRACT PERIOD: 03/18/2018-12/31/2023

CONTRACT AWARD: \$3,250,000 PER COMMISSION RESOLUTION NO. 17-0321. \$5,000,000 PER COMMISSION RESOLUTION NO. 19-0030. \$1,500,000 PER COMMISSION RESOLUTION NO. 20-0028. \$7,500,000 PER COMMISSION RESOLUTION NO. 20-0029. MOD 7 TO EXTEND CONTRACT TERM THROUGH DECEMBER 31, 2023 PER COMMISSION RESOLUTION NO. 22-0055.

| |
|--|
| Mail Invoice to: Kris Opbroek – Planning, Design & Construction |
| San Francisco Airport Commission P.O. Box 8097 San Francisco, CA 94128 |

RECOMMENDED AND APPROVED




| | | | |
|--|--|--|--------------------------------------|
| IVAR C. SATERO Airport Director | Chief Administrative Officer, Board of Supervisor | Materials, Supplies & Services Purchaser Real Property Leases & Rents Director of Property | Certification Date: 5/31/2022 |
| By:  | | | |

| Ln. | Document | Amount | Account | Fund | Dept | Authority | Project | Activity |
|-----|------------|--------|---------|-------|--------|-----------|----------|----------|
| 1 | 0000378083 | | 527990 | 18521 | 109722 | 19698 | 10004227 | 0033 |

Maintain Purchase Order

Purchase Order

Business Unit SFGOV
PO ID 0000378083


PO Status Dispatched   
Budget Status Valid

Change Order 10 [Current Change Reason](#)

Copy From

Hold From Further Processing

▼ Header 

*PO Date 11/25/2019 
*Supplier PGH WONG &-001 [Supplier Search](#)
*Supplier ID 0000029434 [Supplier Details](#)
*Supplier HQ CA [PGH Wong & Partners](#)
*Buyer 181180 Lin,Quan
PO Reference AIR-10072.41 -PMSS Courtyard 3

Doc Tol Status Valid
Backorder Status Not Backordered [Create BackOrder](#)

Receipt Status Partial
*Dispatch Method Print

Purchasing Authority AIR-BID  AIRPORT COMMISSION AUTHORITY - DOCUMENT BID

Amount Summary 

Merchandise 10,642,331.00
Freight/Tax/Misc. 0.00
Total Amount 10,642,331.00 USD
Encumbrance Balance 328,258.23 USD

- [Header Details](#)
- [PO Defaults](#)
- [PO Activities](#)
- [Requisitions](#)
- [Actions](#)
- [Activity Summary](#)
- [Add Comments](#)
- [Add ShipTo Comments](#)
- [Document Status](#)



Add Items From 



[Catalog](#) [Item Search](#)
[Purchasing Kit](#)

Select Lines To Display 

[Search for Lines](#) Line  To 

Lines 

[Personalize](#) | [Find](#) | [View All](#) |  |  | [Firs](#)

| Line | Item | Description | PO Qty | *UOM | Category | Supplier ID | Supplier Name | Price | Merchandise Amount | Status |
|------|--|-----------------|--------|------|----------|----------------------|---------------|----------------|--------------------|----------|
| 1 |  | AIR10072.41 19E | 1.0000 | EA | 95877 | <input type="text"/> | | 9,692,331.0000 | 9,692,331.00 | Approved |
| 2 |  | AIR10072.41 19A | 1.0000 | EA | 95877 | <input type="text"/> | | 950,000.00000 | 950,000.00 | Closed |

[View Printable Version](#)
[View Approvals](#)

*Go to

Contract Entry

Contract

| | | | | | |
|-------------|------------|-------------------------|------------|-----------------------------|---------|
| SetID | SHARE | Contract Version | | | |
| Contract ID | 1000009229 | Version | 4 | Status | Current |
| *Status | Approved | Approved Date | 03/14/2019 | New Version | |

Administrator/Buyer 155379 Madrigal,Victor M

▼ Authored Document

| | | |
|-----------------|----------|-----------------------------------|
| Authored Status | Executed | Maintain Document |
|-----------------|----------|-----------------------------------|

| | | | |
|------------------------|--------------------------------|--------------------|--------------------|
| Document Version | 1.04 | Sponsor | 19421 |
| Description | AIR10072.41 - PMSS Courtyard 3 | Department | 109722 |
| Amendment | 1 | Created Date/time | 02/26/2018 12:00AM |
| Document Administrator | 56677 | Last modified date | 11/06/2020 8:53AM |

▼ Header ?

| | |
|------------------------|---|
| Contract Style | General Contract |
| Process Option | General Contract |
| Supplier | PGH WONG &-001 |
| Supplier HQ | |
| Supplier ID | 0000029434 PGH Wong & Partners |
| Primary Contact | 1 Veronika Tan |
| Supplier Contract Ref | AIR-10072.41 -PMSS Courtyard 3 |
| Description | AIR-10072.41 -PMSS Courtyard 3 |
| Master Contract ID | |
| Begin Date | 03/13/2018 <input type="checkbox"/> Tax Exempt |
| Expire Date | 06/30/2022 <input checked="" type="checkbox"/> Auto Default |
| Renewal Date | <input type="checkbox"/> Lock Chartfields |
| Control Type | |
| Contract Type | PS Professional Services - Chapter 6 |
| Department | 109722 AIR Capital Projects |
| CMD Compliance Officer | 155826 Chung,James M |
| Purchasing Authority | AIR-BID AIRPORT COMMISSION AUTHORITY - DOCUMENT BID |

PSC & BOS Information

- [Add Comments](#)
- [Contract Activities](#)
- [Primary Contact Info](#)
- [Contract Header Agreement](#)
- [Contract Releases](#)
- [Custom Fields](#)
- [Retention](#)
- [Activity Log](#)
- [Document Status](#)
- [Thresholds & Notifications](#)
- [Price Adjustment Template](#)
- [View Changes](#)
- [Current Change Reason](#)
- [Purchase Order BU Defaults](#)
- [Resource Roster](#) [Project Team](#)
- Corporate Contract

| | |
|-----------|--|
| Currency | USD |
| Rate Date | 02/26/2018 CRRNT |
| | <input type="checkbox"/> Must Use Contract Rate Date |
| | <input checked="" type="checkbox"/> Allow Multicurrency PO |

▼ Contract Categories Used for Reporting(Check all that apply)

- PLA Contract - DPW/REC 14B LBE Micro Set-Aside Community Benefits Req'd Construction - CM/GC Contract Sole Source Contract

Contract Entry

- PLA Contract PUC
- 14B LBE SF First
- First Source Hiring
- Construction - Design Build Contract
- Mayor's ER Declaration 13th & 35th
- PLA Contract SFO
- 14B LBE Subs Req'd
- Local Hire
- Emergency Contract
- Mayor's ER Declaration 47th
- PLA Contract Other
- Prevailing Wage
- Lease Contract (City as Lessee)
- Bd Supervisor Add-Back

▼ Invoice Options

Invoice Number
 AP Business Unit
 Accounting Template
 Payment Terms ID
 Basis Date Type

Gross Amount 0.00 USD
 Freight Amount 0.00
 Misc Charge Amount 0.00 [Miscellaneous Charges](#)
 Sales Tax Amount 0.00
 VAT Amount 0.00

▼ Amount Summary ?

Maximum Amount 17,250,000.00 USD
 Line Item Released Amount 0.00

 Category Released Amount 15,611,331.00
 Open Item Released Amount 0.00
 Total Released Amount 15,611,331.00

 Remaining Amount 1,638,669.00
 Remaining Percent 9.50

**Group
Box**

▶ Contract Open Item Reference

▼ Contract Items

[Catalog Search](#) [Item Search](#) [Search for Contract Lines](#)

Lines

| ☰ 🔍 | | | | | | | | | | | |
|--|--|------|---|--|-----|----------|-----------------|--|--|--|--|
| Details Order By Amount Item Information Default Schedule Release Amounts Release Quantities Line Groupings Spend Threshold ▶ | | | | | | | | | | | |
| Line | | Item | Description | | UOM | Category | Merchandise Amt | | | | |
| 1 | | | AIR-10072.41 -PMSS Courtyard 3 Connector Project | | EA | 95877 | 8,250,000.00 | | | | |
| 2 | | | AIR-10072.41 - PMSS Courtyard 3 Connector Project | | EA | 95877 | 17,250,000.00 | | | | |

[View Category Hierarchy](#) [Category Search](#)

▼ Contract Categories

Lines



1-2 of 2

- Details
- Pricing Options
- Release Amounts
- Spend Threshold

| Line | Category | Description | | | | Status |
|------|----------|-----------------------------|--|--|--|-----------|
| 1 | 95877 | Project Management Services | | | | Cancelled |
| 2 | 95877 | Project Management Services | | | | Active |

- Save
- Return to Search
- Notify
- Refresh

- Summary
- Contacts
- Custom
- Compliance Summary

SetID SHARE

Supplier PGH Wong & Partners

Supplier ID 0000029434

Short Supplier Name PGH WONG &-001

Common Parent's Name

If the supplier is a DBA, Common Parent's Name will be listed

Joint Venture Constituents

| | Joint Venture Partner ID | Description | Ownership % | LBE Type | 12B Compliance Status | | |
|---------------|--------------------------|--|-------------|----------|-----------------------|---|---|
| 1 | 0000003148 | PGH WONG ENGINEERING INC | 70 | | 12B Compliant | + | - |
| 2 | 0000005785 | CFWRIGHT CONSULTING, LLC | 15 | | 12B Compliant | + | - |
| 3 | 0000024856 | AVILA & ASSOC CONSULTING ENGINEERS INC | 15 | LBE | 12B Compliant | + | - |
| Total: | | | 100 | | | | |

Supplier HQ State CA - California

▶ **Supplier Designation**

▼ **Business Tax Registration**

| | Certification Source | Effective Date | Government Classification | Certification Number | Certificate Begin Date | Certificate Expiration Date |
|---|----------------------|----------------|---------------------------|----------------------|------------------------|-----------------------------|
| 1 | TTX | 11/02/2021 | TAX | 1080613 | | 06/30/2022 |

▼ **12B Compliance Summary**



Current 12B Compliance Status: 12B Compliant

Once a supplier has done \$5,000 or more of business with the City in ANY fiscal year, 12B compliance is required thereafter. If 12B is shown below as "Not Yet" required, that means that the supplier has never reached the \$5,000 threshold in any fiscal year including past and current fiscal years to date. Please note that the "Amount this fiscal year to date" field is meant to show if this supplier is nearing the \$5,000 threshold for the current fiscal year, in which case it may soon be required to become 12B Compliant. 12B compliance is advised for all suppliers regardless of expenditure amount to avoid contracting delays.

Is 12B Compliance Required?: Yes

Amount this fiscal year to date: \$2,689,305.520






1-1 of 1

 | View All

| Contract ID | Description | | |
|-------------|-------------|--|--|
| 1 | | | |

| Comments | DeptID | Created | Analyst |
|----------|--------|---------|---------|
| 1 | | | |

▶ 14B Certification Summary

Certification of Insurance
 | << < 1 of 1 > >> | View All

*Certificate Number + -

*Producer Name [Add Comments/Attachments](#)

*Insured Name

Name Additional Insured

| << < 1 of 1 > >> | View All

*Contract ID

| | *Insurance Type | *Policy Number | *Effective Date | *Expiry Date | *Policy Limits | |
|---|-------------------------------|-------------------------------|--|--|-------------------------------|-----|
| 1 | <input type="text" value=""/> | <input type="text" value=""/> | 05/31/2022 <input type="text" value=""/> | 05/31/2022 <input type="text" value=""/> | <input type="text" value=""/> | + - |

Created By 180284

Last Modified By 176060

Created Date/time 01/03/18 4:04PM

Last Modified Date/time 09/14/20 7:46AM

[Summary](#) | [Contacts](#) | [Custom](#) | [Compliance Summary](#)

DS BB
DS k0
DS gm
DS GN
DS JDS
DS JL

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 7

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

THIS MODIFICATION (this “Modification”) is made effective as of April 5, 2022, in San Francisco, California, by and between **PGH Wong & Partners JV** (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Airport Commission, hereinafter referred to as “**Commission.**”

RECITALS

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the “Airport” or “SFO”) (as defined below); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$3,250,000 for the first year of services; and
- D. On September 1, 2018, City and Contractor administratively modified the Agreement to update the Contractor’s overhead rates through Modification No. 1; and
- E. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 increasing the contract amount by \$5,000,000 for a new total contract amount not to exceed \$8,250,000, and extending the term of the Agreement through March 12, 2020; and
- F. On August 1, 2019, City and Contractor administratively modified the Agreement to update standard contractual clauses and update the direct labor rates through Modification No. 3; and
- G. On November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 increasing the contract amount by \$9,000,000 for a new total contract amount not to exceed \$17,250,000, extending the term of the Agreement for services through June 30, 2022, and seeking Board of Supervisors approval of Modification No. 4; and
- H. After the Commission adopted Resolution No. 19-0273, the Contractor informed the Airport that CFWright Consulting, LLC had resigned from the joint venture, and therefore, Staff neither executed nor sought Board of Supervisors approval of Modification No. 4; and
- I. On February 18, 2020, by Resolution No. 20-0028, the Commission approved a revised Modification No. 4, dated March 1, 2020, increasing the contract amount by \$1,500,000 for a new total contract amount not to exceed \$9,750,000, extending the term of the Agreement for services through June 30, 2022, and recognizing CFWright Consulting, LLC’s complete withdrawal as a member of the joint

venture that is the Contractor for this Agreement. Standard contractual clauses were also updated through Modification No. 4; and

J. On February 18, 2020, by Resolution No. 20-0029, the Commission approved Modification No. 5 increasing the contract amount by \$7,500,000 for a new total contract amount not to exceed \$17,250,000; and

K. On June 23, 2020, by Resolution No. 279-20, the Board of Supervisors approved Modification No. 5 under San Francisco Charter Section 9.118; and

L. On July 1, 2020, City and Contractor administratively modified the Agreement to amend Appendix B, Calculation of Charges, and to update standard contractual clauses through Modification No. 6; and

M. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the Agreement, update standard contractual clauses, and to add Stok LLC to the list of approved subcontractors; and

N. On April 5, 2022, by Resolution No. 22-0055, the Commission approved this Modification to extend the term of the Agreement for services through December 31, 2023, with no change to the contract amount; and

O. Approval for this Agreement was obtained when the Department of Human Resources approved Modification No. 1 to PSC No. 47501-16/17 on November 29, 2021; and

P. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, Contractor and City agree as follows:

1. **Section 1.1 Agreement** is hereby replaced in its entirety with the following:

1.1 “Agreement” means the contract document dated December 19, 2017; Modification No. 1 dated September 1, 2018; Modification No. 2 dated February 19, 2019; Modification No. 3 dated August 1, 2019; Modification No. 4 dated March 1, 2020; Modification No. 5 dated July 3, 2020; and Modification No. 6 dated July 1, 2020, and includes all attached appendices, and all applicable City ordinances and “Mandatory City Requirements” specifically incorporated by reference into the Agreement.

2. **Section 1.11 “City Data” or “Data”** is hereby replaced in its entirety with the following:

1.11 “City Data” means that data as described in Article 13 of this Agreement which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement. City Data includes, without limitation, Confidential Information.

3. A new **Section 1.13 Digital Signature** is added to the Agreement to read as follows:

1.13 “Digital Signature” means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature.

4. **Article 2. Term of the Agreement** is hereby amended to extend the term of the Agreement for an additional year and six months for a new ending date of **December 31, 2023**.

5. **Section 3.3.1 Payment** is hereby replaced in its entirety with the following:

3.3.1 **Calculation of Charges.** Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediately preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the City, in its sole discretion, concludes has been satisfactorily performed. In no event shall the amount of this Agreement exceed **Seventeen Million Two Hundred Fifty Thousand Dollars (\$17,250,000)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges." A portion of payment may be withheld until conclusion of the Agreement if agreed to by both Parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this Agreement.

6. **Section 3.3.4 Invoice Format** is hereby replaced in its entirety with the following:

3.3.4 **Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City and include a unique invoice number and a specific invoice date. Payment shall be made by City as specified in Section 3.3.6, or in such alternate manner as the Parties have mutually agreed upon in writing. All invoices must show the City's financial and procurement system ("PeopleSoft") Purchase Order ID Number, PeopleSoft Supplier Name and ID, Item numbers (if applicable), complete description of goods delivered or Services performed, sales/use tax (if applicable), contract payment terms and contract price. Invoices that do not include all required information or contain inaccurate information will not be processed for payment.

7. **Section 3.3.5 LBE Payment and Utilization Tracking System** is hereby replaced in its entirety with the following:

3.3.5 **LBE Payment and Utilization Tracking System.** Contractor shall pay LBE subcontractors within three business days as provided under Chapter 14B.7(H)(9). Within ten business days of City's payment of an invoice, Contractor shall confirm that all subcontractors have been paid in the Payment Module of the City's Supplier Portal unless instructed otherwise by CMD. Failure to submit all required payment information to the City's Financial System with each payment request may result in the withholding of 20% of the payment due. Self-Service Training is located at this link: <https://sfcitypartnersfgov.org/pages/training.aspx>.

8. **Section 3.3.6 Getting paid for goods and/or services from the City** is hereby replaced in its entirety with the following:

3.3.6 **Getting Paid by the City for Goods and/or Services.**

(a) The City utilizes the Paymode-X[®] service offered by Bank of America Merrill Lynch to pay City contractors. Contractor must sign up to receive electronic payments to be paid under this Agreement. To sign up for electronic payments, visit <http://portal.paymode.com/city-countyofsanfrancisco>.

(b) At the option of the City, Contractor may be required to submit invoices directly in PeopleSoft via eSettlement. Refer to <https://sfcitypartner.sfgov.org/pages/training.aspx> for more information on eSettlement. For access to PeopleSoft eSettlement, submit a request through sfemployeeportalsupport@sfgov.org.

9. **Section 4.3 Subcontracting** is hereby replaced in its entirety with the following:

4.3 **Subcontracting.** Contractor may subcontract portions of the Services only upon prior written approval of City. Contractor is responsible for its subcontractors throughout the course of the work required to perform the Services. All subcontracts must incorporate the terms of Article 10 “Additional Requirements Incorporated by Reference” and Article 13 “Data and Security” of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void.

10. **Section 8.4.1** is hereby amended to add “Section 8.2.2 Exercise of Default Remedies” to the table in Section 8.4.1 that sets forth the provisions of the Agreement that shall survive termination or expiration of the Agreement.

11. A new **Section 11.1.1** is added to the Agreement to read as follows:

11.1.1 The Parties consent to the use of Digital Signatures, affixed using the City’s DocuSign platform, to execute this Modification No. 7 and all subsequent modifications to the Agreement.

12. **Article 13. Data and Security** is hereby replaced in its entirety with the following:

Article 13 Data and Security

13.1 Nondisclosure of City Data, Private or Confidential Information.

13.1.1 **Protection of Private Information.** If this Agreement requires City to disclose “Private Information” to Contractor within the meaning of Administrative Code Chapter 12M (“Chapter 12M”), Contractor and subcontractor shall use such information only consistent with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 **Confidential Information.** In the performance of Services, Contractor may have access to, or collect on City’s behalf, City Data and /or Confidential Information, the disclosure of which to third parties may damage City. If City discloses City Data or Confidential Information to Contractor, or Contractor collects such information on City’s behalf, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own confidential information.

13.2 **Payment Card Industry (“PCI”) Requirements.** Not applicable

13.3 **Business Associate Agreement.** Not applicable

13.4 **Ownership of City Data.** The Parties agree that as between them, all rights, including all intellectual property rights, in and to the City Data and any derivative works of the City Data is the exclusive property of the City.

13.5 Management of City Data and Confidential Information.

13.5.1 **Use of City Data and Confidential Information.** Contractor agrees to hold City Data received from, or collected on behalf of, the City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City Data outside the United States is subject to prior written authorization by the City. Access to City Data must be strictly controlled and limited to Contractor’s staff assigned to provide Services on a need-to-know basis only. Contractor is provided a limited non-

exclusive license to use the City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing in this Agreement shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

13.5.2 Disposition of Confidential Information. Upon request of City or termination or expiration of this Agreement, and under any document retention period required by this Agreement, Contractor shall promptly, but in no event later than thirty (30) calendar days, return all data given to or collected by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that City's Data has been successfully transferred to City, Contractor shall within ten (10) business days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors' environment(s), work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five (5) business days of the purge. Secure disposal shall be accomplished by "clearing," "purging," or "physical destruction," consistent with National Institute of Standards and Technology Special Publication 800-88 or most current industry standard.

13. **Paragraph 3.1.3 of Appendix B, Calculation of Charges,** is hereby replaced in its entirety with the following to add new classifications and its respective rates:

3.1.3 The approved direct labor rates are as follows:

| Position/Classification | Direct Labor Rate Range | |
|---------------------------------------|--------------------------------|----------------|
| | Low | High |
| Administrative Assistant - FSH | \$21 | \$41.60 |
| Airfield and Aircraft Systems Manager | \$70 | \$97.76 |
| Airline Coordinator/Resident Engineer | \$66 | \$92.56 |
| Assistant Resident Engineer | \$54 | \$78.00 |
| Baggage Handling Manager | \$70 | \$97.76 |
| Commissioning Team Leader | \$76.92 | \$80.00 |
| Concessions Coordinator | \$66 | \$92.56 |
| Constructability Reviewer | \$66 | \$92.56 |
| Construction Manager | \$79 | \$109.20 |
| Cost Control/Lead Office Engineer | \$54 | \$78.00 |
| Cost Estimator | \$59 | \$84.24 |
| Deputy Design Manager - SEP | \$56 | \$80.08 |
| Design Manager | \$74 | \$102.96 |
| Document Control Manager | \$43 | \$64.48 |
| Environmental Technical Support | \$61 | \$87.36 |
| Field Engineer | \$40 | \$60.32 |
| Geotechnical Technical Support | \$61 | \$87.36 |

| | | |
|--------------------------------------|----------------|----------------|
| Intern | \$21 | \$37.44 |
| Lab / Material Testing Technician | \$39 | \$59.28 |
| MEP Manager | \$70 | \$97.76 |
| Office Engineer | \$54 | \$78.00 |
| Program Manager | \$84 | \$115.44 |
| Project Controls Engineer | \$54 | \$78.00 |
| Project Controls Manager | \$74 | \$102.96 |
| Project Engineer | \$36.54 | \$42.00 |
| Project Manager | \$84 | \$115.44 |
| QA Inspector | \$50 | \$71.76 |
| QA/QC/Code Compliance/Safety | \$50 | \$86.32 |
| Resident Engineer | \$70 | \$97.76 |
| Scheduler | \$56 | \$83.20 |
| Senior Cost Estimator | \$74 | \$102.96 |
| Senior Inspector | \$63 | \$89.44 |
| Senior Scheduler | \$79 | \$109.20 |
| SEP Manager | \$70 | \$97.76 |
| Signage and Phasing Coordinator | \$66 | \$93.60 |
| Senior Commissioning Engineer | \$71.15 | \$80.00 |
| Senior Engineer | \$48.08 | \$50.00 |
| Special Inspector | \$50 | \$89.44 |
| Special Inspector (OSHDP) | \$63 | \$89.44 |
| Special Systems Manager | \$84 | \$115.44 |
| Special Systems Support | \$59 | \$84.24 |
| Sustainability Manager | \$66 | \$92.56 |
| Tenant Space Coordinator | \$50 | \$72.80 |
| TSA OTA Technical Review | \$59 | \$84.24 |

14. A new **Paragraph 3.5 Approved Subcontractors** is added to **Appendix B, Calculation of Charges**, as follows:

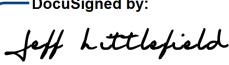
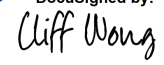
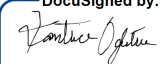
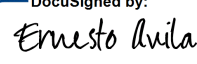
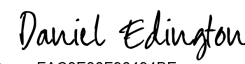
3.5 Approved Subcontractors

The approved subcontractors are as follows:

Chaves & Associates
Montez Group
Saylor Consulting Group
Stok LLC
Studio 151
UDC Pros

15. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| CITY | CONTRACTOR |
|--|---|
| AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO | |
| DocuSigned by:  By: _____ Ivar C. Satero, Airport Director | DocuSigned by:  _____ Authorized Signature |
| Attest: | _____ Printed Name |
| DocuSigned by:  By: _____ Kantrice Ogletree, Secretary Airport Commission | _____ Title |
| Resolution No: 22-0055 | DocuSigned by:  _____ Authorized Signature |
| Adopted on: April 5, 2022 | _____ Printed Name |
| Approved as to Form: | _____ Title |
| David Chiu City Attorney | _____ Company Name |
| DocuSigned by:  By: _____ Daniel A. Edington Deputy City Attorney | _____ Address |
| | _____ City, State, ZIP |
| _____ Telephone Number | _____ Telephone Number |
| _____ City Supplier ID | _____ City Supplier ID |
| _____ Federal Employer ID Number | _____ Federal Employer ID Number |

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 22-0055

APPROVAL OF MODIFICATION NO. 7 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, TO EXTEND THE CONTRACT FOR SERVICES THROUGH DECEMBER 31, 2023 WITH NO CHANGE TO THE CONTRACT AMOUNT

- WHEREAS, the Courtyard 3 Connector Project (Project) was the subject of a Negative Declaration prepared by the San Francisco Planning Department, Environmental Planning Division, dated July 28, 2017, in accordance with the requirements of the California Environmental Quality Act, Cal. Public Resources Code Sec. 21000, *et seq.* (CEQA); Title 14, Section 15000, *et seq.* of the Code of California Regulations (CEQA Guidelines); and Chapter 31 of the San Francisco Administrative Code; and
- WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration for the Project and adopted as its own the findings made therein by the San Francisco Planning Department, Environmental Planning Division, including Improvement Measure I-TR, Coordinated Construction Traffic Control Plan, as required by CEQA; and
- WHEREAS, since the Negative Declaration was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Negative Declaration; and
- WHEREAS, the Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges; and
- WHEREAS, the Project Management Support Services (PMSS) consultant provides overall management expertise and oversight of the Project, by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection; and
- WHEREAS, on December 19, 2017, by Resolution No. 17-0321, the Commission awarded this PMSS Contract to PGH Wong & Partners JV, a joint venture then consisting of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for the Project in the not-to-exceed amount of \$3,250,000 for one year of services; and

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 22-0055

WHEREAS, through various Resolutions, the Commission approved Modification Nos. 1, 2, and 5, increasing the Contract not-to-exceed amount to \$17,250,000, extending the Contract duration through June 30, 2022; and Modification Nos. 3, 4, and 6 were administrative modifications adjusting the Contractor's labor rates and administratively modifying the Contract to acknowledge that CFWright Consulting, LLC is no longer a member of the joint venture PGH Wong & Partners JV; and

WHEREAS, on June 23, 2020, by Resolution No. 279-20 the BOS adopted the Final Negative Declaration for the Project and approved Modification No. 5 for a new Contract not-to-exceed amount of \$17,250,000; and

WHEREAS, in November 2020, the Airport suspended the construction of interior finishes of the Project's office building scope of work as a cost-savings measure due to the economic effects of COVID-19, and reduced the Contract budget accordingly; and

WHEREAS, Modification No. 7 would extend the Contract for services through December 31, 2023, with no change to the Contract amount; and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 21% for this Contract and PGH Wong & Partners JV has committed to meeting that requirement; now, therefore, be it

RESOLVED, the Commission has reviewed and considered the Final Negative Declaration, and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Modification No. 7 to Contract No. 10072.41, and incorporates the CEQA findings contained in Resolution No.17-0188 as though set forth in this Resolution; and, be it further

RESOLVED, that the Commission hereby approves Modification No. 7 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV, a joint venture between PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to extend the Contract for services through December 31, 2023, with no change to the Contract amount.

Page 2 of 2

*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of*

APR 5 2022


Secretary

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: AIRPORT COMMISSIONDept. Code: AIRType of Request: Initial Modification of an existing PSC (PSC # 47501 - 16/17)Type of Approval: Expedited Regular Annual Continuing (Omit Posting)Type of Service: Project Management Support Services (PMSS) and Design-Build (DB) Services for the Terminal 2 tFunding Source: Capital FundsPSC Original Approved Amount: \$280,000,000PSC Original Approved Duration: 08/01/17 - 08/01/22 (5 years 1 day)PSC Mod#1 Amount: \$70,000,000PSC Mod#1 Duration: 08/01/22-01/25/25 (2 years 25 weeks)PSC Cumulative Amount Proposed: \$350,000,000PSC Cumulative Duration Proposed: 7 years 25 weeks**1. Description of Work****A. Scope of Work/Services to be Contracted Out:**

Project Management Support Services (PMSS) and Design-Build (DB) service teams with airport design and management expertise are required to manage the design and construction of the Terminal 2 (T2) to Terminal 3 (T3) Secure Connector Project (Project). Services to be provided include project controls, scheduling, document control, design management, contracts management, architectural and engineering design services, and construction of the project. The scope of work of this Project includes, 1) the design and construction of a new, elevated, secure connector for passengers to efficiently and securely connect between T2 and T3, and 2) an associated building addition that will provide additional square footage for passenger amenities, lounge areas, and airline or other tenant office space. To accommodate the new building addition, the Project will relocate the Airport's Emergency Operations Center and Communication Center. Both are critical to safe and secure airport operations and neither can be out of service for any period of time. Relocation of these facilities includes complex infrastructure modifications and specialized handling of equipment. Additionally, work related to airport security systems, airfield geometry and aircraft systems will be required for the new build out and this Project will facilitate systems connections and the future installation of new baggage handling system transfer line between the terminals. Sustainable growth and continuing the San Francisco International Airport (Airport) leadership in the Green House Gas (GHG) reduction and achieving a minimum for a Leadership in Energy and Environmental Design (LEED) Gold Certification will be requirements. Sustainable building practices for The Project will consist of being Net Zero ready including but not limited to energy, carbon and waste.

The PMSS portion will be approximately \$20,000,000.

The DB portion will be approximately \$260,000,000 which includes approximately \$20,000,000 for design and \$240,000,000 for construction.

B. Explain why this service is necessary and the consequence of denial:

As a result of the significant passenger growth and forecasted demand, the Airport will build a new secure connector between T2 and T3 to provide greater flexibility for gates use and to improve the passenger experience, as well as, creating new square footage to meet airline and airport needs. Additionally, relocation of the Emergency Operations Center and Communication Center are highly sensitive activities. Any interruption to these facilities would have major impacts to operations throughout the Airport. If the services for this project are denied, the project will be delayed, resulting in loss of revenue by not having gate flexibility, decreased level of service to passengers that need to go through security more than once for connecting flights at different terminals, and insufficient square footage to meet airline and airport needs.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Yes, PSC 47501-16/17

D. Will the contract(s) be renewed?

Yes, if there continues to be a need for such services at the Airport.

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why:

Need to extend for time since there have been delays because of the pandemic.

2. Reason(s) for the Request

A. Display all that apply

Short-term or capital projects requiring diverse skills, expertise and/or knowledge.

Explain the qualifying circumstances:

This capital project is site specific with a fixed scope of work and a clear completion date. Special knowledge and expertise include project controls, scheduling, document control, design management, contracts management, architectural and engineering design services, and construction of the project. Relocation of the Airport's Emergency Operations Center and Communication Center facilities includes complex infrastructure modifications and specialized handling of equipment. Additionally, work related to airport security systems, airfield geometry and aircraft systems will be required for the new build out and this Project will facilitate systems connections and the future installation of new baggage handling system transfer line between the terminals.

B. Reason for the request for modification:

Need to extend for time and add authority since there have been delays because of the pandemic.

3. Description of Required Skills/Expertise

A. Specify required skills and/or expertise: PMSS and DB teams with airport terminal design and management expertise are required. Project architectural, engineering, planning, programming and construction administration skills with direct and current experience related to airport facility development, baggage handling systems, aviation design management, integration of airline and tenant business requirements, and aviation specific project and construction management are required. This project will be constructed in a Transportation Security Administration (TSA)

designated sterile zone; therefore, expertise in designing a facility that meets security requirements, and expertise in complying with TSA security requirements while constructing within a secure area of the Airport, is required. Specialized design, construction and management expertise will also be required for the relocation of critical safety and security facilities, specifically the Airport's Emergency Operations Center and Communications Center, and their associated infrastructure.

- B. Which, if any, civil service class(es) normally perform(s) this work? 5174, Administrative Engineer; 5201, Junior Engineer; 5203, Asst Engr; 5207, Assoc Engineer; 5211, Eng/Arch/Landscape Arch Sr; 5212, Engineer/Architect Principal; 5218, Structural Engineer; 5241, Engineer; 5260, Architectural Assistant 1; 5261, Architectural Assistant 2; 5265, Architectural Associate 1; 5266, Architectural Associate 2; 5268, Architect; 5362, Engineering Assistant; 5364, Engineering Associate 1; 5366, Engineering Associate 2; 5502, Project Manager 1; 5504, Project Manager 2; 5506, Project Manager 3; 5508, Project Manager 4;
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: Yes, the contractor will provide all construction equipment to build the project and will also provide construction office space for project team.

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

Not Applicable

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
The existing Civil Service classifications do not have the required expertise and specialized skills necessary for the development, management, design and construction of a large-scale airport facility project. Knowledge of various airport systems, airline operations, baggage handling system components, passenger processing security and TSA requirements, airfield geometry, fuel hydrant systems, aircraft systems and operations, and construction management in an active airport environment are necessary. Relevant experience in maintaining critical airport safety and security facilities during construction is also required.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain: No, it would not be practical to adopt a new civil service class to perform this work because an Airport facility project of this scope and scale does not occur frequently enough to justify permanent staffing. Once the project is completed, specialized services will not be required.

6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No training will be provided because an Airport facility project of this scope and scale does not occur frequently enough to justify permanent staffing.
- C. Are there legal mandates requiring the use of contractual services?
No.

- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
Yes, PGH Wong & Partners JV and Hensel Phelps

7. Union Notification: On 11/18/21, the Department notified the following employee organizations of this PSC/RFP request:
Professional & Tech Engrs, Local 21;

I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Cynthia Avakian Phone: 650-821-2014 Email: cynthia.avakian@flysfso.com

Address: P.O. Box 8097, San Francisco, CA 94128

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 47501 - 16/17

DHR Analysis/Recommendation:

Commission Approval Not Required

Approved by DHR on 11/29/2021

Reference: JV CT 10072.41 PGH Wong Engineering,
Inc.

**AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT**

INTEROFFICE MEMORANDUM

TO: Victor Madrigal DATE: March 28, 2022
 FROM: Jan Mazyck *Jan Mazyck*
 SUBJECT: Approved Insurance Certificate(s) RE: JV CT 10072.41 PGH Wong
Engineering, Inc.

Enclosed for your files are copy(s) of approved certificate(s) of insurance for contract/permit number(s) with scope: To provide project management support services for the secured connector at Terminal 2 and Terminal 3.

| Type of Coverage | Check if Applicable and Verified | Minimum Required Limits | Date of Expiration |
|-------------------------|---|--|-------------------------------|
| General Liability | X | \$1,000,000 | 12/18/2022 |
| Automobile Liability | X | \$1,000,000 | 12/18/2022 |
| Workers Compensation | X | \$1,000,000 | 12/18/2022 |
| Professional Liability | X | \$1,000,000 | 12/18/2022 |

Notes: Insurance meets all compliance requirements. The next insurance compliance review should be performed on or before 12/18/2022.

cc: Jenny Cheung
Evelyn Wong
Chester Cho
Anny Lee
Emi Aoki
Insurance File

ACORDTM**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

3/25/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

| | | |
|--|--|-----------------------|
| PRODUCER Greyling Ins. Brokerage/EPIC 3780 Mansell Road, Suite 370 Alpharetta, GA 30022 | CONTACT NAME: Jerry Noyola | |
| | PHONE (A/C, No, Ext): 770-220-7699 | FAX (A/C, No): |
| | E-MAIL ADDRESS: jerry.noyola@greyling.com | |
| | INSURER(S) AFFORDING COVERAGE | |
| | INSURER A : Hartford Fire Insurance Co. | NAIC # 19682 |
| | INSURER B : Hartford Casualty Ins. Co. | 29424 |
| INSURED PGH Wong Engineering, Inc. 182 2nd St. Suite 500 San Francisco, CA 94105 | INSURER C : Property AN Casualty Ins Co of Hartford | |
| | INSURER D : Starr Surplus Lines Insurance Company | |
| | INSURER E : Twin City Fire Insurance Co. | |
| | INSURER F : | |
| | | |
| | | |

COVERAGES**CERTIFICATE NUMBER: 21-22****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSR | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|---|-----------|----------|----------------------|-------------------------|-------------------------|---|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER: | | | 20UENOK8022 | 12/18/2021 | 12/18/2022 | EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$ |
| E | <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY | | | 20UENOK8020 | 12/18/2021 | 12/18/2022 | COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ |
| B | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 | | | 20XHUOK8027 | 12/18/2021 | 12/18/2022 | EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$ |
| C | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | | N/A | 20WEOK8H0S | 12/18/2021 | 12/18/2022 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000 |
| D | Prof. Liab. incl. Pollution Liab. | | | 1000633873211 | 12/18/2021 | 12/18/2022 | Per Claim \$10,000,000 Aggregate \$10,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: Contract #10072.41 - Courtyard 3 Connector Project. The City & County of San Francisco, its officers, agents, employees, CF Wright Consulting LLC, Avila & Associates, Consulting Engineers Inc. & PGH Wong & Partners are named as Additional Insureds with respects to General & Automobile Liability where required by written contract. The above referenced liability policies with the exception of workers compensation and professional liability are primary & non-contributory where required by written contract. Waiver of (See Attached Descriptions)

CERTIFICATE HOLDER**CANCELLATION**

City and County of San Francisco
San Francisco Int'l Airport
Airport Comission
P.O. Box 8097
San Francisco, CA 94128

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

D. N. Collins

DESCRIPTIONS (Continued from Page 1)

Subrogation in favor of Additional Insured(s) where required by written contract & allowed by law. PGH Wong's Professional Liability policy covers PGH Wong's Legal Liability arising out of their participation in the Joint Venture.

POLICY NUMBER: 20 UEN OK8022

COMMERCIAL GENERAL LIABILITY
CG 20 12 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - STATE OR GOVERNMENTAL
AGENCY OR SUBDIVISION OR POLITICAL
SUBDIVISION - PERMITS OR AUTHORIZATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

State Or Governmental Agency Or Subdivision Or Political Subdivision:

The City & County of San Francisco, The Airport Commission of the City & County of San Francisco, its members & all of their officers, employees & agents.

P.O. Box 8097
San Francisco, CA 94128

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision shown in the Schedule, subject to the following provisions:

- 1. This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

2. This insurance does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or
- b. "Bodily injury" or "property damage" included within the "products-completed operations hazard".

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- 1. Required by the contract or agreement; or
 - 2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

~~This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.~~

POLICY NUMBER: 20 UEN OK8020

COMMERCIAL AUTO
CA 20 48 02 99

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

| | |
|---|------------------|
| Endorsement effective 2/4/2020 | |
| Named Insured PGH WONG ENGINEERING INC | Countersigned by |

(Authorized Representative)

SCHEDULE

Name of Person(s) or Organization(s):

THE CITY & COUNTY OF SAN FRANCISCO
THE AIRPORT COMMISSION OF THE CITY
& COUNTY OF SAN FRANCISCO, ITS
MEMBERS& ALL OF THEIR OFFICERS& AGT

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF OUR RIGHT TO RECOVER FROM
OTHERS ENDORSEMENT - CALIFORNIA**

Policy Number: 20WEOK8H0S

Effective Date: 12/18/2021

Named Insured and Address:

PGH Wong Engineering, Inc.
182 2nd St. Suite 500
San Francisco, CA 94105

Endorsement Number:

Effective hour is the same as stated on the Information Page of the policy.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization

Job Description

Any person or organization from whom you are required by written contract or agreement to obtain this waiver of rights from us.

Countersigned by _____
Authorized Representative

From: [Victor Madrigal \(AIR\)](#)
To: [Jenny Cheung \(AIR\)](#)
Subject: RE: Ct 10072.41 - Modification No. 7
Date: Tuesday, May 31, 2022 2:15:02 PM
Attachments: [22-0055 Mod 7 Reso.pdf](#)
[image001.png](#)
[PSC 47501-16 17 PMSS DB T2 to T3 Secure Connector Form 1 Mod 1.pdf](#)

Hi Jenny,

Attached is the Reso and Mod.1 for PSC # 47501-16/17. I've also updated the record in PeopleSoft.

I appreciate your help. Good day,



Victor M. Madrigal Jr.
Procurement and Contracts | Planning, Design & Construction Division
San Francisco International Airport | P.O. Box 8097 | San Francisco, CA 94128
Tel 650-821-5324 | flysfo.com

From: Jenny Cheung (AIR) <Jenny.Cheung@flysfo.com>
Sent: Tuesday, May 31, 2022 11:22 AM
To: Victor Madrigal (AIR) <Victor.Madrigal@flysfo.com>
Subject: RE: Ct 10072.41 - Modification No. 7

Can you also update contract end date in People Soft as 12/31/23?

Thanks
Jenny

From: Victor Madrigal (AIR) <Victor.Madrigal@flysfo.com>
Sent: Tuesday, May 31, 2022 11:17 AM
To: Jenny Cheung (AIR) <Jenny.Cheung@flysfo.com>
Subject: RE: Ct 10072.41 - Modification No. 7

Okay----collecting the documents, and I'll send them to you shortly, thanks.



Victor M. Madrigal Jr.
Procurement and Contracts | Planning, Design & Construction Division
San Francisco International Airport | P.O. Box 8097 | San Francisco, CA 94128

Tel 650-821-5324 | flysfo.com

From: Jenny Cheung (AIR) <Jenny.Cheung@flysfo.com>
Sent: Tuesday, May 31, 2022 11:02 AM
To: Victor Madrigal (AIR) <Victor.Madrigal@flysfo.com>
Subject: RE: Ct 10072.41 - Modification No. 7

Hi Victor,

Please provide following documents:

Resolution no. 22-0055
Modification NO. 1 for PSC No. 47501-16/17

Thanks
jenny

From: Victor Madrigal (AIR) <Victor.Madrigal@flysfo.com>
Sent: Wednesday, May 25, 2022 9:53 AM
To: Jenny Cheung (AIR) <Jenny.Cheung@flysfo.com>
Subject: Ct 10072.41 - Modification No. 7

Hi Jenny,

Attached is the fully executed modification. If you have any questions, please let me know.

Thank you, and good day!



Victor M. Madrigal Jr.
Procurement and Contracts | Planning, Design & Construction Division
San Francisco International Airport | P.O. Box 8097 | San Francisco, CA 94128
Tel 650-821-5324 | flysfo.com

CITY AND COUNTY OF SAN FRANCISCO

CONTRACT ORDER

CONTRACT WITH:

PGH WONG & PARTNERS JV

182 2ND STREET, SUITE 500

SAN FRANCISCO, CA 95105

Original

Modification - Increase

- Decrease

Other

| | | |
|--------------------------------------|----------------------------|---|
| Department: 27 Airport Commission | | Controller No.: 0000159674, 0000320412 0000378083, 0000626097 |
| Department Contact: Trudy Homer | | Tel. No: (650) 821-5387 |
| PS Contract No. 1000009229 | | Date: 12/07/2022 Page <u>1</u> of <u>1</u> |
| * Category Code 95877 | Supplier No. 0000029434 | Job No. CT 10072.41 |

| | |
|---|-------------------|
| Period Covered: 3/13/2018 – 12/31/2023 | Amount: \$0.00 |
|---|-------------------|

FOR THE PURPOSE OF: MODIFICATION NO. 8 FOR CT10072.41 - PROGRAM MANAGEMENT SUPPORT SERVICES (PMSS) FOR THE COURTYARD 3 CONNECTOR PROJECT

TO PROVIDE OVARALL MANAGEMENT EXPERTISE AND OVERSIGHT OF THE COURTYARD 3 CONNECTOR PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF \$17,250,000. MODIFICATION 8 ADMINISTRATIVELY MODIFY THE AGREEMENT ON THE TERMS AND CONDITIONS SET FORTH HEREIN TO ADD HELTON VENTURES LLC, TO THE LIST OF APPROVED SUBCONTRACTORS AND TO UPDATE STANDARD CONTRACTUAL CLAUSES.

PSC 47501-16/17 APPROVED AMOUNT: \$350,000,000
PSC FORM 2 (7/1/2017 - 06/30/2020) : \$17,250,000

| | | |
|-------------------------|-----------------|-----------------------------|
| PREVIOUS ENCUMBRANCE: | 2,882,900.00 | (0000159674) |
| PREVIOUS ENCUMBRANCE | 2,086,100.00 | (0000320412) |
| ADJUSTMENT | (221,879.30) | (0000378083) RE-ISSUE CHECK |
| PREVIOUS ENCUMBRANCE | 11,086,089.60 | (0000378083) |
| PREVIOUS DECREASE | (328,258.23) | (0000378083) |
| PREVIOUS ENCUMBRANCE | 1,366,927.69 | (0000626097) |
| THIS ENCUMBRANCE | 0.00 | (0000626097) |
| TOTAL ENCUMBRANCE: | \$16,871,879.76 | |

| | | |
|--------------------|------------|--------------|
| Insurance Required | PGH Wong | Avila & Ass. |
| Worker's Comp. | 12/18/2022 | 02/20/2023 |
| Comp. Gen. Liab. | 12/18/2022 | 02/20/2023 |
| Automobile | 12/18/2022 | 02/20/2023 |
| Umbrella | 12/18/2022 | 02/20/2023 |
| Professional Liab. | 12/15/2022 | 02/20/2023 |

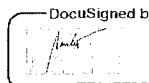
Mail Invoice to:
Trudy Homer – Planning, Design & Construction

San Francisco Airport Commission
P.O. Box 8097
San Francisco, CA 94128

CONTRACT PERIOD: 03/18/2018-12/31/2023

CONTRACT AWARD: \$3,250,000 PER COMMISSION RESOLUTION NO. 17-0321. \$5,000,000 PER COMMISSION RESOLUTION NO. 19-0030. \$1,500,000 PER COMMISSION RESOLUTION NO. 20-0028. \$7,500,000 PER COMMISSION RESOLUTION NO. 20-0029. MOD 7 TO EXTEND CONTRACT TERM THROUGH DECEMBER 31, 2023 PER COMMISSION RESOLUTION NO. 22-0055.

RECOMMENDED AND APPROVED

| | | | | | | | | |
|------------------------------------|---|--|---------|--|------|-----------|--------------------------------------|----------|
| IVAR C. SATERO Airport Director | | Chief Administrative Officer, Board of Supervisor | | Materials, Supplies & Services Purchaser Real Property Leases & Rents Director of Property | | | Certification Date: 12/7/2022 | |
| By: |  | | | | | | | |
| Ln. | Document | Amount | Account | Fund | Dept | Authority | Project | Activity |

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gm

DS
JDS

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 8

**Contract No. 10072.41
Project Management Support Services for
the Courtyard 3 Connector Project**

This Modification is made this 21ST day of November, 2022 in the City and County of San Francisco, State of California, by and between: PGH Wong & Partners JV (the "Contractor"), and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission, (the "Commission").

RECITALS

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") (as defined below); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$3,250,000 for the first year of services; and
- D. On September 1, 2018, City and Contractor administratively modified the Agreement to update the Contractor's overhead rates through Modification No. 1; and
- E. On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 increasing the contract amount by \$5,000,000 for a new total contract amount not to exceed \$8,250,000, and extending the term of the Agreement through March 12, 2020; and
- F. On August 1, 2019, City and Contractor administratively modified the Agreement to update standard contractual clauses and update the direct labor rates through Modification No. 3; and
- G. On November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 increasing the contract amount by \$9,000,000 for a new total contract amount not to exceed \$17,250,000, extending the term of the Agreement for services through June 30, 2022, and seeking Board of Supervisors approval of Modification No. 4; and
- H. After the Commission adopted Resolution No. 19-0273, the Contractor informed the Airport that CFWright Consulting, LLC had resigned from the joint venture, and therefore, Staff neither executed nor sought Board of Supervisors approval of Modification No. 4; and
- I. On February 18, 2020, by Resolution No. 20-0028, the Commission approved a revised Modification No. 4, dated March 1, 2020, increasing the contract amount by \$1,500,000 for a new total contract amount not to exceed \$9,750,000, extending the term of the Agreement for services through June 30, 2022, and recognizing CFWright Consulting, LLC's complete withdrawal as a member of the joint

venture that is the Contractor for this Agreement. Standard contractual clauses were also updated through Modification No. 4; and

J. On February 18, 2020, by Resolution No. 20-0029, the Commission approved Modification No. 5 increasing the contract amount by \$7,500,000 for a new total contract amount not to exceed \$17,250,000; and

K. On June 23, 2020, by Resolution No. 279-20, the Board of Supervisors approved Modification No. 5 under San Francisco Charter Section 9.118; and

L. On July 1, 2020, City and Contractor administratively modified the Agreement to amend Appendix B, Calculation of Charges, and to update standard contractual clauses through Modification No. 6; and

M. On April 5, 2022, by Resolution No. 22-0055, the Commission approved Modification No. 7 to extend the term of the Agreement for services through December 31, 2023, with no change to the contract amount. Standard contractual clauses were also updated and subcontractor, Stok LLC was added to the list of approved subcontractors through Modification No. 7; and

N. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to add Helton Ventures LLC, to the list of approved subcontractors and to update standard contractual clauses; and

O. Approval for this Agreement was obtained when the Department of Human Resources approved Modification No. 1 to PSC No. 47501-16/17 on November 29, 2021; and

P. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

NOW, THEREFORE, Contractor and City agree as follows:

1. **Section 1.1 Agreement** is hereby replaced in its entirety with the following:

1.1 "Agreement" means the contract document dated December 19, 2017, Modification No. 1 dated September 1, 2018, Modification No. 2 dated February 19, 2019, Modification No. 3 dated August 1, 2019, Modification No. 4 dated March 1, 2020, Modification No. 5 dated July 3, 2020, and Modification No. 6 dated July 1, 2020, Modification No. 7 dated April 5, 2022, including all attached appendices, and all applicable city ordinances and "Mandatory City Requirements" which are specifically incorporated by reference into the Agreement.

2. **Section 4.2 Qualified Personnel is hereby replaced in its entirety with a New Section 4.2 Personnel as follows:**

4.2 Personnel

4.2.1 **Qualified Personnel.** Contractor shall use only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to allow timely completion within the project schedule specified in this Agreement.

4.2.2 Contractor Vaccination Policy.

(a) Contractor acknowledges that it has read the requirements of Airport Operations Bulletin (AOB) 21-11, "Update to Vaccination Requirement for On-Site Personnel" which can be found here: <https://sfoconnect.com/airport-operations-bulletins>.

(b) In accordance with AOB 21-11, or any superseding AOB on the same subject, Contractor agrees that:

(i) Where applicable, Contractor shall ensure it complies with the requirements of the AOB and insure all on-site personnel are either fully vaccinated for COVID-19 or obtain from Contractor an exemption based on medical or religious grounds; and

(ii) If Contractor grants an employee an exemption, the Contractor must establish a protocol for COVID-19 testing and reporting, and comply with all other requirements of the AOB.

2. Paragraph 3.1.3 of Appendix B, Calculation of Charges, is hereby replaced in its entirety with the following to add a new classification and its respective rate:

3.1.3 The approved direct labor rates are as follows:

| Position/Classification | Direct Labor Rate Range | |
|---------------------------------------|-------------------------|----------|
| | Low | High |
| Administrative Assistant - FSH | \$21 | \$41.60 |
| Airfield and Aircraft Systems Manager | \$70 | \$97.76 |
| Airline Coordinator/Resident Engineer | \$66 | \$92.56 |
| Assistant Resident Engineer | \$54 | \$78.00 |
| Baggage Handling Manager | \$70 | \$97.76 |
| Commissioning Team Leader | \$76.92 | \$80.00 |
| Concessions Coordinator | \$66 | \$92.56 |
| Constructability Reviewer | \$66 | \$92.56 |
| Construction Manager | \$79 | \$109.20 |
| Cost Control/Lead Office Engineer | \$54 | \$78.00 |
| Cost Estimator | \$59 | \$84.24 |
| Deputy Design Manager - SEP | \$56 | \$80.08 |
| Design Manager | \$74 | \$102.96 |
| Document Control Manager | \$43 | \$64.48 |
| Environmental Technical Support | \$61 | \$87.36 |
| Field Engineer | \$40 | \$60.32 |
| Geotechnical Technical Support | \$61 | \$87.36 |
| Intern | \$21 | \$37.44 |
| Lab / Material Testing Technician | \$39 | \$59.28 |
| MEP Manager | \$70 | \$97.76 |
| Office Engineer | \$54 | \$78.00 |
| Program Manager | \$84 | \$115.44 |

| | | |
|---------------------------------|-------------|-----------------|
| Project Controls Engineer | \$54 | \$78.00 |
| Project Controls Manager | \$74 | \$102.96 |
| Project Engineer | \$36.54 | \$42.00 |
| Project Manager | \$84 | \$115.44 |
| QA Inspector | \$50 | \$71.76 |
| QA/QC/Code Compliance/Safety | \$50 | \$86.32 |
| Resident Engineer | \$70 | \$97.76 |
| Scheduler | \$56 | \$83.20 |
| Senior Cost Estimator | \$74 | \$102.96 |
| Senior Inspector | \$63 | \$89.44 |
| Senior Scheduler | \$79 | \$109.20 |
| SEP Manager | \$70 | \$97.76 |
| Signage and Phasing Coordinator | \$66 | \$93.60 |
| Senior Commissioning Engineer | \$71.15 | \$80.00 |
| Senior Engineer | \$48.08 | \$50.00 |
| Special Inspector | \$50 | \$89.44 |
| Special Inspector (OSHDP) | \$63 | \$89.44 |
| Special Systems Manager | \$84 | \$115.44 |
| Special Systems Support | \$59 | \$84.24 |
| Subject Matter Expert | \$85 | \$125.00 |
| Sustainability Manager | \$66 | \$92.56 |
| Tenant Space Coordinator | \$50 | \$72.80 |
| TSA OTA Technical Review | \$59 | \$84.24 |

4. **Paragraph 3.5 Approved Subcontractors of Appendix B, Calculation of Charges**, is hereby replaced in its entirety with the following to add a new approved subcontractor, Helton Ventures LLC:

3.5 Approved Subcontractors

The approved subcontractors are as follows:

Chaves & Associates
Helton Ventures LLC
Montez Group
Saylor Consulting Group
Stok LLC
Studio 151
UDC Pros

5. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

6. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| CITY | CONTRACTOR |
|---|--|
| AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO | |
| By: <u>DocuSigned by: Ivar C. Satero 8CFEDC3E9126544B</u> | By: <u>DocuSigned by: Cliff Wong 7B2B06C55EC54D9</u> |
| Ivar C. Satero, Airport Director | Authorized Signature |
| Attest: | <u>Cliff Wong</u> Printed Name |
| | |
| Approved as to Form: | <u>President, PGH Wong Engineering, Inc.</u> Title |
| David Chiu City Attorney | <u>DocuSigned by: Ernesto Avila 903E33B3BC8E4AA</u> |
| | Authorized Signature |
| By: <u>DocuSigned by: Daniel Edington FAC8E38F66404BE</u> | <u>Ernesto A. Avila</u> Printed Name |
| Daniel A. Edington Deputy City Attorney | President <u>Avila and Associates Consulting Engineers, Inc.</u> Title |
| | <u>PGH Wong & Partners JV</u> Company Name |
| | <u>182 2nd Street, Suite 500</u> Address |
| | <u>San Francisco, California 94105</u> City, State, ZIP |
| | <u>(415) 566-0800</u> Telephone Number |
| | <u>0000029434</u> City Supplier ID |
| | <u>82-3487026</u> Federal Employer ID Number |

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0188

AUTHORIZATION TO ISSUE A REQUEST FOR QUALIFICATIONS/PROPOSALS FOR PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT

WHEREAS, the Courtyard 3 Connector Project (Project) will include design and construction of a new secure connector between Terminal 2 and Terminal 3, as well as an adjacent approximately 91,000 square foot building for office space, tenant lease space, passenger amenities and lounges; and

WHEREAS, by Resolution approved on this same date, the Commission adopted the Negative Declaration for and determined to proceed with the Project; and

WHEREAS, the consultant selected under the Request for Qualifications/Proposals (RFQ/RFP) will provide overall management expertise and oversight of the Project, including design and construction management services, project controls, contract administration, cost estimating services and field inspection; and

WHEREAS, the RFQ/RFP will contain minimum qualification requirements appropriate for the anticipated type, size and complexity of the proposed scope of work; and

WHEREAS, the duration of this Contract is 40 months at an estimated total cost of \$13,000,000 and will be funded from the 5-year Capital Improvement Plan; and

WHEREAS, the City's Contract Monitoring Division has approved a 21% Local Business Enterprise sub-consultant participation requirement for this contract; now, therefore, be it

RESOLVED, that the Commission hereby authorizes the Director to issue a Request for Qualifications/Proposals for Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project, and to negotiate with the highest-ranked proposers in successive order until negotiations are successful with one of the qualified proposers; and, be it further

RESOLVED, that following successful negotiations, Staff will present for the Commission's consideration a recommendation to award Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____

AUG 15 2017

Juan Carrasco
Secretary



MEMORANDUM
August 15, 2017

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

17-0188
17-0188

AUG 15 2017

FROM: Airport Director

SUBJECT: Adoption of Final Negative Declaration and Related California Environmental Quality Act Findings for the Courtyard 3 Connector Project; Determination to Proceed with the Courtyard 3 Connector Project; Adoption of Improvement Measure I-TR—Coordinated Construction Traffic Control Plan; and Authorization to Issue a Request for Qualifications/Proposals for Professional Services Contract No. 10072.41, Project Management Support Services

DIRECTOR'S RECOMMENDATION: ADOPT THE FINAL NEGATIVE DECLARATION AND RELATED CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS FOR THE COURTYARD 3 CONNECTOR PROJECT; DETERMINE TO PROCEED WITH THE COURTYARD 3 CONNECTOR PROJECT; ADOPT IMPROVEMENT MEASURE I-TR—COORDINATED CONSTRUCTION TRAFFIC CONTROL PLAN; AND AUTHORIZE THE DIRECTOR TO ISSUE A REQUEST FOR QUALIFICATIONS/PROPOSALS FOR PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT.

Executive Summary

Transmitted herewith for your approval is a proposed Resolution adopting the Final Negative Declaration for the Courtyard 3 Connector Project (Project); determining to proceed with the Project; and adopting Improvement Measure I-TR—Coordinated Construction Traffic Control Plan described in the Final Negative Declaration. Also transmitted herewith for your approval is a proposed Resolution authorizing the Director to issue a Request for Qualifications/Proposals (RFQ/RFP) for Professional Services Contract No. 10072.41, Project Management Support Services (PMSS) for the Project.

The Project will include design and construction of a new pre security and post security connector between Terminal 2 (T2) and Terminal 3 (T3), as well as an adjacent building for office space, tenant lease space, passenger amenities and lounges.

The PMSS consultant (Consultant) will provide overall management expertise and oversight of the Project, including design and construction management services, project controls, contract administration, cost estimating services and field inspection.

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-321

AWARD OF PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT, TO PGH WONG & PARTNERS JOINT VENTURE, A JOINT VENTURE OF PGH WONG ENGINEERING, INC. AND CFWRIGHT CONSULTING, LLC AND AVILA & ASSOCIATES CONSULTING ENGINEERS, INC., IN A CONTRACT AMOUNT NOT TO EXCEED \$3,250,000 FOR THE FIRST YEAR OF SERVICES

WHEREAS, the Project Management Support Services Consultant will provide overall management expertise and oversight of the Courtyard 3 Connector Project. The scope of work for this Contract will include design and construction management services, project controls, contract administration, cost estimating services and field inspection; and

WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration and related California Environmental Quality Act findings for the Courtyard 3 Connector Project (File No. 2016-000857ENV); and

WHEREAS, on August 15, 2017, by Resolution No. 17-0189, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals (RFQ/RFP) for Project Management Support Services for the Courtyard 3 Connector Project and to negotiate with the highest-ranked proposer; and

WHEREAS, on August 15, 2017, Staff issued the RFQ/RFP; and

WHEREAS, on September 25, 2017, the Airport received four proposals in response to the RFQ/RFP; and

WHEREAS, the Airport convened a four-member Selection Panel that thoroughly reviewed the responsive proposals, interviewed the firms and key personnel, and determined that PGH Wong & Partners Joint Venture is the highest-ranked proposer; and

WHEREAS, Staff negotiated the scope of services, contract terms and conditions, and fee with PGH Wong & Partners Joint Venture for this Contract. The agreed upon initial Contract amount for the first year of services is \$3,250,000 and

WHEREAS, since the Project will be a multi-year, phased project, Staff estimates that the total Contract amount for PGH Wong & Partners Joint Venture will be \$11,500,000 with a total Contract duration of 40 months; and

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-221

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise sub-consultant participation requirement of 21% for this Contract and PGH Wong & Partners Joint Venture has committed to meeting that requirement; now, therefore, be it

RESOLVED, that the Commission hereby awards Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners Joint Venture in an amount not to exceed \$3,250,000 for the first year of services.

Page 2 of 2

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____

DEC 19 2017


Secretary

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 19-0030

APPROVAL OF MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG AND PARTNERS JV, INCREASING THE CONTRACT BY \$5,000,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$8,250,000 FOR SERVICES THROUGH MARCH 12, 2020

WHEREAS, the Project Management Support Services consultant provides overall management expertise and oversight of the Courtyard 3 Connector Project, by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection

WHEREAS, on December 19, 2017, by Resolution No. 17-0321 the Commission awarded this Contract to PGH Wong and Partners JV for Project Management Support Services for the Courtyard 3 Connector Project in the not-to-exceed amount of \$3,250,000 for one year of services; and

WHEREAS, on September 1, 2018, administrative Modification No. 1 was executed to adjust overhead rates; and

WHEREAS, this Modification No. 2 increases the Contract amount by \$5,000,000 for a total not to exceed amount of \$8,250,000 for services through March 12, 2020; and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 21% for this Contract and PGH Wong and Partners JV has committed to meeting that requirement; now, therefore, be it

RESOLVED, that the Commission hereby approves Modification No. 2 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong and Partners JV, in an amount of \$5,000,000 for a new Contract not-to-exceed amount of \$8,250,000 for services through March 12, 2020.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of* _____

FEB 19 2019


Secretary



San Francisco International Airport

MEMORANDUM

February 19, 2019

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

19-0030

FEB 19 2019

FROM: Airport Director

SUBJECT: Approval of Modification No. 2 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project.

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JOINT VENTURE, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., CFWRIGHT CONSULTING, LLC., AND AVILA & ASSOCIATES CONSULTING ENGINEERS, INC., INCREASING THE CONTRACT AMOUNT BY \$5,000,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$8,250,000 FOR SERVICES THROUGH MARCH 12, 2020.

Executive Summary

Transmitted herewith for your approval is a proposed Resolution approving Modification No. 2 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong and Partners Joint Venture increasing the Contract amount by \$5,000,000 for a new total Contract not-to-exceed amount of \$8,250,000 and extending the Contract duration through March 12, 2020.

The Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities and lounges.

This Contract provides project management support services for the Project, including design and construction management services, project controls, contract administration, cost estimating services and field inspection.

Background

On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Contract to PGH Wong & Partners Joint Venture in a not-to-exceed amount of \$3,250,000 for the initial year of services.

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 19-0273

APPROVAL OF MODIFICATION NO. 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, INCREASING THE CONTRACT BY \$9,000,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$17,250,000 FOR SERVICES THROUGH JUNE 30, 2022

- WHEREAS, The Courtyard 3 Connector Project (Project) is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges; and
- WHEREAS, the Project Management Support Services (PMSS) Consultant provides overall management expertise and oversight of the Project, by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection; and
- WHEREAS, on December 19, 2017, by Resolution No. 17-0321, the Commission awarded this PMSS Contract to PGH Wong & Partners JV, a joint venture of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for the Project in the not-to-exceed amount of \$3,250,000 for one year of services; and
- WHEREAS, on September 1, 2018, administrative Modification No. 1 adjusted the overhead rates; and
- WHEREAS, on February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 in an amount of \$8,250,000 for the second year of services through March 12, 2020; and
- WHEREAS, on October 18, 2019, administrative Modification No. 3 adjusted the billing labor rates; and
- WHEREAS, this Modification No. 4 increases the Contract amount by \$9,000,000 for a new Contract amount not to exceed \$17,250,000 for services through June 30, 2022; and
- WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 21% for this Contract and PGH Wong & Partners JV has committed to meeting that requirement; now, therefore, be it
- RESOLVED, that the Commission hereby approves Modification No. 4 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV, in an amount of \$9,000,000 for a new Contract amount not to exceed \$17,250,000 for services through June 30, 2022; and, be it further
- RESOLVED, that this Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of Modification No. 4 to this Contract consistent with San Francisco Charter Section 9.118(b).

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of NOV - 5 2019


Secretary



MEMORANDUM

November 5, 2019

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenheimer
Hon. Malcolm Yeung

19-0273

NOV - 5 2019

FROM: Airport Director

SUBJECT: Approval of Modification No. 4 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., CFWRIGHT CONSULTING, LLC, AND AVILA AND ASSOCIATES CONSULTING ENGINEERS, INC., INCREASING THE CONTRACT AMOUNT BY \$9,000,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$17,250,000 AND EXTENDING THE CONTRACT DURATION FOR SERVICES THROUGH JUNE 30, 2022.

Executive Summary

The Courtyard 3 Connector Project (Project) is constructing a new pre-security and post-security connector between Terminal 2 (T2) and Terminal 3 (T3), as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges.

This Contract provides Project Management Support Services (PMSS) for the Project, and provides overall management expertise and oversight, including design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

This proposed action approves the full not-to-exceed amount of \$17,250,000 and the full Contract duration through June 30, 2022. Because this Modification No. 4 would cause the Contract to exceed \$10,000,000, Modification No. 4 requires approval by the Board of Supervisors.

Background

On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Contract to PGH Wong & Partners JV, a joint venture of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., in a not-to-exceed amount of \$3,250,000 for the initial year of services.

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 20-0028

APPROVAL OF MODIFICATION NO. 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, INCREASING THE CONTRACT BY \$1,500,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$9,750,000 FOR SERVICES THROUGH JUNE 30, 2022

- WHEREAS, the Courtyard 3 Connector Project (Project) was the subject of a Negative Declaration prepared by the San Francisco Planning Department, Environmental Planning Division, dated July 28, 2017, in accordance with the requirements of California Environmental Quality Act, Cal. Public Resources Code Sec. 21000, *et seq.* (CEQA); Title 14, Section 15000, *et seq.* of the Code of California Regulations (CEQA Guidelines); and Chapter 31 of the San Francisco Administrative Code; and
- WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration for the Project and adopted as its own the findings made therein by the San Francisco Planning Department, Environmental Planning Division, including Improvement Measure I-TR, Coordinated Construction Traffic Control Plan, as required by CEQA; and
- WHEREAS, since the Negative Declaration was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Negative Declaration; and
- WHEREAS, the Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges; and
- WHEREAS, the Project Management Support Services (PMSS) Consultant provides overall management expertise and oversight of the Project, by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection; and
- WHEREAS, on December 19, 2017, by Resolution No. 17-0321, the Commission awarded this PMSS Contract to PGH Wong & Partners JV, a joint venture then consisting of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for the Project in the not-to-exceed amount of \$3,250,000 for one year of services; and
- WHEREAS, on September 1, 2018, administrative Modification No. 1 adjusted the overhead rates; and
- WHEREAS, on February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 in an amount of \$8,250,000 for the second year of services through March 12, 2020; and

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 20-0028

WHEREAS, on October 18, 2019, administrative Modification No. 3 adjusted the billing labor rates; and

WHEREAS, on November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 increasing the Contract amount by \$9,000,000 for a new Contract amount not to exceed \$17,250,000, extending the term of the Contract through June 30, 2022, and directing Staff to seek approval of the Board of Supervisors (BOS) for Modification No. 4; and

WHEREAS, Staff neither executed nor sought BOS approval of Modification No. 4 because after Commission adoption of Resolution No. 19-0273 Staff learned joint venture member CFWright Consulting, LLC had resigned from the joint venture PGH Wong & Partners JV, and therefore, Staff did not seek BOS approval of Modification No. 4; and

WHEREAS, this Modification 4 will include an administrative modification to recognize that CFWright Consulting, LLC is no longer a member for the joint venture PGH Wong & Partners JV; and

WHEREAS, this Modification No. 4 increases the Contract amount by \$1,500,000 for a new Contract amount not to exceed \$9,750,000, and extends the Contract for services through June 30, 2022; and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 21% for this Contract and PGH Wong & Partners JV has committed to meeting that requirement; now, therefore, be it

RESOLVED, the Commission has reviewed and considered the Final Negative Declaration, and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Modification No. 4 to Contract No. 10072.41, and incorporates the CEQA findings contained in Resolution No.17-0188 as though set forth in this Resolution; and, be it further

RESOLVED, that the Commission hereby approves Modification No. 4 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV, a joint venture between PGH Wong and Avila and Associates Consulting Engineers, Inc., in an amount of \$1,500,000 for a new Contract amount not to exceed \$9,750,000 for services through June 30, 2022.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of

~~DEC 18~~ FEB 18 2020


Secretary

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 20-0029

APPROVAL OF MODIFICATION NO. 5 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, INCREASING THE CONTRACT BY \$7,500,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$17,250,000

- WHEREAS, the Courtyard 3 Connector Project (Project) was the subject of a Negative Declaration prepared by the San Francisco Planning Department, Environmental Planning Division, dated July 28, 2017, in accordance with the requirements of the California Environmental Quality Act, Cal. Public Resources Code Sec. 21000, *et seq.* (CEQA); Title 14, Section 15000, *et seq.* of the Code of California Regulations (CEQA Guidelines); and Chapter 31 of the San Francisco Administrative Code; and
- WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration for the Project and adopted as its own the findings made therein by the San Francisco Planning Department, Environmental Planning Division, including Improvement Measure I-TR, Coordinated Construction Traffic Control Plan, as required by CEQA; and
- WHEREAS, since the Negative Declaration was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Negative Declaration; and
- WHEREAS, the Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges; and
- WHEREAS, the Project Management Support Services (PMSS) Consultant provides overall management expertise and oversight of the Project, by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection; and
- WHEREAS, on December 19, 2017, by Resolution No. 17-0321, the Commission awarded this PMSS Contract to PGH Wong & Partners JV, a joint venture then consisting of PGH Wong Engineering, Inc., CF Wright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for the Project in the not-to-exceed amount of \$3,250,000 for one year of services; and
- WHEREAS, on September 1, 2018, administrative Modification No. 1 adjusted the overhead rates; and
- WHEREAS, on February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 in an amount of \$8,250,000 for the second year of services through March 12, 2020; and

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 20-0029

- WHEREAS, on October 18, 2019, administrative Modification No. 3 adjusted the billing labor rates; and
- WHEREAS, on November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 increasing the Contract amount by \$9,000,000 for a new Contract amount not to exceed \$17,250,000, extending the term of the Contract through June 30, 2022, and directing Staff to seek approval of the Board of Supervisors (BOS) for Modification No. 4; and
- WHEREAS, Staff neither executed nor sought BOS approval of Modification No. 4 because, after Commission adoption of Resolution No. 19-0273, Staff learned joint venture member CFWright Consulting, LLC had resigned from the joint venture PGH Wong & Partners JV, and therefore, Staff did not seek BOS approval of Modification No. 4; and
- WHEREAS, on February 18, 2020, by Resolution No. 20-0028, the Commission approved Modification No. 4 to increase the Contract amount by \$1,500,000 for a total Contract amount not to exceed \$9,750,000, extend the Contract for services through June 30, 2022, and administratively modify the Contract to acknowledge that CFWright Consulting, LLC is no longer a member of the joint venture PGH Wong & Partners JV; and
- WHEREAS, this Modification No. 5 increases the Contract amount by \$7,500,000 for a new total Contract amount not to exceed \$17,250,000 with no change to the contract duration; and
- WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 21% for this Contract and PGH Wong & Partners JV has committed to meeting that requirement; now, therefore, be it
- RESOLVED, the Commission has reviewed and considered the Final Negative Declaration, and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Modification No. 5 to Contract No. 10072.41, and incorporates the CEQA findings contained in Resolution No.17-0188 as though set forth in this Resolution; and, be it further
- RESOLVED, that the Commission hereby approves Modification No. 5 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV, a joint venture between PGH Wong and Avila and Associates Consulting Engineers, Inc., in an amount of \$7,500,000 for a new Contract amount not to exceed \$17,250,000; and, be it further.
- RESOLVED, that this Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of Modification No. 5 to this Contract consistent with San Francisco Charter Section 9.118(b) and an authorized not-to-exceed amount equal to the amount of \$17,250,000.

Page 2 of 2

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of

 FEB 18 2020


Secretary



MEMORANDUM

February 18, 2020

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Malcolm Yeung

20-0028

20-0029

FEB 18 2020

FROM: Airport Director

SUBJECT: Approval of Modification Nos. 4 and 5 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NOS. 4 AND 5 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., AND AVILA AND ASSOCIATES CONSULTING ENGINEERS, INC., TO INCREASE THE CONTRACT AMOUNT BY \$9,000,000 FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$17,250,000, AND TO EXTEND THE CONTRACT FOR SERVICES THROUGH JUNE 30, 2022.

Executive Summary

Through this Contract, PGH Wong & Partners JV, a joint venture of PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc. (PGH Wong & Partners), provides Program Management Support Services (PMSS) for the Courtyard 3 Connector Project (Project) consisting of overall management expertise and oversight, including design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

The addition of scope and duration of the Project's design-build contract created the need for additional PMSS services. Proposed Modification No. 4 increases the Contract amount by \$1,500,000 and extends the Contract duration through June 30, 2022. Proposed Modification No. 5 increases the Contract amount by an additional \$7,500,000 for a new Contract amount not to exceed \$17,250,000 with no additional change to the contract duration. Upon Commission approval, Modification No. 5 requires the approval of the Board of Supervisors (BOS) because it would cause the Contract to exceed \$10,000,000.

Background

The Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges.

THIS PRINT COVERS CALENDAR ITEM NO. 3

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO
LONDON N. BREED MAYOR LARRY MAZZOLA PRESIDENT ELEANOR JOHNS RICHARD J. GUGGENHIME MALCOLM YEUNG IVAR C. SATERO AIRPORT DIRECTOR

On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Contract to PGH Wong & Partners JV in a not-to-exceed amount of \$3,250,000 for the initial year of services. At that time, the joint venture consisted of three member firms including: PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc.

On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 to increase the Contract not-to-exceed amount to \$8,250,000 for the second year of services through March 12, 2020.

Modification Nos. 1 and 3 were administrative modifications that adjusted the labor rates with no change to the Contract amount or duration.

On November 5, 2019, by Resolution No. 19-0273, the Commission approved Contract Modification No. 4 extending the Contract duration and increasing the Contract amount to \$17,250,000, which required BOS approval. Prior to seeking BOS approval and executing Modification No. 4, PGH Wong & Partners JV informed the Airport that CFWright Consulting, LLC had resigned from the joint venture. Therefore, Staff did not execute Modification No. 4 as presented to the Commission. Refer to Attachment A – Summary of Commission Actions for this Contract.

Together, Modification Nos. 4 and 5 increase the Contract to the full not-to-exceed amount of \$17,250,000 for services through June 30, 2022.

Modification No. 4 to this Contract would increase the Contract amount by \$1,500,000 for a new total Contract amount not to exceed \$9,750,000, and would increase the Contract duration for services from March 12, 2020 to June 30, 2022. Modification No. 4 will increase the Contract amount to allow the Airport to continue PMSS services while Staff seeks BOS approval of Modification No. 5. Modification No. 4 also administratively modifies the Contract to recognize that CFWright Consulting, LLC is no longer a member of the PGH Wong & Partners joint venture.

Modification No. 5 would increase the Contract amount by an additional \$7,500,000, for a new total Contract not-to-exceed amount of \$17,250,000 with no additional change to the Contract duration. Pending Commission approval, Staff will seek BOS's approval to increase the authorized not-to-exceed amount as required by the San Francisco Charter Section 9.118(b) for the full estimated Contract amount of \$17,250,000. If the Commission approves Modification No. 4, Staff will fill in the blank in the proposed Resolution approving Modification No. 5 with the appropriate Resolution number.

Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Project. Staff will report to the Commission bi-annually on the performance of this consultant team through off-calendar memoranda. Staff will evaluate performance based on retention of key personnel and the proficiency of the team to provide project management support services to assist in the delivery of the Project on budget and on schedule.

The full not-to-exceed Contract amount of \$17,250,000 is equal to the budget for this Contract funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 21% for this Contract. PGH Wong & Partners JV is committed to meeting 28% subconsulting participation requirement for this Contract.

Recommendation

I recommend the Commission approve Modifications Nos. 4 and 5 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners JV, a joint venture between PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to increase the Contract amount by a combined total of \$9,000,000 for a new Contract not-to-exceed amount of \$17,250,000 for services through June 30, 2022.

I also recommend the Commission direct the Commission Secretary to seek Board of Supervisors approval of Modification No. 5 to this Contract consistent with San Francisco Charter Section 9.118(b).



Ivar C. Satero
Airport Director

Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Attachments

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
February 18, 2020

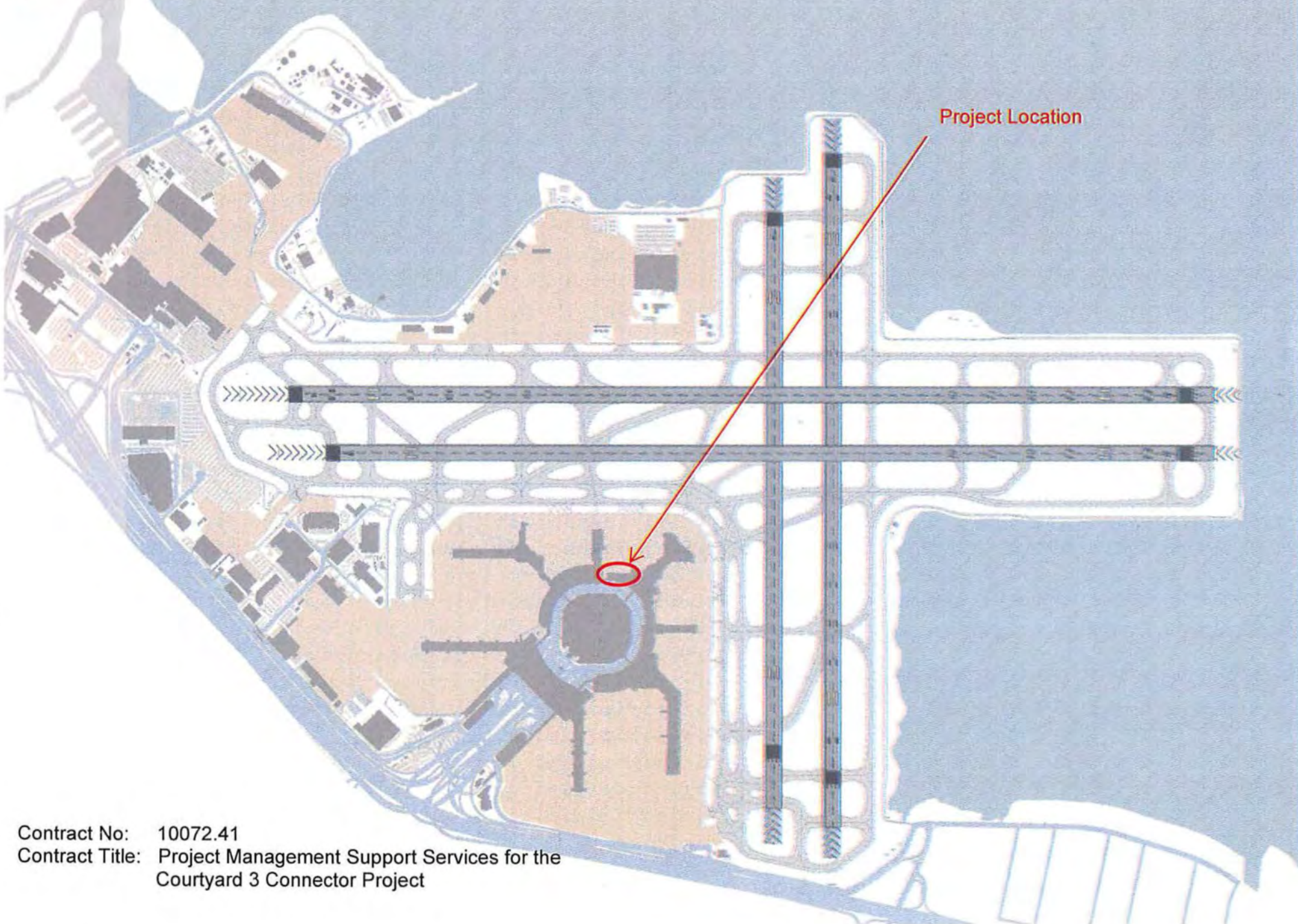
Contract No.: 10072.41 - Project Management Support Services for the Courtyard 3 Connector Project

Consultant: PGH Wong & Partners JV

Modification Nos. 4 and 5

| Date | Modification No. | Resolution No. | Description | Scope | Amount |
|------------|------------------|----------------|---------------------------------|---|-------------|
| 8/15/2017 | | 17-0188 | Environmental Review | Adoption of the Final Negative Declaration, adoption of CEQA findings, and determination to proceed with the project. | |
| 12/19/2017 | - | 17-0321 | Award of Contract | Project Management Support Services | \$3,250,000 |
| 9/1/2019 | 1 | - | Administrative Modification | Amendment of overhead rates | \$0 |
| 2/19/2019 | 2 | 19-0030 | Annual Renewal | Annual renewal for the second year of services | \$5,000,000 |
| 10/18/2019 | 3 | - | Administrative Modification | Amendment of base labor rates | \$0 |
| 11/5/2019 | 4 | 19-0273 | Renewal through end of Services | NOT EXECUTED | N/A |
| | | | | | |

| | |
|---|---------------------|
| Contract As-Modified to Date | \$8,250,000 |
| Proposed Contract Modification No. 4 Amount | <u>\$1,500,000</u> |
| Proposed Contract Modification No. 5 Amount | <u>\$7,500,000</u> |
| Proposed Modified Contract Amount | \$17,250,000 |



Project Location

Contract No: 10072.41
Contract Title: Project Management Support Services for the
Courtyard 3 Connector Project

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 22-0055

APPROVAL OF MODIFICATION NO. 7 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, TO EXTEND THE CONTRACT FOR SERVICES THROUGH DECEMBER 31, 2023 WITH NO CHANGE TO THE CONTRACT AMOUNT

- WHEREAS, the Courtyard 3 Connector Project (Project) was the subject of a Negative Declaration prepared by the San Francisco Planning Department, Environmental Planning Division, dated July 28, 2017, in accordance with the requirements of the California Environmental Quality Act, Cal. Public Resources Code Sec. 21000, *et seq.* (CEQA); Title 14, Section 15000, *et seq.* of the Code of California Regulations (CEQA Guidelines); and Chapter 31 of the San Francisco Administrative Code; and
- WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration for the Project and adopted as its own the findings made therein by the San Francisco Planning Department, Environmental Planning Division, including Improvement Measure I-TR, Coordinated Construction Traffic Control Plan, as required by CEQA; and
- WHEREAS, since the Negative Declaration was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Negative Declaration; and
- WHEREAS, the Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges; and
- WHEREAS, the Project Management Support Services (PMSS) consultant provides overall management expertise and oversight of the Project, by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection; and
- WHEREAS, on December 19, 2017, by Resolution No. 17-0321, the Commission awarded this PMSS Contract to PGH Wong & Partners JV, a joint venture then consisting of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for the Project in the not-to-exceed amount of \$3,250,000 for one year of services; and

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 22-0055

- WHEREAS, through various Resolutions, the Commission approved Modification Nos. 1, 2, and 5, increasing the Contract not-to-exceed amount to \$17,250,000, extending the Contract duration through June 30, 2022; and Modification Nos. 3, 4, and 6 were administrative modifications adjusting the Contractor's labor rates and administratively modifying the Contract to acknowledge that CFWright Consulting, LLC is no longer a member of the joint venture PGH Wong & Partners JV; and
- WHEREAS, on June 23, 2020, by Resolution No. 279-20 the BOS adopted the Final Negative Declaration for the Project and approved Modification No. 5 for a new Contract not-to-exceed amount of \$17,250,000; and
- WHEREAS, in November 2020, the Airport suspended the construction of interior finishes of the Project's office building scope of work as a cost-savings measure due to the economic effects of COVID-19, and reduced the Contract budget accordingly; and
- WHEREAS, Modification No. 7 would extend the Contract for services through December 31, 2023, with no change to the Contract amount; and
- WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 21% for this Contract and PGH Wong & Partners JV has committed to meeting that requirement; now, therefore, be it
- RESOLVED, the Commission has reviewed and considered the Final Negative Declaration, and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Modification No. 7 to Contract No. 10072.41, and incorporates the CEQA findings contained in Resolution No.17-0188 as though set forth in this Resolution; and, be it further
- RESOLVED, that the Commission hereby approves Modification No. 7 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV, a joint venture between PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to extend the Contract for services through December 31, 2023, with no change to the Contract amount.

Page 2 of 2

*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of*

APR 5 2022


Secretary



San Francisco International Airport

MEMORANDUM

April 5, 2022

TO: AIRPORT COMMISSION
Hon. Eleanor Johns, President
Hon. Malcolm Yeung, Vice President
Hon. Everett A. Hewlett, Jr.
Hon. Jane Natoli
Hon. Jose F. Almanza

22-0055
APR 5 2022

FROM: Airport Director

SUBJECT: Approval of Modification No. 7 to Professional Services Contract
No. 10072.41, Project Management Support Services for the Courtyard 3
Connector Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 7 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., AND AVILA AND ASSOCIATES CONSULTING ENGINEERS, INC., TO EXTEND THE CONTRACT FOR SERVICES THROUGH DECEMBER 31, 2023, WITH NO CHANGE TO THE CONTRACT AMOUNT.

Executive Summary

Through this Contract, PGH Wong & Partners JV, a joint venture of PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc. (PGH Wong & Partners), provides Program Management Support Services (PMSS) for the Courtyard 3 Connector Project (Project) consisting of overall management expertise and oversight, including design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

Modification No. 7 extends the Contract for services through December 31, 2023 with no change to the Contract amount.

Background

The Project scope includes a new pre-security and post-security connector between Terminal 2 and Terminal 3, and an adjacent building for office space, tenant lease space, passenger amenities, and lounges. In November 2020, the Airport suspended construction of the office building's interior finishes as a cost-saving measure in light of the COVID-19 impact on Airport revenue.

On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Contract to PGH Wong & Partners JV in a not-to-exceed amount of \$3,250,000 for the initial year of services. At that time, the joint venture consisted of three member firms including: PGH Wong

THIS PRINT COVERS CALENDAR ITEM NO. 6

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED
MAYOR

ELEANOR JOHNS
PRESIDENT

MALCOLM YEUNG
VICE PRESIDENT

EVERETT A. HEWLETT, JR.

JANE NATOLI

JOSE F. ALMANZA

IVAR C. SATERO
AIRPORT DIRECTOR

Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc.

The Commission previously approved Modification Nos. 1, 2, and 5, increasing the Contract not-to-exceed amount to \$17,250,000 and extending the Contract duration through June 30, 2022. Modification Nos. 3, 4, and 6 were administrative modifications adjusting labor rates and acknowledging CFWright Consulting, LLC was no longer a member of the joint venture PGH Wong & Partners JV.

On June 23, 2020, by Resolution No. 279-20, the Board of Supervisors approved Modification No. 5 to increase the Contract amount for a new not-to-exceed amount of \$17,250,000.

Modification No. 7 extends the Contract through December 31, 2023, with no change to the Contract amount. The scope that was suspended in November 2020, continues to remain on-hold. The suspended scope includes the buildout and furnishing of the office building's interior space. Staff recommends the Commission approve this Modification to allow the Contractor to quickly respond with project management support services in the event the Airport lifts the suspension.

The current budget for this Contract is \$17,250,000 with an anticipated duration through December 31, 2023. The Contract is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Project. Staff will evaluate performance based on retention of key personnel and the proficiency of the team to provide project management support services to assist in the delivery of the Project on budget and on schedule.

The City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 21% for this Contract. PGH Wong & Partners JV is committed to meeting 28% subconsulting participation requirement for this Contract.

Recommendation

I recommend the Commission approve Modifications No. 7 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners JV, a joint venture between PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to extend the Contract for services through December 31, 2023, with no change to the Contract Amount.



Ivar C. Satero
Airport Director

Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Attachments

**ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS**

April 5, 2022

Contract No.: 10072.41 Project Management Support Services for the Courtyard 3 Connector Project

Consultant: PGH Wong & Partners JV

Modification No. 7

| Date | Modification No. | Resolution No. | Description | Scope | Amount |
|------------|------------------|----------------|---------------------------------|---|-------------|
| 8/15/2017 | | 17-0188 | Environmental Review | Adoption of the Final Negative Declaration, adoption of CEQA findings, and determination to proceed with the project | |
| 12/19/2017 | - | 17-0321 | Award of Contract | Project Management Support Services | \$3,250,000 |
| 9/1/2019 | 1 | - | Administrative Modification | Amendment of overhead rates | \$0 |
| 2/19/2019 | 2 | 19-0030 | Annual Renewal | Annual renewal for the second year of services | \$5,000,000 |
| 10/18/2019 | 3 | - | Administrative Modification | Amendment of base labor rates | \$0 |
| 11/5/2019 | 4 | 19-0273 | Renewal through end of Services | NOT EXECUTED | N/A |
| 2/18/2020 | 4 | 20-0028 | Renewal through end of Services | Renewal of services through June 30, 2022, amendment of Contract Amount, and acknowledgment that CFWright Consulting LLC is no longer a member of PGH Wong & Partners Joint Venture | \$1,500,000 |
| 2/18/2020 | 5 | 20-0029 | Increase Contract Amount | Increase Contract Not-To Exceed Amount and seek Board of Supervisors approval to exceed \$10,000,000 | \$7,500,000 |
| 11/23/2020 | 6 | - | Administrative Modification | Amendment of base labor rates | \$0 |

| | |
|--|---------------------|
| Contract As-Modified to Date | \$17,250,000 |
| Proposed Contract Modification No. 7 Amount | <u>\$0</u> |
| Proposed Modified Contract Amount | \$17,250,000 |



Project Location

Contract No: 10072.41

Project Title: PMSS for the Courtyard 3
Connector Project



SAN FRANCISCO PLANNING DEPARTMENT

Negative Declaration

PND Date: May 24, 2017; amended on July 28, 2017 (amendments to the Initial Study/Preliminary Negative Declaration are shown as deletions in ~~strike through~~ and additions in double underline)

Case No.: **2016-000857ENV**

State Clearinghouse 2017052072

Project Title: **Courtyard 3 Connector Project**
San Francisco International Airport (SFO)

Project Sponsor: SFO Bureau of Planning and Environmental Affairs
Avant Ramsey – (650) 821-7836; Avant.Ramsey@flysfo.com

Lead Agency: San Francisco Planning Department

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PROJECT DESCRIPTION:

The City and County of San Francisco, acting through the San Francisco International Airport Commission, proposes to construct a new building in the space between Terminals 2 and 3, known as Courtyard 3, at the San Francisco International Airport (SFO). The proposed project would construct a new, approximately 122-foot-tall, 118,700-square-foot building on piers above both Courtyard 3 and a two-story portion of Terminal 2. The building would encompass a new security screening checkpoint and pre-security walkway between Terminals 2 and 3, topped by four levels of office space. A post-security connector walkway bridge would be constructed along the exterior of Terminal 2, providing secure passage from the new building to boarding areas in Terminals 2 and 3.

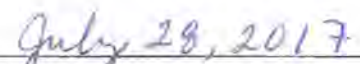
FINDING:

This project could not have a significant effect on the environment. This finding is based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance), and 15070 (Decision to prepare a Negative Declaration), and the following reasons as documented in the Initial Evaluation (Initial Study) for the project, which is attached. Mitigation measures are not needed for this project to avoid potentially significant effects. See Initial Study Section E, Evaluation of Environmental Effects.

In the independent judgment of the Planning Department, there is no substantial evidence that the project could have a significant effect on the environment.



Lisa Gibson
Environmental Review Officer



Date of Issuance of Final
Negative Declaration

cc: Avant Ramsey, SFO Bureau of Planning and Environmental Affairs

Initial Study
San Francisco Airport Courtyard 3 Connector Project
Planning Department Case No. 2016-000857ENV
State Clearinghouse No. 2017052072

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Appendix A – Comments and Responses on Preliminary Negative Declaration

Initial Study
San Francisco Airport Courtyard 3 Connector Project
Planning Department Case No. 2016-000857ENV
State Clearinghouse No. 2017052072

A. PROJECT DESCRIPTION

The City and County of San Francisco (CCSF), acting through the San Francisco International Airport Commission (hereinafter “the Commission”) proposes to construct a new building in the space between Terminals 2 and 3 known as Courtyard 3 at the San Francisco International Airport (hereinafter “SFO” or “the Airport”). The proposed structure would include a new security screening checkpoint, new pre-security and post-security passenger walkways between the two terminals, and four levels of office space.

Project Location and Existing Site Characteristics

SFO is located in unincorporated San Mateo County, approximately 13 miles south of downtown San Francisco. It is east of U.S. Highway 101 (US 101) and adjacent to San Francisco Bay, near the cities of South San Francisco, San Bruno, and Millbrae, as shown on **Figure 1, Airport Location Map**. The Airport property consists of approximately 5,110 acres and is the largest airport in size, annual passengers, and aircraft operations (takeoffs and landings) in the San Francisco Bay Area. According to SFO, the Airport served more than 53 million passengers in 2016,¹ supports nearly 36,400 direct Airport jobs, and contributes to almost 156,000 jobs in the area.²

The project site is located at Courtyard 3, which includes an approximately 18,000-square-foot (sf), asphalt-paved parking lot and a restricted access service road, located between Terminal 2 and Terminal 3 at the SFO main terminal complex (**Figure 2, Project Site Map**). Airport operations can be divided into two areas: the landside, which includes all publicly accessible roadways and development; and the secured air operations area (AOA), which includes the runways, taxiways, and aircraft parking aprons. Courtyard 3 provides vehicular access through a secured gate to the AOA from the airport loop road located at the ground level (also referred to as Level 1 or the arrivals level) on the western side of Courtyard 3. In addition to the Courtyard 3 parking lot, the project site includes the following: the existing pre-security, connector structure between Terminals 2 and 3 on Level 2 (the departures level); the existing Communications Center located in the adjacent two-story portion of Terminal 2; and, an approximately 8,000-sf paved area located immediately adjacent to and along the AOA side of Terminal 2. **Figure 3, Proposed Project Site**, provides an aerial view of the project site and its construction area.

¹ San Francisco International Airport. Press Release: “SFO Shatters Annual Traffic Record with 53.1 Million Passengers in 2016.” <http://www.flysfo.com/media/press-releases/sfo-shatters-annual-traffic-record-531-million-passengers-2016>. Accessed on February 6, 2017.

² San Francisco International Airport, *SFO Annual Report 2015, Fiscal year 2014-2015*.

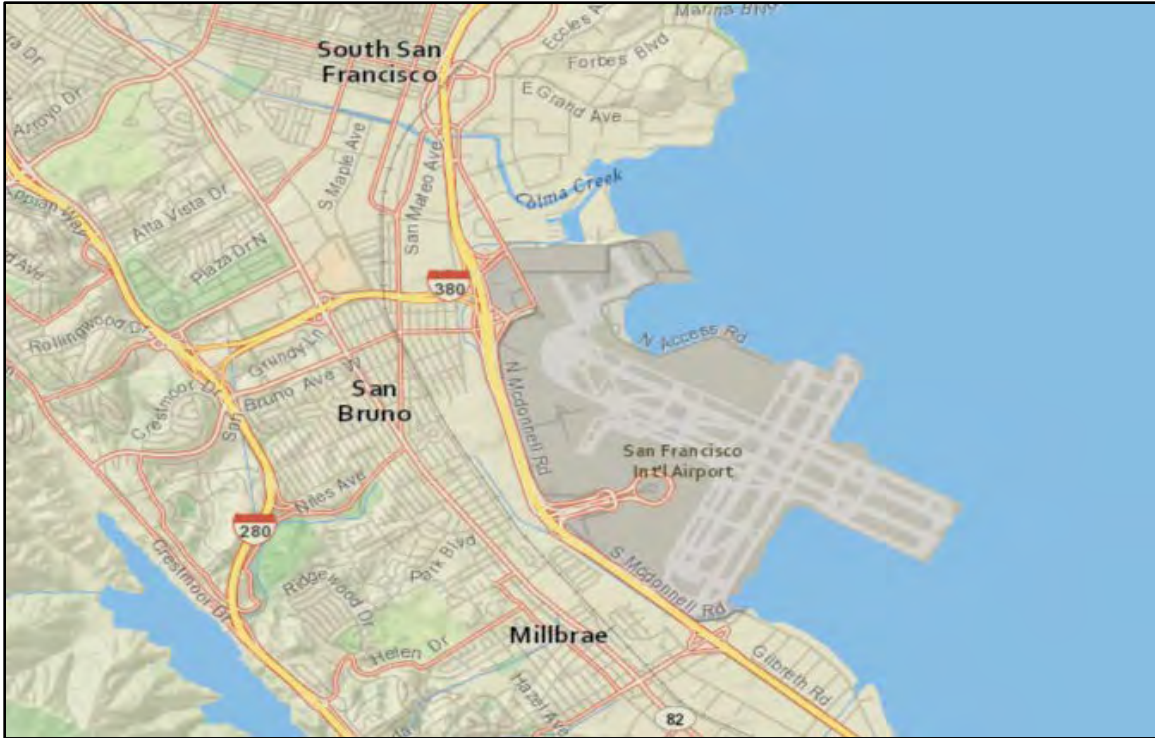
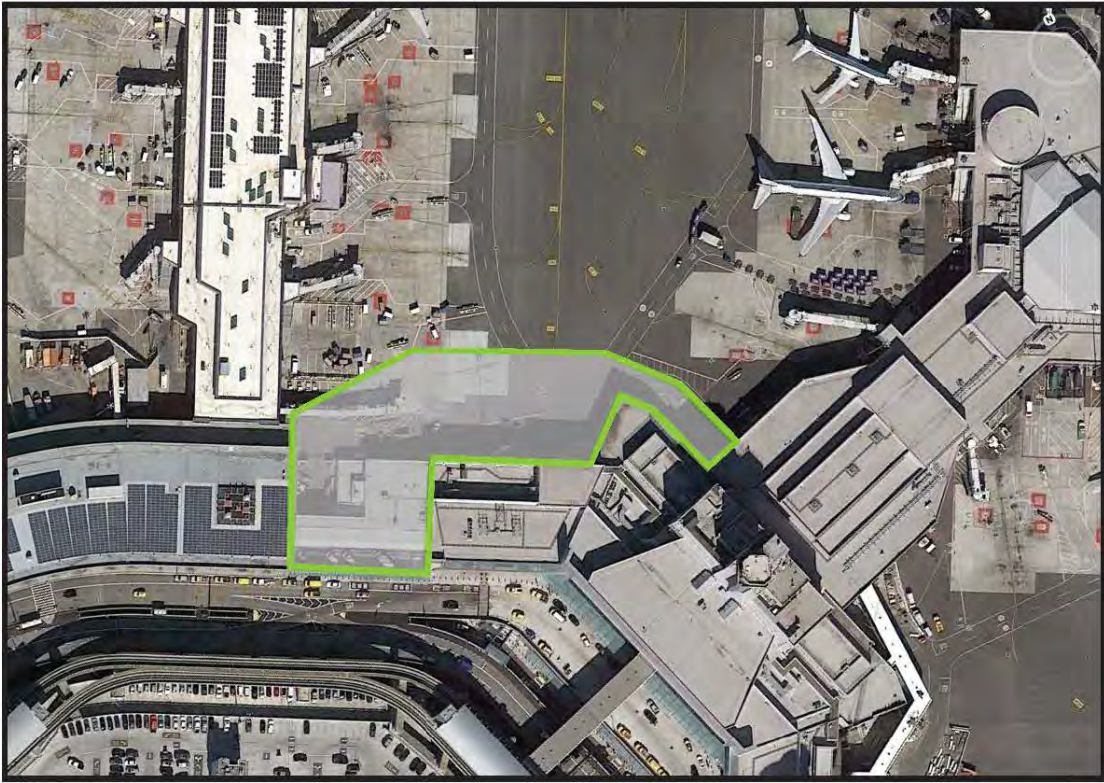


Figure 1. Airport Location Map



Figure 2. Project Site Location

Proposed T2/T3 Connector Project Construction Area



Aerial Source: Google
April 2016

Figure 3. Proposed project site

Project Background and Objectives

The purposes of the Courtyard 3 Connector project are to enhance passenger level of service, to consolidate office uses for existing Airport administrative staff and critical Federal support agencies, and to provide space for potential future expansion of airline offices and club lounges. The proposed secure connector would allow passengers who have gone through security access to concessions and restaurants throughout the terminal complex without multiple security screenings. The increased flexibility in circulation would improve access for connecting passengers and reduce demand on security screening processes. The proposed relocation and expansion of an existing security screening checkpoint in Terminal 3 would facilitate modern airport security screening needs.

The proposed consolidation of office uses in a centralized terminal space is intended to better serve passengers, tenant businesses, and Airport staff. Currently, Airport administrative staff (e.g., Executive Staff, Revenue Development, and Aviation Management) are located in several offices in and around the terminal complex. In addition, the Federal Bureau of Investigation (FBI), Transportation Security Administration, Airport Liaison, and Guest Services offices are located in the International Terminal Building. Existing offices would be transferred from these various locations to the proposed office space above the Courtyard 3 Connector. The proposed new office space would also provide flexible space for temporary office relocation during reconstruction or renovation of existing offices elsewhere at the Airport.

In recent years, international air carrier service at the Airport has grown rapidly in operations and number of carriers. The increase of international service requires additional carrier satellite offices and expansion of club lounges to meet customer level of service standards found at many large hub airports. With the proposed relocation of existing office uses from the International Terminal Building, these areas would be available to accommodate international airline staff offices and club lounge expansion that may occur in the future.

Project Components

The proposed project would demolish the existing pre-security connector structure between Terminals 2 and 3 and construct a new, approximately 122-foot-tall building on piers above both Courtyard 3 and a two-story portion of Terminal 2. The building would encompass a new security screening checkpoint and pre-security walkway between Terminals 2 and 3, topped by four floors of office space. A post-security connector walkway bridge would be constructed along the exterior of Terminal 2, providing secure passage from the new building to boarding areas in Terminals 2 and 3. The Courtyard 3 Connector project would be designed and constructed by the

Airport to Leadership in Energy & Environmental Design (LEED®) Gold standards, consistent with the City's Green Building Code.³

Figure 4 depicts the six levels of the proposed Courtyard 3 Connector building and the connecting walkway structure that would provide post-security passage from the security checkpoint to Terminal 2.

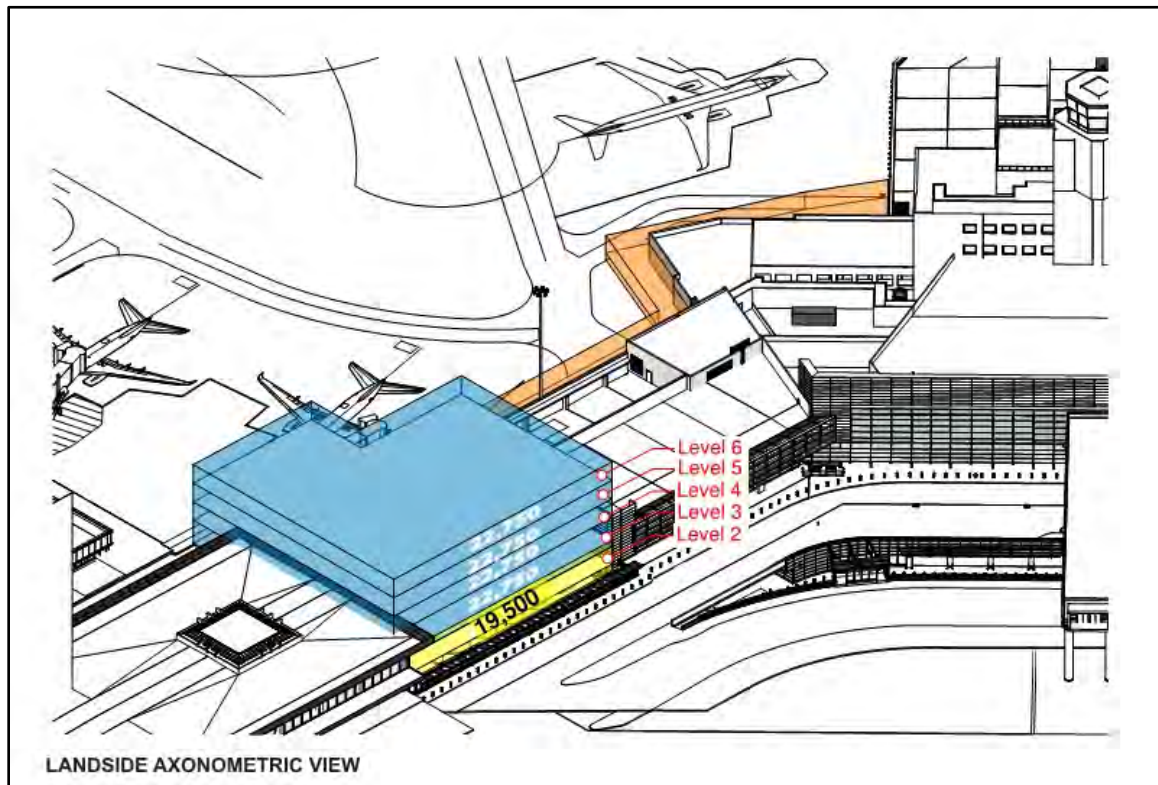


Figure 4. Proposed Courtyard 3 Connector Building and Pedestrian Bridge

³ San Francisco Green Building Ordinance, effective January 1, 2014. (Ordinance Number 259-13 was adopted November 5, 2013 and updated by Ordinance Number 229-15, effective January 1, 2017). Available online at: [http://library.amlegal.com/nxt/gateway.dll/California/sfbuilding/greenbuildingcode2013edition?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:sanfrancisco_ca\\$anc=JD_GreenBuilding](http://library.amlegal.com/nxt/gateway.dll/California/sfbuilding/greenbuildingcode2013edition?f=templates$fn=default.htm$3.0$vid=amlegal:sanfrancisco_ca$anc=JD_GreenBuilding)

Table 1. Proposed Project Use by Level

| Project Level | Proposed Use | Area (sf) |
|-----------------------------|--|----------------|
| Level 1 / Ground (Arrivals) | Mechanical and System Support | 2,000 |
| Level 2 (Departures) | New Secure Passenger Connector Structure & Baggage Handling System | 8,200 |
| | New Security Screening Checkpoint | 19,500 |
| Level 3 | New Office Space | 22,750 |
| Level 4 | New Office Space | 22,750 |
| Level 5 | New Office Space | 22,750 |
| Level 6 | New Office Space | 22,750 |
| PROJECT TOTAL | | 118,700 |

Source: SFO Design and Construction, 2015.

Prepared by: SFO Bureau of Planning and Environmental Affairs, 2015.

Table 1 provides an overview of the project components by level, which are described in more detail below:

- Level 1 – Ground Level (Arrivals).** The existing Courtyard 3 parking lot and service road would remain in place. A 2,000-square foot addition would be constructed on the airfield side of Terminal 2. The addition would be used for mechanical, utility, and communications systems support space and storage. Building support structures (4-foot by 4-foot piles) to elevate the proposed new building above Courtyard 3 would be located at the ground level.
- Level 2 (Departures).** A 19,500-sf structure over Courtyard 3 would provide space for the relocation of four passenger security screening checkpoint lanes with Transportation Security Administration screening equipment from the Terminal 3 east lobby, the associated passenger queuing lanes, and post-security recompose areas for passengers. This area would also include a pre-security passenger walkway between Terminals 2 and 3 to replace the demolished walkway bridge.

An 8,200-sf, passenger walkway connector structure would extend along the airfield side of the departures level between Terminals 2 and 3 to provide a post-security passenger link between Terminals 2 and 3. The connector bridge would also include moving walkways and art installations. A new baggage handling system would also be installed under the connector bridge to facilitate inter-terminal transfers.

- Levels 3 -6.** Levels 3-6 would each contain 22,750 sf of office space for Airport administration and critical support uses. These four levels would be constructed above

the new security screening checkpoint level and the existing Communications Center in Terminal 2.

Project Construction

Construction of the project would commence in the summer of 2017 and take approximately two years to complete. The construction timeline includes three months for demolition and site preparation, 20 months for building and connector construction, and two months for architectural coatings and paving. Demolition would include removal of the existing pre-security pedestrian connector structure between Terminals 2 and 3. Construction is anticipated to occur on weekdays generally from approximately 7:00 a.m. to 3:30 p.m. Night or weekend work, such as large material deliveries, may be required occasionally. Construction would not require any lane closures of adjacent roadways.

The Airport anticipates using the following equipment during project construction: trucks, tractors, loaders, backhoes, forklifts, aerial lifts, concrete saws, air compressors, welders, a torque pile driver, a trencher, asphalt and concrete trucks, pavers, and sweepers. Demolition of existing structures would require off-hauling of approximately 650 cubic yards of debris. Project construction would require the removal of approximately 300 cubic yards of soil, mostly for approximately 50 4-foot by 4-foot piles, driven to a depth of 10 feet, for the building foundation.

During the peak of construction, about 5 to 10 trucks would access the site daily for deliveries. Construction material staging would occur on the project site and other airport areas, if needed. Equipment and vehicle staging areas during construction would be provided. A construction workforce of approximately 22 workers is anticipated. Construction worker parking would be provided at an offsite airport location with a shuttle to the project site.

Project Operation

Upon completion of project construction, Airport security screening would occupy the departures level (Level 2) of the new building and the existing security screening checkpoint in the Terminal 3 east lobby would be decommissioned. Airport passengers would be able to transfer between Terminal 2 and Terminal 3 via the new secure connector without passing through additional security screening. Airport administrative staff and federal critical agency staff that currently occupy offices in the International Terminal Building and throughout the Airport would be relocated and consolidated in the new office space at the Courtyard 3 Connector building. No expansion of existing staffing is anticipated. Typical office operations would be between 7:00 a.m. to 7:00 p.m., five days a week; however, some emergency services (e.g., FBI, Police) may operate 24 hours per day/seven days per week. Approximately four new Airport employees are expected to perform general management, custodial, and security functions associated with the new office space.

Following the office consolidation, vacated spaces in the International Terminal Building and other SFO locations would be available for reuse. It is anticipated that, over a number of years, airline support offices and club lounges would gradually occupy these available spaces. Up to four new airline support offices and six club lounges could be accommodated. Each airline support office, which may operate 24 hours per day, seven days per week, would have approximately four employees, resulting in approximately 16 new airline support staff. Club lounges typically operate from 5:00 a.m. to 12:00 a.m. Each club lounge would likely require between 10 to 13 new employees, generating a total of 60 to 78 new airline employees. **Table 2** summarizes the potential future uses, hours of operation, and employees that may result over time following project implementation.

Table 2. Potential Future Project Operations and Staffing

| Potential Future Uses | Hours of Operation | New Employees |
|--|--|----------------|
| SFO Courtyard 3 Connector Level 1 | 24 hours per day, seven days per week | 0 |
| SFO Courtyard 3 Connector Level 2 – security screening checkpoint and passenger walkways | 24 hours per day, ⁴ seven days per week | 0 |
| SFO Courtyard 3 Connector Levels 3 to 6 – offices (new staff for building management, custodial and security only) | 7:00 a.m. to 7:00 p.m. | 4 |
| Various SFO terminals - Airline Support Offices (up to 4 offices) | 24 hours per day, seven days per week | 16 |
| International Terminal - Airline Club Lounges (up to 6 lounges) | 5:00 a.m. to 12:00 am | 60 - 78 |
| Total | | 80 - 98 |

In sum, the proposed project could result in up to 80 to 98 new employees at SFO working different shifts covering the various hours of operation for the offices and club lounges.

⁴ The security queue would close for a few hours between 12:00 a.m. and 4:00 a.m.; the connector would remain open.

Required Approvals and Permits

The following is a list of approvals and permits required for completion of the Courtyard 3 Connector project:

Federal Approvals and Permits

- **Federal Aviation Administration (FAA)**, Approval of Airport Layout Plan and environmental processing under the National Environmental Policy Act (NEPA). As a federally obligated public use airport, SFO adheres to environmental reviews under NEPA in accordance with FAA Order 1050.1F and 5050.4B, Environmental Impacts: Policies and Procedures.⁵
- **FAA**, Air Traffic Division, Form 7460-1 Permit, Notice of Proposed Construction or Alteration to construct on airfield.

State Approval and Permit

- **San Francisco Regional Water Quality Control Board (RWQCB)**, Clean Water Act Section 402 Permit. In compliance with the Clean Water Act (CWA), the Airport has a National Pollution Discharge Elimination System (NPDES) permit, under Section 402 of the CWA, from the RWQCB and an associated Storm Water Pollution Prevention Plan (SWPPP) for the entire Airport. Construction of the proposed project would disturb more than one acre and would, therefore, require a site-specific SWPPP as part of a Construction General Permit.

Local Approvals and Permits

- **San Francisco Airport Commission**, Approval to issue design and construction bid
- **San Francisco Airport Design Review Commission**, Approval of design
- **San Francisco Arts Commission**, Approval of civic design
- **SFO Building Inspection and Code Enforcement (BICE), Building Permit**. All plans, specifications, calculations, and methods of construction shall meet the code requirements found in the California Uniform Building Code and SFO standards in accordance with the Tenant Improvement Guide (TIG).⁶ The TIG stipulates all proposed

⁵ Federal Aviation Administration, Order 1050.1F, Environmental Impacts: Policies and Procedures, July 16, 2015. Available online: http://www.faa.gov/documentLibrary/media/Order/FAA_Order_1050_1F.pdf. This document, and other documents referenced in this IS, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, in Case File No. 2016-000857ENV.

⁶ The Tenant Improvement Guide (TIG) is applicable to all tenants and Airport facilities. San Francisco International Airport Commission, Facilities Operations & Maintenance, Bureau of Building Inspection

design be reviewed by SFO's Design Review Committee, Design and Construction division, and BICE division.

Per Chapter 31 Amendments to the CCSF Administrative Code, the Airport Commission's approval to issue a design and construction bid for the project would be the formal Approval Action.

B. PROJECT SETTING

B.1 Regional and Local Setting

The project site is located within SFO, approximately 13 miles south of downtown San Francisco. SFO's operational area is bordered by San Francisco Bay to the east and generally bordered by U.S. Highway 101 (U.S. 101) to the west and south. SFO is approximately 5,110 acres, of which approximately 2,110 acres are located on land east of U.S. 101, 180 acres are located west of U.S. 101, and 2,810 acres are over San Francisco Bay. SFO includes the terminal complex (project site location), runways, maintenance and repair facilities, storage warehouses, administrative buildings, and satellite parking areas. In addition to the administrative offices within the terminal complex, Airport staff offices occupy buildings on McDonnell Road and North Access Road, some of which are scheduled for renovation or reconstruction.

The Airport is surrounded by the cities of South San Francisco (to the north), San Bruno (to the west), and Millbrae and Burlingame (to the south). Existing land uses in the closest portions of the City of South San Francisco are generally industrial. In the City of San Bruno, the existing land use is predominantly single-family residential, with commercial uses generally concentrated along El Camino Real and San Mateo Avenue. This land use pattern continues southward into the City of Millbrae, with an increase in multi-family residential use in areas southwest of the Airport and U.S. 101. Large areas of commercial and light industrial use can be found southeast of the Airport in the City of Burlingame. The nearest parks to the project site include Bay Front Park (500 feet south of the airfield and adjacent to San Francisco Bay) and Bayside Manor Park (across U.S. 101 to the west of the Airport in Millbrae).

SFO was incrementally developed from 1927 to 1973 by filling portions of San Francisco Bay. The great majority of the upland area of SFO, such as the project site, is paved for use as runways, taxiways, aircraft aprons, and parking, or occupied by terminal buildings and hangars. An Airport-wide drainage system collects surface runoff throughout the airfield.

SFO is served regionally by U.S. 101 and Interstate 380. Locally, the Airport is served by North Access Road, South Airport Boulevard, San Bruno Avenue, Millbrae Avenue, North McDonnell Road, South McDonnell Road, and Old Bayshore Highway. Regional rail service is provided by Bay Area Rapid Transit (BART). The BART terminal is located in the Airport's International Terminal (SFO Airport Station) and connects transit riders to the East Bay, San Francisco, and

and Code Enforcement, Tenant Improvement Guide, April 1999. Available online:
<https://sfoconnect.com/tenant-improvement-guide>.

northern San Mateo County. The SFO Airport Station is accessible from any Airport terminal via the AirTrain, a fully automated people-mover system operated by SFO that runs between the Airport terminals, terminal parking garages, Rental Car Center, and BART/SFO Airport Station. BART also provides a connection to Caltrain, a commuter rail service running along the San Francisco Peninsula from San Francisco to San Jose, at the Caltrain/BART Millbrae Station. Bus service to the Airport is operated by San Mateo County Transit District (SamTrans), which runs a fixed-route bus service connecting the Airport to San Francisco, San Mateo County and portions of Palo Alto.

B.3 Other Projects in the Vicinity

Past, present, and reasonably foreseeable future projects occurring in the vicinity of the proposed project could result in cumulative impacts in combination with the SFO Connector project impacts. These projects include other SFO projects on Airport property as well as other projects identified by the local planning agencies in the project vicinity. A list of potential cumulative projects at the Airport and nearby vicinity is presented in **Table 3**. SFO projects that could have overlapping construction periods with the proposed project are shaded in Table 3. The discussion of potential cumulative impacts is included in the individual environmental issue area subsections within Section E.

**TABLE 3
PAST, PRESENT, AND REASONABLY FORESEEABLE FUTURE ACTIONS**

| Count | Location | Project Name and Description | Anticipated Construction |
|-------|---|--|---|
| 1 | 101 Oyster Point Blvd, about 2.5 miles north of SFO property | Britannia Cove at Oyster Point, South San Francisco – A seven-building development totaling 1,030,344 sq. ft. of building space. Project includes 884,500 sq. ft. of office and research/development space, a 126,000 sq. ft. 200 room hotel including restaurant, 20,000 sq. ft. of retail, and an 8-story parking structure. Other on and off-site improvements are proposed. | 2013-2019 |
| 2 | 127 Harris Ave, 1 mile north of SFO property | Fairfield Suites, South San Francisco – The Project would construct a five story, 128 room hotel with 96 parking spaces. Project has been approved by City of South San Francisco. | CEQA Complete; assume 2016-2019 |
| 3 | 1000 Gateway Blvd, about 2.25 miles north of SFO property | Gateway Business Park Master Plan Modification, South San Francisco – Modification to an existing phasing plan for a 451,485 square foot development at Gateway Business Park (Oyster Point Blvd and Gateway Blvd). Project would include 5-6 new buildings and 2-4 parking structures, including the demolition of existing buildings, on 22 acres to be completed between 2013 and 2025. South San Francisco published an EIR in 2010 for the project. | 2013 – 2025 |
| 4 | 300 Airport Blvd, 2.5 miles southeast of SFO property | Burlingame Point, Burlingame – The project would include four office buildings and an amenities center building with a total of 767,000 sq. ft. of floor area on an 18.13 acre site located at 300 Airport Boulevard (also known as 350 Beach Road). Two 5-story buildings, one 7-story building, and one 8-story building are proposed. The 2-story amenities building would include a child care facility, an exercise facility and a café/break room. Parking would be provided in a 5.5-level parking structure, in a podium level parking area below the four office buildings, and in smaller parking lots scattered throughout the site. | Permits issued June 2012; design review amendment in August 2016. Assume 2016-2017. |
| 5 | Carolan Ave. and Rollins Rd., 1.5 miles south of SFO property | Carolan Avenue/Rollins Road Residential Development, Burlingame – Development of a 5.4 acre site with 290 residential units, associated parking, recreational facilities, and open space. | CEQA Complete 2015; assume 2016-2018 |
| 6 | 430-450 Airport Blvd., 2.5 miles south of SFO property | State Lands Commission Public Park, Burlingame – A nine acre section of land will be leased by the City of Burlingame from the California State Lands Commission to construct a public park, parking lot, restroom facilities, ornamental landscaping, and a trail. | CEQA Complete; assume 2016-2018 |
| 7 | Millbrae BART Station, .25 miles west of SFO Property | Millbrae Station Area Specific Plan Update, Millbrae – The adoption and implementation of the Millbrae Station Area Specific Plan "Update" and associated General Plan and Zoning Ordinance Amendments; and 2) the approval and construction of the proposed Transit-Oriented Developments (TOD) #1 and #2 (together referred to as the proposed Project). The proposed Project would result in approximately 1,653,340 sf of office, 275,110 sf of retail space, 1,750 residential units, and 370 hotel rooms. | 25 Year Plan; Start 2017 |

TABLE 3 (CONT)
PAST, PRESENT, AND REASONABLY FORESEEABLE FUTURE ACTIONS

| Count | Location | Project Name and Description | Anticipated Construction |
|--------------|---|---|--------------------------------------|
| 8 | One mile west of SFO property | Crossing Hotel, San Bruno – Construction of a 152-room hotel on a 1.5-acre site. The hotel would be five-stories with 99,000 square feet of hotel area and 163 parking spots. | CEQA Complete 2015; assume 2016-2018 |
| 9 | Closest segment is about 1 mile away across U.S.101 from Plot 2 | Peninsula Corridor Electrification Project (CalTrain) – The project is the electrification of the CalTrain Peninsula Corridor from its current northern terminus at 4th and King Streets in San Francisco to approximately 2 miles south of the Tamien Station in San Jose, a total distance of approximately 51 miles. The project location includes the entire JPB-owned right of way (ROW) along this 51-mile segment, additional ROW for new facilities and operational requirements and for any construction or access areas located outside the ROW. This project does not include electrifying the corridor south of Tamien. The primary purposes of the project are to provide electrical infrastructure that will be compatible with separate later use for blended service, improve train performance, and reduce long-term environmental impact by reducing noise, improving regional air quality, and reducing greenhouse gas emissions. | Start 2019 |
| 10 | On SFO Property | Plot 700 Development – Relocated ground transportation and shuttle bus / vehicle fueling and maintenance facility at what was used as United Airlines employee parking lot. | 2016-2019 |
| 11 | On SFO Property | Wastewater System Improvements – Update existing industrial and sewage systems at the Airport’s Mel Leong Treatment Plant. | 2017-2019 |
| 12 | On SFO Property | Long-Term Garage Development – Construct Long-term Parking Garage No. 2 at Airport Lot DD parking complex. | 2017-2019 |
| 13 | On SFO Property | Terminal 1 Redevelopment – Construct a new Boarding Area B at Terminal 1 to accommodate modern aircraft and security standards. | 2016-2018 |
| 14 | On SFO Property | Air Train Extension – Extension of the existing AirTrain track from its current termination point at the Rental Car Center to a new terminus at Lot DD. | 2017-2019 |
| 15 | On SFO Property | Terminal 3 Modernization (West) – Increase terminal lobby depth Boarding Areas E and F at Terminal 3 to accommodate modern passenger screening processes and equipment, and to provide sufficient lobby queuing space for the passenger screening area. | 2019-2021 |
| 16 | On SFO Property | Airport and US Coast Guard Shoreline Protection Enhancements – Identify and address shoreline enhancement opportunities in accordance with Federal Emergency Management Agency (FEMA) floodplain findings and climate action plans (i.e., sea wall construction, shoreline management, etc.). | 2017-2019 |
| 17 | On SFO Property | Super Bay Hangar Fire Protection – Renovation of the fire protection system including utility infrastructure, fire pump house structure, and water tanks at and adjacent to the Super Bay Hangar. | 2017-2018 |
| 18 | On SFO Property | Administration Facilities – Consolidation of Airport Commission offices and employee parking at an on-Airport location. | 2016-2020 |

TABLE 3 (CONT)
PAST, PRESENT, AND REASONABLY FORESEEABLE FUTURE ACTIONS

| Count | Location | Project Name and Description | Anticipated Construction |
|-------|-----------------|---|--------------------------|
| 19 | On SFO Property | Plot 2 Aircraft Remote Overnight Parking – Plot 2 Aircraft Remote Overnight Parking – Realign South McDonnell Road and construct remote overnight aircraft parking adjacent to International Terminal Boarding Area A. | 2016-2017 |
| 20 | On SFO Property | South Field Buildings Demolition –Demolish TWA Cargo, Delta Cargo, ground transportation unit building (where ground transportation providers at the Airport are permitted and inspected), Airport vehicle fueling station, and the temporary trailer building used by Airport Signage department. The existing cargo providers will be relocated to existing cargo facilities at the Airport. Relocate security checkpoint/airfield gate and the Emergency Response and Fire Station #3 westward on the same site to maximize airfield space. | 2014-2016 |
| 21 | On SFO Property | Airport Hotel – A 250,000 sq. ft. hotel building and associated AirTrain station at San Francisco International Airport. Pending project includes 403 guest rooms, associated hotel amenities, and approximately 200,000 sq. ft. of vehicle circulation and surface parking. A new AirTrain station would be constructed adjacent to the project to connect hotel patrons to the Airport terminals. | 2017-2020 |
| 22 | On SFO Property | Shoreline Protection Program – Enhancement of the existing shoreline protection elements along the perimeter of Airport property including the sea wall, rip rap, tide gates, and interior drainage system, to meet FEMA flood protection criteria. | 2017-2021 |
| 23 | On SFO Property | ASIG/Menzies Relocation – Relocation of ASIG and Menzies building from South Field demolition area to temporary buildings between Buildings 710 and 730. | 2016 |

SOURCE: SFO Bureau of Planning and Environmental Affairs based on Office of Planning and Research CEQAnet, April 2016; and SFO Capital Plan Projects List 2014-15.

Note: Projects which may be constructed at SFO at the same time as the Courtyard 3 Connector project are shaded.

C. COMPATIBILITY WITH EXISTING ZONING AND PLANS

| | <i>Applicable</i> | <i>Not Applicable</i> |
|---|-------------------------------------|-------------------------------------|
| Discuss any variances, special authorizations, or changes proposed to the Planning Code or Zoning Map, if applicable. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Discuss any conflicts with any adopted plans and goals of the City or Region, if applicable. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Discuss any approvals and/or permits from City departments other than the Planning Department or the Department of Building Inspection, or from Regional, State, or Federal Agencies. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

This section of the Initial Study discusses the compatibility of the proposed project with applicable zoning regulations and land use plans, and approvals and/or permits required from City departments other than the Planning and Building Inspection departments, or from regional, state, or federal agencies.

The proposed project would be entirely on Airport property, and would not change or affect the use of the land on which the Airport is situated. The project would not require the issuance of a variance, conditional use authorization, or changes to San Francisco’s Planning Code or Zoning Map. Therefore, these issues are not discussed further in this document.

Adopted Plans, Policies, and Goals

San Francisco General Plan

The San Francisco General Plan sets forth the comprehensive long-term land use policy for the CCSF. The general plan consists of 10 issue-oriented plan elements: air quality, arts, commerce and industry, community facilities, community safety, environmental protection, housing, recreation and open space, transportation, and urban design. All land use documents, such as the Planning Code, area-specific plans, and redevelopment plans, must be consistent with the General Plan. The charter approved by the voters in November 1995 requires that the Planning Commission recommend amendments to the General Plan to the Board of Supervisors for approval. This approval changes the General Plan’s status from an advisory to a mandatory document and underscores the importance of referrals establishing consistency with the General Plan before actions by the Board of Supervisors on a variety of actions.⁷ Plan elements relevant to the project are briefly described below.

- **Air Quality Element**—Promotes clean air planning through objectives and policies that ensure compliance with air quality regulations.
- **Commerce and Industry Element**—Guides decisions on economic growth and change in San Francisco. The three goals of the element—continued economic vitality, social equity

⁷ City and County of San Francisco, 1988. San Francisco General Plan. As amended through 1996. Available at: http://www.sf-planning.org/ftp/General_Plan/index.htm.

(with respect to employment opportunities), and environmental quality—address citywide objectives as well as those of San Francisco’s major economic sectors.

- **Community Safety Element**—Addresses potential geologic, structural, and nonstructural hazards to CCSF-owned structures and critical infrastructure, with the goal of protecting human life and property from such hazards.
- **Environmental Protection Element**—Addresses the impact of urbanization on the natural environment by promoting the protection of plant and animal life and freshwater sources and addressing the CCSF’s responsibility to provide a permanent clean water supply to meet present and future needs as well as to maintain an adequate water distribution system.
- **Transportation Element**—includes an objective promoting the CCSF as a major destination and departure point for travelers embarking on interstate, national, and international trips. Specific policies supporting this objective include Policies 5.1, 5.2, 5.3, and 5.4 promoting the expansion of SFO and improved regional links and increased transit options between SFO and surrounding communities. The proposed project would not conflict with this objective or any of its supporting policies.

Overall, there are no apparent inconsistencies between the San Francisco General Plan and the project. Any conflict between the project and General Plan policies that relate to physical environmental issues are discussed in Section E, Evaluation of Environmental Effects. As part of their determination to approve or disapprove the project, decision makers will consider the compatibility of the project with General Plan policies that do not relate to physical environmental issues. Any potential conflicts identified as part of that process would not alter the physical environmental effects of the project, as analyzed in this IS/MND.

San Francisco International Airport Master Plan

The San Francisco International Airport Master Plan (Master Plan), adopted by the Airport Commission in 1992, is a comprehensive planning and land use document guiding development of SFO in both near-term and long-range scenarios.⁸ The proposed developments outlined in the Master Plan include new and renovated terminal buildings, an inter-airport transit system, runway safety improvements, parking facilities, and various related projects. Since the Master Plan was adopted in 1992, many of the improvements have already been constructed. The proposed project was not specifically addressed in the Master Plan, but its location and proposed uses would not conflict with any of the goals and development projects in the Master Plan. Development of a new Master Plan is underway.

Draft San Francisco International Airport Development Plan

The Draft San Francisco International Airport Development Plan (ADP) is a long-range plan for SFO that defines recommended facility development activity that would accommodate long-term demand of 71.1 million annual passengers. The ADP also identifies Master Plan and other projects currently being considered or implemented to meet current and near-term operational requirements. The ADP provides guidance for identifying critical decision points in the

⁸ City and County of San Francisco, San Francisco International Airport Master Plan, Final Environmental Impact Report, certified May 28, 1992.

development execution timeline to advance or defer implementation of facility, infrastructure, and roadway projects under the recommended ADP.

County of San Mateo General Plan and Zoning

Although SFO is in unincorporated San Mateo County, it is owned and operated by the CCSF. The San Mateo General Plan and Zoning, last amended in 1986, includes general land use designations and policies pertaining to SFO. SFO is designated in the General Plan as the San Francisco International Airport Special Urban Area. The General Plan land use objective for this special urban area is defined in Urban Land Use Policy 8.4.b, stating that SFO is to maintain current uses and allow redevelopment and expansion if compatible with adjacent land uses and other General Plan policies.

The General Plan also includes transportation policies 12.41 through 12.44 supporting the Metropolitan Transportation Commission's Regional Airport Plan policies concerning growth at SFO and promoting the use of transit and improving ground transportation options. The proposed project would not conflict with any of these policies.

Under the San Mateo County Zoning Ordinance, last amended in 1999, SFO is zoned Light Industrial (M-1). The County's Zoning Ordinance permits a wide variety of industrial uses in the M-1 zoning district, including air transportation and related activities. The proposed project would be consistent with this zoning designation.

City of San Bruno General Plan

A small section of undeveloped Airport property immediately west of US 101 is within San Bruno city limits. The San Bruno General Plan has a general land use designation of Parks/Open Space for this area. The project site is not within the jurisdiction of the City of San Bruno; therefore, development of the project would not conflict with the San Bruno General Plan or its land use designations.

City of South San Francisco General Plan

The northern portion of SFO extending south of North Access Rd is in the city limits of South San Francisco. The South San Francisco General Plan land use designation for this portion of SFO is Mixed Industrial. The East of 101 Area Plan, a specific plan of the South San Francisco General Plan, provides objectives and policies to address and foster existing land uses and guide the future development of this area. This plan includes a discussion of the development constraints in the East of 101 Area, given the noise and height restrictions due to nearby aircraft operations at SFO. This plan does not currently include residential, mixed-use, or other proposed land uses that are incompatible in a location in and next to a major international airport. The project site is not within the South San Francisco city limits, and the operation of the proposed project would not impact any current or proposed land use objectives and policies either of the East of 101 Area Plan or the South San Francisco General Plan.⁹

⁹ City of South San Francisco. South San Francisco General Plan. Internet website: <http://www.ssf.net/index.aspx?nid=360>.

Regional Plans

In addition to local general plans and related documents, regional environmental, transportation, and land use plans and policies consider the growth and development of the nine-county San Francisco Bay Area. Some of these plans and policy documents are advisory, and some include specific goals and provisions that must be adhered to when evaluating a project under CEQA. These regional plans including:

- **Bay Area Air Quality Management District (BAAQMD)**, Bay Area 2010 Clean Air Plan.¹⁰ This comprehensive document updates the Bay Area 2005 Ozone Strategy, in accordance with the requirements of the California Clean Air Act, to implement feasible measures to reduce ozone and provide a control strategy to reduce ozone, particulate matter, air toxics, and greenhouse gases (GHGs) throughout the region.
- **The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC)**, Plan Bay Area.¹¹ This is a long-range integrated transportation and land use/housing strategy through 2040 for the San Francisco Bay Area to meet the requirements of Senate Bill 375, which calls on each of the state's 18 metropolitan areas to develop a sustainable communities strategy to accommodate future population growth and reduce greenhouse gas emissions from cars and light trucks.
- **San Francisco Bay Regional Water Quality Control Board (RWQCB)**, Water Quality Control Plan for the San Francisco Bay Basin.¹² This is the RWQCB's master water quality control planning document. It designates beneficial uses and water quality objectives for waters of the state, including surface waters and groundwater, and includes programs of implementation to achieve water quality objectives.
- **San Francisco Bay Conservation and Development Commission (BCDC)**, San Francisco Bay Plan.¹³ The Bay Plan is BCDC's policy guide that designates development, recreation, and conservation uses in its jurisdiction around the San Francisco Bay shoreline and various supporting waterways and estuaries in accordance with the McAteer-Petris Act. The San Francisco Bay Plan, and the jurisdictional boundary of the BCDC, was amended in October 2011 to reflect climate change issues and anticipated sea level rise. SFO is designated a "priority use" in the Bay Plan. Priority uses include ports, water-related industry, airports, wildlife refuges, and water-related recreation.

¹⁰ Bay Area Air Quality Management District, Bay Area 2010 Clean Air Plan, adopted September 15, 2010. Available at: <http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans>. Accessed May 23, 2016.

¹¹ Association of Bay Area Governments and Metropolitan Transportation Commission, Plan Bay Area 2040, approved July 18, 2013. Available at: <http://www.planbayarea.org/the-plan/adopted-plan-bay-area-2013.html>. Accessed May 23, 2016.

¹² San Francisco Bay Regional Water Quality Control Board, Water Quality Control Plan for the San Francisco Bay Basin. Available at: http://www.waterboards.ca.gov/sanfranciscobay/basin_planning.shtml. Accessed on May 23, 2016.

¹³ San Francisco Bay Conservation and Development Commission, San Francisco Bay Plan, 1969, as amended. Available at: <http://www.bcdc.ca.gov/pdf/bayplan/bayplan.pdf>. Accessed on May 23, 2016.

- **City/County Association of Governments (C/CAG)**, Airport Land Use Compatibility Plan (ALUCP). The C/CAG (of San Mateo County) has been designated as the Airport Land Use Commission for public use airports in San Mateo County and prepared the state-mandated ALUCP consistent with California Airport Land Use Planning Handbook and State of California Aeronautics Act guidance. The objective of the ALUCP is to ensure compatible and responsible development of the Airport and surrounding areas and prevent the creation of new noise and safety problems in the environs of the Airport.¹⁴

The proposed project would not obviously or substantially conflict with any such adopted environmental plans or policies.

D. SUMMARY OF ENVIRONMENTAL EFFECTS

The proposed project could potentially affect the environmental factor(s) checked below. The following pages present a more detailed checklist and discussion of each environmental factor.

- | | | |
|---|--|---|
| <input type="checkbox"/> Land Use | <input type="checkbox"/> Air Quality | <input type="checkbox"/> Biological Resources |
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Geology and Soils |
| <input type="checkbox"/> Population and Housing | <input type="checkbox"/> Wind and Shadow | <input type="checkbox"/> Hydrology and Water Quality |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Recreation | <input type="checkbox"/> Hazards/Hazardous Materials |
| <input type="checkbox"/> Transportation and Circulation | <input type="checkbox"/> Utilities and Service Systems | <input type="checkbox"/> Mineral/Energy Resources |
| <input type="checkbox"/> Noise | <input type="checkbox"/> Public Services | <input type="checkbox"/> Agricultural and Forest Resources |
| | | <input type="checkbox"/> Mandatory Findings of Significance |

¹⁴ City/County Association of Governments of San Mateo County, *Comprehensive Airport Land Use Compatibility Plan for the Environs of San Francisco International Airport*. Available at: http://ccag.ca.gov/wp-content/uploads/2014/10/Consolidated_CCAG_ALUCP_November-20121.pdf. Accessed February 7, 2017.

E. EVALUATION OF ENVIRONMENTAL EFFECTS

This Initial Study examines the project to identify potential effects on the environment. For each item on the IS checklist, the evaluation has considered the impacts of the project both individually and cumulatively. All items on the IS checklist that have been checked “Less than Significant with Mitigation Incorporated,” “Less than Significant Impact,” “No Impact,” or “Not Applicable” indicate that, upon evaluation, staff has determined that the project could not have a significant adverse environmental effect relating to that issue. A full discussion is included for all items checked “Less than Significant with Mitigation Incorporated” and “Less than Significant Impact,” and a brief discussion is included for items checked “No Impact” or “Not Applicable.” The items checked above in Section D, Summary of Environmental Effects, have been determined to be “Less than Significant with Mitigation Incorporated.”

Environmental impacts are numbered throughout this IS using the section topic identifier followed by sequentially numbered impacts. If needed, mitigation measures are numbered to correspond to the impact numbers; for example, Mitigation Measure M-CP-1 addresses Impact CP-1. Cumulative impacts are discussed at the end of each environmental topic impact discussion and use the letter C to identify them; for example, Impact C-CP addresses cumulative cultural and paleontological resources impacts.

| <u>Topics:</u> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|---|---------------------------------------|---|-------------------------------------|-------------------------------------|--------------------------|
| 1. LAND USE AND LAND USE PLANNING— Would the project: | | | | | |
| a) Physically divide an established community? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The proposed project is entirely within the boundaries of SFO, more specifically within the Airport’s main terminal complex. SFO is in unincorporated San Mateo County and is surrounded by the cities of South San Francisco to the north/northwest, San Bruno to the west, and Millbrae to the south/southwest. San Francisco Bay is east of SFO.

Impact LU-1: The project would not physically divide an established community. (No Impact)

The project would construct a new building and connector bridge on existing Airport property between Terminals 2 and 3. The project would not conflict with or disrupt existing or planned airport operations. The nearest established community is the City of Millbrae, which is separated from the project site by Airport property and U.S. 101. As such, there is no community physically

located within or immediately adjacent to the project site or on Airport property. Therefore, the project would not physically divide an established community and there would be no impact.

Impact LU-2: The project would be consistent with applicable land use plans, policies, or regulations of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect. (Less than Significant)

The project site is located in unincorporated San Mateo County. Because the Airport is wholly owned and operated by the CCSF, it is not subject to the land use regulations of the municipalities within which it is situated.¹⁵

The policies of the San Francisco General Plan that address the Airport (Policies 5.1, 5.2, 5.3, 5.4, and 6.5 of the Transportation Element) are focused on Airport expansion and regional access to the Airport from surrounding communities, such as increased transit options. Regardless, these policies are not applicable to the proposed project because the Courtyard 3 Connector project would not involve expansion of the Airport or changes that would require improvements to Airport access. The proposed project would construct a land use ancillary to the primary use of SFO and would not conflict with any of these policies. The San Francisco Planning Code does not specifically address the Airport because it is not within the boundaries of the CCSF. Hence, the project would not conflict with applicable land use regulations of CCSF.

The California Regional Water Quality Control Board (RWQCB), San Francisco Bay Region, provides regulatory oversight of soil and groundwater cleanup at the Airport to reduce the potential environmental effect of contamination from historical and current property uses on water quality. RWQCB Order No. 99-045 establishes cleanup standards for various risk management zones within the Airport.¹⁶ The RWQCB also regulates construction storm water discharges under the Clean Water Act. The proposed project would be compliant with Order No. 99-045 and the Clean Water Act, and therefore would not conflict with the RWQCB's regulations (refer to Section E.15, Hydrology and Water Quality and Section E.16, Hazards and Hazardous Materials for additional discussion).

Impact C-LU: The proposed project, in combination with past, present and reasonably foreseeable future projects at the Airport and project vicinity, would result in less-than-significant cumulative impacts on land use. (Less than Significant)

As discussed above, land use impacts related to division of an established community or conflicts with land use plans would either be “no impact” or not applicable, and therefore would not contribute to cumulative impacts regarding these criteria. With respect to potential impacts related to consistency with land use plans adopted to avoid or mitigate environmental impacts, the geographic scope of analysis is the Airport property, as airport uses and character are distinct

¹⁵ California Government Code Section 53090.

¹⁶ RWQCB, Order No. 99-045, *Adoption of Revised Site Cleanup Requirements and Rescission of Order Nos. 95-136, 95-018, 94-044, 92-152, and 92-140 for: The City and County of San Francisco, The United States Coast Guard, and San Francisco International Airport Tenants/Operators*. June 16, 1999.

from that of the surrounding cities. Past development in and around SFO resulted in a mixture of land uses that are compatible with present and planned SFO operations, as defined in the San Francisco International Airport Master Plan. Table 3 in Section B.2 lists past and present projects, either recently completed or under construction at the Airport, and reasonably foreseeable future projects that have either been approved and are awaiting construction, or are in the approval process. The Airport’s recently completed, underway, or proposed projects would enhance safety features of aircraft operations, support airport expansion, and renovate existing facilities. These projects would be consistent with the existing Airport land use plans and regulations of the relevant agencies with oversight. Therefore, the proposed project, in combination with the past, present, and reasonably foreseeable future cumulative projects would not result in a significant cumulative impact on the character of the project vicinity (less than significant).

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| 2. AESTHETICS—Would the project: | | | | | |
| a) Have a substantial adverse effect on a scenic vista? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and other features of the built or natural environment which contribute to a scenic public setting? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Substantially degrade the existing visual character or quality of the site and its surroundings? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area or which would substantially impact other people or properties? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

An aesthetics or visual quality analysis considers the project design in relation to the surrounding visual character, heights, and building or structure types of surrounding uses, its potential to obstruct scenic views or vistas, and its potential for light and glare. A project would be considered to have a significant adverse environmental effect on visual quality only if it would cause a substantial, demonstrable negative change.

The project would be developed in an existing paved parking lot and developed area that does not contain any natural features such as vegetation, rock outcroppings, and other features of the built or natural environment which contribute to a scenic public setting, so Initial Study Checklist criterion E.2 (b) is not applicable.

Impact AE-1: The project would not have a substantial adverse effect on scenic vistas. (Less than Significant)

A scenic vista is generally considered to be a location from which the public can experience unique and exemplary high-quality views – typically from elevated and uninterrupted vantage points that offer panoramic views of great breadth and depth. Scenic vistas may be officially recognized or designated (e.g., within local planning documents or the Caltrans scenic highway program,) or they may be informal in nature (e.g., mountain peaks or coastal bluffs). For the purpose of this analysis, scenic vistas are views that are publically accessible and meet the definition of a scenic vista above.

The project would be developed between Terminals 2 and 3, replacing the existing pre-security connector between those buildings, and extending above a portion of the existing Terminal 2 structure. The project would be visible from the upper-level departures roadway loop adjacent to the site, however, views are somewhat obscured by a pedestrian walkway. Views of the project from the ground-level arrivals roadway loop would appear similar to the existing paved parking area, with additional support structures. San Francisco Bay is 0.7-mile from the project site, but is not visible from either roadway due to the intervening terminal complex structures and distance, thus, there are no views of scenic vistas in the immediate project vicinity.

The proposed Courtyard 3 Connector building height is approximately 122 feet, which would be several stories higher than the adjacent 55-foot-tall terminal buildings and lower than the nearby parking garage (the International Terminal Garage is approximately 140 feet in height). The project would introduce new vertical and horizontal lines and structures into the project area that would be consistent with the lines and shapes of the existing terminal complex. Views of the proposed building would be noticeable to Airport users and could possibly be glimpsed briefly by drivers on U.S. 101, although these highway views would be dominated by the elevated roadways and parking structure in the foreground, other Airport buildings and structures. Long range views toward the Airport available from the surrounding hills in the cities of San Bruno, Millbrae, Burlingame and San Mateo can be characterized as having a scenic view of San Francisco Bay and the East Bay Hills, with the Airport in the foreground. The proposed project would be consistent with the existing visual character of the Airport and would not substantially alter these existing views. Therefore, project impacts on scenic vistas would be less than significant.

Impact AE-2: The proposed project would not substantially degrade the existing visual character or quality of the site and its surroundings. (Less than Significant)

The proposed project would be developed at the SFO terminal complex, where the visual character is dominated by Airport facilities, including the terminal buildings, parking garages, control tower, elevated and surface-level roadways, the elevated AirTrain tracks, and the airfield pavement. The proposed building would be consistent with the existing visual character of the Airport. U.S. 101 would continue to function as a visual border between the Airport to the east and the residential neighborhoods to the west of U.S. 101. The existing highway viaducts and parking garage would generally obscure the new structure. Given the distance between the

proposed project site, the flat topography, as well as these intervening visual features, there would be limited views of the project from residential areas to the west and would blend into the surrounding airport complex. The proposed project would therefore have a less-than-significant impact on the existing visual character or quality of the site and its surroundings.

Impact AE-3: The proposed project would not create a new source of substantial light or glare that would adversely affect day or nighttime views in the area or that would substantially impact other people or properties. (Less than Significant)

The proposed building's appearance would be similar to nearby Airport buildings. Building design and materials standards are established in the Airport's Tenant Improvement Guide (TIG),¹⁷ and incorporate finishes that would not encumber flight and/or safety operations. According to these guidelines,¹⁸ windows would be a tampered solargray glass that would not create a new source of substantial glare.

The proposed project would include interior lighting of Airport areas and offices. Interior lighting of the proposed security checkpoint and connector on the departures level would be similar to that in the adjacent terminal buildings. Offices on the upper levels would be illuminated, although many of the offices would not be occupied in the evening hours, and would employ energy-saving devices to minimize night-time lighting. Regardless, the interior lighting would not introduce a new source of substantial light in the area due to the solargray glass windows that would diminish its effect. Exterior lighting installations would require approval on the basis of visual and electronic compatibility with Airport operations.¹⁹ Building-mounted light fixtures would be confined to highlighting specific features such as entrances, covered walks or stairs.²⁰ The addition of the proposed night lighting would be consistent with the existing Airport terminal complex lighting and would not be substantial or adverse. The closest residential area is approximately 0.3 mile (1,500 feet) to the west across US 101. This distance, combined with the intervening highway and structures, would dissipate the project's light effects. As discussed above, the proposed project would be generally indistinguishable from nearby Airport structures at a distance from the hillsides in the nearby municipalities. Therefore, the proposed project would not introduce a new source of substantial light or glare that would adversely affect day or nighttime views in the area or that would substantially affect other people or properties. This impact would be less than significant.

¹⁷ San Francisco International Airport Facilities Operations & Maintenance (FOM) Building Inspection and Code Enforcement, *Tenant Improvement Guide*, April 1999. Available online: <https://sfoconnect.com/tenant-improvement-guide>.

¹⁸ *Ibid*, Article 512.D.3

¹⁹ *Ibid*, Article 303.2.F

²⁰ *Ibid*, Article 403.2.d

Impact C-AE: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less-than-significant aesthetics impacts. (Less than Significant)

The geographic scope of aesthetic impacts on scenic vistas and views that could be affected by new sources of light and glare includes Airport properties and nearby areas along the margin of San Francisco Bay that can be viewed from public viewpoints on the hillsides in the nearby municipalities. The project, when combined with other past, present, and reasonably foreseeable projects could potentially result in significant cumulative impacts on these aesthetic resources if cumulative projects introduced a number of exceedingly large, brightly illuminated or reflective structures in the low-lying shoreline areas that disrupted distant views. There are no scenic vistas viewable from the project site itself or in the nearby, relatively flat vicinity. Only three SFO projects listed in Table 2 would construct new structures more than several stories tall that might be observed from these distant viewpoints: the proposed Administration Facilities, Airport Hotel, and Long-term Garage. These projects would be adjacent to structures of similar size (e.g., the proposed 13-story hotel is approximately the same height as the International Terminal Garage) and, therefore, would not introduce substantial new vertical elements into the viewshed that could affect scenic vistas. Further, these projects would be subject to the same design and material standards as the proposed project, so that they would not be substantial sources of light and glare. The four bayside developments in the nearby cities listed on Table 3 (Brittania Cove, Fairfield Suites, Gateway Business Park, and Burlingame Point) are located more than two miles from the project site and in developed areas. For these reasons, the project in combination with other past, present, and reasonably foreseeable future projects in the area would not result in a significant cumulative aesthetic impact on scenic vistas and views (less than significant).

| <u>Topics:</u> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|---|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| 3. POPULATION AND HOUSING— Would the project: | | | | | |
| a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Displace substantial numbers of existing housing units or create demand for additional housing, necessitating the construction of replacement housing? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Impact PH-1: The proposed project would not induce substantial population growth in an area, either directly or indirectly. (Less than Significant)

CEQA Guidelines Section 15064(e) notes that economic or social change by itself would not be considered a significant effect on the environment. Population growth is considered in the context of local and regional plans and population, housing, and employment projections. Generally, a project that induces population growth is not viewed as having a significant impact on the environment unless this growth is unplanned and results in significant physical impacts on the environment. Thus, the growth and changes in employment and population, and potential demand for housing that would occur with implementation of the proposed project would not be adverse physical impacts in themselves. However, the physical changes needed to accommodate project-related improvements may have physical impacts on the environment. The proposed project does not include the development of residences, new roads or related infrastructure that would remove an obstacle to growth in the area. Therefore, the project would not directly induce population growth.

As discussed in Table 2, the proposed office consolidation would make space available in the International Terminal Building for new airline support offices and club lounges. These uses are anticipated to result in approximately 80 to 100 new employees at the Airport, as presented in Table 2. An increase of up to 100 new employees, relative to the Airport-related workforce of 36,800, would be imperceptible, and could be readily accommodated by the available workforce in the Bay Area; it would not necessitate the relocation of individuals to the project vicinity. Similarly, it is expected that the construction workforce requirements could be met using Bay Area labor and that construction workers would commute from elsewhere in the Bay Area rather than relocate from other areas. Although some employees or construction workers may relocate from other areas, the number of such employees would be minute compared to the total population and available housing stock in the San Francisco Bay Area, thus, it would not generate a substantial, unplanned population increase. As such, the project would not directly or indirectly induce population growth in the area and the impact would be less than significant.

Impact PH-2: The proposed project would not displace substantial numbers of housing units or people or create demand for additional housing, necessitating the construction of replacement housing. (Less than Significant)

The proposed project would not displace any people or housing because the project site within the Airport terminal complex. The project could result in approximately 100 new employees at the Airport, which would readily be accommodated by the available Bay Area workforce and housing. The project would not result in a substantial demand for additional housing units, necessitating the construction of new housing; therefore, the project would have a less-than-significant impact related to the displacement of housing units or the demand for additional housing the area.

Impact C-PH: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less than significant population and housing impacts. (Less than Significant)

Construction and operation of the proposed project, when combined with other past, present, and reasonably foreseeable projects, would not result in a cumulatively considerable increase in population growth, displace housing units or people, or create a demand for additional housing. As discussed in Section A, direct employment at the Airport accounted for 36,800 jobs. The addition of up to 100 new jobs at the Airport would be insubstantial relative to the existing employment and population of the area. As a result, the proposed project’s contribution to any potential cumulative impacts would be less than significant.

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|---|---------------------------------------|---|-------------------------------------|-------------------------------------|--------------------------|
| 4. CULTURAL RESOURCES—Would the project: | | | | | |
| a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco <i>Planning Code</i> ? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Disturb any human remains, including those interred outside of formal cemeteries? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code §21074? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Article 10 and Article 11 of the San Francisco Planning Code pertain to individual city landmarks and historic districts, and to conservation districts located in the city’s downtown core area (C-3 zoning districts), respectively. Because the proposed project would not include improvements in C-3 districts, and there is no designated city landmark or historic district with the SFO property boundary, Articles 10 and 11 would not apply to the proposed project.

Impact CR-1: The proposed project would not cause a substantial adverse change in the significance of a historical resource, as defined in Section 15064.5. (No Impact)

A property is considered a historical resource under CEQA if it is listed in a local, state, or national register, or if it meets the evaluative criteria for listing used by the California Register of Historical Resources (CRHR). To be eligible for the CRHR, a historic resource must be significant at the local, state, and/or federal level under one or more criteria related to: association with significant historical events associated with California's history and cultural heritage; association with lives of persons important in our past; distinctive characteristics of design/construction methods or representative of the work of an important creative individual; or, potential to yield important information in prehistory or history. It also must retain enough integrity to be recognizable as a historical resource and to convey its significance.

The SFO terminal buildings were constructed between 1954 and 2000. Terminal 2 (Central or Main Terminal) was built in 1954, and substantially remodeled to become the International Terminal in the early 1980s. Terminal 1 (South Terminal) was constructed in 1963 and renovated in several stages, reopening in the late 1980s. Terminal 3 (North Terminal) was built in 1979 and is less than 45 years old and therefore too young to be considered an historical resource.

Multiple historical resources surveys of the Airport structures have been completed and found Terminal Buildings 1 and 2 ineligible for either the National Register or CRHR due to ongoing alterations and lack of integrity.^{21,22,23} The State Historic Preservation Officer concurred with this finding on June 2011.²⁴ Based on its review of this information, the San Francisco Planning Department has determined that the SFO terminal buildings are not historical resources individually or as part of an historic district as defined by CEQA.²⁵ For these reasons, the project would cause no impact on a historical resource.

Impact CR-2: The proposed project could cause a substantial adverse change in the significance of an archeological resource, pursuant to Section 15064.5. (Less than Significant)

Various factors considered in order to determine the potential for encountering archeological resources include location and depth of soils disturbance resulting from the proposed project, as well as the geomorphic evolution and history of the project site. Information about documented archeological resources in the area can also be of predictive value. The project would require

²¹ David Chavez & Associates, *Cultural Resources Evaluation for the San Francisco International Airport Master Plan*, February 1991.

²² Environmental Science Associates, *Final Historical Resources Report: Information Regarding the Eligibility of Properties at San Francisco International Airport for Inclusion on the National register of Historic Places or the California Register of Historic Places*, December 8, 2000.

²³ Environmental Science Associates and Carey & Co., *Final Historical Resources Report Addendum*, July 27, 2001.

²⁴ State Historic Preservation Officer Milford Wayne Donaldson, *Letter to FAA Alaska Region regarding Relocation of Airport Traffic Control Tower, San Francisco International Airport*, June 20, 2011.

²⁵ San Francisco Planning Department Senior Preservation Planner Tina Tam, *Preservation Team Review Form*, May 30, 2016.

installation of approximately 47 4-foot by 4-foot piers to a depth of 10 feet below existing surface grade for construction of the proposed structure. This would result in approximately 300 cubic yards of excavated material.

The entire area of the Airport terminal complex, including runways to the east, was created by placement of fill material over compressible bay deposits (Bay Mud). Filling in the vicinity of the SFO terminal buildings began in the 1930s in association with expansion of airport facilities.²⁶ Geotechnical investigations for the north and south terminal expansions indicate that artificial fill varies in thickness from 6 to 21 feet. The fill is underlain by Bay Mud, with thicknesses from 19 to 60 feet.²⁷ The excavation associated with the proposed project would be confined to the layer of imported fill material used to reclaim this portion of San Francisco Bay and the deposit of Young Bay Mud that underlies the imported fill, both of which are of low to very low archeological sensitivity. The San Francisco Planning Department archeologist determined that no known archeological resources are present and that there is a low likelihood of encountering buried archeological resources. The site of the San Francisco International Airport, east of Highway 101, in general, is considered to be of low potential for legally-significant archeological resources except at greater depths where Middle Holocene prehistoric deposits may be present from a time when the bay shoreline (paleoshoreline) was at a much lower elevation.²⁸ Because the subsurface disturbance associated with project construction would be limited to shallow fill material, the potential to encounter and cause a substantial adverse change in the significance of archaeological resources would be very low and this impact is considered less than significant.

Impact CR-3: The proposed project could disturb human remains, including those interred outside of formal cemeteries. (Less than Significant)

Under state law, human remains and associated burial items may be significant resources in two ways: (1) they may be significant to descendent communities for patrimonial, cultural, lineage, and religious reasons; and (2) they may be important to the scientific community, such as prehistoric archaeologists and physical anthropologists. CEQA and state regulations concerning Native American remains provide procedural requirements to assist in avoiding potential adverse effects to human remains with the contexts of their value to both descendants and the scientific community.

As discussed above under Impact CR-2, the background research by the Planning Department's archeologist indicates a very low likelihood of encountering archeological resources in the project site, including archeological resources that could contain human remains. Therefore, the proposed project's impacts with regard to potential disturbance of human remains is considered less than significant.

²⁶ David Chavez & Associates, Cultural Resources Evaluation for the San Francisco International Airport Master Plan, February 1991.

²⁷ Lee and Praszker, Soil and Foundation Exploration, Proposed Expansion of San Francisco International Airport, April 21, 1969.

²⁸ San Francisco Planning Department, Memorandum from Randall Dean, Staff Archeologist, to Jeanie Poling, San Francisco Planning Department, November 6, 2015.

Impact CR-4: The proposed project would not cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code §21074. (Less than Significant) ~~Planning Department consultation with Native American tribal representatives pursuant to AB 52 to date has resulted in the finding that a proposed project site containing a documented prehistoric site or potentially containing such a site may be considered to potentially contain a tribal cultural resource and that those Native American tribal representatives who have entered into an agreement for tribal cultural resource consultation shall be given the opportunity to request such consultation regarding the proposed project. Because the Planning Department archeologist has determined that the proposed project would not affect a prehistoric archeological resource, the proposed project is not expected to affect a tribal cultural resource and this impact would be less than significant.~~ — CEQA Section 21074.2 requires the lead agency to consider the effects of a project on tribal cultural resources. As defined in Section 21074, tribal cultural resources are sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are listed, or determined to be eligible for listing, on the national, State, or local register of historical resources. Based on discussions with Native American tribal representatives, in San Francisco, prehistoric archeological resources are presumed to be potential tribal cultural resources. A tribal cultural resource is adversely affected when a project causes a substantial adverse change in the resource's significance.

Pursuant to CEQA Section 21080.3.1(d), within 14 days of a determination that an application for a project is complete or a decision by a public agency to undertake a project, the Lead Agency is required to contact the Native American tribes that are culturally or traditionally affiliated with the geographic area in which the project is located. Notified tribes have 30 days to request consultation with the Lead Agency to discuss potential impacts on tribal cultural resources and measures for addressing those impacts. On May 26, 2016 and June 4, 2016, the Planning Department contacted Native American individuals and organizations for the San Francisco area, providing a description of the project and requesting comments on the identification, presence and significance of tribal cultural resources in the project vicinity. No Native American tribal representatives have contacted the Planning Department to request consultation. Department staff have determined that the proposed project would not be expected to affect significant archeological resources, including prehistoric archeological resources. Therefore, the proposed project would have a less-than-significant impact on previously unknown tribal cultural resources.

Impact C-CR: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less-than-significant cultural resources impacts. (Less than Significant)

The geographic scope of potential cumulative impacts on cultural resources encompasses the project site and nearby areas. As described above, there are no historic architectural resources within the project site. All cumulative projects identified in the vicinity (see Table 3) are assumed to cause some degree of ground disturbance during construction and thus contribute to a potential cumulative impact on buried cultural resources.

Background research suggests that the potential for the project to encounter archaeological resources, including human remains, would be low. Further, the Planning Department’s archeologist has determined that projects involving soil disturbance within SFO, east of Highway 101 and south of the North Access Road lack the potential to affect legally-significant archeological resources except at great depths.²⁹ The cumulative SFO projects in Table 3, therefore, would be considered to have less-than-significant cumulative impacts on archeological resources. Other projects in shoreline areas of nearby cities are likely to also be situated on fill material. In addition, all projects would be subject to federal and state regulations intended to avoid or reduce effects on buried archeological resources. For these reasons, the proposed project and cumulative development in its vicinity would not result in a significant cumulative impact on archeological resources, human remains, and tribal cultural resources.

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|---|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| 5. TRANSPORTATION AND CIRCULATION— Would the project: | | | | | |
| a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Result in inadequate emergency access? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

²⁹ Ibid.

| <i>Topics:</i> | Potentially Significant Impact | Less Than Significant with Mitigation Incorporated | Less Than Significant Impact | No Impact | Not Applicable |
|--|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The project site is within the SFO main terminal complex, accessible by the Airport loop road and by a restricted-access vehicle service road along the airfield adjacent to the terminal buildings. The main roadways that provide access to the terminal complex are McDonnell Road, South Airport Boulevard, San Bruno Avenue, Millbrae Avenue, and U.S. 101 and I-380. U.S. 101 exits directly into the Airport loop road that circles the terminal complex. McDonnell Road is located immediately adjacent and to the east of U.S. 101. North McDonnell Road extends from the terminals to San Bruno Avenue and South Airport Boulevard, approximately one mile north in San Bruno. South McDonnell Road extends from the terminals to Millbrae Avenue, approximately one mile to the south. McDonnell Road is four lanes, with two lanes for traffic moving south to north, one lane for traffic moving north to south, one transitional turning lane serving traffic in both directions, and Class II bicycle lanes.³⁰ Class II bike lanes are defined as a portion of the roadway, generally five to seven feet wide, designated by striping, signage, and pavement markings for the preferential or exclusive use of bicyclists. South Airport Boulevard is a north-south street that generally parallels US 101, extending north from San Bruno Avenue and provides access to U.S. 101, I-380, and South San Francisco. South Airport Boulevard is generally a four-lane roadway with two lanes in each direction. San Bruno Avenue is a two-way, east-west street extending from South Airport Boulevard west to Skyline Boulevard. It is four-lanes, two lanes in each direction, and provides a direct access to US 101 in both northbound and southbound directions.

The Bay Area Rapid Transit (BART) system provides rail transit to the SFO International Terminal from Bay Area cities. The SFO Airtrain is an automated people mover that connects the BART station with the terminal complex and rental car center. Five San Mateo County Transit District (SamTrans) bus routes (140, 292, 397, 398 and KX) serve the SFO terminal complex, San Francisco and Peninsula communities. Four of these routes access the main terminal via McDonnell Road and the lower-level Airport loop road, with dropoff/pickup points at the center island at Terminal 2; courtyards at International Boarding Areas A and G; Airport Building 575; the intersection of West Field Road and North McDonnell Road; at the intersection of West Field Drive and North McDonnell Road; and adjacent to long-term employee parking Lot D. SamTrans route 140 uses San Bruno Avenue to connect with the SFO airtrain near the rental car center. The CalTrain San Bruno station is approximately one mile to the north and also served by the SamTrans buses to SFO.

³⁰ City/County Association of Governments of San Mateo County, *San Mateo County Comprehensive Bicycle and Pedestrian Plan*, September 8, 2011.

Vehicle Miles Traveled in San Francisco and the Bay Area

Many factors affect travel behavior. These factors include density, diversity of land uses, design of the transportation network, access to regional destinations, distance to high-quality transit, development scale, demographics, and transportation demand management. Typically, low-density development at great distance from other land uses located in areas with poor access to non-private vehicular modes of travel generate more automobile travel compared to development located in urban areas, where a higher density, mix of land uses, and travel options other than private vehicles are available. Vehicle miles traveled (VMT) measures the amount and distance that a project might cause people to drive, accounting for the number of passengers within a vehicle.

Given these travel behavior factors, the VMT ratio varies throughout the nine-county San Francisco Bay Area region and throughout the City of San Francisco itself. These areas of the City can be expressed geographically through transportation analysis zones. Transportation analysis zones are used in transportation planning models for transportation analysis and other planning purposes. The zones vary in size from single city blocks in the downtown core, multiple blocks in outer neighborhoods, to even larger zones in suburban areas.

The San Francisco County Transportation Authority (Transportation Authority) uses the San Francisco Chained Activity Model Process (SF-CHAMP) to estimate VMT by private automobiles and taxis for different land use types. Travel behavior in SF-CHAMP is calibrated based on observed behavior from the California Household Travel Survey 2010-2012, census data regarding automobile ownership rates and county-to-county worker flows, and observed vehicle counts and transit boardings. SF-CHAMP uses a synthetic population, which is a set of individual actors that represents the Bay Area’s actual population, who make simulated travel decisions for a complete day. The Transportation Authority uses a tour-based analysis for office and residential uses, which examines the entire chain of trips over the course of a day, not just trips to and from the project.

For office development, Bay Area regional average daily work-related VMT per employee is 19.1. The Airport is located within transportation analysis zone (TAZ) 1239. In TAZ 1239, the VMT per employee is 22.2,³¹ as shown in **Table 4**, Daily Average Vehicle Miles Traveled.

Table 4. Daily Average Vehicle Miles Traveled

| <u>Land Use</u> | <u>Bay Area</u> | | <u>TAZ 1239</u> |
|-----------------|-----------------------------|---------------------------------------|---------------------|
| | <u>Regional Average</u> | <u>Regional Average minus 15%</u> | |
| Employment | 19.1 | 16.2 | 22.2 |

³¹ San Francisco County Transportation Authority, Drew Cooper, personal communication, December 7, 2016.

Vehicle Miles Traveled Impact Analysis Methodology

In January 2016, the State Office of Planning and Research (OPR) published for public review and comment a *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA* recommending that transportation impacts for projects be measured using a VMT metric.³² On March 3, 2016, based on compelling evidence in that document and on the City's independent review of the literature on level-of-service and VMT, the San Francisco Planning Commission adopted OPR's recommendation to use the VMT metric instead of automobile delay to evaluate the transportation impacts of projects (Resolution 19579). (Note: the VMT metric does not apply to the analysis of impacts on non-automobile modes of travel such as riding transit, walking and bicycling.) Accordingly, the transportation analysis presented below does not contain a discussion of automobile delay impacts.

According to the impact assessment methodology adopted by the Planning Commission, a project would have a significant transportation effect on the environment if it would cause substantial additional VMT. OPR's proposed transportation impact guidelines recommend screening criteria to identify types, characteristics, or locations of projects that would not result in significant impacts related to VMT. OPR recommends that if a project or land use proposed as part of a project meets any of the following screening criteria, VMT impacts are presumed to be less than significant for that land use and a detailed VMT analysis is not required. The screening criteria applicable to the proposed project and how they are applied in San Francisco are described as follows:

- **Map-Based Screening** - Map-Based-Screening is used to determine if a project site is located within an area (TAZ) that exhibits low levels of VMT, defined as 15 percent or more below the regional average. As documented in OPR's proposed transportation impact guidelines, a 15 percent threshold below existing development is "both reasonably ambitious and generally achievable."³³ This approach is consistent with CEQA Section 21099 and the thresholds of significance for other land uses recommended in OPR's proposed transportation impact guidelines. For office projects, such as the proposed project, a project would generate substantial additional VMT if it exceeds the regional VMT per employee minus 15 percent.
- **Small Projects** – OPR recommends that lead agencies may generally assume that a project would not have significant VMT impacts if the project would either: (1) generate fewer trips than the level for studying consistency with the applicable congestion management program or (2) where the applicable congestion management program does not provide such a level, fewer than 100 vehicle trips per day. Projects that generate few trips will also generally tend to generate low VMT. The San Francisco Transportation Authority's Congestion Management Program does not include a trip threshold for studying

³² Governor's Office of Planning and Research, *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA*, January 20, 2016. Accessed August 10, 2016 at: https://www.opr.ca.gov/docs/Revised_VMT_CEQA_Guidelines_-_Proposal_January_20_2016.pdf.

³³ This document is available online at: https://www.opr.ca.gov/s_sb743.php, page III:20.

consistency.³⁴ Therefore, the Planning Department generally uses the 100 vehicle trip per day screening criterion as a level where projects would typically not generate a substantial increase in VMT.

- Proximity to Transit Stations. OPR recommends that residential, retail, and office projects, as well projects that are a mix of these uses, proposed within 0.5 mile of an existing major transit stop (as defined by CEQA Section 21064.3) or an existing stop along a high-quality transit corridor (as defined by CEQA Section 21155) would not result in a substantial increase in VMT. However, this presumption would not apply if the project would (1) have a floor area ratio of less than 0.75; (2) include more parking for use by residents, customers, or employees of the project than required or allowed, without a conditional use; or (3) is inconsistent with the applicable Sustainable Communities Strategy.³⁵

Travel Demand

Project implementation is anticipated to result in 80 to 100 new employees after Airport and agency staff are consolidated in the new office building from various office spaces in the main terminal complex and those vacated spaces are redeveloped as airline club lounges or offices. Future employees would commute to/from SFO at differing times, mostly during off-peak hours, to accommodate the typical hours of operation of club lounges (5:00 am to 12:00 am) and airline support offices (24 hours per day). The proposed project would therefore generate an estimated 160 to 200 daily person trips for employee travel to and from SFO. Based on the results of a recent SFO employee commute survey, approximately 72 percent of SFO and tenant employees drive to work alone, 13 percent take BART, and the rest commute by other means including carpool, vanpool, Samtrans, airport shuttles, walking and biking.³⁶ Assuming the same commute behavior for future employees, the project is estimated to generate approximately 120 to 150 one-way vehicle trips per day.³⁷ Similarly, the project is estimated to result in approximately 25 to 35 transit trips per day, which would be spread throughout the day to accommodate the anticipated range of work schedules.

³⁴ San Francisco Transportation Authority Board, *San Francisco 2015 Congestion Management Plan*, December 15, 2015. Available online at: http://www.sfcta.org/sites/default/files/content/Planning/CongestionManagementPlan/2015/CMP_2015_FINAL.pdf

³⁵ A project is considered to be inconsistent with the Sustainable Communities Strategy if development is located outside of areas contemplated for development in the Sustainable Communities Strategy.

³⁶ SFIA, *Preliminary Report: 2016 Tenant and Commission Employee Commute Survey*, April 2016.

³⁷ According to the SF0 2015 Climate Action Plan, in 2013, 8 percent of employees used a carpool or vanpool to commute to SFO. This estimate also assumes that roughly half of those future employees who commute by carpool or vanpool, or 4 percent of future employees, would travel via new carpools or vanpools (the other half may join existing SFO carpools and vanpools.)

Impact TR-1: The proposed project would not cause substantial additional VMT. (Less than Significant)

One or more of the OPR screening criteria discussed above would apply to the project, indicating that the project is presumed to generate less-than-significant levels of VMT.

The Proximity to Transit Stations criterion would apply to the proposed office project, as it would be located within 0.5 mile of an existing major transit stop.³⁸ The SFO terminal complex is served by the BART rail transit station and five SamTrans bus routes. The SFO BART stop is a major transit stop with a service interval of 15 minutes or less during the peak commute periods.³⁹ The project does not have a floor area ratio less than 0.75 or include any parking, and the proposed project is not inconsistent with *Plan Bay Area*. Therefore, the proposed project would comply with the Proximity to Transit Stations criterion and would not generate a substantial increase in VMT and this impact is considered less than significant.

The Small Projects screening criterion is considered generally applicable to the proposed project. The proposed Courtyard 3 Connector building itself would not generate new vehicle trips upon initial occupancy; it is the conversion of the vacant terminal spaces to airline offices and club lounges that could occur over the next ten or more years that would result in new employees. The maximum number of vehicle trips generated by the project, estimated to be between 120 to 150 vehicle trips per day (including carpools), is relatively close to the 100 vehicle trip screening criterion, and is based upon a conservative estimate of potential future employees that could occur over the next ten years or more, depending upon expected future reuse of vacated office spaces in the main terminal complex. Moreover, the trip generation estimates for potential future employees were developed on the basis of information from the 2016 employee commute survey, while future commute travel will be influenced by new and continued SFO Transit First initiatives that are intended to reduce employee vehicle trips as part of SFO's 2015 Climate Action Plan.

As discussed further below in Section E.8, Greenhouse Gas Emissions, SFO has set ambitious goals for sustainability as outlined in the SFO 2015 Climate Action Plan⁴⁰ and Five Year Strategic Plan (2017 – 2021).⁴¹ As part of its sustainability program, the SFO Transit First Policy is intended to promote alternatives to driving by SFO employees, employees of airlines, airline support services, and concessionaires. Transit First measures to reduce greenhouse gas emissions include transit incentives, reduced BART fares, commuter payroll deductions or payment of a portion of transit or vanpool expenses, and new employee briefings. Transit First measures have helped reduce the number of employees who drive alone to work by 8 percent and increased the number

³⁸ A “major transit stop” means a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods (CEQA Section 21064.3).

³⁹ BART, *Fares and Schedules*, February 2016.

⁴⁰ SFIA, *2015 SFO Climate Action Plan*, May 2016.

⁴¹ SFIA, *Five-Year Strategic Plan 2017-2021*, not dated.

who take public transit by at least 5 percent since 2013.⁴² Several new initiatives have been implemented or are being developed that have the potential to further reduce employee vehicle trips. The Airport has added bicycle lanes on major roadways and installed bicycle storage facilities at terminal-area locations to promote and support bicycle commuters.⁴³ The Airport also facilitates employee access to carpool and vanpools by providing a matching program encompassing both SFO and tenant employees.⁴⁴ The 2016 employee commute survey is one component of Transit First, gathering information needed to identify relevant approaches for reducing employee vehicle trips. Future Transit First initiatives are anticipated to continue reducing employee VMT over time. Even if airline club expansion into vacant terminal office spaces over the next ten years or more proceeds as conservatively assumed, the number of estimated employee vehicle trips may be fewer than the number estimated using 2016 commute behavior, and possibly less than the 100 trips per day criterion. Given the relatively low number of estimated vehicle trips, the uncertainty with regard to future redevelopment of terminal spaces, and the potential for reduction of future employee vehicle trips under SFO Transit First policies, the proposed project would also be generally considered a Small Project that would not cause substantial additional VMT.

Impact TR-2: The proposed project would not conflict with an applicable plan, ordinance, or policy establishing measures of effectiveness for the performance of the circulation system, nor would it conflict with an applicable congestion management program. (Less than Significant)

Parking

San Francisco does not consider parking supply as part of the permanent physical environment and does not consider changes in parking conditions to be environmental impacts as defined by CEQA. Parking conditions are not static, as parking supply and demand varies from day to day, from day to night, from month to month, etc. The availability of parking spaces (or lack thereof) is not a permanent physical condition, but changes over time as people change their modes and patterns of travel. Parking deficits are considered to be social effects, rather than impacts on the physical environment as defined by CEQA. Under CEQA, a project's social impacts need not be treated as significant impacts on the environment. Environmental documents should, however, address the secondary physical impacts that could be triggered by a social impact. (CEQA Guidelines § 15131(a)).

As discussed above, the proposed project would result in up to 80 to 100 new employees, which would be expected to result in 115 to 144 new vehicle trips per day and increased demand for parking. The Airport has numerous parking facilities that could readily accommodate potential

⁴² Based on a comparison of a 2013 employee commute survey data in the *2015 SFO Climate Action Plan* and the 2016 commute survey referenced above.

⁴³ SFIA, Bike to SFO, <https://www.flysfo.com/to-from/biking>. March 2017.

⁴⁴ SFIA, SFO Connect, Discounts & Perks. <https://sfoconnect.com/community/discounts/transit-parking>. March 2017

parking demand. The availability of parking to meet employee demand would preclude the secondary environmental impact of drivers searching for parking resulting in potential conflicts with bicyclists, pedestrians, and other traffic.

Loading

The proposed project would not increase the number of airline passengers and; therefore, would not increase demand for curbside passenger loading spaces within the terminal complex. Future office staff would continue to park in designated employee parking areas and/or take public transit. The offices would serve airline and agency staff only for internal Airport functions; no outside visitors to the offices are expected. As such, the project would not alter the demand for curbside passenger loading at the terminals. The proposed office uses are not expected to require freight loading.

Construction Activities

During the approximately two-year construction period, the proposed project would generate approximately 40 to 50 one-way construction worker trips and 5 to 10 one-way truck trips each weekday, depending on the phase of construction. Given the construction schedule of 6:30 a.m. to 3:30 p.m., construction worker trips would be prior to the morning peak commute period (7:00 a.m. to 9:00 a.m.). Truck trips would likely occur throughout construction hours, although large deliveries would likely be scheduled during the evening hours. Construction generally would not occur on weekends or holidays.

Construction staging would be on the project site and in available Airport property. Project construction could require lane closures on the interior Airport loop road occasionally for a few hours between 2:00 a.m. and 10:00 a.m. According to the Airport TIG the contractor would develop a traffic plan in coordination with SFO Landside Operations and/or Airfield Operations services.⁴⁵ The contractor and the SFO Facilities Operations and Maintenance Division staff would also have a pre-construction conference to receive advice on special hazards and all restrictions related to vehicular movement and access. Then the contractor would develop a traffic, storage, and parking plan for approval from BICE.⁴⁶ The required coordination and oversight of construction vehicle traffic by SFO staff would minimize disruptions on Airport roadways.

During construction, temporary and intermittent transportation impacts could result from truck movements and construction worker vehicles travelling to and from the project site. Trucks are anticipated to use US 101, I-380, San Bruno Avenue, South Airport Boulevard, and McDonnell Road to access the site. The Airport discourages construction traffic on the terminal curbside loop, and construction vehicles are expected to primarily access the project site from AOA vehicle service road. Given the proximity of the site to the freeway, truck trips on local roads would be limited. Throughout the construction period, there could be a potential for a temporary reduction

⁴⁵ SFIA, Tenant Improvement Guide, Section 203.2 B.12. 1999.

⁴⁶ Ibid, Section 601.1, 601.2

of the capacities of local streets due to the slower movement and larger turning radii of construction trucks, which would affect both existing vehicle traffic and transit operations. The number of daily truck trips would range between 5 and 10 truck round trips (10 to 20 total trips) depending upon the construction phase. These trips would be spread throughout the day, including the off-peak hours. Therefore, the construction-related traffic impacts would be considered less than significant.

Although construction traffic associated with the proposed project would result in less-than-significant impacts, the project sponsor may adopt **Improvement Measure I-TR, Construction Traffic Control Plan** to reduce potential impacts on traffic flows on roadways affected by project construction.

Improvement Measure I-TR—Coordinated Construction Traffic Control Plan

SFO shall ensure that the construction contractor prepares and successfully implements a construction traffic control plan that would include project-specific measures to reduce potential impacts on traffic flows on roadways affected by project construction and other Airport projects under construction concurrently with the proposed project. These roadways are US 101, I-380, South Airport Boulevard, San Bruno Avenue, and North McDonnell Road. SFO and construction contractors would also coordinate with local jurisdictions, transit agencies, Caltrans, and the public, on affected roadways and intersections. The traffic control plan shall include the following to the extent applicable:

- Flaggers or signs would guide vehicle and other traffic (pedestrian and bicycles) through or around the construction zone.
- The contractor would maintain access for emergency response vehicles at all times.
- Truck routes designated by cities and counties would be identified in the traffic control specifications. Haul routes should minimize truck traffic on local roadways and residential streets. For project work that requires oversized or excessive load vehicles on the State Highway System, the contractor would be responsible for obtaining a Transportation Permit from Caltrans.
- Large truck and delivery trips shall be scheduled outside the peak morning and evening commute hours, and outside on-site peak traffic hours for airport passenger loading.
- Construction, particularly related to lane closures, would be coordinated with local transit service providers.
- On-going and up-to-date information relating to the construction schedule and affected roadways and intersections, particularly lane closures, and a contact person, should be provided to the public, through timely press releases or other media messaging.
- Where it is feasible and safe to do so, existing pedestrian and bicycle access and circulation would be maintained at all times. If access and circulation cannot be maintained, detours would be designated and posted for pedestrians and bicyclists.

- All construction equipment and materials would be stored in designated contractor staging areas on or adjacent to the worksite on Airport property, in a manner that minimizes obstruction of traffic.
- Public roadways would be repaired or restored to their original conditions upon completion of construction.
- The traffic control plan would conform to the *California Manual on Uniform Traffic Control Devices: Part 6, "Temporary Traffic Control."* Traffic plans may require Caltrans, San Mateo County, SFO Traffic Engineering, and city review or approval.

Impact TR-3: The proposed project would not result in a change in air traffic patterns, including either an increase in traffic levels, obstructions to flight, or a change in location, that results in substantial safety risks. (Less than Significant)

As required by State law, the Comprehensive Airport Land Use Compatibility Plan (ALUCP) for the environs of SFO addresses height restrictions and airspace projection to protect the navigable airspace around the Airport for the safe and efficient operation of aircraft in flight.⁴⁷ The ALUCP designates safety compatibility zones on Airport property and in the vicinity. The main terminal (including the project site) is not located within the runway protection zone or other safety compatibility zone. The ALUCP also outlines the policies for evaluating proposed land uses with respect to airspace protection to minimize potential safety hazards that could be created through the construction of tall structures, such as the proposed project. As discussed in the ALUCP, Federal Regulation Title 14 Part 77, "Safe, Efficient Use and Preservation of the Navigable Airspace" governs the Federal Aviation Administration's (FAA's) review of proposed construction exceeding certain height limits, defines airspace obstruction criteria, and provides for FAA aeronautical studies of proposed construction. Due to the height of the proposed project, the building would be subject to FAA review and oversight.⁴⁸

In accordance with this regulation, the Airport would submit a Notice of Proposed Construction or Alteration (Form 7460-1) to the FAA, which would determine the potential effect of the proposed construction on air navigation and identify mitigation measures, if necessary, to ensure that the project would not cause an obstruction that results in substantial safety risks. The FAA would issue a "Determination of No Hazard to Air Navigation" upon concluding that the proposed construction would not have a substantial aeronautical impact to air navigation. The State Department of Transportation and local agencies have the authority to prohibit structures that would obstruct the airspace so as to create an unsafe condition for aircraft in flight.⁴⁹ Therefore, the FAA must determine that the proposed project would cause no hazard in order to receive State and local agency approval for construction. With compliance with these regulations, the proposed project would not result in a change in air traffic patterns and the potential safety risk would be less than significant.

⁴⁷ City and County of San Mateo, *Comprehensive Airport Land Use Compatibility Plan for the Environs of San Francisco International Airport*, November 2012.

⁴⁸ *Ibid*, Exhibit IV-10, FAA Notification Form 7460-1 Filing Requirements

⁴⁹ *Ibid*. Appendix F. Also, State Aeronautics Act (Article 2.7, Regulation of Obstructions, Section 21656)

Impact TR-4: The proposed project would not substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses. (Less than Significant)

The proposed project would be constructed above the Courtyard 3 parking lot and airfield access route; it would not change the roadway configuration or access to the Courtyard, or introduce incompatible uses to this area. The proposed building would be elevated on piers above the existing parking lot and access route, which would reduce the daylight in this area. Conditions would be similar to being under an elevated roadway or in a parking garage. The project includes lighting features to illuminate the parking lot, as needed. Therefore, the project would have a less-than-significant impact related to transportation hazards due to a design feature or resulting from incompatible uses.

Impact TR-5: The proposed project would not result in inadequate emergency access. (Less than Significant)

The street network and secure airfield vehicle service road currently provide access to the project site for emergency vehicles. Under the proposed project, emergency vehicles would access the project site as under existing conditions. There would be no new obstructions or changes to road geometry that would decrease the response time or access for emergency vehicles.

During construction, access would be maintained for emergency vehicles at all times. Emergency vehicles on nearby local roadways could be momentarily slowed when coinciding with a construction truck movement. However, construction activities would not prevent emergency vehicles from using any roads or accessing any facilities in the project vicinity.

For these reasons, the proposed project would not result in inadequate emergency access and this impact would be less than significant.

Impact TR-6: The proposed project would not conflict with adopted policies, plans, or programs regarding public transit or bicycle or pedestrian facilities, or otherwise decrease the performance or safety of such facilities. (Less than Significant)

Transit Conditions

The proposed project would result in up to 80 to 100 new employees that would commute to SFO at varying times, likely during non-peak commute hours, throughout the day and evening. A portion of these employees would commute by transit. Assuming future employees have the same commute patterns as the current overall SFO employee travel behavior,⁵⁰ the project would generate about 25 to 35 transit trips per day, which would be distributed among BART train and SamTrans lines throughout the day. The additional riders generated by the project could be accommodated on BART and the multiple SamTrans lines (140, 292, 397, 398, and KX) that

⁵⁰ SFIA, *Preliminary Report: 2016 Tenant and Commission Employee Commute Survey*, April 2016.
Approximately 15 percent of employees commute by BART.

operate within close proximity to the project site. These bus and rail lines provide access between the project site, San Francisco, the East Bay, and the Peninsula. Because the project would not result in a substantial contribution to existing ridership levels, the proposed project's transit impacts would be less than significant.

It should be noted that transit-related policies include, but are not limited to: (1) the City's "Transit First" policy, established in the City's Charter Section 16.102; and (2) SFO's Transit First policy. The proposed project would not conflict with transit operations as discussed above and also would not conflict with the transit-related policies established by the City's Transit First Policy. Therefore, impacts to the City's transit network as a result of the proposed project would be considered less than significant.

Bicycle Conditions

The project would not alter existing bicycle facilities, including bicycle parking for employees in the project area, or conflict with bicycle routes and potential improvements to the bicycle network. Bicycle parking is provided in the SFO International Terminal and bicycle riding is discouraged on the Airport loop road due to safety considerations. The project would not affect the circulation on bicycle lanes on roadways near the project. Although the project would result in a small increase in the number of vehicles on roadways in the project area, this increase would be insignificant relative to the overall traffic and would not substantially alter traffic operations or create new conflicts with bicycle travel near the project. Thus, the project's impacts on bicycle conditions in the project vicinity would be less than significant.

The *San Mateo County Comprehensive Bicycle and Pedestrian Plan* includes goals and objectives to encourage bicycle use in the county, describes the existing bicycle route network and identifies improvements to achieve the established goals and objectives. McDonnell Road is a designated Class 2 bicycle route near the project site.⁵¹ The proposed project would maintain adequate bicycle access and parking in SFO facilities and, therefore, would not conflict with the *San Mateo County Bicycle Plan*, or other plan, policy or program related to bicycle use.

Pedestrian Conditions

In the main terminal area, pedestrian circulation is provided by walkways inside the terminal buildings and connectors and an exterior sidewalk varying between 10 and 30 feet wide adjacent to the terminals on the loop road on Levels 1 and 2. The sidewalk is also used for passenger drop-off and pickup. The Courtyard 3 Connector project would provide a new pre-security walkway within the new building (replacing the existing connector bridge) and a new post-security connector bridge between Terminals 2 and 3. This would increase walkway areas and allow passengers to connect seamlessly throughout the terminal complex, reducing congestion in the pre-security walkways, the exterior sidewalks, and the security checkpoints.

⁵¹ CCAG, *San Mateo County Comprehensive Bicycle and Pedestrian Plan*, Adopted September 8, 2011.

The project would not substantially affect pedestrian conditions on the loop road sidewalks in terminal areas or on the nearby roadways. Existing Airport employees that currently work in various offices throughout the main terminal complex would continue to either take pedestrian walkways from the central parking garage and Airtrain platforms or take the employee shuttle bus from remote employee parking facilities. Similarly, new employees would have direct access to the new Airline offices and club lounges in the main terminal. The existing sidewalk width would have adequate capacity to accommodate anticipated pedestrian traffic. As such, the proposed project would result in a less-than-significant impact on pedestrian facilities.

Construction Impacts

The project would demolish the existing pre-security pedestrian walkway structure between Terminals 2 and 3 to make space for the new connector building. During the approximately two year construction period, passengers transferring from Terminal 2 to Terminal 3 would need to use the exterior sidewalks. Similar to recent construction projects at the main terminal,⁵² the Airport would provide a covered walkway between the terminals that would also serve as a safety barrier from curbside traffic. Project construction would not otherwise affect transit, bicycle and pedestrian conditions in the project area, and project construction would have less-than-significant impacts on these facilities.

Impact C-TR-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a considerable contribution to cumulative regional VMT. (Less than Significant)

VMT, by its very nature, is largely a cumulative impact. The VMT associated with past, present, and future projects contribute to physical secondary environmental impacts. It is likely that no single project by itself would be sufficient in size to prevent the region or state from meeting its VMT reduction goals. Instead, a project's individual VMT contributes to cumulative VMT impacts. The VMT project-level thresholds are based on levels at which new projects are not anticipated to conflict with state and regional long-term greenhouse gas emission reduction targets and statewide VMT per capita reduction targets set for 2020. Therefore, because the proposed project would not exceed the project-level screening criteria for VMT (Impact TR-1), the proposed project would not be considered to result in a cumulatively considerable contribution to VMT impacts.

In addition, as discussed above under Impact TR-1, SFO's adopted Climate Action Plan and Five Year Strategic Plan incorporate strategies to reduce greenhouse gas emissions. These strategies include the Transit First program intended to reduce VMT by SFO employees, tenants and passengers. Implementation of these measures would reduce the cumulative VMT impacts in the project vicinity.

⁵² SFO Bureau of Planning and Environmental Affairs, Avant Ramsey, personal communication, September 13, 2016.

Impact C-TR-2: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in significant transportation impacts. (Less than Significant)

The geographic scope of the transportation analysis encompasses the roadway system that provides access to the main terminal complex, primarily the Airport loop road, McDonnell Road, South Airport Boulevard, San Bruno Avenue, Millbrae Avenue, and U.S. 101 and I-380. As indicated in Table 3, project construction and operation could occur within the same vicinity and time frame as other planned projects. Table 3 identifies 14 projects at the Airport that may be constructed during the same period as the proposed project. Two of these projects, the Administration Facilities and Long-Term Garage, have the potential to result in additional vehicle trips to the Airport during operation. Construction and operation of the proposed project would contribute incrementally to cumulative transportation impacts resulting from concurrent construction of cumulative projects in the same geographic area and from long-term project operations.

Cumulative Transit Impacts

The analysis of cumulative transit utilization considers foreseeable changes in local and regional transit service in the future, such as BART and SamTrans service changes due to the SFO Transit First program, and the growth in ridership based on future development in the vicinity. Cumulative transit impacts could potentially occur if transit ridership increased above the capacity of the local transit providers. Cumulative Airport projects, such as the Administration Facilities and the Airport Hotel, as well as the Millbrae Station Area Specific Plan Update and the Burlingame Point development, would contribute to increased ridership on BART and SamTrans routes utilized by future project employees. It appears unlikely that a cumulative impact on transit would result from implementation of these projects. Regardless, the proposed project's contribution to the regional transit trips is so low that it would not be cumulatively considerable and this impact would be less than significant.

Cumulative Bicycle and Pedestrian Impacts

Bicycle and pedestrian impacts are by their nature site-specific and generally do not contribute to cumulative impacts from other development projects. Bicycle trips throughout San Mateo County may increase under the cumulative scenario due to general growth. Bicycle trips generated by the proposed project would include few bicycle trips to and from SFO bicycle parking facilities and a nominal number of pedestrian trips from parking areas and transit stops. However, as stated in the project analysis, the proposed project would provide adequate bicycle access and parking and would therefore not conflict with the County's *Comprehensive Bicycle and Pedestrian Plan*, or any other plan, policy or program related to bicycle use. Thus, development on the project site in combination with future developments in the area would result in a less-than-significant cumulative impact on bicycle and pedestrian facilities.

Cumulative Loading Impacts

Loading impacts are by their nature localized and site-specific; therefore, the loading impact identified for the proposed project would not contribute to cumulative impacts from other development projects near the project site. Accordingly, the proposed project in combination with past, present and reasonably foreseeable developments, would not result in significant cumulative loading impacts.

Cumulative Impacts on Air Traffic Patterns and Safety

With compliance with regulations regarding height limits and construction in navigable airspace, the proposed project would have less-than-significant impacts on air traffic patterns and aircraft safety. Other projects within the navigable airspace areas and height limits would be subject to the same regulatory framework, which would reduce the potential for aircraft navigation flight hazards. Accordingly, the proposed project, in combination with other projects within the SFO navigable airspace, would result in a less-than-significant cumulative impact on air traffic patterns and safety.

Cumulative Transportation Hazards related to Design Features or Inadequate Emergency Access

Due to the site-specific design of the proposed project, there would be no significant cumulative transportation impact from increased hazards due to design features or incompatible uses from construction of the cumulative projects identified. The project would have less-than-significant impacts on emergency access to the project site and would not reduce access to other Airport or nearby location, thus it would not contribute considerably to any potential cumulative impact related to emergency access (less than significant).

Cumulative Construction Impacts

As shown on Table 3, there are a number of projects that may be constructed at the same time as the proposed project. Roadways in the vicinity of the Airport could experience an increase in traffic volumes due to concurrent construction activities, which could substantially worsen traffic conditions. Construction of each Airport project would require staging areas for material and construction worker parking, increase truck trips for hauling of excavation/demolition debris and building material deliveries, and add construction worker vehicle trips to the roadway network. Potential effects of additional construction related-vehicles, detours and lane restrictions from potentially overlapping and concurrent projects could increase potential traffic hazards for drivers, bicyclists, and pedestrians affected by the proposed project. However, all SFO projects would be subject to the same TIG requirements that stipulate the contractor prepare a traffic, storage, and parking plan that considers the other projects under construction at the same time. This plan would be reviewed and coordinated by the SFO BICE division. With adherence to these TIG requirements, the cumulative construction traffic would not conflict with an applicable

transportation plan or congestion management program, decrease the safety of transit, bicycle or pedestrian facilities, or result in inadequate emergency access (less than significant).

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---------------------------------------|---|-------------------------------------|--------------------------|-------------------------------------|
| 6. NOISE—Would the project: | | | | | |
| a) Result in exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) For a project located within an airport land use plan area, or, where such a plan has not been adopted, in an area within two miles of a public airport or public use airport, would the project expose people residing or working in the area to excessive noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) For a project located in the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) Be substantially affected by existing noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SFO is a public airport and there is no private airstrip located in the vicinity of the project site; therefore, Initial Study Checklist criterion E.6(f) is not applicable.

Noise Conditions in the Project Area

The proposed project is located within the Airport’s main terminal complex. The largest contributors to noise in the project vicinity are aircraft noise and automobile traffic on U.S. 101 and the surrounding roads. The SFIA Comprehensive Airport Land Use Compatibility Plan (ALUCP) identifies noise compatibility zones at the Airport and vicinity based on year-round noise measurements, the Community Noise Equivalent Level (CNEL). The CNEL is a calculated 24-hour average noise level in a given area. The CNEL noise contours specify areas of average

ambient noise in decibel (dBA)⁵³ units. According to the noise exposure map, the project site is within the 65 and 70 dBA noise contours.⁵⁴

The proposed project site is surrounded by the airfield, the Airport loop road, Terminals 2 and 3, and airport parking. The nearest sensitive receptors⁵⁵ are residential areas approximately 3,800 feet to the southwest and are separated from the site by the Airport parking garage, the International Terminal Building, and US 101, which also generates an increased level of noise near the corridor. There are no other sensitive receptors (i.e., hospitals, schools, childcare facilities) near the project site.

Impact NO-1: The proposed project would not expose persons to or generate noise levels in excess of standards established in the local general plan or of noise ordinances or applicable standards of other agencies. (Less than Significant)

The Airport and the associated aircraft operators are subject to FAA noise control regulations including Airport sponsored noise monitoring in surrounding communities.^{56,57} Areas surrounding the Airport are subject to noise control policies in the ALUCP, which limit some types of development in certain noise compatibility zones. Development plans made by the San Francisco Airports Commission are subject to review by the Airport Land Use Commission (ALUC); however, the ALUC has no authority over the operation of the Airport. Commercial development, such as offices, are consistent with ALUCP land use compatibility policy without any special requirements related to the attenuation of aircraft noise, regardless of the CNEL.⁵⁸ Therefore, the proposed office uses would be consistent with the ALUCP noise/land use compatibility criteria at this location. Further, the security screening checkpoint and office building uses would not generate substantial noise. Thus, project operation would not expose persons to or generate noise levels in excess of ALUCP standards. This impact would be less than significant.

The types of construction equipment that would be used by the project are listed in Section A, Project Description. These include tractors, loaders, backhoes, forklifts, cranes, aerial lifts, air compressors, torque pile driver, cement mixer, pavers and rollers. The proposed equipment types

⁵³ Decibels (dB) provide a relative measure of sound intensity. The unit is based on mathematical powers of 10, or a logarithmic scale, to give a manageable range of numbers to encompass the wide range of human hearing response, from the standard threshold of hearing to the threshold of pain at ten trillion times the intensity. The term dBA refers to the average decibel level over a 24-hour period.

⁵⁴ City/County Association of Governments of San Mateo County, California, *Comprehensive Land Use Plan for the Environs of San Francisco International Airport*, November 2012.

⁵⁵ Residences, libraries, religious facilities, hospitals, and schools are considered to be land uses that are more sensitive to noise.

⁵⁶ Federal Aviation Administration. 14 CFR Part 150, Airport Noise Compatibility Planning

⁵⁷ Federal Aviation Administration. 14 CFR Part 161, Airport Noise and Access Restrictions

⁵⁸ City/County Association of Governments of San Mateo County, California, *Comprehensive Land Use Plan for the Environs of San Francisco International Airport*, Noise/Land Use Compatibility Criteria, Table IV-1. November 2012.

are expected to generate maximum noise levels ranging from about 76 dBA to 84 dBA (the maximum sound level) at a distance of 50 feet from the source.⁵⁹ SFO construction contract specifications include noise control requirements that would reduce construction noise. These require contractors to: (1) muffle and shield intakes and exhausts, shroud or shield impact tools, and use electric-powered rather than diesel-powered equipment, as feasible near the terminal complex; (2) determine appropriate times for pile driving; and (3) construction noise barriers around the site or stationary equipment, such as compressors, as feasible if barriers would reduce noise by at least 5 dBA less than ambient noise caused by aircraft operations.⁶⁰ Due to the required construction noise controls, the project site's distance from sensitive receptors and the existing noise environment, construction-related noise is not anticipated to exceed ambient noise levels at the closest sensitive receptors and this impact would be less than significant.

Impact NO-2: The proposed project would not expose persons to or generate excessive groundborne vibration or groundborne noise levels. (Less than Significant)

Groundborne noise is that which is experienced inside a building or structure from vibrations produced outside of the building and transmitted as ground vibration between the source and receiver. Groundborne noise can be a problem in situations where the primary airborne noise path is blocked, such as in the case of a subway tunnel passing near homes or other noise-sensitive structures. However, the project's noise and vibration generating construction activities would not involve tunneling or underground construction. Instead, it would use techniques that generate airborne noise and surface vibration. Therefore, no impacts are expected from construction-generated groundborne noise. The discussion below relates to impacts from groundborne vibration.

The types of equipment that would be used during project construction would be unlikely to result in excessive groundborne vibration. Pile driving for the building foundation would be performed using a torque pile driver, rather than a vibratory hammer, which would reduce potential vibration levels. Given the nearest sensitive receptor is more than one half mile away, these areas are unlikely to be affected by any groundborne vibration resulting from project construction. Further, project operation would not result in any groundborne vibration. For these reasons, the impact would be less than significant.

⁵⁹ U.S. Department of Transportation, Federal Highway Administration, Construction Noise Handbook, 9.0 Construction Equipment Noise Levels and Ranges, Table 9.1, RCNM Default Noise Emission Reference Levels and Usage Factors. Available at: https://www.fhwa.dot.gov/environment/noise/construction_noise/handbook/

⁶⁰ SFIA, Construction Contract Specifications, August 2015

Impact NO-3: The proposed project would not result in a substantial temporary or permanent increase in ambient noise levels in the project vicinity above existing levels without the project. (Less than Significant)

As discussed above, the ambient noise levels in the project vicinity are generated primarily by aircraft traffic at the Airport and vehicle traffic on U.S. 101. The proposed security screening and office uses are not likely to alter or exceed existing ambient noise levels. Therefore, this impact would be less than significant.

Construction for the proposed project could periodically increase ambient noise levels in close proximity to the project site; however, given the distance between the project site and the nearest sensitive receptor, the intervening structures, and existing levels of roadway noise, the proposed project would not substantially increase ambient noise beyond current levels and this impact is considered less than significant.

Impact NO-4: The proposed project would not expose people residing or working within two miles of the Airport to excessive noise levels and would not be substantially affected by existing noise levels. (Less than Significant)

The proposed project is located on a public airport and, as discussed above under Impact NO-1, would not result in substantial temporary or periodic increases in ambient noise levels. The proposed project would cause no increase in aircraft operations or number of passengers at the Airport, or other activity that would lead to significant increases in noise levels for people residing or working within two miles of the Airport. As discussed above in Impact NO-1, proposed office uses would be compatible with noise levels per the ALUCP. Further, the California Green Building Standards Code Section 5.507, Environmental Comfort, provides prescriptive methods for acoustical control measures and building materials that would attenuate noise in buildings constructed within the 65 CNEL contour of an Airport, including airport buildings. These standards require building construction to provide an interior noise environment attributable to exterior sources that does not exceed an hourly equivalent of 50 dBA in occupied areas during any hour of operation.⁶¹ Therefore, the project would not be considered to expose people working or residing in the area, or future site occupants, to excessive noise levels. For these reasons, this impact would be less than significant.

Impact C-NO: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less than significant cumulative noise impacts. (Less than Significant)

The geographic scope of cumulative noise impacts includes the area within which sensitive receptors are affected by Airport noise. The proposed project and other cumulative development

⁶¹ California Building Standards Commission, *California Green Building Standards Code 2013*, Available at: <https://www.documents.dgs.ca.gov/bsc/calgreen/2013-california-green-building-standards-code.pdf>. Accessed February 7, 2017.

in the project vicinity listed in Table 3 consist primarily of commercial developments, administrative facilities, and airport improvements. None of these projects would increase aircraft operations, increase passenger levels, or otherwise contribute to substantial increases in the noise environment surrounding the Airport. Accordingly, under the cumulative scenario, no significant noise impact would result and this impact would be less than significant.

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---------------------------------------|---|-------------------------------------|-------------------------------------|--------------------------|
| 7. AIR QUALITY—Would the project: | | | | | |
| a) Conflict with or obstruct implementation of the applicable air quality plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal, state, or regional ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Expose sensitive receptors to substantial pollutant concentrations? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Create objectionable odors affecting a substantial number of people? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Setting

Overview

The Bay Area Air Quality Management District (BAAQMD) is the regional agency with jurisdiction over the nine-county San Francisco Bay Area Air Basin (SFBAAB), which includes San Francisco, Alameda, Contra Costa, Marin, San Mateo, Santa Clara, and Napa Counties and portions of Sonoma and Solano Counties. The BAAQMD is responsible for attaining and maintaining air quality in the SFBAAB within federal and state air quality standards, as established by the federal Clean Air Act (CAA) and the California Clean Air Act (CCAA), respectively. Specifically, the BAAQMD has the responsibility to monitor ambient air pollutant levels throughout the SFBAAB and to develop and implement strategies to attain the applicable federal and state standards. The CAA and the CCAA require plans to be developed for areas that do not meet air quality standards, generally. The most recent air quality plan, the *2010 Clean Air Plan*, was adopted by the BAAQMD on September 15, 2010. The *2010 Clean Air Plan* updates the

Bay Area 2005 Ozone Strategy in accordance with the requirements of the CCAA to implement all feasible measures to reduce ozone; provide a control strategy to reduce ozone, particulate matter, air toxics, and greenhouse gases in a single, integrated plan; and establish emission control measures to be adopted or implemented. The 2010 Clean Air Plan contains the following primary goals:

- Attain air quality standards;
- Reduce population exposure and protect public health in the San Francisco Bay Area; and
- Reduce greenhouse gas emissions and protect the climate.

The *2010 Clean Air Plan* represents the most current applicable air quality plan for the SFBAAB. Consistency with this plan is the basis for determining whether the proposed project would conflict with or obstruct implementation of air quality plans.

Criteria Air Pollutants

In accordance with the state and federal CAAs, air pollutant standards are identified for the following six criteria air pollutants: ozone, carbon monoxide (CO), particulate matter (PM), nitrogen dioxide (NO₂), sulfur dioxide (SO₂), and lead. These air pollutants are termed criteria air pollutants because they are regulated by developing specific public health- and welfare-based criteria as the basis for setting permissible levels. In general, the SFBAAB experiences low concentrations of most pollutants when compared to federal or state standards. The SFBAAB is designated as either in attainment⁶² or unclassified for most criteria pollutants with the exception of ozone, PM_{2.5}, and PM₁₀, for which these pollutants are designated as non-attainment for either the state or federal standards. By its very nature, regional air pollution is largely a cumulative impact in that no single project is sufficient in size to, by itself, result in non-attainment of air quality standards. Instead, a project's individual emissions contribute to existing cumulative air quality impacts. If a project's contribution to cumulative air quality impacts is considerable, then the project's impact on air quality would be considered significant.⁶³

Land use projects may contribute to regional criteria air pollutants during construction and operation. **Table 5** identifies air quality significance thresholds followed by a discussion of each threshold. Projects that would result in criteria air pollutant emissions below these significance thresholds would not violate an air quality standard, contribute substantially to an air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants within the SFBAAB.

⁶² "Attainment" status refers to those regions that are meeting federal and/or state standards for a specified criteria pollutant. "Non-attainment" refers to regions that do not meet federal and/or state standards for a specified criteria pollutant. "Unclassified" refers to regions where there is not enough data to determine the region's attainment status for a specified criteria air pollutant.

⁶³ Bay Area Air Quality Management District (BAAQMD), *California Environmental Quality Act Air Quality Guidelines*, May 2011, page 2-1.

**Table 5
Criteria Air Pollutant Significance Thresholds**

| Pollutant | Construction Thresholds | Operational Thresholds | |
|-------------------|--|------------------------------------|--------------------------------------|
| | Average Daily Emissions (lbs./day) | Average Daily Emissions (lbs./day) | Maximum Annual Emissions (tons/year) |
| ROG | 54 | 54 | 10 |
| NO _x | 54 | 54 | 10 |
| PM ₁₀ | 82 (exhaust) | 82 | 15 |
| PM _{2.5} | 54 (exhaust) | 54 | 10 |
| Fugitive Dust | Construction Dust Ordinance or other Best Management Practices | Not Applicable | |

Ozone Precursors. As discussed previously, the SFBAAB is currently designated as non-attainment for ozone and particulate matter. Ozone is a secondary air pollutant produced in the atmosphere through a complex series of photochemical reactions involving reactive organic gases (ROG) and oxides of nitrogen (NO_x). The potential for a project to result in a cumulatively considerable net increase in criteria air pollutants, which may contribute to an existing or projected air quality violation, are based on the state and federal Clean Air Acts emissions limits for stationary sources. To ensure that new stationary sources do not cause or contribute to a violation of an air quality standard, BAAQMD Regulation 2, Rule 2 requires that any new source that emits criteria air pollutants above a specified emissions limit must offset those emissions. For ozone precursors ROG and NO_x, the offset emissions level is an annual average of 10 tons per year (or 54 pounds (lbs.) per day).⁶⁴ These levels represent emissions below which new sources are not anticipated to contribute to an air quality violation or result in a considerable net increase in criteria air pollutants.

Although this regulation applies to new or modified stationary sources, land use development projects result in ROG and NO_x emissions as a result of increases in vehicle trips, architectural coating and construction activities. Therefore, the above thresholds can be applied to the construction and operational phases of land use projects and those projects that result in emissions below these thresholds would not be considered to contribute to an existing or projected air quality violation or result in a considerable net increase in ROG and NO_x emissions. Due to the temporary nature of construction activities, only the average daily thresholds are applicable to construction phase emissions.

⁶⁴ BAAQMD, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, page 17.

Particulate Matter (PM10 and PM2.5).⁶⁵ The BAAQMD has not established an offset limit for PM_{2.5}. However, the emissions limit in the federal New Source Review (NSR) for stationary sources in nonattainment areas is an appropriate significance threshold. For PM₁₀ and PM_{2.5}, the emissions limit under NSR is 15 tons per year (82 lbs. per day) and 10 tons per year (54 lbs. per day), respectively. These emissions limits represent levels below which a source is not expected to have an impact on air quality.⁶⁶ Similar to ozone precursor thresholds identified above, land use development projects typically result in particulate matter emissions as a result of increases in vehicle trips, space heating and natural gas combustion, landscape maintenance, and construction activities. Therefore, the above thresholds can be applied to the construction and operational phases of a land use project. Again, because construction activities are temporary in nature, only the average daily thresholds are applicable to construction-phase emissions.

Fugitive Dust. Fugitive dust emissions are typically generated during construction phases. Studies have shown that the application of best management practices (BMPs) at construction sites significantly control fugitive dust⁶⁷ and individual measures have been shown to reduce fugitive dust by anywhere from 30 to 90 percent.⁶⁸ The BAAQMD has identified a number of BMPs to control fugitive dust emissions from construction activities,⁶⁹ which are included in the SFO construction contract specifications.⁷⁰ These required BMPs are an effective strategy for controlling construction-related fugitive dust.

Other Criteria Pollutants. Regional concentrations of CO in the Bay Area have not exceeded the state standards in the past 11 years and SO₂ concentrations have never exceeded the standards. The primary source of CO emissions from development projects is vehicle traffic. Construction-related SO₂ emissions represent a negligible portion of the total basin-wide emissions and construction-related CO emissions represent less than five percent of the Bay Area total basin-wide CO emissions. As discussed previously, the Bay Area is in attainment for both CO and SO₂. Furthermore, the BAAQMD has demonstrated, based on modeling, that in order to exceed the California ambient air quality standard of 9.0 ppm (8-hour average) or 20.0 ppm (1-hour average) for CO, project traffic in addition to existing traffic would need to exceed 44,000 vehicles per hour at affected intersections (or 24,000 vehicles per hour where vertical and/or horizontal mixing is

⁶⁵ PM₁₀ is often termed “coarse” particulate matter and is made of particulates that are 10 microns in diameter or smaller. PM_{2.5}, termed “fine” particulate matter, is composed of particles that are 2.5 microns or less in diameter.

⁶⁶ BAAQMD, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, page 16.

⁶⁷ Western Regional Air Partnership. 2006. *WRAP Fugitive Dust Handbook*. September 7, 2006. This document is available online at http://www.wrapair.org/forums/dejff/dh/content/FDHandbook_Rev_06.pdf, accessed February 16, 2012.

⁶⁸ BAAQMD, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, page 27.

⁶⁹ BAAQMD, *CEQA Air Quality Guidelines*, May 2011.

⁷⁰ SFIA, *Construction Contract Specifications*, August 2015.

limited). Therefore, given the Bay Area's attainment status and the limited CO and SO₂ emissions that could result from a development projects, development projects would not result in a cumulatively considerable net increase in CO or SO₂, and quantitative analysis is not required.

Local Health Risks and Hazards

In addition to criteria air pollutants, individual projects may emit toxic air contaminants (TACs). TACs collectively refer to a diverse group of air pollutants that are capable of causing chronic (i.e., of long-duration) and acute (i.e., severe but short-term) adverse effects to human health, including carcinogenic effects. Human health effects of TACs include birth defects, neurological damage, cancer, and mortality. There are hundreds of different types of TACs with varying degrees of toxicity. Individual TACs vary greatly in the health risk they present; at a given level of exposure, one TAC may pose a hazard that is many times greater than another.

Unlike criteria air pollutants, TACs do not have ambient air quality standards but are regulated by the BAAQMD using a risk-based approach to determine which sources and pollutants to control and to what degree. A health risk assessment is an analysis in which human health exposure to toxic substances is estimated, and considered together with information regarding the toxic potency of the substances, to provide quantitative estimates of health risks.⁷¹

Air pollution does not affect every individual in the population in the same way, and some groups are more sensitive to adverse health effects than others. Land uses such as residences, schools, children's day care centers, hospitals, and nursing and convalescent homes are considered to be the most sensitive to poor air quality because the population groups associated with these uses have increased susceptibility to respiratory distress or, as in the case of residential receptors, their exposure time is greater than that for other land uses. Therefore, these groups are referred to as sensitive receptors. Exposure assessment guidance typically assumes that residences would be exposed to air pollution 24 hours per day, 350 days per year, for 70 years. Therefore, assessments of air pollutant exposure to residents typically result in the greatest adverse health outcomes of all population groups.

Exposures to fine particulate matter (PM_{2.5}) are strongly associated with mortality, respiratory diseases, and lung development in children, and other endpoints such as hospitalization for cardiopulmonary disease.⁷² In addition to PM_{2.5}, diesel particulate matter (DPM) is also of concern. The California Air Resources Board (ARB) identified DPM as a TAC in 1998, primarily

⁷¹ In general, a health risk assessment is required if the BAAQMD concludes that projected emissions of a specific air toxic compound from a proposed new or modified source suggest a potential public health risk. The applicant is then subject to a health risk assessment for the source in question. Such an assessment generally evaluates chronic, long-term effects, estimating the increased risk of cancer as a result of exposure to one or more TACs.

⁷² SFDPH, *Assessment and Mitigation of Air Pollutant Health Effects from Intra-Urban Roadways: Guidance for Land Use Planning and Environmental Review*, May 2008.

based on evidence demonstrating cancer effects in humans.⁷³ The estimated cancer risk from exposure to diesel exhaust is much higher than the risk associated with any other TAC routinely measured in the region.

The health effects associated with TACs are quite diverse and generally are assessed locally, rather than regionally. For assessing community risks and hazards, the BAAQMD recommends that any proposed project that includes the siting of a new source or receptor assess associated impacts within a 1,000 foot radius around the project property boundary to determine whether operation-related TAC and PM_{2.5} emissions generated as part of the proposed project would expose receptors to levels that exceed the following thresholds of significance:⁷⁴

- An excess cancer risk level of more than 10 in one million, or a non-cancer (i.e., chronic or acute) risk greater than 1.0 hazard index from a single source; or
- An incremental increase of greater than 0.3 micrograms per cubic meter annual average PM_{2.5}

Construction Air Quality Impacts

Project-related air quality impacts fall into two categories: short-term impacts from construction and long-term impacts from project operation. The following addresses construction-related air quality impacts resulting from the proposed project.

Impact AQ-1: The proposed project's construction activities would generate fugitive dust and criteria air pollutants, but would not violate an air quality standard, contribute substantially to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Less than Significant)

Construction activities (short-term) typically result in emissions of ozone precursors and PM in the form of dust (fugitive dust) and exhaust (e.g., vehicle tailpipe emissions). Emissions of ozone precursors and PM are primarily a result of the combustion of fuel from on-road and off-road vehicles. However, ROG_s are also emitted from activities that involve painting, other types of architectural coatings, or asphalt paving. The proposed project includes the demolition of the existing pre-security pedestrian connector and construction of the 6-story connector/office building. During the project's approximately 24-month construction period, construction activities would have the potential to result in emissions of ozone precursors and PM, as discussed below.

⁷³ California Air Resources Board (ARB), Fact Sheet, "The Toxic Air Contaminant Identification Process: Toxic Air Contaminant Emissions from Diesel-fueled Engines," October 1998.

⁷⁴ BAAQMD, CEQA Guidelines, May 2011.

Fugitive Dust

Project-related demolition, excavation, grading, and other construction activities may cause wind-blown dust that could contribute particulate matter into the local atmosphere. Although there are federal standards for air pollutants and implementation of state and regional air quality control plans, air pollutants continue to have impacts on human health throughout the country. California has found that particulate matter exposure can cause health effects at lower levels than national standards. The current health burden of particulate matter demands that, where possible, public agencies take feasible available actions to reduce sources of particulate matter exposure. According to the ARB, reducing particulate matter PM_{2.5} concentrations to state and federal standards of 12 µg/m³ in the San Francisco Bay Area would prevent between 200 and 1,300 premature deaths.⁷⁵

Dust can be an irritant causing watering eyes or irritation to the lungs, nose, and throat. Demolition, excavation, grading, and other construction activities can cause wind-blown dust that adds particulate matter to the local atmosphere. Depending on exposure, adverse health effects can occur due to this particulate matter in general and also due to specific contaminants such as lead or asbestos that may be constituents of soil.

The SFO standard construction contract specifications require all construction contractors to implement the BAAQMD's Basic Construction Mitigation Measures Recommended for All Proposed Projects.⁷⁶ Therefore, these measures (hereinafter referred to as best management practices or BMPs) would be required for construction of the proposed project. These BMPs include the following: (1) All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day; (2) All haul trucks transporting soil, sand, or other loose material off-site shall be covered; (3) All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited. (4) All vehicle speeds on unpaved roads shall be limited to 15 mph. (5) All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. (6) Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points; (7) All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified visible emissions evaluator; (8) Post a publicly visible sign with the telephone number and person to contact at the lead agency regarding dust complaints. This person shall respond and take

⁷⁵ ARB, *Methodology for Estimating Premature Deaths Associated with Long-term Exposure to Fine Airborne Particulate Matter in California*, Staff Report, Table 4c, October 24, 2008.

⁷⁶ BAAQMD, *CEQA Air Quality Guidelines*, May 2011.

corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance.

Compliance with the BAAQMD Basic Construction BMPs required by the SFO construction contract specifications would ensure that potential dust-related air quality impacts would be less than significant.

Criteria Air Pollutants

As discussed above, construction activities would result in emissions of criteria air pollutants from the use of off- and on-road vehicles and equipment. To assist lead agencies in determining whether short-term construction-related air pollutant emissions require further analysis as to whether the project may exceed the criteria air pollutant significance thresholds shown in Table 4, above, the BAAQMD, in its *CEQA Air Quality Guidelines* (May 2011), developed screening criteria. If a proposed project meets the screening criteria, then construction of the project would result in less-than-significant criteria air pollutant impacts. A project that exceeds the screening criteria may require a detailed air quality assessment to determine whether criteria air pollutant emissions would exceed significance thresholds. The *CEQA Air Quality Guidelines* note that the screening levels are generally representative of new development on greenfield⁷⁷ sites without any form of mitigation measures taken into consideration. In addition, the screening criteria do not account for project design features, attributes, or local development requirements that could also result in lower emissions.

The proposed project exceeds the operational criteria air pollutant screening criteria,⁷⁸ therefore a quantitative analysis was conducted. Construction-related criteria air pollutants generated by the proposed project were quantified using the California Emissions Estimator Model (CalEEMod) and provided within an Air Quality Impact Analysis Technical Memorandum.⁷⁹ The model was developed, including default data (e.g., emission factors, meteorology, etc.), in collaboration with California air districts' staff. Default assumptions were used where project-specific information was unknown. Construction of the proposed project would occur over approximately two years. Emissions were converted from tons/year to pounds/day using the estimated construction duration of 540 working days. As shown in **Table 6**, project construction emissions would be below all significance thresholds.

⁷⁷ A greenfield site refers to agricultural or forest land or an undeveloped site earmarked for commercial, residential, or industrial projects.

⁷⁸ The project exceeds the operational criteria pollutant screening size of 61,000 sf and the operational GHG screening size for a government office building; the project is below the construction criteria pollutant screening size of 277,000 sf.

⁷⁹ San Francisco Planning Department, *SFO Courtyard 3 Connector Project – Air Quality Impact Analysis Technical Memorandum*, October 11, 2016.

Table 6: Daily Project Construction Emissions

| | Pollutant Emissions (Average Pounds per Day) | | | |
|-------------------------------|---|------------|--------------------------------|---------------------------------|
| | ROG | NOx | Exhaust PM₁₀ | Exhaust PM_{2.5} |
| Unmitigated Project Emissions | 5.11 | 21.22 | 1.26 | 1.25 |
| Significance Threshold | 54.0 | 54.0 | 82.0 | 54.0 |

Emissions over threshold levels are in bold.

Source: BAAQMD, 2011; San Francisco Planning Department, 2016.

Therefore, the proposed project’s construction emissions of fugitive dust and criteria air pollutants would not violate an air quality standard, contribute substantially to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. This impact would be less than significant.

Impact AQ-2: The proposed project’s construction activities would generate toxic air contaminants, including diesel particulate matter, but would not expose sensitive receptors to substantial pollutant concentrations. (Less than Significant)

With regards to construction emissions, off-road equipment (which includes construction-related equipment) is a large contributor to DPM emissions in California, although since 2007, the ARB has found the emissions to be substantially lower than previously expected.⁸⁰ Newer and more refined emission inventories have substantially lowered the estimates of DPM emissions from off-road equipment such that off-road equipment is now considered the sixth largest source of DPM emissions in California.⁸¹ This reduction in emissions is due, in part, to effects of the economic recession and refined emissions estimation methodologies. For example, revised PM emission estimates for the year 2010, which DPM is a major component of total PM, have decreased by 83 percent from previous 2010 emission estimates for the SFBAAB.⁸² Approximately half of the reduction can be attributed to the economic recession and approximately half can be attributed to updated assumptions independent of the economic recession (e.g., updated methodologies used to better assess construction emissions).⁸³

⁸⁰ ARB, *Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Proposed Amendments to the Regulation for In-Use Off-Road Diesel-Fueled Fleets and the Off-Road Large Spark-Ignition Fleet Requirements*, p.1 and p. 13 (Figure 4), October 2010.

⁸¹ ARB, *Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Proposed Amendments to the Regulation for In-Use Off-Road Diesel-Fueled Fleets and the Off-Road Large Spark-Ignition Fleet Requirements*, October 2010.

⁸² ARB, “In-Use Off-Road Equipment, 2011 Inventory Model,” Query accessed online, April 2, 2012, http://www.arb.ca.gov/msei/categories.htm#inuse_or_category.

⁸³ ARB, *Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Proposed Amendments to the Regulation for In-Use Off-Road Diesel-Fueled Fleets and the Off-Road Large Spark-Ignition Fleet Requirements*, October 2010.

Additionally, a number of federal and state regulations are requiring cleaner off-road equipment. Specifically, both the USEPA and California have set emissions standards for new off-road equipment engines, ranging from Tier 1 to Tier 4. Tier 1 emission standards were phased in between 1996 and 2000 and Tier 4 Interim and Final emission standards for all new engines would be phased in between 2008 and 2015. To meet the Tier 4 emission standards, engine manufacturers will be required to produce new engines with advanced emission-control technologies. Although the full benefits of these regulations will not be realized for several years, the USEPA estimates that by implementing the federal Tier 4 standards, NO_x and PM emissions will be reduced by more than 90 percent.⁸⁴

As discussed above, construction activities would result in emissions of TACs from the use of off- and on-road vehicles and equipment. The BAAQMD's *CEQA Air Quality Guidelines* (May 2011) assists lead agencies in determining whether short-term construction-related TAC emissions require further analysis as to whether the project may exceed the health risk thresholds. According to this guidance, the zone of influence for sensitive receptors is a 1,000-foot radius from the project site. Project sites that are further than 1,000 feet from a sensitive receptor would result in less-than-significant health risks associated with TACs and PM_{2.5}, and thus would not need to perform a detailed health risk assessment.⁸⁵ Additional guidance is provided in the *BAAQMD Screening Tables for Air Toxics Evaluation During Construction*.⁸⁶ These screening tables list the minimum distance required between the fence line of a construction site and a nearby sensitive receptor to ensure that cancer and non-cancer risks associated with the project are less than significant, per the BAAQMD's significance thresholds. According to the construction health risk screening table, a commercial project of 100,000 square feet (about the size of the proposed project) would require a minimum offset of 150 meters (approximately 500 feet) to ensure that a sensitive receptor would have a less-than-significant impact.

Although on-road heavy-duty diesel vehicles and off-road equipment would be used during the 24-month construction duration, emissions would be temporary and variable in nature and would not be expected to expose sensitive receptors to substantial air pollutants. As discussed in Section E.6, Noise, the nearest sensitive receptors are located approximately 3,800 feet southwest from the project site, well beyond the minimum offset distance screening criteria of 500 feet. Therefore, because the project site is not located in proximity to any sensitive receptors, TAC emissions would be less than significant.

⁸⁴ United State Environmental Protection Agency (USEPA), "Clean Air Nonroad Diesel Rule: Fact Sheet," May 2004.

⁸⁵ *Ibid*, p. 5-2.

⁸⁶ BAAQMD, *Screening Tables for Air Toxics Evaluation During Construction*, May 2010.

Operational Air Quality Impacts

Land use projects typically result in emissions of criteria air pollutants and toxic air contaminants primarily from an increase in motor vehicle trips. However, land use projects may also result in criteria air pollutants and toxic air contaminants from combustion of natural gas, landscape maintenance, use of consumer products, and architectural coating. The following addresses air quality impacts resulting from operation of the proposed project.

Impact AQ-3: During project operations, the proposed project would result in emissions of criteria air pollutants, but not at levels that would violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Less than Significant)

As discussed above in Impact AQ-1, the BAAQMD, in its *CEQA Air Quality Guidelines* (May 2011), has developed screening criteria to determine whether a project requires an analysis of project-generated criteria air pollutants. If all the screening criteria are met by a proposed project, then the lead agency or applicant does not need to perform a detailed air quality assessment.

The proposed project would generate criteria pollutant emissions associated with vehicle traffic (mobile sources), on-site area sources (i.e., natural gas combustion for space and water heating, and combustion of other fuels by building and grounds maintenance equipment), and energy usage. Operational-related criteria air pollutants generated by the proposed project were quantified using CalEEMod and provided within an Air Quality Impact Analysis Technical Memorandum. Default assumptions were used where project-specific information was unknown.

The daily and annual emissions associated with operation of the proposed project are shown in **Table 7**. Table 7 also includes the City's thresholds of significance.

Table 7: Summary of Operational Criteria Air Pollutant Emissions

| | ROG | NOx | PM₁₀ | PM_{2.5} |
|---|------------|------------|------------------------|-------------------------|
| Project Average Daily Emissions (lbs/day) | 3.23 | 1.15 | 0.06 | 0.06 |
| Significance Threshold (lbs/day) | 54 | 54 | 82 | 54 |
| Project Maximum Annual Emissions (tpy) | 0.59 | 0.21 | 0.01 | 0.01 |
| Significance Threshold (tpy) | 10.0 | 10.0 | 15.0 | 10.0 |

lbs/day = pounds per day

tpy = tons per year

Source: BAAQMD, 2011; San Francisco Planning Department, 2016.

As shown in Table 7, the proposed project would not exceed any of the significance thresholds for criteria air pollutants, and would result in a less-than-significant impact with respect to criteria air pollutants.

Impact AQ-4: During project operations, the proposed project would generate toxic air contaminants, including diesel particulate matter, but would not expose sensitive receptors to substantial air pollutant concentrations. (Less than Significant)

As discussed above, the nearest sensitive receptors are approximately 3,800 feet from the project site, which is greater than the BAAQMD screening criteria of 1,000 feet. The proposed project would generate toxic air contaminants primarily as a result of an increase in vehicle trips. The BAAQMD considers roads with less than 10,000 vehicles per day “minor, low-impact” sources that do not pose a significant health impact even in combination with other nearby sources and recommends that these sources be excluded from the environmental analysis. The proposed project’s 120-150 net new vehicle trips would be well below this level and would be distributed among the local roadway network, therefore an assessment of project-generated TACs resulting from vehicle trips is not required, and the proposed project would not generate a substantial amount of TAC emissions that could affect nearby sensitive receptors. Therefore, this impact would be less than significant.

Impact AQ-5: The proposed project would not conflict with, or obstruct implementation of, the 2010 Clean Air Plan. (Less than Significant)

The most recently adopted air quality plan for the SFBAAB is the *2010 Clean Air Plan*, which demonstrates how the San Francisco Bay Area will achieve compliance with the state ozone standards as expeditiously as practicable and how the region will reduce the transport of ozone and ozone precursors to neighboring air basins. In determining consistency with the *2010 Clean Air Plan* (CAP), this analysis considers whether the project would: (1) support the primary goals of the CAP, (2) include applicable control measures from the CAP, and (3) avoid disrupting or hindering implementation of control measures identified in the CAP.

The primary goals of the CAP are to: (1) reduce emissions and decrease concentrations of harmful pollutants, (2) safeguard the public health by reducing exposure to air pollutants that pose the greatest health risk, and (3) reduce greenhouse gas (GHG) emissions. To meet the primary goals, the CAP recommends specific control measures and actions. These control measures are grouped into various categories and include stationary and area source measures, mobile source measures, transportation control measures, land use measures, and energy and climate measures. The CAP recognizes that to a great extent, community design dictates individual travel mode, and that a key long-term control strategy to reduce emissions of criteria pollutants, air toxics, and greenhouse gases from motor vehicles is to channel future Bay Area growth into vibrant urban communities where goods and services are close at hand, and people have a range of viable transportation options. To this end, the *2010 Clean Air Plan* includes 55 control measures aimed at reducing air pollution in the SFBAAB.

The measures most applicable to the proposed project are transportation control measures and energy and climate control measures. The proposed project’s impact with respect to GHGs are

discussed in Section E.6, Greenhouse Gas Emissions, which demonstrates that the proposed project's greenhouse gas emissions would be less than significant.

SFO's Transit First policies and the availability of viable transportation options ensure that employees could ride transit, to and from the project site instead of taking trips via private automobile. These features ensure that the project would avoid substantial growth in automobile trips and vehicle miles traveled. The proposed project's anticipated 120-150 net new one-way vehicle trips would result in a negligible increase in air pollutant emissions. Furthermore, the proposed project would be generally consistent with the *San Francisco General Plan*, as discussed in Section C. Transportation control measures that are identified in the *2010 Clean Air Plan* are implemented by the *San Francisco General Plan* and the Planning Code, for example, through the City's Transit First Policy, bicycle parking requirements, and the SFO Sustainability Program. Compliance with these requirements would ensure the project includes relevant transportation control measures specified in the *2010 Clean Air Plan*. Therefore, the proposed project would include applicable control measures identified in the CAP to meet the CAP's primary goals.

Examples of a project that could cause the disruption or delay of *Clean Air Plan* control measures are projects that would preclude the extension of a transit line or bike path, or projects that propose excessive parking beyond parking requirements. The proposed project would provide an office building within the SFO terminal complex, near regional and local transit service, and does not provide new parking facilities. It would not preclude the extension of a transit line or a bike path or any other transit improvement, and thus would not disrupt or hinder implementation of control measures identified in the CAP.

For the reasons described above, the proposed project would not interfere with implementation of the *2010 Clean Air Plan*, and because the proposed project would be consistent with the applicable air quality plan that demonstrates how the region will improve ambient air quality and achieve the state and federal ambient air quality standards, this impact would be less than significant.

Impact AQ-6: The proposed project would not create objectionable odors that would affect a substantial number of people. (Less than Significant)

Typical odor sources of concern include wastewater treatment plants, sanitary landfills, transfer stations, composting facilities, petroleum refineries, asphalt batch plants, chemical manufacturing facilities, fiberglass manufacturing facilities, auto body shops, rendering plants, and coffee roasting facilities. During construction, diesel exhaust from construction equipment would generate some odors. However, construction-related odors would be temporary and would not persist upon project completion. Additionally, the proposed connector and office structure would not include significant sources of new odors. Therefore, odor impacts would be less than significant.

Cumulative Air Quality Impacts

Impact C-AQ-1: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area would result in less-than-significant cumulative air quality impacts. (Less than Significant)

As discussed above, regional air pollution is by its very nature largely a cumulative impact. Emissions from past, present and future projects contribute to the region’s adverse air quality on a cumulative basis. No single project by itself would be sufficient in size to result in regional nonattainment of ambient air quality standards. Instead, a project’s individual emissions contribute to existing cumulative adverse air quality impacts.⁸⁷ The project-level thresholds for criteria air pollutants are based on levels by which new sources are not anticipated to contribute to an air quality violation or result in a considerable net increase in criteria air pollutants. Therefore, because the proposed project’s construction (Impact AQ-1) and operational (Impact AQ-3) emissions would not exceed the project-level thresholds for criteria air pollutants, the proposed project would not be considered to result in a cumulatively considerable contribution to regional air quality impacts.

Although the project would add new sources of TACs from a modest number of new vehicle trips, the project’s incremental increase in localized TAC emissions resulting from 120 – 150 daily vehicle trips would be minor and would not contribute substantially to cumulative TAC emissions that could affect sensitive land uses in the vicinity which are located 3,800 feet southwest of the project site. Therefore, cumulative air quality impacts would be considered less than significant.

| <u>Topics:</u> | <u>Potentially Significant Impact</u> | <u>Less Than Significant with Mitigation Incorporated</u> | <u>Less Than Significant Impact</u> | <u>No Impact</u> | <u>Not Applicable</u> |
|--|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| 8. GREENHOUSE GAS EMISSIONS— Would the project: | | | | | |
| a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Conflict with any applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

⁸⁷ BAAQMD, *CEQA Air Quality Guidelines*, May 2011, page 2-1.

Greenhouse gas (GHG) emissions and global climate change represent cumulative impacts. GHG emissions cumulatively contribute to the significant adverse environmental impacts of global climate change. No single project could generate enough GHG emissions to noticeably change the global average temperature; instead, the combination of GHG emissions from past, present, and future projects have contributed and will continue to contribute to global climate change and its associated environmental impacts.

The Bay Area Air Quality Management District (BAAQMD) has prepared guidelines and methodologies for analyzing GHGs. These guidelines are consistent with CEQA Guidelines Sections 15064.4 and 15183.5 which address the analysis and determination of significant impacts from a proposed project's GHG emissions. CEQA Guidelines Section 15064.4 allows lead agencies to rely on a qualitative analysis to describe GHG emissions resulting from a project. CEQA Guidelines Section 15183.5 allows for public agencies to analyze and mitigate GHG emissions as part of a larger plan for the reduction of GHGs and describes the required contents of such a plan. Accordingly, San Francisco has prepared *Strategies to Address Greenhouse Gas Emissions*⁸⁸ which presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's qualified GHG reduction strategy in compliance with the CEQA guidelines. These GHG reduction actions have resulted in a 23.3 percent reduction in GHG emissions in 2012 compared to 1990 levels,⁸⁹ exceeding the year 2020 reduction goals outlined in the BAAQMD's *Bay Area 2010 Clean Air Plan*, Executive Order (EO) S-3- 05, and Assembly Bill (AB) 32 (also known as the Global Warming Solutions Act).⁹⁰

SFO has supported the City's climate change initiatives⁹¹ and developed a comprehensive GHG emissions reduction program. The *SFO 2015 Climate Action Plan*⁹² states that, in FY 2015, SFO exceeded the City's 2017 GHG emissions target by achieving a 38 percent reduction from 1990 levels. Further, SFO has adopted a series of "Big Hairy Audacious Goals" for sustainability by 2021.⁹³ These goals, outlined in the *SFO Strategic Plan 2017-2021*,⁹⁴ include achieving carbon

⁸⁸ San Francisco Planning Department, *Strategies to Address Greenhouse Gas Emissions in San Francisco*, 2010. This document is available online at: <http://www.sf-planning.org/index.aspx?page=2627>.

⁸⁹ ICF International, *Technical Review of the 2012 Community-wide GHG Inventory for the City and County of San Francisco*, January 21, 2015. Available at http://sfenvironment.org/sites/default/files/fliers/files/icf_verificationmemo_2012sfecommunityinventory_2015-01-21.pdf, accessed March 16, 2015.

⁹⁰ Executive Order S-3-05, Assembly Bill 32, and the *Bay Area 2010 Clean Air Plan* set a target of reducing GHG emissions to below 1990 levels by year 2020.

⁹¹ Ordinance No. 81-08, Climate Change Goals and Action Plan, mandates each City department achieve the following GHG emission targets below the 1990 emissions levels: 25% below by 2017; 40% below by 2025, and 80% below by 2050.

⁹² SFIA, *2015 Climate Action Plan*, May 2016. Available at <http://media.flysfo.com/media/sfo/community-environment/2015-sfo-climate-action-plan.pdf>, accessed August 30, 2016.

⁹³ *Ibid.*

neutrality and reducing GHG emissions by 50 percent from 1990 levels. The *SFO 2015 Climate Action Plan* includes a carbon footprint for three categories of sources: Scope 1 – Direct SFO-Controlled Emissions, GHG emissions from operations or activities that are under the control of SFO, including SFO fleet vehicles, on-site heating and cooling infrastructure, solid waste handling and disposal, fugitive refrigerant gas emissions, and wastewater treatment plant emissions; Scope 2 – Indirect Emissions from Electric Generation, GHG emissions attributed to offsite sources of electricity, purchased and consumed by SFO; and, Scope 3 – Other Indirect Emissions, those generated as a consequence of a company’s activities from sources not owned or operated by the company. At SFO these emissions include employee commute and passenger travel on public roads or by public transit, aircraft takeoff and landing, delivery trucks, ground services support equipment, and rental car fleet operations. The focus of the SFO Climate Action Plan is on the assessment and reduction of Scope 1 and 2 emissions, and reduction measures for Scope 3 emissions are encouraged in cooperation with the various stakeholders as part of SFO’s Environmental Sustainability Program.

Given that the City has met the State and region’s 2020 GHG reduction targets and San Francisco’s GHG reduction goals are consistent with, or more aggressive than, the long-term goals established under EO S-3-05,⁹⁵ EO B-30-15,^{96,97} and Senate Bill (SB) 32,^{98,99} the City’s GHG reduction goals are consistent with EO S-3-05, EO B-30-15, AB 32, SB 32, and the *Bay Area 2010 Clean Air Plan*. Therefore, proposed projects that are consistent with the City’s GHG reduction

⁹⁴ SFIA, *SFO Five-Year Strategic Plan, 2017-2021*. Available at: <http://media.flysfo.com.s3.amazonaws.com/assets/pdfs/reports/Strategic-Plan-2017-2021.pdf>, accessed August 30, 2016.

⁹⁵ Office of the Governor, Executive Order S-3-05, June 1, 2005. Available at <http://www.pcl.org/projects/2008symposium/proceedings/Coatsworth12.pdf>, accessed March 16, 2016. Executive Order S-3-05 sets forth a series of target dates by which statewide emissions of GHGs need to be progressively reduced, as follows: by 2010, reduce GHG emissions to 2000 levels (approximately 457 million metric tons of carbon dioxide equivalents (MTCO₂E)); by 2020, reduce emissions to 1990 levels (approximately 427 million MTCO₂E); and by 2050 reduce emissions to 80 percent below 1990 levels (approximately 85 million MTCO₂E). Because of the differential heat absorption potential of various GHGs, GHG emissions are frequently measured in “carbon dioxide-equivalents,” which present a weighted average based on each gas’s heat absorption (or “global warming”) potential.

⁹⁶ Office of the Governor, *Executive Order B-30-15*, April 29, 2015. Available at <https://www.gov.ca.gov/news.php?id=18938>, accessed March 3, 2016. Executive Order B-30-15, issued on April 29, 2015, sets forth a target of reducing GHG emissions to 40 percent below 1990 levels by 2030 (estimated at 2.9 million MTCO₂E).

⁹⁷ San Francisco’s GHG reduction goals are codified in Section 902 of the Environment Code and include: (i) by 2008, determine City GHG emissions for year 1990; (ii) by 2017, reduce GHG emissions by 25 percent below 1990 levels; (iii) by 2025, reduce GHG emissions by 40 percent below 1990 levels; and by 2050, reduce GHG emissions by 80 percent below 1990 levels.

⁹⁸ Senate Bill 32 amends California Health and Safety Code Division 25.5 (also known as the California Global Warming Solutions Act of 2006) by adding Section 38566, which directs that statewide greenhouse gas emissions to be reduced by 40 percent below 1990 levels by 2030.

⁹⁹ Senate Bill 32 was paired with Assembly Bill 197, which would modify the structure of the State Air Resources Board; institute requirements for the disclosure of greenhouse gas emissions criteria pollutants, and toxic air contaminants; and establish requirements for the review and adoption of rules, regulations, and measures for the reduction of greenhouse gas emissions.

strategy would be consistent with the aforementioned GHG reduction goals, would not conflict with these plans or result in significant GHG emissions, and would therefore not exceed San Francisco's applicable GHG threshold of significance.

The following analysis of the proposed project's impact on climate change focuses on the project's contribution to cumulatively significant GHG emissions. Because no individual project could emit GHGs at a level that could result in a significant impact on the global climate, this analysis is in a cumulative context, and this section does not include an individual project-specific impact statement.

Impact C-GG-1: The proposed project would generate greenhouse gas emissions, but not at levels that would result in a significant impact on the environment or conflict with any policy, plan, or regulation adopted for the purpose of reducing greenhouse gas emissions. (Less than Significant)

Individual projects contribute to the cumulative effects of climate change by directly or indirectly emitting GHGs during construction and operational phases. Direct operational GHG emissions include area sources (e.g., landscaping equipment, use of consumer products, etc.), energy sources (e.g., fuel combustion), and mobile sources (new vehicle trips). Indirect emissions include emissions from electricity providers; energy required to pump, treat, and convey water; and emissions associated with waste removal, disposal, and landfill operations.

The proposed project would increase the intensity of use of the site by construction of a new building for security checkpoint and office uses, which would allow for the development of additional airline offices and club lounges in other terminals. Therefore, the proposed project would contribute to annual long-term increases in GHGs as a result of increased vehicle trips from new employees (mobile sources) and commercial operations that result in an increase in energy use, water use, wastewater treatment, and solid waste disposal. Construction activities would also result in temporary increases in GHG emissions, from fuel combustion in construction equipment, construction worker vehicles, and haul truck trips. As shown in **Table 8**, the proposed project would not exceed the BAAQMD's significance threshold for GHG emissions during operation and there is no established criteria for construction.

**Table 8
Greenhouse Gas Emissions**

| Source | Construction (metric tons per year CO₂e) | Operation (metric tons per year CO₂e) | Construction Annualized over 30- year Project Lifetime plus Operation (metric tons per year CO₂e) |
|---|--|---|---|
| Project Emissions | 24.25 | 363.35 | 387.60 |
| Greenhouse Gas Emissions Significance Threshold | Not established | 1,100 | Not established |

Source: BAAQMD, 2011; San Francisco Planning Department, 2016.

Further, the proposed project would be subject to regulations adopted to reduce GHG emissions as identified in the GHG reduction strategy. As discussed below, compliance with the applicable regulations would reduce the project’s GHG emissions related to transportation, energy use, waste disposal, and use of refrigerants.

Compliance with the City’s Commuter Benefits Program, Emergency Ride Home Program, Healthy Air and Clean Transportation Ordinance, Bicycle Parking, Tenant Bicycle Parking and the SFO Transit First programs would reduce the proposed project’s transportation-related emissions. These regulations and programs reduce GHG emissions from single-occupancy vehicles by promoting the use of alternative transportation modes with zero or lower GHG emissions on a per capita basis.

The proposed project would be required to comply with the energy and water efficiency requirements of the Green Building Requirements for City Buildings, the Commercial Water Conservation Ordinance, and the Stormwater Management Ordinance, which would promote energy and water efficiency, thereby reducing the proposed project’s energy-related GHG emissions.¹⁰⁰ Additionally, the project would meet the renewable energy criteria of the LEED Gold Standards, further reducing the project’s energy-related GHG emissions.

The proposed project’s waste-related emissions would be reduced through compliance with the Green Building Requirements for City Buildings, the Resource Conservation Ordinance, Construction Recycled Content Ordinance, and Airport construction contract requirements for development of a construction and demolition debris management plan. In addition, the Airport is currently developing a Zero Waste Plan, which is anticipated to be completed in 2017 prior to the construction of the proposed project.¹⁰¹ These regulations reduce the amount of materials sent to a landfill, reducing GHGs emitted by landfill operations. These regulations also promote

¹⁰⁰ Compliance with water conservation measures reduce the energy (and GHG emissions) required to convey, pump and treat water required for the project.

¹⁰¹ San Francisco Planning Department, Compliance Checklist Table for Greenhouse Gas Analysis: Table 2: Municipal Projects, SFO Courtyard 3 Connector Project, November 1, 2016.

reuse of materials, conserving their embodied energy¹⁰² and reducing the energy required to produce new materials.

Compliance with the Green Building Requirements for City Buildings also would reduce emissions of GHGs through limitations on refrigerant emissions and requirements for the use of materials such as paints, sealers, and finishes that have low emissions of volatile organic compounds (VOCs).¹⁰³ The project would also comply with the Tropical Hardwood and Virgin Redwood Ban that prohibits City departments from procuring listed wood supplies. Thus, the proposed project was determined to be consistent with San Francisco's GHG reduction strategy.¹⁰⁴

The project sponsor is required to comply with these regulations, which have proven effective as San Francisco's GHG emissions have measurably decreased when compared to 1990 emissions levels, demonstrating that the City has met and exceeded EO S-3-05, AB 32, and the *Bay Area 2010 Clean Air Plan* GHG reduction goals for the year 2020. Other existing regulations, such as those implemented through AB 32, will continue to reduce a proposed project's contribution to climate change. In addition, San Francisco's local GHG reduction targets are consistent with the long-term GHG reduction goals of EO S-3-05, EO B-30-15, AB 32, SB 32, and the *Bay Area 2010 Clean Air Plan*. Therefore, because the proposed projects is consistent with the City's GHG reduction strategy, it is also consistent with the GHG reduction goals of EO S-3-05, EO B-30-15, AB 32, SB 32 and the *Bay Area 2010 Clean Air Plan*, would not conflict with these plans, and would therefore not exceed San Francisco's applicable GHG threshold of significance. As discussed above, SFO has a comprehensive GHG emissions reduction program which has exceeded San Francisco's local GHG reduction targets, achieving a 38 percent reduction from 1990 levels in 2015. The *SFO 2015 Climate Action Plan* and the *SFO Five-Year Strategic Plan* outline strategies to continue to reduce GHG emissions at the Airport, furthering the City's GHG reduction goals.

For these reasons, the proposed project would result in a less-than-significant impact with respect to GHG emissions. No mitigation measures are necessary.

¹⁰² Embodied energy is the total energy required for the extraction, processing, manufacture and delivery of building materials to the building site.

¹⁰³ While not a GHG, VOCs are precursor pollutants that form ground level ozone. Increased ground level ozone is an anticipated effect of future global warming that would result in added health effects locally. Reducing VOC emissions would reduce the anticipated local effects of global warming.

¹⁰⁴ San Francisco Planning Department, *Greenhouse Gas Analysis: Compliance Checklist for SFO Connector Project*. November 16, 2016.

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| 9. WIND AND SHADOW—Would the project: | | | | | |
| a) Alter wind in a manner that substantially affects public areas? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Impact WS-1: The proposed project would not alter wind in a manner that substantially affects public areas. (Less than Significant)

Tall buildings and structures can strongly affect the wind environment for pedestrians. Groups of structures tend to slow the winds near ground level, due to the friction and drag of the structures themselves on winds. Buildings that are much taller than their surrounding buildings intercept and redirect winds that might otherwise flow overhead, and bring them down the vertical face of the building to ground level, where they create ground-level wind and turbulence. These redirected winds can be relatively strong and also relatively turbulent, and can be incompatible with the intended uses of nearby ground-level spaces. In addition, building designs that present tall flat surfaces square to strong winds can create ground-level winds that can prove to be hazardous to pedestrians in the vicinity.

The Airport is in the BAAQMD Peninsula climatological subregion. The elevation of the peninsula is mostly below 200 feet, enabling the surrounding marine air from the San Francisco Bay to flow easily across the project area. Average annual wind speeds range from 7 to 14 miles per hour, predominantly from a west to west-northwest direction.¹⁰⁵ The proposed, approximately 122-foot-tall building could redirect some of these winds to the ground level.

The project site is bounded by the airfield to the east, the Airport loop road to the west, and the adjacent Terminal 2 and Terminal 3 buildings, which are approximately 55 feet tall. There are no public areas, such as parks, near the project site that would be affected by any potential changes in wind conditions. The Airport’s outdoor public spaces in the Courtyard 3 project area comprise sidewalks for passenger loading, unloading, and queuing for ground transportation. Wind speeds in these outdoor areas are already generally reduced by the intervening garage building massing to the west, nearby terminal buildings, as well as by airport circulation viaducts for automobiles and the AirTrain. Thus, the proposed Courtyard 3 Connector project would not have a substantial effect on wind speeds in the public areas and the project would therefore have a less-than-significant wind impact.

¹⁰⁵ Windfinder, Wind Statistics, 2016. Available at https://www.windfinder.com/windstatistics/san_francisco, accessed August 30, 2016.

Impact WS-2: The proposed project would not create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas. (Less than Significant)

The proposed building would generate new shadows. Shadow would be cast westward in the early morning hours towards the Airport roadway and central parking garage and turn northward as the day progresses. In the afternoon and evening, shadows would lengthen and extend eastward toward the existing AOA. Some of the new shadow generated would be encompassed within the existing shadows cast by adjacent terminals and air traffic control tower. New shadow could be cast on roadways and passenger loading zones within the Airport, but this additional shadow would not affect the use or function of these areas.

The closest public open space to the project site is approximately 3,800 feet away at the Marina Vista Park, in the City of Millbrae, directly to the southwest across U.S. 101. Given the distance of the project site from the open space, shadow from the proposed building would not reach this recreational facility. The proposed project would have a less than significant shadow impact on recreational facilities and other public areas.

Impact C-WS: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less than significant wind and shadow impacts. (Less than Significant)

Wind and shadow effects are highly localized. As stated above, the proposed project site is in an area removed from public parks and open spaces. Outdoor areas at SFO generally comprise passenger loading and unloading zones, and these areas are already relatively protected from wind effects, and are already shaded by existing buildings. The proposed project, in combination with past, present, and reasonably foreseeable project area development, would not result in significant cumulative wind and shadow impacts.

| <u>Topics:</u> | <u>Potentially Significant Impact</u> | <u>Less Than Significant with Mitigation Incorporated</u> | <u>Less Than Significant Impact</u> | <u>No Impact</u> | <u>Not Applicable</u> |
|--|---------------------------------------|---|-------------------------------------|-------------------------------------|-------------------------------------|
| 10. RECREATION—Would the project: | | | | | |
| a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Physically degrade existing recreational resources? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

The project site is bounded by terminal buildings, internal Airport roadways, and the airfield and does not contain any recreation facilities or parks. There are three parks or recreational facilities within a one-mile radius of the project site; the closest are the City of Millbrae’s Marina Vista Park and Bayside Manor Park, located across U.S. 101, approximately 0.75-miles southwest and south of the project site, respectively. Bayfront Park is located approximately one mile southeast of the project site along the edge of San Francisco Bay.

Impact RE-1: The proposed project would not include or require the construction/expansion of recreational facilities, increase the use of existing parks or other recreation facilities such that substantial physical deterioration of the facilities would occur, or physically degrade existing recreational resources. (No Impact)

The proposed project would not include construction of recreational facilities. Further, the proposed connector structure and offices would not include residential development that could require construction or expansion of recreational facilities in the vicinity. The project site is located at least 0.75-mile from the nearest neighborhood parks and open spaces, thus the project would not affect these existing recreational resources. The proposed project’s future employees are not anticipated to increase the use of existing community recreational facilities in the area such that substantial physical deterioration of these facilities would occur or be accelerated. For these reasons, the proposed project would have no impact on recreational resources.

Impact C-RE: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less than significant recreation impacts. (No Impact)

The project site does not contain any recreation facilities. As described above, construction and operation of the proposed project would not increase the use of existing recreation facilities or require the construction or expansion of any recreation facilities. Therefore, the proposed project would have no impact on any potential cumulative impact on recreation facilities.

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|---|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| 11. UTILITIES AND SERVICE SYSTEMS— Would the project: | | | | | |
| a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| <u>Topics:</u> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---------------------------------------|---|-------------------------------------|-------------------------------------|--------------------------|
| b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Have sufficient water supply available to serve the project from existing entitlements and resources, or require new or expanded water supply resources or entitlements? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Result in a determination by the wastewater treatment provider that would serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g) Comply with federal, state, and local statutes and regulations related to solid waste? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SFO operates a wastewater treatment plant on Airport property northeast of the project site, the Mel Leong Treatment Plant (MLTP), that serves all Airport systems and facilities. The MLTP is composed of two sub-plants: a sanitary plant and an industrial plant. The sanitary plant treats wastewater from potable uses such as terminal restrooms, hangars, restaurants, and concessions. The industrial plant treats first-flush stormwater collected throughout non-terminal areas of SFO and maintenance-related wastewater (i.e., car washes, maintenance shops, etc.). Each plant can treat or store excess flows from the other to ensure all flows to the MLTP are properly treated and to act as a redundant to one another when necessary. Treated effluent from the MLTP is pumped to the South San Francisco Wastewater Treatment Facility, along with discharge from South San Francisco, San Bruno, Millbrae, and Burlingame, for discharge through a deepwater outfall into San Francisco Bay. Solid waste from the MLTP is dried on-site and transported to an off-site location for disposal.

Impact UT-1: The proposed project would not exceed the wastewater treatment requirements of the Regional Water Quality Control Board. (Less than Significant)

The wastewater treatment requirements for the MLTP are set forth by the San Francisco Bay Regional Water Quality Control Board (RWQCB) in the facility's National Pollutant Discharge Elimination System (NPDES) Permit No. CA0038318. The permit establishes the operating

parameters and effluent limitations for the plant. The MLTP has a permitted capacity of 2.2 million gallons per day (mgd) for the sanitary plant and 1.2 mgd for the industrial plant.¹⁰⁶ The average flows for the two sub-plants are currently each approximately 0.65 mgd, with the industrial plant receiving approximately 1.0 mgd during the wet months.¹⁰⁷

The proposed project would introduce new operational uses that would result in increased discharge to MLTP's sanitary plant from proposed passenger facilities and administrative office uses. Discharges would be similar to the Airport wastewater currently treated at the MLTP and would not require any changes to treatment processes or result in exceedances of effluent limitations. As described above, the sanitary plant has adequate capacity for treatment of additional sanitary flows.

The project site is currently covered with impervious surfaces, an asphalt-paved parking lot and building structures. Stormwater runoff from the site flows through the SFO stormwater drainage system to the MLTP industrial plant for treatment. With the proposed new building, the project site would remain covered with impervious surfaces, hence, there would be no increase in stormwater flows. The MLTP industrial plant has adequate capacity to continue to treat stormwater flows.

For these reasons, the proposed project would not exceed the RWQCB wastewater treatment requirements and the impact would be less than significant.

Impact UT-2: The proposed project would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects. (No Impact)

The San Francisco Public Utilities Commission (SFPUC) would provide water for the proposed project; no water treatment facilities are proposed or required. As described under Impact UT-1, the existing MLTP has adequate capacity to provide wastewater treatment for the proposed Courtyard 3 Connector project. Because the proposed project would not require or result in construction of new or expanded water or wastewater treatment facilities, it would have no impact.

Impact UT-3: The proposed project would not require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects. (Less than Significant)

Currently, first-flush storm water runoff from the existing building and asphalt parking lot flows into SFO's drainage infrastructure, to the MLTP. The project would modify the existing on-site storm water drainage system to accommodate the proposed structure and provide lateral

¹⁰⁶ San Francisco Bay Regional Water Quality Control Board, Revised Tentative Order No. R2-2013-0011, NPDES Permit No.CA0038318 for SFIA Mel Leong Treatment Plants (Sanitary and Industrial Plants) and wastewater collection systems, May 8, 2013.

¹⁰⁷ SFO Engineering, T2/T3 Connector Project Data Request Log, April 29, 2016.

connections to the SFO storm water drainage infrastructure, but would not require construction of new or expanded storm water drainage facilities at the Airport. Therefore, this impact would be less than significant.

Impact UT-4: Sufficient water supply would be available to serve the proposed project from existing entitlements and resources, and no new or expanded water supply resources or entitlements would be required. (Less than Significant)

The proposed project would include a security checkpoint, connector bridge, and administrative offices that would increase water use at the project site. The project would include the installation of low-flush toilets and similar water conservation systems to minimize potential demand. The proposed project would not result in an increase of water use beyond that assumed for planning in the San SFPUC's *2015 Urban Water Management Plan*. The Urban Water Management Plan considers SFO a "retail customer" and predicts water demand for the SFO service area will be met in the foreseeable future.¹⁰⁸ Water use demands for SFO would nominally increase because of the proposed development but would not exceed the Airport's resources allocated through the SFPUC. While new laterals would be needed to connect the site to existing water supply lines, the project site is in a developed airport area that has existing water utilities infrastructure. Combined with the Airport's ongoing water conservation efforts, the proposed project would result in a less-than-significant impact on water supplies.

Impact UT-5: The proposed project would not result in a determination by the wastewater treatment provider that would serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments. (No Impact)

As described under Impact UT-1 above, the project wastewater would discharge to the existing MLTP wastewater treatment plant which has adequate capacity to support the sanitary and industrial wastewater treatment requirements of the project. Therefore, the proposed project would not result in a determination from the MLTP that it has inadequate capacity to serve the project (no impact).

Impact UT-6: The proposed project would be adequately served by existing landfill capacity and would comply with federal, state, and local statutes and regulations related to solid waste. (Less than Significant)

The proposed project would comply with all federal, state, and local statutes and regulations related to solid waste. SFO's environmental service division oversees solid waste collection and recycling programs. Solid waste is collected and transported to a South San Francisco transfer station and material recovery facility by South San Francisco Scavenger Company, where it is separated to remove recyclable materials. Once processed to remove recyclable materials, the solid waste is transferred to the Ox Mountain Landfill, operated by Republic Services Company. In 2013, SFO generated about 10,586 tons of solid waste. SFO has increased its solid waste recycling from 51 percent in 2002 to nearly 80 percent in 2014, and continues to recycle almost all

¹⁰⁸ San Francisco Public Utilities Commission, *Urban Water Management Plan – 2015*, April 2016.

of the construction and demolition waste generated at the Airport, with a consistent recycling rate of over 90 percent.¹⁰⁹

The Ox Mountain landfill is the only active landfill in San Mateo County. Republic Services estimates that the landfill has enough landfill capacity to last another 20 years at the current rate of landfilling.¹¹⁰ The Bay Area has 18 landfills, with a total remaining capacity of 218 million tons, estimated to be 44 years of landfilling at the current rate of disposal. Overall statewide, 1,728 million tons of existing landfill capacity are remaining. Estimates of the number of years of existing landfill space in California range from 27 years (large economic boom scenario) to 68 years (if state meet 75 percent recycling goal by 2020). At the current disposal rate per capita, 42 years of landfill capacity are estimated to be remaining statewide.¹¹¹ Based on these factors, the proposed project's demolition and construction debris and operational solid waste needs would be adequately served. SFO would continue to comply with solid waste statutes and regulations for its ongoing operations and for the proposed project. As a result, the project would have a less-than-significant impact related to solid waste.

Impact C-UT: The proposed project, in combination with other past, present, and reasonably foreseeable projects, would result in less than significant impacts on utilities and service systems. (Less than Significant)

The proposed project, along with other development in the project area, would incrementally increase demand on utilities and service systems, but not beyond levels anticipated and planned for by public service providers in existing service management plan areas. This increased demand would therefore result in less-than-significant cumulative impacts on existing utilities and service systems. The proposed project would result in an increase in demand on utilities and service systems used by the proposed airport and office uses. However, the MLTP has the capacity to serve the utility requirements of the cumulative Airport developments. The MLTP does not provide services to off-airport locations, such as adjacent and nearby cities. Therefore, the proposed project would not contribute to additional demand on the utilities and service systems of adjacent cities. With respect to solid waste, as discussed above, landfills in the Bay Area have capacity to meet Airport-wide solid waste demand along with regional landfill needs for at least the next forty years. According to the CalRecycle Facility Inventory Analysis, at the statewide level, there is currently ample disposal capacity available for solid waste and municipal solid waste landfills.¹¹² Hence, the project would result in less than significant cumulative impacts on utilities and services for wastewater treatment and/or capacity, storm water drainage facilities, water supply, and/or waste disposal facilities.

¹⁰⁹ San Francisco Airport Commission, *2014 Environmental Sustainability Report*, p.29.

¹¹⁰ South Bayside Waste Management Authority, *2015 Final Long Range Plan*, June 25, 2015.

¹¹¹ CalRecycle, *State of Disposal in California*, March 2015.

¹¹² CalRecycle, Facility Information Toolbox (FacIT). Available at: <http://www.calrecycle.ca.gov/FacIT/QuickFacts.htm>. Accessed October 7, 2016.

| <u>Topics:</u> | <u>Potentially Significant Impact</u> | <u>Less Than Significant with Mitigation Incorporated</u> | <u>Less Than Significant Impact</u> | <u>No Impact</u> | <u>Not Applicable</u> |
|---|---------------------------------------|---|-------------------------------------|--------------------------|--------------------------|
| 12. PUBLIC SERVICES— Would the project: | | | | | |
| a) Result in substantial adverse physical impacts associated with the provision of, or the need for, new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any public services such as fire protection, police protection, schools, parks, or other services? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Impact PS-1: The proposed project would not result in substantial adverse physical impacts from new or altered government facilities, the construction of which could cause significant environmental impacts, to maintain acceptable service ratios, response times, or other performance objectives for any public services, such as fire protection, police protection, schools, or parks. (Less than Significant)

The San Francisco Fire Department (SFFD) Airport Division and the San Francisco Police Department (SFPD) Airport Bureau serve SFO with full on-site operations, including administration and training. SFFD Airfield Rescue and Fire Fighting (ARFF) station #3 is located about 0.5 miles south of the proposed project site on South McDonnell Road. ARFF #3 provides full crash/fire/rescue services for the southern portion of the airfield, the International Terminal, and Terminal 1. Emergency medical services are supplemented by San Mateo County and the Airport Medical Clinic, located in the International Terminal Building. The main SFPD Airport Bureau station is located on the arrivals level at Terminal 1; SFPD substations are also located at each of the terminals.

The proposed project would not increase the number of passengers or travel trips at the Airport and would only marginally increase the number of employees. No increased demand for police and fire services are anticipated, however, any additional demand could be adequately served by existing services provided in the project vicinity. The proposed project would not require new or expanded government facilities for public safety and fire protection facilities beyond those currently existing at the Airport. Therefore, the proposed project’s effects on police protection, fire, and emergency services would be less than significant.

As described in Initial Study Checklist criteria E.3, Population and Housing, and E.10, Recreation, the proposed project would not cause an increase in operations or the number of passengers, and the increase in employees would be nominal. Employees are not expected to increase patronage or use of parks and recreational areas in the vicinity of the Airport. Furthermore, because the

project would not increase population within the area, schools in the surrounding vicinity would not be affected. Therefore, proposed project would have no impact impacts on parks and schools.

Impact C-PS: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less than significant public services impacts. (Less than Significant)

Cumulative development in the project area, including the proposed project, would incrementally increase demand for public services, but not beyond levels anticipated and planned for by public service providers. The proposed project would not cause a substantial increase in operations, employees, or the number of passengers at the Airport, and therefore would not contribute considerably to any potential cumulative impacts on parks and schools in the vicinity. Hence, the proposed project would have less-than-significant cumulative impacts on public services.

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---------------------------------------|---|-------------------------------------|-------------------------------------|--------------------------|
| 13. BIOLOGICAL RESOURCES— | | | | | |
| Would the project: | | | | | |
| a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

| <u>Topics:</u> | <u>Potentially Significant Impact</u> | <u>Less Than Significant with Mitigation Incorporated</u> | <u>Less Than Significant Impact</u> | <u>No Impact</u> | <u>Not Applicable</u> |
|--|---------------------------------------|---|-------------------------------------|-------------------------------------|--------------------------|
| f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

There are no adopted habitat conservation plans applicable to the project site; therefore, Initial Study Checklist criterion E.13(f) is not applicable to the proposed project.

Impact BI-1: The proposed project would not have a substantial adverse effect on special-status species, riparian habitat or sensitive natural communities, wetlands, native or migratory wildlife species, and would not conflict with any local policies or ordinances protecting biological resources. (Less than Significant)

The project site is an existing paved parking lot and building within the main terminal complex at SFO and does not support any vegetation, trees, riparian or sensitive natural communities. Due to the lack of suitable habitat, there is negligible potential for any special status species to be present. A California Natural Diversity Database search did not identify any occurrences of special status species within the project boundaries. The nearest habitats for special status species are approximately 2.5 miles west and north of the project site and include habitats for the San Francisco Garter Snake (*Thamnophis sirtalis tetrataenia*), California red-legged frog (*Rana draytonii*), and the Bay checkerspot butterfly (*Euphydryas edita bayensis*).^{113, 114}

The SFO runway and Bay shoreline areas 0.5-mile east of the site include habitats such as annual grasslands, seasonal wetlands and tidal mudflats that support a variety of bird species, rodents, and benthic invertebrates. San Francisco Bay and its shallow bay habitat is located approximately one mile from the site.¹¹⁵ Construction and operation of the proposed project would not affect these habitat areas, nor would it affect the fish and wildlife species that occupy these habitats. There is no tree protection policy applicable to the project site.

Wildlife within the proposed project area is limited due to lack of suitable habitat, and generally consists of avian species, possibly including migratory birds. Wildlife can be hazardous to airport and aircraft operations and the Airport is required by federal mandate¹¹⁶ to implement wildlife

¹¹³ California Natural Diversity Database Quick Viewer:

<http://www.dfg.ca.gov/biogeodata/cnddb/mapsanddata.asp>, accessed August 29, 2013.

¹¹⁴ US Fish and Wildlife Service, Critical Habitat Portal. Available at: <http://criticalhabitat.fws.gov/>, accessed August 31, 2016.

¹¹⁵ San Francisco Planning Department, *San Francisco International Airport Runway Safety Area Program Mitigated Negative Declaration, Case No. 2010.0755E*, July 20, 2011.

¹¹⁶ 14 Code of Federal Regulations Part 139.3387

management techniques, to reduce or eliminate the area's attractiveness to wildlife. The Airport implements a Wildlife Hazard Management Plan (WHMP) which identifies monitoring, control, and habitat management strategies to reduce decrease avian attractants at and near the Airport.¹¹⁷ Aircraft and motor vehicle operations would be deterrent to bird activity at the project site, due to its location between the airfield and the Airport roadway. The proposed building would be situated within the terminal complex surrounded by similar structures. The proposed building would be designed in general accordance with San Francisco's standards for bird-safe buildings, which incorporate features in window glazing, façade treatments, and lighting to reduce bird strikes on new buildings.¹¹⁸ As discussed in the WHMP Section 6.5, the Airport's Wildlife Biologist would review proposed plans in an effort to minimize or eliminate designs that may attract wildlife. For these reasons, the proposed project would not substantially interfere with the movement of migratory birds or otherwise substantially adversely affect wildlife species. Therefore, this impact would be less than significant.

Impact C-BI: The proposed project would not combine with past, present, or reasonably foreseeable future development to have a significant impact on special-status species, riparian habitat or sensitive natural communities, wetlands, native or migratory wildlife species, and would not conflict with any local policies or ordinances protecting biological resources. (Less than Significant)

As stated above, the proposed project would have no impact on special status species, riparian habitat, wetlands, or other sensitive natural communities and would not conflict with any local policies or ordinances protecting biological resources. Therefore, it would not contribute to any potential adverse effects on these biological resources associated with cumulative development in the vicinity.. Cumulative projects, as listed in Table 3, would occur within primarily within developed Airport and nearby urban areas, and would not substantially attract or interfere with migratory bird species. Accordingly, the proposed project in combination with other cumulative development, would not result in a significant cumulative effect on the movement of migratory bird or other wildlife species.

¹¹⁷ ICF Jones & Stokes and LSA Associates, *SFO Wildlife Hazard Management Plan*, April 12, 2016.

¹¹⁸ San Francisco Planning Department, *Standards for Bird-Safe Buildings*, adopted July 14, 2011.

| <u>Topics:</u> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---|---|---|-------------------------------------|-------------------------------------|
| 14. GEOLOGY AND SOILS— Would the project: | | | | | |
| a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: | | | | | |
| i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Special Publication 42.) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ii) Strong seismic ground shaking? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| iii) Seismic-related ground failure, including liquefaction? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| iv) Landslides? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Result in substantial soil erosion or the loss of topsoil? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Be located on geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial risks to life or property? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) Change substantially the topography or any unique geologic or physical features of the site? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| g) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Regarding Initial Study Checklist criterion E.14(e), the proposed project does not include a septic system or alternative wastewater disposal system; therefore, impacts related to soils capable of supporting these systems are not applicable to the proposed project.

Impact GE-1: The proposed project would not expose people and structures to potential substantial adverse effects, including the risk of loss, injury, or death, involving rupture of a known earthquake fault, strong seismic ground shaking, seismic-related ground failure (liquefaction or lateral spreading), and landslides. (Less than Significant)

Faulting: The Airport is not located within an Alquist-Priolo Earthquake Fault Zone.¹¹⁹ The nearest fault zoned active in accordance with the State Geologist's standards is the San Andreas Fault, located more than 2 miles southwest of the project site. Therefore, impacts related to ground fault rupture are less than significant.

Seismic Ground Shaking and Seismic Ground Failure: The project could be affected by strong ground shaking as a result of an earthquake on one of the regional faults. Mapping by the Association of Bay Area Governments indicates that the project site could experience very strong ground shaking in the event of an earthquake on the San Andreas Fault,¹²⁰ the nearest fault to the project area.

According to the Environmental Impact Report for the SFO Master Plan,¹²¹ the project site is located within a zone of high ground failure potential identified by the California Division of Mines and Geology. The EIR reports that while up to four inches of seismically-induced ground settlement has occurred at the Airport, major liquefaction-induced ground failure has not been reported at the Airport during past earthquakes. However, mapping by the US Geological Survey indicates that the project site is in an area of very high liquefaction potential,¹²² and the project area has not been subjected to the maximum expected ground shaking intensity or a long-duration earthquake since Airport construction began in 1927.

To address seismic ground shaking and ground failures, the new building would be supported on a pile foundation and built according to the stringent seismic requirements of the California Building Code, which would reduce the potential for damage in the event of an earthquake. SFO ensures compliance with the current CBC through the SFO BICE Section. BICE reviews and approves all tenant improvement proposals; issues Airport Building Permits; enforces compliance with applicable building codes and other construction standards and regulations; confirms conformance with approved contract documents; inspects construction activities at the Airport; and issues a certificate of occupancy once the building official finds no violations of the provisions of the TIG, California Building Code, or other applicable laws and codes. In

¹¹⁹ California Geological Survey (CGS), *Fault-Rupture Hazard Zones in California, Alquist-Priolo Earthquake Fault Zoning Act with Index to Earthquake Fault Zones Maps*, Special Publication 42, Interim Revision, 2007.

¹²⁰ Association of Bay Area Governments (ABAG). 2012. *Earthquake Shaking Maps and Information*, <http://quake.abag.ca.gov/shaking/>. Accessed August 9, 2013.

¹²¹ CCSF Department of City Planning, *San Francisco International Airport Master Plan Final Environmental Impact Report 86.638E*, May 28, 1992.

¹²² U.S. Geological Survey, *Maps of Quaternary Deposits and Liquefaction Susceptibility in the San Francisco Bay Region, California. Liquefaction Susceptibility*. Open-File Report 06-1037. 2006.

accordance with the TIG,¹²³ a subsurface geotechnical investigation by a qualified geotechnical engineer would be required to confirm the geologic, hydrogeologic and geotechnical conditions at the project site and to provide foundation design requirements. The building design recommendations would address resistance to lateral forces, liquefaction, soil corrosivity, bearing capacity, soil expansion potential, and settlement. With compliance with the CBC and the provisions of the SFO TIG related to seismic design of the facility and earthquake safety, the proposed project's would not expose people or structures to substantial adverse effects from seismic events and this impact would be less than significant.

Earthquake-induced landslides: The project site and surrounding land are nearly level, and there are no mapped landslides in the project vicinity.¹²⁴ Therefore there is no impact related to earthquake-induced landslides.

Impact GE-2: The proposed project would not result in substantial soil erosion or the loss of topsoil. (Less than Significant)

Erosion. Soil would temporarily be exposed to erosion during construction of the proposed project. However, as discussed in Section E.15, Hydrology and Water Quality, impacts related to erosion would be less than significant with implementation of erosion control measures in accordance with the site-specific Storm Water Pollution Prevention Plan (SWPPP) and construction site monitoring program in accordance with the Construction General Storm Water Permit, SFO's NPDES permit for the Mel Leong Treatment Plant, and the SFO SWPPP. The TIG and the 2016 SWPPP for Construction Activities specifically address additional requirements for control of construction-related storm water during construction activities at SFO. Because compliance with these requirements is enforced through CCSF Airport Commission Contract Specifications for SFO construction projects, the project would not result in substantial erosion and this impact would be less than significant.

Loss of Topsoil. The project site is covered with impervious surfaces and is part of the developed Airport terminal complex. Construction of existing facilities would have removed any topsoil (a fertile soil horizon that typically contains a seed base). Therefore, the project would have no impact related to the removal of topsoil.

Impact GE-3: The proposed project would not cause a geologic unit or soil to become unstable as a result of the project and result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse. (Less than Significant)

The shallow geologic units at the Airport consist of fill material underlain by Young Bay Mud. This unit is underlain by dense silty sands which are in turn underlain by older bay muds. These older bay muds are relatively stiff firm clays that contain varying amounts of silt and lenses of

¹²³ San Francisco International Airport, *Tenant Improvement Guide*. April 1999.

¹²⁴ US Geological Survey, *Summary Distribution of Slides and Earth Flows in San Mateo County, California*. Open File Report 97-745C. 1997.

sand and gravel and they are considered suitable for foundation design. Bedrock of the Franciscan Complex occurs at approximately 100 feet below ground surface. Groundwater is relatively shallow, generally less than five feet below ground surface.¹²⁵

Geologic or soil units can become unstable, or settle, for a variety of reasons. Immediate settlement occurs when a load from a structure or placement of new fill material is applied, causing distortion in the underlying materials. This settlement occurs quickly and is typically complete after placement of the final load. Consolidation settlement occurs in saturated clay from the volume change caused by squeezing out water from the pore spaces. Consolidation occurs over a period of time and is followed by secondary compression, a continued change in the pore spaces under the continued application of the load. Consolidation settlement is one of the characteristic hazards of Bay Mud deposits, as well as poorly engineered fill materials. Soils tend to settle at different rates and by varying amounts depending on the load weight or changes in properties over an area, referred to as differential settlement of the soils.

Construction: During construction of the building, the shallow geologic units could become unstable, or settle, as a result of soil excavation for trenching, construction-related groundwater dewatering, and pile driving. Such settlement could potentially damage adjacent facilities including Terminals 2 and 3, roadways, and utilities. During excavation, shoring could be required to prevent this soil from becoming unstable. While this could minimize the need for groundwater dewatering, installation of utilities and compaction of soil could still require some dewatering which could cause settlement. Driving of displacement piles may also cause the ground to heave up to several inches, and the heave could also adversely affect adjacent structures.

The potential for settlement during construction would be addressed through compliance with Section 604.5 of the TIG, which requires the project contractor to provide adequate supports to ensure the protection of existing structures and installations during excavation. The planned protection would be subject to approval of BICE as part of their review.

Operation: Once constructed, the proposed building could experience excessive settlement if it caused the soft and compressible Young Bay Mud to compress. However, as discussed in Impact GE-1, the new building would be supported on a pile foundation supported by underlying soils with sufficient competency to support the piles and built according to the stringent seismic requirements of the CBC, which would reduce the potential for damaging settlement. The specific foundation and geotechnical requirements for the project would be determined on the basis of a site-specific geotechnical investigation as required by the TIG. While some settlement of adjacent paving and utilities could occur, which could result in damage to utilities, the geotechnical report would include recommendations for avoiding this kind of damage, such as the use of flexible utility connections.

¹²⁵ SFIA Master Plan EIR, Ibid.

Compliance with the CBC would be ensured through the standard BICE procedures by reviewing and approving all building permit applications and confirming conformance with construction contract documents. Further, the Airport would be required to adhere to the recommendations of the site-specific geotechnical investigation incorporated into the project design. Compliance with the CBC and SFO regulations would ensure impacts related to potential unstable geologic units or soils would be less than significant.

Impact GE-4: The proposed project would not create substantial risks to life or property as a result of expansive soil. (Less than Significant)

The presence of expansive soils is not an issue because the artificial fill beneath the project area is sandy and would not be expansive, and because the Young Bay Mud beneath the project site is generally below the groundwater table, and thus permanently saturated. Further, Section 502.6 of the TIG requires that dry backfill materials used in construction excavations have an expansion index of 2 percent or less. Therefore, impacts related to expansive soils would be less than significant.

Impact GE-5: The proposed project would not result in impacts on unique geologic or physical features or alter the topography of the project area. (No Impact)

There are no unique geologic or physical features within the project area. The site is a mostly flat, paved parking lot and developed area and the proposed project would not change the site topography. Therefore, there is no impact related to changes to unique geologic or physical features or alteration of topography.

Impact GE-6: The proposed project would not directly or indirectly destroy a unique paleontological resource or site. (Less than Significant)

The proposed project would be constructed on strata comprised entirely of imported fill and Young Bay Mud, neither of which typically contains vertebrate paleontological remains. Because there is little likelihood of accidental discovery of paleontological resources during project construction, there would be a less-than-significant impact on unique paleontological resources with project implementation.

Impact C-GE: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area, would result in less than significant geology and soils impacts. (Less than Significant)

Geologic impacts resulting from the proposed project are limited to seismic effects and the potential for creation of an unstable geologic unit. Because these effects are generally localized, the geographic scope for the geologic impacts assessment includes the project area and immediate vicinity at SFO.

Seismic Safety. The proposed project and other SFO projects contribute to an increase in the number of persons potentially exposed to seismic risks at SFO, which could result in a potentially significant cumulative seismic safety impact. However, as discussed in Impact GE-1, the proposed project and other cumulative Airport projects would be constructed in accordance with the most current CBC requirements for seismic safety and the provisions of the TIG. These regulatory requirements provide for increased life-safety protection of visitors and workers. Therefore, the proposed project’s contribution to any potential cumulative impacts related to seismic safety would not be cumulatively considerable (less than significant).

Unstable Geologic Units. As discussed in Impact GE-3, during construction, the proposed project could result in ground settlement from excavation, construction dewatering, and from heaving during pile installation. Once constructed, the building could also settle as a result of compressing the soft and compressible Young Bay Mud. However, the effects of ground settlement are relatively localized, and the only cumulative projects listed in Table 3 that could contribute to cumulative impacts related to an unstable geologic unit are other projects located on Airport property. The proposed project and these projects would be required to comply with Section 604.5 of the TIG to address settlement during construction and would also be constructed in accordance with the current California Building Code as discussed in Impact GE-3, which would prevent unacceptable settlement once constructed. With compliance with these requirements, cumulative impacts related to ground settlement would be less than significant.

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|---|---------------------------------------|---|-------------------------------------|-------------------------------------|--------------------------|
| 15. HYDROLOGY AND WATER QUALITY— Would the project: | | | | | |
| a) Violate any water quality standards or waste discharge requirements? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

| <u>Topics:</u> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|--|---------------------------------------|---|-------------------------------------|-------------------------------------|-------------------------------------|
| d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Otherwise substantially degrade water quality? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other authoritative flood hazard delineation map? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| j) Expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

The project would not construct housing; therefore, criterion E.15(g) is not applicable.

Impact HY-1: The proposed project would not violate water quality standards or otherwise substantially degrade water quality. (Less than Significant)

The proposed project could result in a violation of water quality standards or degradation of water quality as a result of construction-related erosion and hazardous materials releases; discharges of groundwater during construction-related dewatering; and changes in long-term stormwater discharges once the proposed project is constructed.

Construction-related erosion and hazardous materials releases. During project construction, exposed soil from stockpiles and graded areas within the project area could be transported by wind or storm water. If not properly managed, erosion as a result of these activities could increase the sediment load (turbidity) in the storm water runoff and sediments could also accumulate in storm drains, potentially reducing the flood carrying capacity of the drains. In addition, construction activities would use hazardous materials such as fuels, adhesives, solvents, paints, and petroleum lubricants, which, if not managed appropriately, could become mobilized

by run-off and contribute to non-point source pollution (see also Section E.16, Hazards and Hazardous Materials, for a discussion of project impacts regarding hazardous materials used during construction). Temporary storage of construction materials and equipment in work areas and staging areas also creates the potential for a release of hazardous materials or sediment to the storm drain system.

Because the proposed project would disturb more than one acre of land, construction activities would be subject to the General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities, Order No. 2009-0009-DWQ (Construction General Stormwater Permit) issued by the RWQCB including implementation of a site-specific SWPPP required in accordance with this permit. Because storm water from the proposed project site could also be treated at the SFO MLTP, as described in Impact HY-4 (below), construction-related storm water discharges would also be subject to SFO's NPDES permit for discharges from the wastewater treatment plant (Order No. CA0038318).

SFO has prepared an Airport-wide SWPPP that addresses the requirements of the Construction General Storm Water Permit and SFO's NPDES permit for the MLTP.¹²⁶ This SWPPP applies to Airport, tenant, and contractor construction activities, and includes the following objectives:

- Summarize the regulatory background for the SFO SWPPP program
- Provide the background setting and describe the construction program at SFO
- Identify potential construction related sources of storm water pollution
- Present best management practices (BMPs) for reducing construction related storm water pollution
- Provide the framework and rationale for site and task specific SWPPPs
- Establish inspection, monitoring, and record keeping procedures
- Specify and implement training objectives
- Identify non-storm water management procedures
- Identify post-construction storm water management procedures
- Develop a maintenance schedule for BMPs installed during construction designed to reduce or eliminate pollutants after construction is completed
- Provide guidance for Airport maintenance groups on BMP's, good housekeeping, and training.

Each construction contractor at SFO must prepare and implement a site-specific SWPPP for their construction activities as required by the CCSF Airport Commission Contract Specifications for SFO construction projects, the TIG, and the Airport-wide SWPPP. The site-specific SWPPP must address the minimum requirements of the Construction General Storm Water Permit and also address Airport-specific information specified in the SFO SWPPP. At a minimum, the site-specific SWPPP must:

¹²⁶ San Francisco International Airport, *Storm Water Pollution Prevention Plan for Construction Activities*, WDID # 2 417033001. August 28, 2013.

- Identify potential pollutant sources.
- Include a site map showing the location of planned construction activities, surface water bodies and wetlands within ¼-mile of the construction site, and delineating drainage areas that discharge to the site as well as discharge locations for storm water generated at the site.
- Estimate runoff volumes from the site; identify erosion, wind tracking, and sediment controls.
- Identify discharge monitoring locations; identify methods for management of non-storm water discharges such as uncontaminated pumped groundwater and foundation drains.
- Identify unauthorized storm water discharges and actions that would be taken in the event of an accidental unauthorized discharge.
- Identify post construction storm water management methods.
- Address waste management and disposal, general housekeeping practices, and spill prevention and response.

As part of the site-specific SWPPP, the construction contractor would implement a construction site monitoring program to demonstrate compliance with the discharge prohibitions of the Construction General Storm Water Permit; demonstrate whether non-visible pollutants are present and could contribute to an exceedance of water quality objectives; identify the need for correction actions, additional best management practices (BMPs), or SWPPP revisions; and evaluate the effectiveness of the existing BMPs.

SFO Construction Managers would review the SWPPP and related documents and would inspect construction activities for compliance with SFO storm water requirements. In the event of non-compliance, the SFO Maintenance and Environmental Contractor would implement actions needed to comply with the SFO and state storm water requirements.

With implementation of storm water control measures in accordance with the site-specific SWPPP and construction site monitoring program in accordance with the Construction General Storm Water Permit, SFO NPDES permit for the MLTP, and SFO SWPPP, impacts related to violation of water quality standards or waste discharge requirements as a result of construction-related erosion and releases of hazardous materials would be less than significant.

Discharges of groundwater during construction-related dewatering. Project construction would not require excavation other than for utility trenches and pile driving. Depth to groundwater could be as shallow as 5 feet below ground surface; therefore it is possible some groundwater could flow into the excavations, which would require groundwater dewatering to maintain a dry working area. Discharge of the dewatered groundwater to the SFO storm water collection system could result in violation of the Airport's NPDES permit for the MLTP if it contained sediment or contaminants above permissible levels.

However, the Airport's NPDES permit does allow certain discharges of non-storm water such as groundwater pumped from construction excavations to the MLTP, provided that the discharges are necessary for performance and completion of construction, comply with the BMPs specified

in the SFO SWPPP, and do not cause or contribute to a violation of water quality standards. At SFO, the applicable water quality standards are specified in RWQCB Order No. 99-045.¹²⁷

Accordingly, the site-specific SWPPP for construction activities must include a description of the planned groundwater discharge and BMPs to be implemented to prevent the discharge of sediment-laden or contaminated groundwater that could cause or contribute to exceedance of water quality standards. Groundwater that meets the limitations of RWQCB Order No. 99-045 can be discharged to the storm sewer system in accordance with a permit from the RWQCB. Water with contaminant levels above these limitations, but below the limitations of the sewer system may be discharged to the industrial sewer system. The Airport's Utilities Section must provide written approval for the discharge of dewatering effluent to the Airport's industrial sewer system before discharge can begin. To obtain permission, the construction contractor would need to provide written notification including the reason that an alternative to discharge is not feasible; the estimated quantity of non-storm water to be discharged; the proposed BMPs and control measures; the treatment method, if any; and sampling and analysis conducted to demonstrate that the discharge will be free of suspended sediment and does not contain other contaminants at levels that could cause or contribute to a violation of water quality standards. Once discharge begins, the responsible party and a representative of the Airport Utilities Section must visually monitor the actual discharge and complete a Visual Observation of Authorized Non-Storm Water Discharge form to confirm compliance with the General Construction Storm Water Permit.

Long-Term Storm Water Discharges. Project operation would not alter the quality of storm water runoff from the site. Storm water would continue to discharge from building drains and paved parking areas into the storm water system as it currently does. The project does not include any new sources that could negatively affect water quality.

With compliance with regulations and procedures – including the SFO SWPPP, the General Construction Storm Water Permit, RWQCB Order No. 99-045, and the NPDES permit - construction and operation of the project would not violate water quality standards or substantially degrade water quality. Therefore, this impact would be less than significant.

Impact HY-2: The proposed project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level. (No Impact)

The proposed project site is located adjacent to San Francisco Bay in the Westside Groundwater Basin which is used as a municipal groundwater supply for the cities of San Bruno, Daly City, and South San Francisco. However, the proposed project would not interfere with recharge of the

¹²⁷ RWQCB, Order No. 99-045, Adoption of Revised Site Cleanup Requirements and Rescission of Order Nos. 950136, 95-019, 94-044, 92-152, and 92-140 for: The City and County of San Francisco, the United States Coast Guard, and San Francisco International Airport Tenants/Operators for the Property at San Francisco International Airport, San Mateo County.

aquifer because the project site is currently paved, and covered completely with impervious surfaces. Following construction of the proposed building and ancillary facilities, the site would continue to be entirely impervious; therefore, there would be no change in groundwater recharge. Although the project could involve temporary and limited extraction of shallow groundwater for excavation-related dewatering, the proposed project does not include long-term groundwater uses for any reason. Based on this analysis, there would be no impacts related to interference with groundwater recharge and depletion of groundwater resources.

Impact HY-3: The proposed project would not alter the existing drainage pattern of the area in a manner that would result in substantial erosion, siltation, or flooding on- or off-site. (No Impact)

The project site is currently 100 percent paved or covered with structures, and storm water runoff from the site is discharged to the SFO storm water collection system. Following construction, the proposed project site would continue to be covered entirely with impervious surfaces, and storm water runoff would continue to be discharged to the storm water collection system. The proposed building would be on piers above the parking lot. The project would not grade or substantially alter the topography or drainage pattern of the area. Therefore, there would be no alteration of drainage patterns that could result in substantial erosion, siltation, or flooding on- or off-site (no impact).

Impact HY-4: The proposed project would not contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff. (Less than Significant)

Storm water at SFO is collected within an Airport-wide storm water drainage system. Much of the storm water runoff is directed to four detention basins that capture all flows during the dry season and the first flush of storm water runoff during the wet season. Sediments and pollutants are allowed to settle out in these ponds. During the dry season, all flows captured in the basins are treated at the MLTP. During the wet season, the gates to the basins are closed once the basins are full, and the remaining relatively contaminant-free runoff is monitored for storm water quality and discharged directly to San Francisco Bay through one of three outfalls. The first flush storm water captured in the detention basins is pumped to the MLTP via pumping stations and culverts for treatment prior to discharge to the Bay. Storm water runoff from the project site is either pumped directly to the treatment plant or discharged directly to the Bay through six outfalls. The MLTP has a capacity of 1.2 million gallons per day (mgd). In 2011, the treatment plant discharged an average daily flow of 0.63 mgd. The highest recorded daily flow was 1.22 mgd, roughly equal to the design flow of 1.2 mgd.¹²⁸

As discussed above in Impact HY-3, the site is currently 100 percent covered with impervious surfaces, and storm water runoff from the site is discharged to the SFO storm water collection

¹²⁸ San Francisco Bay Regional Water Quality Control Board, Revised Tentative Order No. R2-2013-0011, NPDES No. CA0038318. Adopted May 8, 2013.

system. Under the proposed project, the site would also be covered entirely with impervious surfaces, and storm water runoff from the project would continue to be discharged to the storm water collection system. There would be no change in the volume of storm water discharges from the site. Further, in accordance with Article 504 of the TIG, a drainage plan, including hydraulic calculations and profiles of design water surface, would need to be reviewed and approved by SFO's Civil Engineering Section prior to construction.

The proposed office building would not introduce new sources of pollutant runoff to the drainage system. Article 504 of the TIG also requires that storm drainage systems at SFO be designed to prevent oil, grease, and any undesirable liquids, such as those that could accumulate in the Courtyard 3 parking lot, from entering the storm drain system.

For these reasons, the proposed project would not contribute runoff water which would exceed the capacity of the SFO storm water drainage systems or provide substantial additional sources of polluted runoff, and this impact would be less than significant.

Impact HY-5: The proposed project would not place within a 100-year flood hazard area structures that would impede or redirect flood flows. (Less than Significant)

Airport property is currently included on panels of the 1984 preliminary Flood Insurance Rate Map (FIRM) prepared by the Federal Emergency Management Agency (FEMA) for San Mateo County. The 1984 San Mateo County FIRM indicates that the project site is not located within a 100-year flood hazard area.¹²⁹ FEMA has removed the Airport from the recently adopted 2012 San Mateo FIRM and added the Airport to the CCSF Preliminary 2015 FIRM still under preparation.¹³⁰ The preliminary 2015 FIRM identifies the vast majority of Airport property, including the project site, as being inundated by the 100-year flood event. The Airport is in the process of planning additional shoreline protection improvements (refer to Table 3) to address coastal flooding concerns.

The proposed project would construct a building on piles approximately 26 feet above the ground surface. The only structures at ground level within the flood hazard area would be the building piles and a 2,000-sf portion of the building. The presence of these structures would have a negligible effect related to impeding or redirecting potential flood flows and would not exacerbate existing flooding conditions in the vicinity. Additionally, Airport construction would comply with any applicable flood protection building standards provided in the California Building Standards Code. Therefore, this impact would be less than significant.

¹²⁹ URS Corporation, *Flood Hazard Mapping Near SFO based on Federal Emergency Management Agency Preliminary Flood Insurance Rate Map for San Mateo County*, May 2008.

¹³⁰ FEMA National Flood Insurance Program, *Preliminary Flood Map San Francisco County and San Mateo County*, November 12, 2015.

Impact HY-6: The proposed project would not expose people or structures to substantial risk of loss due to flooding, including flooding as a result of the failure of a levee or dam. (Less than Significant)

The project site is not located in an area susceptible to flooding as a result of the failure of a dam or levee; therefore, people or structures would not be exposed to a significant risk of loss, injury or death as a result of implementation of the proposed project and the failure of such structures.¹³¹ As discussed above in Impact HY-5, the project site is located within the 1 percent annual chance flood hazard (also referred to as the 100-year flood hazard).

For this criterion, the Planning Department considers whether projects located in areas prone to flooding – under existing conditions or future conditions with projected sea-level rise – would expose people or structures to significant risks due to flooding. However, the California Supreme Court has determined that CEQA does not *generally* require lead agencies to consider how existing hazards or conditions might impact a project’s users or residents, except where the project would exacerbate an existing environmental hazard.¹³² Accordingly, hazards resulting from a project that places development in an existing or future flood hazard area are not considered impacts under CEQA unless the project would exacerbate the flood hazard. Thus, the analysis below evaluates whether the proposed project would exacerbate existing or future flood hazards in the project area resulting in a substantial risk of loss injury or death.

The proposed project would not include additional stormwater discharges or other discharges that would increase the frequency or severity of flooding and, as discussed above in Impact HY-4, the stormwater drainage systems would adequately convey stormwater flows. Regardless, risks of loss to people or structures would not be substantial because only a 2,000-sf mechanical room would be situated at ground level and subject to potential flooding; occupied areas (the security screening checkpoint, pedestrian walkway, and office areas) would be constructed on piles 26 feet above the ground surface and well above potential flood levels. The proposed project would not cause flooding to occur in areas that would not be subject to flooding without the project for the reasons stated above; therefore, this impact would be less than significant.

Impact HY-7: The proposed project would not expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow. (No Impact)

The project site is not located in a volcanic or steeply sloped area that could be subject to mudflow. Tsunamis are large sea waves that can be generated by large earthquakes. Based on the state’s official tsunami inundation maps, the proposed project site is not located within a tsunami

¹³¹ Association of Bay Area Governments, *Dam Failure Inundation Hazard Map for South San Francisco/Brisbane/ San Bruno*. 1995. Accessed at <http://www.abag.ca.gov/cgi-bin/pickdamx.pl> on August 14, 2013.

¹³² *California Building Industry Association v. Bay Area Air Quality Management District* (2015) 62 Cal.4th 369.

inundation zone.¹³³ A seiche is the oscillation of a water body, such as a bay, that may cause local flooding. A seiche could occur on San Francisco Bay due to seismic or atmospheric activity. However, seiches are rare, and because the project site is not located within a tsunami inundation area, it is also unlikely that the site could be subjected to a seiche. Therefore, there is no impact related to these hazards.

Impact C-HY: The proposed project, in combination with past, present, and reasonably foreseeable future projects in the site vicinity, would result in less-than-significant cumulative impacts related to hydrology and water quality. (Less than Significant)

The geographic scope of potential cumulative hydrology and water quality cumulative impacts is the nearby watershed that discharges into lower San Francisco Bay, which is identified as an impaired water body.

As discussed in Impact HY-1, the proposed project could result in adverse water quality effects as a result of erosion or discharge of pollutants in surface water runoff from the site into lower San Francisco Bay. All projects constructed within the watershed have the potential to adversely affect water quality in the Bay and are subject to regulations that require construction storm water BMPs (sites less than one acre) or preparation of a site-specific SWPPP and construction site monitoring program prepared under the Construction General Storm Water Permit (sites over one acre). Similarly, runoff from developed project sites are subject to regulations for storm water control overseen by the RWQCB and local agencies. With compliance with the existing regulatory framework, cumulative impacts related to degradation of water quality would be less than significant.

As discussed in Impact HY-4, the proposed project would not result in a significant change in storm water runoff volume or increase the quantity of storm water-related pollutants discharged to the SFO storm water drainage system once the project is constructed. Therefore, the project's contribution to any potential cumulative impacts on capacity of storm water drainage systems or polluted runoff to San Francisco Bay would not be cumulatively considerable (less than significant).

For the reasons discussed in Impacts HY-5 and HY-6, the proposed project would not impede or redirect flood flows or exacerbate existing flooding conditions in the vicinity. As listed in Table 3, the Airport is planning shoreline protection improvements to address potential flooding risks at the Airport. Accordingly, with implementation of those improvements, no significant cumulative impact would result.

¹³³ California Emergency Management Agency, California Geological Survey, University of Southern California. *Tsunami Inundation Map for Emergency Planning, San Francisco South Quadrangle/San Mateo Quadrangle (SF Bay)*. June 15, 2009.

| <u>Topics:</u> | <u>Potentially Significant Impact</u> | <u>Less Than Significant with Mitigation Incorporated</u> | <u>Less Than Significant Impact</u> | <u>No Impact</u> | <u>Not Applicable</u> |
|--|---|---|---|-------------------------------------|-------------------------------------|
| 16. HAZARDS AND HAZARDOUS MATERIALS— Would the project: | | | | | |
| a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| h) Expose people or structures to a significant risk of loss, injury or death involving fires? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Because the project site is not within a quarter-mile of a school and is not near a private airstrip, Initial Study Checklist criteria E.16(c), and E.16(f) are not applicable.

Impact HZ-1: The proposed project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, or through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. (Less than Significant)

Project construction would likely involve the limited use of hazardous materials, such as fuels, lubricants, and solvents. Storage and use of hazardous materials during construction could result in the accidental release of small quantities of hazardous materials, typically associated with minor spills or leaks. Spills and leaks could degrade soil or become entrained in surface water runoff, potentially affecting water quality in nearby downstream water bodies. Although spills and leaks during construction could occur, implementation of construction BMPs required by the RWQCB through its review and approval of the SWPPP (refer to Section E.15, Hydrology and Water Quality) would reduce the potential for accidental releases and ensure timely response to any spills or leaks that may occur. BMPs would require that any hazardous materials be stored, handled, and used in accordance with applicable regulations. All equipment and materials storage would need to be routinely inspected for leaks, and records would need to be maintained for documenting compliance with the storage and handling of hazardous materials. Any release of hazardous materials would be resolved per regulatory requirements. In addition, hazardous materials may be present in subsurface soil and groundwater, which is discussed below under Impact HAZ-2.

Project operation is not expected to involve the routine transport, use, or disposal of hazardous materials, other than small quantities of janitorial cleaning products. These materials would be handled in accordance with the manufacturer's recommended guidelines and in compliance with applicable hazardous materials storage and handling regulations.

With compliance with hazardous materials and construction water quality regulations, the potential impact of the routine transport, use, or disposal of hazardous materials would be less than significant.

Impact HZ-2: The project would be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5; however, it would not create a significant hazard to the public or the environment. (Less than Significant)

The Airport is located on a hazardous materials site, as designated pursuant to Government Code Section 65962.5. The SWRCB GeoTracker¹³⁴ identifies a number of open cleanup program sites at various locations throughout the Airport based on numerous historical releases. As part of the ongoing soil and groundwater remediation program, maps of the estimated location of the contaminated soil and groundwater beneath SFO have been prepared, which indicate the likely

¹³⁴ State Water Resources Control Board, Online database available at <http://geotracker/waterboards.ca.gov>. Accessed October 5, 2016.

presence of soil with elevated concentrations of Total Petroleum Hydrocarbons (TPH) at the project site.¹³⁵

The RWQCB is the regulatory agency overseeing soil and groundwater cleanup at SFO. RWQCB Site Cleanup Order 99-045 provides guidelines for investigation, characterization and remediation of contaminants in soil and groundwater at SFO. The Site Cleanup Order also establishes cleanup levels that allow for various levels of contaminants to remain in place based upon risk assessment criteria for designated remediation management zones. Cleanup levels established for the Human Health Protection Zone, the most stringent cleanup criteria, would be applicable to development of the proposed project.

During project construction, the installation of piles for the building foundation would require the removal of approximately 300 cubic yards of soil. In accordance with RWQCB Site Cleanup Order 99-045 and regulatory requirements, soil would be tested and characterized for disposal at an appropriate landfill facility. Contractors would be required to prepare a health and safety plan and to handle, transport, and dispose of soil containing hazardous materials in accordance with regulations. Similarly, groundwater (if encountered) would require appropriate treatment and handling in accordance with the SWPPP and NPDES permits, as discussed in Section 15, Hydrology and Water Quality.

The proposed building would be primarily constructed on piles above-ground, which would minimize the potential exposure to gases that could accumulate in enclosed building spaces from hazardous materials in soil and/or groundwater beneath the site. Further, the project would be compliant with the site cleanup standards under RWQCB Order No. 99-045 for new construction in the Human Health Zone, which are considered to be protective of future occupants.

With compliance with these regulatory requirements, location of the project on a listed hazardous materials site would not create a significant hazard to the public or the environment and this impact would be less than significant.

Impact HZ-3: The project is located within an airport land use plan area but would not result in a safety hazard for people residing or working in the project area (Less than Significant)

The proposed project would not directly affect aviation activity levels (i.e., aircraft operations) at SFO. The proposed project site is not located within critical airspace or safety zones, as defined by the FAA, and the terminal complex location has been approved by the FAA through the airport layout plan (ALP) review process. The FAA would review the proposed project designs and conduct aeronautical studies, if necessary, to evaluate the potential hazard to air navigation. The proposed project would not be approved until a Determination of No Hazard to Air Navigation is issued by the FAA. The proposed project site is not located within the designated safety zone

¹³⁵ San Francisco International Airport, 2004. *Estimated Plume Boundaries, Total Petroleum Hydrocarbons in Soil, San Francisco International Airport, SFIA Cost Recovery Plume Areas*. DWG. September, 7, 2004.

as defined in the SFO Airport Land Use Compatibility Plan (ALUCP). The project site is located within Airport Influence Zone B, and subject to the noise, safety, airspace protection, and overflight policies in the ALUCP¹³⁶. As discussed in Impact TR-3, the ALUCP also outlines policies for evaluating proposed land uses with respect to airspace protection to minimize potential safety hazards that could be created through the construction of tall structure. Therefore, the project would not increase safety hazards to people residing or working in the area, and impacts would be less than significant.

Impact HZ-4: The project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. (Less than Significant)

As discussed under Impact TR-5, the proposed project would not restrict emergency vehicles from accessing the site or neighboring areas. Project construction and operation would not require closure of adjacent roadways that could be used for emergency response or evacuation. Therefore, the impact would be less than significant.

Impact HZ-5: The proposed project would not expose people or structures to a significant risk of loss, injury, or death involving fires. (No Impact)

The proposed project design and construction would be reviewed by SFO's BICE section to ensure compliance with applicable fire codes, safety standards and regulations. Building operations would be in accordance with the Airport's TIG and do not include any activities that would increase the risk of fire. Therefore, the project would not expose people or structures to a significant risk of loss, injury, or death involving fires, and there would be no impact.

Impact C-HZ: The proposed project, in combination with past, present, and reasonably foreseeable future projects in the project site vicinity, could result in cumulative impacts related to hazards and hazardous materials (Less than Significant).

Potential impacts could result from the project's use of hazardous materials and from encountering contaminated subsurface materials due to its location on a listed hazardous materials site. These impacts would be primarily restricted to the project area and nearby vicinity. The project site and nearby Airport property have been identified as being in a hazardous materials site with known subsurface contamination. The potential impacts associated with the routine use of hazardous materials, an accidental release of hazardous materials used or encountered during project construction, and location on a hazardous materials site listed pursuant to Government Code Section 65962.5 could result in a cumulatively considerable contribution to impacts related to the exposure of construction workers, the public, or the environment to hazardous materials. There are a number of projects listed in Table 3 that would be constructed at the Airport and that would also use hazardous construction chemicals or be

¹³⁶ City/County Association of Governments of San Mateo County. *Comprehensive Airport Land Use Compatibility Plan for the Environs of San Francisco International Airport*. November 2012.

constructed in areas of contaminated soil and/or groundwater. However, all development of properties on SFO would be subject to the provisions of RWQCB Cleanup Order No. 99-045, and applicable federal, state and local regulations regarding the storage, use, and disposal of hazardous materials which would substantially reduce these impacts. Accordingly, with compliance with the applicable regulations, no significant cumulative hazardous materials impact would result (less than significant).

Potential airspace safety hazards resulting from project implementation would be limited to people working or residing in the project area. As listed on Table 3, other structures are proposed on Airport property, including a long-term garage, administration facilities building, and hotel. Because all proposed structures would be subject to FAA review prior to project approvals, the project, in combination with other proposed development in the Airport vicinity, would not result in significant cumulative airspace safety hazards.

As discussed in Impact C-TR-2, roadways in the Airport vicinity could experience an increase in traffic volumes and slower moving trucks during the concurrent construction of the proposed project and other cumulative SFO projects. While increased congestion is not anticipated to be so severe as to impede implementation of an emergency response or evacuation plan, projects would be subject to coordination by SFO. Therefore, concurrent construction of the proposed project and other projects in the vicinity would not cause a significant cumulative impact on emergency access (less than significant).

| <i>Topics:</i> | <i>Potentially Significant Impact</i> | <i>Less Than Significant with Mitigation Incorporated</i> | <i>Less Than Significant Impact</i> | <i>No Impact</i> | <i>Not Applicable</i> |
|---|---------------------------------------|---|-------------------------------------|-------------------------------------|-------------------------------------|
| 17. MINERAL AND ENERGY RESOURCES— Would the project: | | | | | |
| a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Impact ME-1: The proposed project would not result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state, or of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan. (No Impact)

Based on a review of maps and information from the US Geological Survey¹³⁷ there are no known mineral deposits on Airport property. The proposed project would not result in the loss of availability of a locally important mineral resource recovery site because most of SFO was constructed on imported fill material and any subsurface deposits would be inaccessible due to Airport development. Therefore, the proposed project would have no impact on the availability of mineral resources.

Impact ME-2: The proposed project would not encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner. (Less than Significant)

During project construction, fossil fuels would be used by construction equipment over the course of 18 months. Fuel and energy would be used by construction workers' vehicles and by construction equipment and vehicles during project development. Recycled water would be used for dust control. However, such use would not be wasteful. BMPs would be implemented to ensure that these resources would be used conservatively.

Operation of the proposed project would increase water, fuel, and energy use at the Airport. As discussed in Section E.8, Greenhouse Gas Emissions, SFO has established aggressive goals to achieve net zero energy, zero waste, and carbon neutrality and to reduce greenhouse gas emissions by 50 percent from 1990 levels, and to maximize water conservation.¹³⁸ The project would be designed and constructed to LEED Gold standards, consistent with the California Green Building Standards Code. As a result, the proposed project would not encourage the wasteful use of fuel, water, or energy, and the impact would be less than significant.

Impact C-ME: The proposed project in combination with other past, present, or reasonably foreseeable projects would result in less-than-significant impacts to mineral and energy resources. (Less than Significant)

Because the proposed project would have no impact on known mineral resources or mineral resource recovery sites, it would not contribute to any potential cumulative impact on these resources. The geographic scope of potential cumulative impacts on water and energy resources impacts encompasses the SFPUC water and power distribution area. The SFPUC supplies the City as well as other municipalities in the Bay Area region with water and power. Similar to the proposed project, other past, present, and proposed developments in the region would consume fuel, water, and energy. Present and future cumulative Airport sponsored projects would also be required to comply with the California Green Building Standards Code, at a minimum, and would also be subject to local green building ordinances, which must be as stringent as the state

¹³⁷ United States Geological Survey, Mineral Resources of the San Francisco Bay Region, California, published by the U.S. Geological Survey, Reston, VA. 1975.

¹³⁸ SFIA, Five Year Strategic Plan 2017- 2021.

requirements and are often more stringent. Because these building codes encourage sustainable construction practices related to planning and design, energy efficiency, and water conservation, water and energy consumption would be expected to be reduced compared to conditions without such regulations. Given the numerous developments throughout the entire region, a significant cumulative impact on fuel, water and/or energy resources could result. However, the project’s incremental contribution would not be considerable and, therefore, less than significant.

| <u>Topics:</u> | <u>Potentially Significant Impact</u> | <u>Less Than Significant with Mitigation Incorporated</u> | <u>Less Than Significant Impact</u> | <u>No Impact</u> | <u>Not Applicable</u> |
|---|---------------------------------------|---|-------------------------------------|--------------------------|-------------------------------------|
| 18. AGRICULTURE AND FOREST RESOURCES— | | | | | |
| Would the project: | | | | | |
| a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Conflict with existing zoning for agricultural use, or a Williamson Act contract? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)) or timberland (as defined by Public Resources Code Section 4526)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) Result in the loss of forest land or conversion of forest land to non-forest use? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or forest land to non-forest use? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Because the project site is an existing developed area and does not contain farmland, land zoned for agricultural use, forest land, or timberland, none of the above criteria are applicable. None of these land types would be directly or indirectly converted under the proposed project. The California Department of Conservation’s (CDOC) Farmland Mapping and Monitoring Program classifies the project area as Urban and Built-Up Land, which includes residential, industrial, commercial, institutional facilities, cemeteries, airports, golf courses, sanitary landfills, sewage

treatment, and water control structures.¹³⁹ The project site contains no Prime Farmland, Unique Farmland, Farmland of Statewide Importance, forest, or timberlands; does not support agricultural or timber uses; is not zoned for agricultural or timber uses;¹⁴⁰ and is not under a Williamson Act contract.¹⁴¹

| Topics: | Potentially Significant Impact | Less Than Significant with Mitigation Incorporated | Less Than Significant Impact | No Impact | Not Applicable |
|--|--------------------------------|--|-------------------------------------|--------------------------|--------------------------|
| 19. MANDATORY FINDINGS OF SIGNIFICANCE— | | | | | |
| Would the project: | | | | | |
| a) Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Have impacts that would be individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Impact MF-1: The project could degrade the quality of the environment, reduce the habitat of or otherwise adversely affect rare or endangered plant or animal species, or eliminate important examples of California history or prehistory. (Less than Significant)

¹³⁹California Department of Conservation. *San Mateo County Important Farmlands, Division of Land Resource Protection, Farmland Mapping and Monitoring Program*, 2008. Internet website: http://redirect.conservation.ca.gov/DLRP/fmmp/county_info_results.asp. Accessed on September 23, 2011.

¹⁴⁰ San Mateo County, *Zoning Maps for Unincorporated San Mateo County*, available online: [http://www.co.sanmateo.ca.us/planning/zonemap/pdf/zonedocs/zoning%20books/zoning%20bk%2092%20\(urban\).pdf](http://www.co.sanmateo.ca.us/planning/zonemap/pdf/zonedocs/zoning%20books/zoning%20bk%2092%20(urban).pdf), accessed August 26, 2013.

¹⁴¹ California Department of Conservation, *Ibid.*

Due in large part to the developed nature of the project site and the surrounding Airport uses, the proposed project is not expected to degrade the quality of the environment, in particular with regard to plant or animal species and habitat. The potential to encounter examples of California history or prehistory is considered low. Therefore, project impacts would be less than significant.

Impact MF-2: The project could have impacts that would be individually limited but cumulatively considerable. (Less than Significant)

Potential cumulative impacts are assessed in the relevant subsections of Section E, Evaluation of Environmental Effects. For the reasons described in Sections E.1 through E.18, the project's contribution to all cumulative impacts on the environment would not be cumulatively considerable (less than significant).

Impact MF-3: The project could have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly. (Less than Significant)

This Initial Study did not identify any project-level significant impacts; therefore, the proposed project would not result in environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly (less than significant).

F. MITIGATION MEASURES AND IMPROVEMENT MEASURES

No mitigation measures have been required as part of this project. The Airport has agreed to implement the following improvement measure to further reduce less-than-significant impacts of the project.

Improvement Measure I-TR—Coordinated Construction Traffic Control Plan

SFO shall ensure that the construction contractor prepares and successfully implements a construction traffic control plan that would include project-specific measures to reduce potential impacts on traffic flows on roadways affected by project construction and other Airport projects under construction concurrently with the proposed project. These roadways are US 101, I-380, South Airport Boulevard, San Bruno Avenue, and North McDonnell Road. SFO and construction contractors would also coordinate with local jurisdictions, transit agencies, Caltrans, and the public, on affected roadways and intersections. The traffic control plan shall include the following to the extent applicable:

- Flaggers or signs would guide vehicle and other traffic (pedestrian and bicycles) through or around the construction zone.
- The contractor would maintain access for emergency response vehicles at all times.
- Truck routes designated by cities and counties would be identified in the traffic control specifications. Haul routes should minimize truck traffic on local roadways

and residential streets. For project work that requires oversized or excessive load vehicles on the State Highway System, the contractor would be responsible for obtaining a Transportation Permit from Caltrans.

- Large truck and delivery trips shall be scheduled outside the peak morning and evening commute hours, and outside on-site peak traffic hours for airport passenger loading.
- Construction, particularly related to lane closures, would be coordinated with local transit service providers.
- On-going and up-to-date information relating to the construction schedule and affected roadways and intersections, particularly lane closures, and a contact person, should be provided to the public, through timely press releases or other media messaging.
- Where it is feasible and safe to do so, existing pedestrian and bicycle access and circulation would be maintained at all times. If access and circulation cannot be maintained, detours would be designated and posted for pedestrians and bicyclists.
- All construction equipment and materials would be stored in designated contractor staging areas on or adjacent to the worksite on Airport property, in a manner that minimizes obstruction of traffic.
- Public roadways would be repaired or restored to their original conditions upon completion of construction.
- The traffic control plan would conform to the *California Manual on Uniform Traffic Control Devices: Part 6, "Temporary Traffic Control."* Traffic plans may require Caltrans, San Mateo County, SFO Traffic Engineering, and city review or approval.

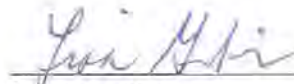
G. PUBLIC NOTICE AND COMMENT

To be completed after PMND public review period. On May 24, 2017, the Planning Department provided notice of intent to adopt a negative declaration in accordance with CEQA Guidelines Section 15072. The State Clearinghouse review period ended on June 28, 2017. One comment letter from the Native American Heritage Commission was received on the PND. These comments primarily express concern regarding the less-than-significant findings for archaeological resources, tribal cultural resources, and human remains and suggest that mitigation measures for inadvertent discoveries should be included in the document. The comment letter and the Planning Department's response are included in Appendix A. In response to those comments, revisions have been made to initial study Section 4, Cultural Resources, on pages 29-30. These revisions do not change the findings and conclusions of the initial study.

H. DETERMINATION

On the basis of this Initial Study:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, no further environmental documentation is required.



Lisa M. Gibson
Environmental Review Officer
for
John Rahaim
Director of Planning

DATE July 29, 2017

I. Initial Study Preparers

Planning Department, City and County of San Francisco
Environmental Planning Division
1650 Mission Street, Suite 400
San Francisco, CA 94103

Environmental Review Officer: Lisa M. Gibson
Senior Environmental Planner: Rick Cooper
Environmental Planner: Julie Moore

Appendix A

Comments and Responses on Preliminary Negative Declaration

Native American Heritage Commission - Letter Dated June 28, 2017

San Francisco Planning Department Response – Letter Dated July 28, 2017

NATIVE AMERICAN HERITAGE COMMISSION

Environmental and Cultural Department
1550 Harbor Blvd., Suite 100
West Sacramento, CA 95601
Phone (916) 373-3710
Fax (916) 373-5471



June 28, 2017

Julie Moore
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Sent via e-mail: Julie.moore@sfgov.org

Re: SCH# 2017052072, SFO Courtyard 3 Connector Project, Communities of Burlingame, San Bruno, Millbrae, and South San Francisco; San Mateo County, California

Dear Ms. Moore:

The Native American Heritage Commission (NAHC) has reviewed the Negative Declaration prepared for the project referenced above. The review included the Introduction and Project Description, the Summary of Environmental Effects, and the Evaluation of Environmental Effects, section E.3 Cultural Resources prepared by the San Francisco Planning Department. We have the following concerns:

1. Findings for Archaeological Resources, Tribal Cultural Resources, and human remains of "Less than Significant" should be "Less than significant with mitigation". Standard mitigation measures should be included in the document with groundbreaking activities. Mitigation measures must take Tribal Cultural Resources into consideration as required under AB-52, **with or without consultation** occurring. Mitigation language for archaeological resources is not always appropriate for or similar to measures specifically for handling Tribal Cultural Resources.
2. Mitigation for inadvertent finds of Archaeological Resources, Cultural Resources, Tribal Cultural Resources, or Human Remains is missing or incomplete. If the project involves groundbreaking, standard mitigation measures should be included in the document. Please refer to Health and Safety Code § 7050.5 and Public Resources Code § 5097.98 for the process for inadvertent finds of human remains.
3. Tribal Cultural Resources assessments are not documented. These should adequately assess the existence and significance of tribal cultural resources and plan for avoidance, preservation in place, or barring both, mitigation of project-related impacts to tribal cultural resources. **The lack of documented resources does not preclude inadvertent finds**, which should be addressed in the mitigation measures.

The California Environmental Quality Act (CEQA)¹, specifically Public Resources Code section 21084.1, states that a project that may cause a substantial adverse change in the significance of a historical resource is a project that may have a significant effect on the environment.² If there is substantial evidence, in light of the whole record before a lead agency, that a project may have a significant effect on the environment, an environmental impact report (EIR) shall be prepared.³ In order to determine whether a project will cause a substantial adverse change in the significance of a historical resource, a lead agency will need to determine whether there are historical resources with the area of project effect (APE).

CEQA was amended in 2014 by Assembly Bill 52. (AB 52).⁴ **AB 52 applies to any project for which a notice of preparation or a notice of negative declaration or mitigated negative declaration is filed on or after July 1, 2015.** AB 52 created a separate category for "tribal cultural resources"⁵, that now includes "a project with an effect that may cause a substantial adverse change in the significance of a tribal cultural resource is a project that may have a significant effect on the environment."⁶ Public agencies shall, when feasible, avoid damaging effects to any tribal cultural resource.⁷ Your project may also be subject to **Senate Bill 18 (SB 18)** (Burton, Chapter 905, Statutes of 2004), Government Code 65352.3, if it also involves the adoption of or amendment to a general plan or a specific plan, or the designation or proposed designation of open space. **Both SB 18 and AB 52 have tribal consultation requirements.** Additionally, if your project is also subject to the federal National Environmental

¹ Pub. Resources Code § 21000 et seq.

² Pub. Resources Code § 21084.1; Cal. Code Regs., tit. 14, § 15064.5 (b); CEQA Guidelines Section 15064.5 (b)

³ Pub. Resources Code § 21080 (d); Cal. Code Regs., tit. 14, § 15064 subd.(a)(1); CEQA Guidelines § 15064 (a)(1)

⁴ Government Code 65352.3

⁵ Pub. Resources Code § 21074

⁶ Pub. Resources Code § 21084.2

⁷ Pub. Resources Code § 21084.3 (a)

Policy Act (42 U.S.C. § 4321 et seq.) (NEPA), the tribal consultation requirements of Section 106 of the National Historic Preservation Act of 1966^a may also apply.

Consult your legal counsel about compliance with AB 52 and SB 18 as well as compliance with any other applicable laws.

Agencies should be aware that AB 52 does not preclude agencies from initiating tribal consultation with tribes that are traditionally and culturally affiliated with their jurisdictions before the timeframes provided in AB 52. For that reason, we urge you to continue to request Native American Tribal Consultation Lists and Sacred Lands File searches from the NAHC. The request forms can be found online at: <http://nahc.ca.gov/resources/forms/>. Additional information regarding AB 52 can be found online at http://nahc.ca.gov/wp-content/uploads/2015/10/AB52TribalConsultation_CalEPAPDF.pdf, entitled "Tribal Consultation Under AB 52: Requirements and Best Practices".

The NAHC recommends lead agencies consult with all California Native American tribes that are traditionally and culturally affiliated with the geographic area of your proposed project as early as possible in order to avoid inadvertent discoveries of Native American human remains and best protect tribal cultural resources.

A brief summary of portions of AB 52 and SB 18 as well as the NAHC's recommendations for conducting cultural resources assessments is also attached.

Please contact me at gayle.totton@nahc.ca.gov or call (916) 373-3710 if you have any questions.

Sincerely,

Gayle Totton, B.S., M.A., Ph.D
Associate Governmental Project Analyst

Attachment

cc: State Clearinghouse

^a 154 U.S.C. 300101, 36 C.F.R. § 800 et seq.

Pertinent Statutory Information:

Under AB 52:

AB 52 has added to CEQA the additional requirements listed below, along with many other requirements:

Within fourteen (14) days of determining that an application for a project is complete or of a decision by a public agency to undertake a project, a **lead agency** shall provide formal notification to a designated contact of, or tribal representative of, traditionally and culturally affiliated California Native American tribes that have requested notice.

A **lead agency** shall begin the consultation process within 30 days of receiving a request for consultation from a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project.⁹ and **prior to the release of a negative declaration, mitigated negative declaration or environmental impact report.** For purposes of AB 52, "consultation shall have the same meaning as provided in Gov. Code § 65352.4 (SB 18)."¹⁰

The following topics of consultation, if a tribe requests to discuss them, are mandatory topics of consultation:

- a. Alternatives to the project.
- b. Recommended mitigation measures.
- c. Significant effects.¹¹

1. The following topics are discretionary topics of consultation:

- a. Type of environmental review necessary.
- b. Significance of the tribal cultural resources.
- c. Significance of the project's impacts on tribal cultural resources.

If necessary, project alternatives or appropriate measures for preservation or mitigation that the tribe may recommend to the lead agency.¹²

With some exceptions, any information, including but not limited to, the location, description, and use of tribal cultural resources submitted by a California Native American tribe during the environmental review process **shall not be included in the environmental document or otherwise disclosed by the lead agency or any other public agency to the public, consistent with Government Code sections 6254 (r) and 6254.10.** Any information submitted by a California Native American tribe during the consultation or environmental review process shall be published in a confidential appendix to the environmental document unless the tribe that provided the information consents, in writing, to the disclosure of some or all of the information to the public.¹³

If a project may have a significant impact on a tribal cultural resource, **the lead agency's environmental document shall discuss** both of the following:

- a. Whether the proposed project has a significant impact on an identified tribal cultural resource.
- b. Whether feasible alternatives or mitigation measures, including those measures that may be agreed to pursuant to Public Resources Code section 21082.3, subdivision (a), avoid or substantially lessen the impact on the identified tribal cultural resource.¹⁴

Consultation with a tribe shall be considered concluded when either of the following occurs:

- a. The parties agree to measures to mitigate or avoid a significant effect, if a significant effect exists, on a tribal cultural resource; or
- b. A party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached.¹⁵

Any mitigation measures agreed upon in the consultation conducted pursuant to Public Resources Code section 21080.3.2 **shall be recommended for inclusion in the environmental document and in an adopted mitigation monitoring and reporting program,** if determined to avoid or lessen the impact pursuant to Public Resources Code section 21082.3, subdivision (b), paragraph 2, and shall be fully enforceable.¹⁶

If mitigation measures recommended by the staff of the lead agency as a result of the consultation process are not included in the environmental document or if there are no agreed upon mitigation measures at the conclusion of consultation, or if consultation does not occur, and if substantial evidence demonstrates that a project will cause a significant effect to a tribal cultural resource, **the lead agency shall consider feasible mitigation** pursuant to Public Resources Code section 21084.3 (b).¹⁷

An environmental impact report **may not be certified,** nor may a mitigated negative declaration or a negative declaration be adopted unless one of the following occurs:

- a. The consultation process between the tribes and the lead agency has occurred as provided in Public Resources Code sections 21080.3.1 and 21080.3.2 and concluded pursuant to Public Resources Code section 21080.3.2.
- b. The tribe that requested consultation failed to provide comments to the lead agency or otherwise failed to engage in the consultation process.

⁹ Pub. Resources Code § 21080.3.1, subs. (d) and (e)

¹⁰ Pub. Resources Code § 21080.3.1 (b)

¹¹ Pub. Resources Code § 21080.3.2 (a)

¹² Pub. Resources Code § 21080.3.2 (a)

¹³ Pub. Resources Code § 21082.3 (c)(1)

¹⁴ Pub. Resources Code § 21082.3 (b)

¹⁵ Pub. Resources Code § 21080.3.2 (b)

¹⁶ Pub. Resources Code § 21082.3 (a)

¹⁷ Pub. Resources Code § 21082.3 (e)

- c. The lead agency provided notice of the project to the tribe in compliance with Public Resources Code section 21080.3.1 (d) and the tribe failed to request consultation within 30 days.¹⁸

This process should be documented in the Tribal Cultural Resources section of your environmental document.

Under SB 18:

Government Code § 65352.3 (a) (1) requires consultation with Native Americans on general plan proposals for the purposes of "preserving or mitigating impacts to places, features, and objects described § 5097.9 and § 5091.993 of the Public Resources Code that are located within the city or county's jurisdiction. Government Code § 65560 (a), (b), and (c) provides for consultation with Native American tribes on the open-space element of a county or city general plan for the purposes of protecting places, features, and objects described in Sections 5097.9 and 5097.993 of the Public Resources Code.

- SB 18 applies to **local governments** and requires them to contact, provide notice to, refer plans to, and consult with tribes prior to the adoption or amendment of a general plan or a specific plan, or the designation of open space. Local governments should consult the Governor's Office of Planning and Research's "Tribal Consultation Guidelines," which can be found online at: https://www.opr.ca.gov/docs/09_14_05_Updated_Guidelines_922.pdf
- **Tribal Consultation:** If a local government considers a proposal to adopt or amend a general plan or a specific plan, or to designate open space it is required to contact the appropriate tribes identified by the NAHC by requesting a "Tribal Consultation List." If a tribe, once contacted, requests consultation the local government must consult with the tribe on the plan proposal. **A tribe has 90 days from the date of receipt of notification to request consultation unless a shorter timeframe has been agreed to by the tribe.**¹⁹
- **There is no Statutory Time Limit on Tribal Consultation under the law.**
- **Confidentiality:** Consistent with the guidelines developed and adopted by the Office of Planning and Research,²⁰ the city or county shall protect the confidentiality of the information concerning the specific identity, location, character, and use of places, features and objects described in Public Resources Code sections 5097.9 and 5097.993 that are within the city's or county's jurisdiction.²¹
- **Conclusion Tribal Consultation:** Consultation should be concluded at the point in which:
 - The parties to the consultation come to a mutual agreement concerning the appropriate measures for preservation or mitigation; or
 - Either the local government or the tribe, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached concerning the appropriate measures of preservation or mitigation.²²

NAHC Recommendations for Cultural Resources Assessments:

- Contact the NAHC for:
 - A Sacred Lands File search. Remember that tribes do not always record their sacred sites in the Sacred Lands File, nor are they required to do so. A Sacred Lands File search is not a substitute for consultation with tribes that are traditionally and culturally affiliated with the geographic area of the project's APE.
 - A Native American Tribal Contact List of appropriate tribes for consultation concerning the project site and to assist in planning for avoidance, preservation in place, or, failing both, mitigation measures.
 - The request form can be found at <http://nahc.ca.gov/resources/forms/>.
- Contact the appropriate regional California Historical Research Information System (CHRIS) Center (http://ohp.parks.ca.gov/?page_id=1068) for an archaeological records search. The records search will determine:
 - If part or the entire APE has been previously surveyed for cultural resources.
 - If any known cultural resources have been already been recorded on or adjacent to the APE.
 - If the probability is low, moderate, or high that cultural resources are located in the APE.
 - If a survey is required to determine whether previously unrecorded cultural resources are present.
- If an archaeological inventory survey is required, the final stage is the preparation of a professional report detailing the findings and recommendations of the records search and field survey.
 - The final report containing site forms, site significance, and mitigation measures should be submitted immediately to the planning department. All information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum and not be made available for public disclosure.
 - The final written report should be submitted within 3 months after work has been completed to the appropriate regional CHRIS center.

¹⁸ Pub. Resources Code § 21082.3 (d)

¹⁹ (Gov. Code § 65352.3 (a)(2)).

²⁰ pursuant to Gov. Code section 65040.2,

²¹ (Gov. Code § 65352.3 (b)).

²² (Tribal Consultation Guidelines, Governor's Office of Planning and Research (2005) at p. 18).

Examples of Mitigation Measures That May Be Considered to Avoid or Minimize Significant Adverse Impacts to Tribal Cultural Resources:

- Avoidance and preservation of the resources in place, including, but not limited to:
 - Planning and construction to avoid the resources and protect the cultural and natural context.
 - Planning greenspace, parks, or other open space, to incorporate the resources with culturally appropriate protection and management criteria.
- Treating the resource with culturally appropriate dignity, taking into account the tribal cultural values and meaning of the resource, including, but not limited to, the following:
 - Protecting the cultural character and integrity of the resource.
 - Protecting the traditional use of the resource.
 - Protecting the confidentiality of the resource.
- Permanent conservation easements or other interests in real property, with culturally appropriate management criteria for the purposes of preserving or utilizing the resources or places.
- Please note that a federally recognized California Native American tribe or a non-federally recognized California Native American tribe that is on the contact list maintained by the NAHC to protect a California prehistoric, archaeological, cultural, spiritual, or ceremonial place may acquire and hold conservation easements if the conservation easement is voluntarily conveyed.²³
- Please note that it is the policy of the state that Native American remains and associated grave artifacts shall be repatriated.²⁴

The lack of surface evidence of archaeological resources (including tribal cultural resources) does not preclude their subsurface existence.

- Lead agencies should include in their mitigation and monitoring reporting program plan provisions for the identification and evaluation of inadvertently discovered archaeological resources.²⁵ In areas of identified archaeological sensitivity, a certified archaeologist and a culturally affiliated Native American with knowledge of cultural resources should monitor all ground-disturbing activities.
- Lead agencies should include in their mitigation and monitoring reporting program plans provisions for the disposition of recovered cultural items that are not burial associated in consultation with culturally affiliated Native Americans.
- Lead agencies should include in their mitigation and monitoring reporting program plans provisions for the treatment and disposition of inadvertently discovered Native American human remains. Health and Safety Code section 7050.5, Public Resources Code section 5097.98, and Cal. Code Regs., tit. 14, section 15064.5, subdivisions (d) and (e) (CEQA Guidelines section 15064.5, subs. (d) and (e)) address the processes to be followed in the event of an inadvertent discovery of any Native American human remains and associated grave goods in a location other than a dedicated cemetery.

²³ (Civ. Code § 815.3 (c)).

²⁴ (Pub. Resources Code § 5097.991).

²⁵ per Cal. Code Regs., tit. 14, section 15064.5(f) (CEQA Guidelines section 15064.5(f)).



SAN FRANCISCO PLANNING DEPARTMENT

July 28, 2017

Gayle Totton
Associate Governmental Project Analyst
Native American Heritage Commission
Environmental and Cultural Department
1550 Harbor Blvd., Suite 100
West Sacramento, CA 95891

**RE: SCH#2017052072, San Francisco Planning Department Case No. 2016-000857ENV
SFO Courtyard 3 Connector Project Initial Study/Preliminary Negative Declaration (IS/PND)**

Dear Ms. Totton:

The Planning Department has received the Native American Heritage Commission's comments on the IS/PND dated May 24, 2017. These comments primarily express concern regarding the less-than-significant findings for archaeological resources, tribal cultural resources, and human remains and suggest that mitigation measures for inadvertent discoveries should be included in the document. These comments do not provide any site-specific information regarding resources of this nature that could be present. In addition, the commission notes that the IS/PND does not adequately document tribal cultural resource assessments in accordance with Assembly Bill 52.

The San Francisco International Airport has a long history of development. The entire area of the Airport terminal complex has been created by placement of fill material over bay mud. Filling in the vicinity of the project site began in the 1930s in association with expansion of airport facilities. Abundant data regarding the subsurface conditions exists from the numerous soil borings that have been advanced throughout the airport property for geotechnical studies and remedial investigations. These studies show that the project site is underlain by artificial fill material and Bay Mud deposits to a depth of at least 25 feet. The proposed project foundations would extend to a depth of 10 feet, within fill and Bay Mud deposits. The potential for the stratigraphic layers that would be impacted by the proposed project foundations to contain archaeological resources, human remains or tribal cultural resources is extremely low. Artificial fill dating from the mid-20th century and the top of the Bay Mud are not generally sensitive for archeological resources. This sensitivity analysis was confirmed through review of land use history, which did not identify previous development at the project site that would change this low sensitivity assessment. Additionally, to date, no archaeological resources, tribal cultural resources, or human remains have been encountered during construction of airport facilities. While the Planning Department commonly includes accidental discovery mitigation measures in environmental documents, in this case the Planning Department's archeologist determined that the possibility of a substantial impact on these resources was remote and, therefore, no mitigation measures are warranted.

1650 Mission St.
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San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

As shown in the revisions to the initial study in the Final Negative Declaration attached, additional discussion regarding the subsurface conditions of the airport have been included to support the Planning Department's determination.

In addition, new text has been added that describes the Planning Department's outreach in accordance with AB52 tribal consultation requirements. As discussed, consultation was not requested for this project and the Department does not know of any tribal cultural resources at the project site. Based on the Department's previous discussions with Native American tribal representatives, the primary tribal cultural resource identified in the vicinity of the project was determined to be prehistoric archeological resources, which was determined to be very low potential for encountering at the project site. For the reasons discussed above, the potential for inadvertent finds of tribal cultural resources were considered to be so low that accidental discovery mitigation measures were not warranted.

We appreciate your concerns regarding the protection of cultural resources. If you have any further questions or comments, please do not hesitate to contact us.



Lisa M. Gibson
Environmental Review Officer

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0188

ADOPTION OF FINAL NEGATIVE DECLARATION AND RELATED CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS FOR THE COURTYARD 3 CONNECTOR PROJECT; DETERMINATION TO PROCEED WITH THE COURTYARD 3 CONNECTOR PROJECT; AND ADOPTION OF IMPROVEMENT MEASURE I-TR—COORDINATED CONSTRUCTION TRAFFIC CONTROL PLAN

WHEREAS, the Courtyard 3 Connector Project (Project) will include design and construction of a new secure connector between Terminal 2 (T2) and Terminal 3 (T3), as well as an adjacent approximately 91,000 square foot building for office space, tenant lease space, passenger amenities and lounges; and

WHEREAS, after reviewing the information regarding the Project, the San Francisco Planning Department, Environmental Planning Division (Planning Department) prepared a Preliminary Negative Declaration for the Project, dated May 24, 2017, which was thereafter amended to respond to a comment received during the public review period, and a Final Negative Declaration (FND) (File No. 2016-000857ENV), dated July 28, 2017, was issued by the Planning Department, all in accordance with the California Environmental Quality Act (California Public Resources Code Section 21000 *et seq.*) (CEQA), the State CEQA Guidelines (15 Cal.Code Regs. Section 15000 *et seq.*) and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, in issuing the FND, on file at the Planning Department, 1650 Mission Street, Fourth Floor, San Francisco, California, the Planning Department determined that the project could not have a significant effect on the environment and the Commission desires now to adopt as its own the CEQA findings made by the Planning Department in the FND; now, therefore be it

RESOLVED, that the Commission has reviewed and considered the information in the FND, including the comment on the Preliminary Negative Declaration and response thereto, and based upon the record as a whole, the Commission finds that the FND reflects the independent judgment and analysis of the Planning Department and the Commission, is adequate and complete for purposes of acting on the Project, and that there is no substantial evidence that the Project could have a significant effect on the environment; and be it further

RESOLVED, that this Commission hereby adopts the Final Negative Declaration for the Courtyard 3 Connector Project and adopts as its own the CEQA findings made therein by the Planning Department; and be it further

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0188

RESOLVED, that this Commission has reviewed and considered, and hereby adopts, Improvement Measure I-TR-- Coordinated Construction Traffic Control Plan described in the FND, to be implemented in connection with the Project; and be it further

RESOLVED, that this Commission hereby determines to proceed with the Courtyard 3 Connector Project; and be it further

RESOLVED, that this Commission hereby authorizes the Director and the other officers, agents, and employees of the Commission to obtain any other required approvals and take any administrative actions necessary to implement the design and construction of the Project.

Page 2 of 2

I hereby certify that the foregoing resolution was adopted by the Airport Commission
= AUG 15 2017
at its meeting of _____


Secretary



MEMORANDUM
August 15, 2017

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

17-0188
17-0188

AUG 15 2017

FROM: Airport Director

SUBJECT: Adoption of Final Negative Declaration and Related California Environmental Quality Act Findings for the Courtyard 3 Connector Project; Determination to Proceed with the Courtyard 3 Connector Project; Adoption of Improvement Measure I-TR—Coordinated Construction Traffic Control Plan; and Authorization to Issue a Request for Qualifications/Proposals for Professional Services Contract No. 10072.41, Project Management Support Services

DIRECTOR'S RECOMMENDATION: ADOPT THE FINAL NEGATIVE DECLARATION AND RELATED CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS FOR THE COURTYARD 3 CONNECTOR PROJECT; DETERMINE TO PROCEED WITH THE COURTYARD 3 CONNECTOR PROJECT; ADOPT IMPROVEMENT MEASURE I-TR—COORDINATED CONSTRUCTION TRAFFIC CONTROL PLAN; AND AUTHORIZE THE DIRECTOR TO ISSUE A REQUEST FOR QUALIFICATIONS/PROPOSALS FOR PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT.

Executive Summary

Transmitted herewith for your approval is a proposed Resolution adopting the Final Negative Declaration for the Courtyard 3 Connector Project (Project); determining to proceed with the Project; and adopting Improvement Measure I-TR—Coordinated Construction Traffic Control Plan described in the Final Negative Declaration. Also transmitted herewith for your approval is a proposed Resolution authorizing the Director to issue a Request for Qualifications/Proposals (RFQ/RFP) for Professional Services Contract No. 10072.41, Project Management Support Services (PMSS) for the Project.

The Project will include design and construction of a new pre security and post security connector between Terminal 2 (T2) and Terminal 3 (T3), as well as an adjacent building for office space, tenant lease space, passenger amenities and lounges.

The PMSS consultant (Consultant) will provide overall management expertise and oversight of the Project, including design and construction management services, project controls, contract administration, cost estimating services and field inspection.

Background

The Airport proposes to construct a new secure connector between T2 and T3 to provide greater flexibility for airline gate use, to improve overall passenger experience, and to create additional areas to meet airline and Airport operational needs.

The Airport also proposes to develop a new approximately 91,000 square foot building. The building, constructed on piers above both Courtyard 3 and a two-story portion of T2, would include a new post security walkway between T2 and T3, and four levels of office space. The new building would free valuable space in the International Terminal Building for new lease space resulting in additional revenue generation.

The Consultant will provide overall management expertise and oversight. Additionally, the Consultant would provide design and construction management services, project controls and reporting, scheduling, contract administration, cost estimating services and field inspection.

Environmental Review

In accordance with the California Environmental Quality Act (California Public Resources Code Section 21000 *et seq.* (CEQA); the State CEQA Guidelines (14 Cal.Code Regs. Section 15000 *et seq.*); and Chapter 31 of the San Francisco Administrative Code, the San Francisco Planning Department, Environmental Planning Division (Planning Department) prepared a Preliminary Negative Declaration, dated May 24, 2017, which was thereafter amended in response to a comment letter received from the Native American Heritage Commission during the public review period. The Final Negative Declaration issued by the Planning Department (Planning Department File No. 2016-000857ENV) and dated July 28, 2017 (see Attachment 2) includes the comment letter and written response from the Planning Department. Through the Final Negative Declaration analysis, the Planning Department determined that the Project could not have a significant effect on the environment.

The Project will be designed within the scope and scale analyzed in the final negative declaration. While no mitigation measures were identified or determined to be necessary, the Final Negative Declaration recommends implementation of a Transportation Improvement Measure (Improvement Measure I-TR—Coordinated Construction Traffic Control Plan) that includes specified traffic control measures to address traffic flows on roadways that would be affected by the Project and other construction at the Airport. Staff recommends that the Commission adopt Improvement Measure I-TR.

Request for Qualifications/Proposals

The RFQ/RFP for PMSS will contain minimum qualifications requirements appropriate for the anticipated size and complexity of the proposed scope. Upon determining which proposals meet the minimum qualifications, Staff will convene a Selection Panel to review and score the technical content of the proposals. The Airport will then shortlist up to four of the highest-ranked teams for interviews scored by the Selection Panel. Staff will perform reference checks of past clients of the proposers, and provide these to the Selection Panel for evaluation. Please see Attachment I for the proposed minimum qualifications requirements and recommended evaluation and selection criteria.

Based upon the Selection Panel's evaluation of the proposals, interviews and reference checks, Staff will negotiate with the highest-ranked proposers in successive order until negotiations are successful with one of the qualified proposers. Following successful negotiations, Staff will prepare for the Commission's consideration a recommendation to award a contract to the successful proposer.

The duration of the Contract is 40 months with an estimated cost of \$13,000,000.

The City's Contract Monitoring Division has approved a 21% Local Business Enterprise subcontracting participation requirement for this Contract.

Recommendation

Based on the above, I recommend that the Commission adopt the Final Negative Declaration and related California Environmental Quality Act findings for the Courtyard 3 Connector Project; determine to proceed with the Courtyard 3 Connector Project; and adopt Improvement Measure I_TR—Coordinated Construction Traffic Control Plan. I further recommend that the Commission authorize the Director to issue a Request for Qualifications/Proposals for Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project, and authorize the Director to negotiate with the highest-ranked proposers in successive order until negotiations are successful with one of the qualified proposers.



Ivar E. Satero
Airport Director

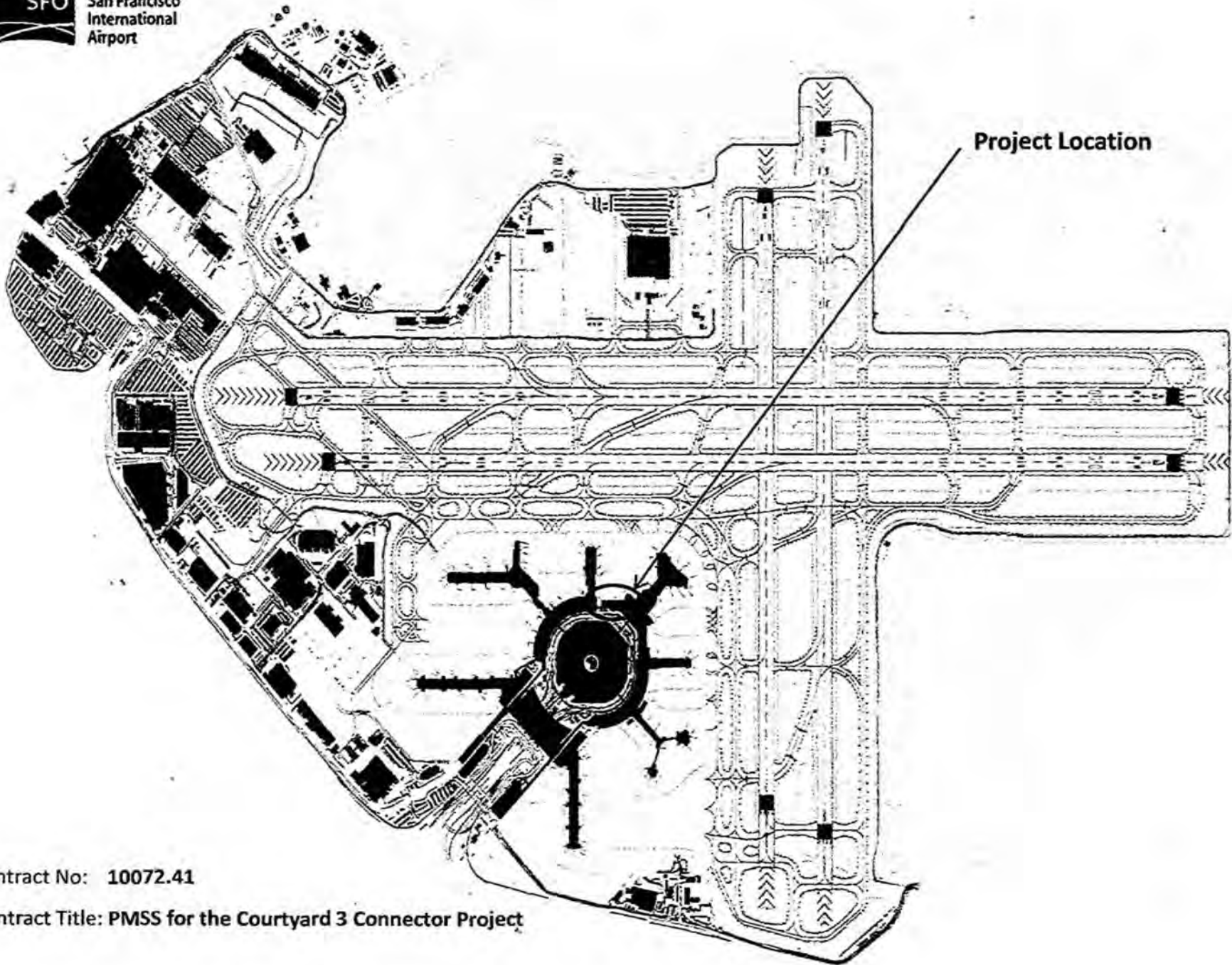
Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Attachments

Attachment I

| PROPOSED MINIMUM QUALIFICATIONS REQUIREMENTS | |
|---|---|
| Project: | Contract No. 10072.41 - Project Management Support Services (PMSS) for the Courtyard 3 Connector Project |
| Minimum Qualification Requirements | <p>In the past ten (10) years, Proposer or any team member have:</p> <ol style="list-style-type: none"> 1. Managed a public sector project that included the implementation of Partnering and Stakeholder Engagement services. 2. Provided programming, design, construction, activation and closeout management services for at least one (1) airport construction project, valued at one-hundred million dollars (\$100,000,000) or more, during live operations within an airport terminal or boarding area using the Design-Build project delivery method, Progressive Guaranteed Maximum Price, Cost Forecasting, and Trade Bid Packages. 3. Provided specialized management services of mechanical, electrical and plumbing systems, airport special systems, and airfield and aircraft systems during all phases of an Airport construction project. 4. Coordinated activities with designers and contractors on a project that successfully achieved a rating of at least Gold under the United States Green Building Council's Leadership in Energy and Environmental Design (LEED®) and have at least one (1) team member who is a LEED® AP BD+C. 5. Operated each of the following tools: an electronic document management system, AutoCAD, and Revit. |

| RECOMMENDED EVALUATION AND SELECTION CRITERIA | |
|--|-----------------------|
| Criteria | Scoring Weight |
| Introduction and Executive Summary | 0 |
| Proposers Experience and Qualifications | 80 |
| Proposed Key Project Personnel | 120 |
| Project Approach | 100 |
| Oral Interview | 250 |
| Total Possible Points | 550 |



Project Location

Contract No: 10072.41

Contract Title: PMSS for the Courtyard 3 Connector Project



San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 230010

Bid/RFP #:

Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION

| | |
|---|---|
| TYPE OF FILING | DATE OF ORIGINAL FILING (for amendment only) |
| Original | |
| AMENDMENT DESCRIPTION – Explain reason for amendment | |
| | |

2. CITY ELECTIVE OFFICE OR BOARD

| | |
|------------------------|--------------------------------------|
| OFFICE OR BOARD | NAME OF CITY ELECTIVE OFFICER |
| Board of Supervisors | Members |

3. FILER'S CONTACT

| | |
|----------------------------------|--------------------------------|
| NAME OF FILER'S CONTACT | TELEPHONE NUMBER |
| Angela Calvillo | 415-554-5184 |
| FULL DEPARTMENT NAME | EMAIL |
| Office of the Clerk of the Board | Board.of.Supervisors@sfgov.org |

4. CONTRACTING DEPARTMENT CONTACT

| | |
|---|--|
| NAME OF DEPARTMENTAL CONTACT | DEPARTMENT CONTACT TELEPHONE NUMBER |
| Cathy Widener | 650-821-5184 |
| FULL DEPARTMENT NAME | DEPARTMENT CONTACT EMAIL |
| AIR San Francisco International Airport | Cathy.Widener@flysfo.com |

| 5. CONTRACTOR | |
|--|---|
| NAME OF CONTRACTOR PGH Wong and Partners JV | TELEPHONE NUMBER 415-566-0800 |
| STREET ADDRESS (including City, State and Zip Code) 182 2nd Street, Suite 500, San Francisco, CA 94105 | EMAIL cliff@pghwong.com |

| 6. CONTRACT | | |
|--|--------------------------------|--|
| DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S) | ORIGINAL BID/RFP NUMBER | FILE NUMBER (If applicable) 230010 |
| DESCRIPTION OF AMOUNT OF CONTRACT Not to Exceed \$25,000,000 | | |
| NATURE OF THE CONTRACT (Please describe) The contractor provides project management support services to assist the Airport with the Courtyard 3 Connector Project ("Project") in a coordinated and methodical manner. Specific areas of expertise required include design management and construction phasing, project-level cost/schedule controls, solicitations and contract preparation, alternative project delivery processes, project management/construction management coordination, cost estimating, industry outreach/workshops, document control, program management systems, and other administrative support functions and operations. The Project includes constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges. | | |

| 7. COMMENTS |
|---|
| Amount in Description of Amount Contract reflects the reduction from '\$27,850,000' to '\$25,000,000'. as amended in Committee. |

| 8. CONTRACT APPROVAL | |
|-------------------------------------|---|
| This contract was approved by: | |
| <input type="checkbox"/> | THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM |
| <input checked="" type="checkbox"/> | A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors |
| <input type="checkbox"/> | THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS |

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

| # | LAST NAME/ENTITY/SUBCONTRACTOR | FIRST NAME | TYPE |
|----|--------------------------------|------------|---------------|
| 1 | Wong | Peter | CEO |
| 2 | Wong | Ronald | COO |
| 3 | Avila | Catherine | CEO |
| 4 | Avila | Ernesto | COO |
| 5 | Chaves & Associates | | Subcontractor |
| 6 | Montez Group, Inc. | | Subcontractor |
| 7 | Saylor Consulting Group | | Subcontractor |
| 8 | Studio 151 | | Subcontractor |
| 9 | UDC, LLC | | Subcontractor |
| 10 | Stok, LLC | | Subcontractor |
| 11 | Helton Ventures, LLC | | Subcontractor |
| 12 | | | |
| 13 | | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | | | |
| 19 | | | |

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

| # | LAST NAME/ENTITY/SUBCONTRACTOR | FIRST NAME | TYPE |
|----|--------------------------------|------------|------|
| 20 | | | |
| 21 | | | |
| 22 | | | |
| 23 | | | |
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| 37 | | | |
| 38 | | | |

Incomplete - Pending Signature

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

| # | LAST NAME/ENTITY/SUBCONTRACTOR | FIRST NAME | TYPE |
|--------------------------|---|------------|------|
| 39 | | | |
| 40 | | | |
| 41 | | | |
| 42 | | | |
| 43 | | | |
| 44 | | | |
| 45 | | | |
| 46 | | | |
| 47 | | | |
| 48 | | | |
| 49 | | | |
| 50 | | | |
| <input type="checkbox"/> | Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type. | | |

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

| | |
|---|---------------------------|
| <p>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</p> <p>BOS Clerk of the Board</p> | <p>DATE SIGNED</p> |
|---|---------------------------|

April 24, 2020

Ms. Angela Calvillo

Clerk of the Board

Board of Supervisors

City Hall

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102-4689

Subject: Contract Modification No. 5 – to PGH Wong & Partners JV – Project Management Support Services for the Courtyard 3 Connector Project— Not to Exceed \$17,250,000

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding for the Board of Supervisors' approval, a contract between the City and County of San Francisco, by and through its Airport Commission ("Commission") and PGH Wong & Partners JV, for Project Management Support Services. This contract was originally estimated to exceed \$10 million and the threshold stated in Section 9.118.

The Commission awarded this contract by Resolution 17-0321 on December 19, 2017, to PGH Wong & Partners JV, approved Modification No. 2, by Resolution 19-0030, on February 19, 2019; approved Modification No. 4, by Resolution 20-0028, on February 18, 2020; Modification Nos. 1 and 3 were administrative in nature, and executed by the Airport Director.

By Resolution 20-0029, dated February 18, 2020, the Commission approved Modification No. 5 to this contract. The Commission authorized a not to exceed amount of \$17,250,000.

One (1) set of the following documents are enclosed for review:

- Proposed Board of Supervisors Resolution (two copies attached);
- Adopted Airport Commission Resolution No. 17-0188;
- Memorandum recommending Resolution No. 17-0188;
- Adopted Airport Commission Resolution No. 17-0189;
- Memorandum recommending Resolution No. 17-0189;
- Adopted Airport Commission Resolution No. 17-0321;
- Memorandum recommending Resolution No. 17-0321;
- Adopted Airport Commission Resolution No. 19-0030;
- Memorandum recommending Resolution No. 19-0030;
- Adopted Airport Commission Resolution No. 19-0273;
- Memorandum recommending Resolution No. 19-0273;
- Adopted Airport Commission Resolution No. 20-0028;
- Memorandum recommending Resolution No. 20-0028;
- Adopted Airport Commission Resolution No. 20-0029;
- Memorandum recommending Resolution No. 20-0029;
- Form SFEC-126 for the Board of Supervisors;
- Copy of Airport Contract No. 10072.41 with PGH Wong & Partners JV – a Joint Venture for Project Management Support Services;
- Certified Modification No. 1;

- Certified Modification No. 2;
- Certified Modification No. 3;
- Certified Modification No. 4: and
- Modification No. 5

Please contact Cathy Widener, Airport Governmental Affairs Manager, at (650) 821-5023 if you have questions or concerns regarding this matter.

Very truly yours,

C. Corina Monzón /s/

C. Corina Monzón
Commission Secretary

Enclosures

cc: Cathy Widener
Kris Opbroek
Claudia Luquin
Olga Perez
Victor M. Madrigal Jr.