



San Francisco International Airport

**MEMORANDUM**

September 5, 2023

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

23-0221

SEP 5 2023

FROM: Airport Director

SUBJECT: Approval of Modification No. 1 to Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 11365.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE INTERNATIONAL TERMINAL BUILDING PHASE 2 PROJECT, WITH AGS, INC., TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$4,770,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$9,650,000 AND TO EXTEND THE CONTRACT DURATION FOR AN ADDITIONAL 954 CONSECUTIVE CALENDAR DAYS.

**Executive Summary**

The International Terminal Building (ITB) Phase 2 Project (Project) will renovate the Arrivals Level of the ITB to increase passenger processing through improvements to the Federal Inspection Services primary immigration screening and reconfigure the Customs and Border Protection (CBP) support areas.

In October 2020, the Airport suspended most of the original ITB Phase 2 scope of work due to the COVID-19 pandemic's impact on Airport finances. On-going work included the Arrivals Level Federal Inspection Services portal and door vestibules renovation. The Airport ended the suspension, and work resumed on January 30, 2023.

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

Modification No. 1 would increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and extend the Contract duration for an additional 954 consecutive calendar days.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO THIS PRINT COVERS CALENDAR ITEM NO. 4

LONDON N. BREED  
MAYOR

MALCOLM YEUNG  
PRESIDENT

EVERETT A. HEWLETT, JR.  
VICE PRESIDENT

JANE NATOLI

JOSE F. ALMANZA

IVAR C. SATERO  
AIRPORT DIRECTOR

**Background**

On October 1, 2019, by Resolution No. 19-0251, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals for PMSS for the Project. Refer to Attachment A – Summary of Commission Actions for the Contract.

On June 16, 2020, by Resolution No. 20-0108, the Commission awarded the Contract to AGS, Inc., in an amount not to exceed \$4,880,000 for 1,218 days of services.

Modification No. 1 would increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and extend the Contract duration for an additional 954 consecutive calendar days of services for a total duration of 2,172 days. This will account for the suspension of work following the onset of the COVID-19 pandemic, as well as the updated project phasing approach that aligns with operational constraints to complete the Project. Staff and AGS, Inc. have agreed on scope, staffing, and fees.

The current budget for the Contract is \$9,650,000, with an anticipated total duration of 2,172 calendar days. The Contract is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

Staff will review and adjust staffing provided by this Contract based on the dynamic needs of the Project. Staff will evaluate performance based on the retention of key personnel and the proficiency of the team to perform the required tasks. The Airport will report to the Commission on the performance of the Consultant through off-calendar memoranda.

The City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 18% for the Contract. AGS, Inc. has committed to meeting this requirement.

**Recommendation**

I recommend the Commission approve Modification No. 1 to Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project, to AGS, Inc., to increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and to extend the Contract duration to a total of 2,172 consecutive calendar days.



Ivar C. Satero  
Airport Director

Prepared by: Judi Mosqueda  
Chief Development Officer  
Design & Construction

Attachments

# ATTACHMENT A

## SUMMARY OF COMMISSION ACTIONS

September 5, 2023

Contract No.: 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project  
 Consultant: AGS, Inc.  
 Modification No. 1

Date	Modification No.	Resolution No.	Description	Scope	Amount
10/1/2019	-	19-0251	Issue RFQ/RFP	Authorization to Issue Request for Qualifications/Request for Proposals	\$0
6/16/2020	-	20-0108	Award of Contract	Project Management Support Services	\$4,880,000

Authorized Contract Not-To-Exceed Amount to Date **\$4,880,000**  
 Proposed Contract Modification No. 1 Amount **\$4,770,000**  
 Proposed Modified Contract Not-To-Exceed Amount **\$9,650,000**



Project Location

Contract No: 11365.41

Project Title: Project Management Support  
Services for the International  
Terminal Building Phase 2 Project

