

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 20-0017

APPROVAL OF MODIFICATION NO. 14 TO PROFESSIONAL SERVICES CONTRACT NO. 9185.9, PROGRAM MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 1/BOARDING AREA B REDEVELOPMENT PROGRAM WITH T1 PARTNERS, A JOINT VENTURE, A JOINT VENTURE BETWEEN THE ALLEN GROUP, LLC AND EPC CONSULTANTS, INC., INCREASING THE CONTRACT AMOUNT BY \$6,000,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$38,000,000, AND EXTENDING THE CONTRACT FOR SERVICES FROM JULY 2, 2016 THROUGH JULY 7, 2023

- WHEREAS, on November 3, 1992, by Resolution No. 92-0284, the Commission approved the San Francisco Master Plan (Master Plan) and adopted findings, including a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program, as required by the California Environmental Quality Act (CEQA); and
- WHEREAS, the Master Plan was the subject of a Program Environmental Impact Report (EIR) prepared by the City and County of San Francisco Office of Environmental Review and certified by the San Francisco Planning Commission on May 28, 1992, by Motion No. 13356, in accordance with the requirements of CEQA, Cal. Public Resources Code Sec. 21000, *et seq.*; 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, the Terminal 1/Boarding Area B Redevelopment (Project or T1 Program) is a project included in the Master Plan, and is described generally in the Master Plan and analyzed in the EIR; and
- WHEREAS, Section 15168 of the CEQA Guidelines requires subsequent activities in a program that are covered by a program EIR be examined in light of the EIR to determine whether additional environmental documentation must be prepared; and
- WHEREAS, after reviewing the information regarding the Project, the San Francisco Planning Department – Environmental Planning Division prepared an addendum to the Master Plan EIR, dated October 24, 2007 (Addendum), to address the changes to the Project to specifically evaluate the impacts of the modifications; and
- WHEREAS, the San Francisco Planning Department – Environmental Planning Division has concluded that the Project, as modified from its description in the EIR, is within the scope of the Master Plan Program, that the environmental impacts of the Project have been adequately analyzed in the EIR, that the modifications to the Project would not cause new significant impacts not identified in the EIR nor require new mitigation measures, and that no supplemental EIR or negative declaration is required; and
- WHEREAS, since the EIR and Addendum were finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the EIR or Addendum 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 EIR or Addendum; and

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- WHEREAS, the Terminal 1/Boarding Area B Redevelopment Program (T1 Program), which will continue for the next four years, consists of completed enabling projects, as well as complete reconstruction of Harvey Milk Terminal 1 and Boarding Area B; and
- WHEREAS, on April 16, 2013, by Resolution No. 13-0087, the Commission awarded this Contract to T1 Partners, a Joint Venture, consisting of joint venture members Parsons Transportation Group, Inc., The Allen Group, LLC, and EPC Consultants, Inc. (T1 Partners) for Program Management Support Services for the T1 Program in the amount not to exceed \$4,453,178 for the first year of services; and
- WHEREAS, on June 11, 2013, by Resolution 187-13, the Board of Supervisors (BOS) approved the Contract award as required by San Francisco Charter Section 9.118(b) for the full estimated Contract costs not to exceed \$32,000,000 for services up to 1,095 days; and
- WHEREAS, on July 8, 2014, by Resolution 14-0067, the Commission approved Modification No. 3 in an amount of \$7,807,579 for the second year of services through July 7, 2015; and
- WHEREAS, on July 7, 2015, by Resolution 15-0142, the Commission approved Modification No. 5 in an amount of \$7,500,000 for the third year of services through July 7, 2016; and
- WHEREAS, on June 1, 2016, by Resolution 16-0174, the Commission approved Modification No. 6 in an amount of \$3,967,000 for the fourth year of services through July 7, 2017; and
- WHEREAS, on June 6, 2017, by Resolution 17-0194, the Commission approved Modification No. 8 in an amount of \$4,533,243 for the fifth year of services through July 7, 2018; and
- WHEREAS, on June 5, 2018, by Resolution 18-0163, the Commission approved Modification No. 10 in an amount of \$2,389,000 for the sixth year of services through July 7, 2019; and
- WHEREAS, on June 4, 2019, by Resolution 19-0143, the Commission approved Modification No. 12 in an amount of \$1,350,000 for the seventh year of services through July 7, 2020; and
- WHEREAS, on June 4, 2019, by Resolution 19-0144, the Commission approved Modification No. 13 in an amount of \$2,600,000 for a new Contract amount not to exceed \$34,600,000, increasing the contract duration through July 7, 2023, and directed Staff to seek approval from the BOS for Modification No. 13; and
- WHEREAS, Staff did not seek BOS approval of Modification No. 13, as additional scope that affected the forecasted budget and duration was added to the T1 Program just prior to seeking BOS approval of Modification No. 13 as presented to the Commission; and

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- WHEREAS, Modification No. 13, as executed with T1 Partners on January 22, 2020, was an administrative modification to recognize a change in the composition of the member firms composing the T1 Partners joint venture; and
- WHEREAS, administrative Modification Nos. 1, 2, 4, 7, 9, and 11 adjusted labor rates and added new subconsultants; and
- WHEREAS, this Modification No. 14 will increase the Contract amount to \$38,000,000 and extend the Contract duration though July 7, 2023; and
- WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation goal of 22% for this Contract and T1 Partners has committed to meeting that goal; now, therefore, be it
- RESOLVED, the Commission has reviewed and considered the EIR, Addendum, and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Modification No. 14 to Contract No. 9185.9, and incorporates the CEQA findings contained in Resolution No. 92-0284, including the Statement of Overriding Considerations, as though set forth in this Resolution; and, be it further
- RESOLVED, that the Commission hereby approves Modification No. 14 to Professional Services Contract No. 9185.9, Program Management Support Services for the Terminal 1 /Boarding Area B Redevelopment Program, with T1 Partners, a Joint Venture, a joint venture between The Allen Group, LLC and EPC Consultants Inc., in an amount of \$6,000,000 for a new Contract amount not to exceed \$38,000,000 and to extend the Contract for services from July 2, 2016 through July 7, 2023; and, be it further
- RESOLVED, that this Commission hereby directs the Commission Secretary to seek Board of Supervisors approval for Contract Modification No. 14 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* FEB - 4 2020


Secretary



San Francisco International Airport

MEMORANDUM

February 4, 2020

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Malcolm Yeung

20-0017

FEB - 4 2020

FROM: Airport Director

SUBJECT: Approval of Modification No. 14 to Professional Services Contract No. 9185.9, Program Management Support Services for the Terminal 1/Boarding Area B Redevelopment Program

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 14 TO PROFESSIONAL SERVICES CONTRACT NO. 9185.9, PROGRAM MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 1/BOARDING AREA B REDEVELOPMENT PROGRAM, WITH T1 PARTNERS, A JOINT VENTURE, A JOINT VENTURE BETWEEN THE ALLEN GROUP, LLC AND EPC CONSULTANTS, INC., TO INCREASE THE CONTRACT AMOUNT BY \$6,000,000 FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$38,000,000 AND TO EXTEND THE CONTRACT FOR SERVICES FROM JULY 2, 2016 THROUGH JULY 7, 2023.

Executive Summary

Through this Contract, T1 Partners, a Joint Venture (T1 Partners), provides Program Management Support Services (PMSS) consisting of overall management expertise and oversight of the Terminal 1/Boarding Area B Redevelopment Program (T1 Program), including design and construction management services, project controls, contract administration, cost estimating, and field inspection services.

The addition of scope and duration of the T1 Program's design-build contracts created the need for additional program level services through this Contract. Modification No. 14 would increase the Contract amount by \$6,000,000 for a new total Contract amount not to exceed \$38,000,000 and extend the Contract duration for services from July 2, 2016 through July 7, 2023.

Modification No. 14 causes the Contract to exceed the current Board of Supervisors (BOS) authorization and, upon Commission approval, will be submitted to the BOS for authorization of the new Contract amount and to extend the Contract duration.

THIS PRINT COVERS CALENDAR ITEM NO. 4

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

Background

The T1 Program, which will continue for the next four years, consists of recently completed enabling projects, as well as complete reconstruction of Harvey Milk Terminal 1 and Boarding Area B. The T1 Program addresses the aging infrastructure and gate deficiencies of the existing terminal facility and will provide a state-of-the-art facility to meet the forecasted demand.

On April 16, 2013, by Resolution No. 13-0087, the Commission awarded this Contract to T1 Partners in a not-to-exceed amount of \$4,453,178 for the first year of services through July 7, 2014. At the time of award, the total Contract forecasted amount was \$32,000,000 with a forecasted Contract duration of ten years.

On June 11, 2013, by Resolution No. 187-13, the BOS approved this Contract and authorized a not-to-exceed amount of \$32,000,000 for a term of up to 1,095 days (3 years).

Through various resolutions, the Commission approved Contract Modification Nos. 3, 5, 6, 8, 10, and 12 to increase the Contract not-to-exceed amount to \$32,000,000 and extend the Contract duration to July 7, 2020. Administrative Modification Nos. 1, 2, 4, 7, 9, and 11 adjusted labor rates and added new sub-consultants. Staff did not return to the BOS to extend the contract term.

On June 4, 2019, by Resolution No. 19-0144, the Commission approved Contract Modification No. 13, which authorized an increase to the Contract amount to \$34,500,000 and an extension to the Contract duration to July 7, 2023, which required BOS approval. Prior to seeking BOS approval and executing Modification No. 13, additional scope that affected the forecasted budget and duration was added to the T1 Program's design-build contracts (Contract No. 10010.66 and Contract No. 10011.66), requiring additional services from T1 Partners. Therefore, Staff did not execute Modification No. 13 as presented to the Commission.

On December 11, 2019, joint venture member Parsons Transportation Group, Inc., voluntarily withdrew from T1 Partners because they provided no staff to the Contract. An administrative modification, Modification No. 13, was executed on January 22, 2020 to revise the Contract to recognize the new joint venture agreement governing T1 Partners. Refer to Attachment A – Summary of Commission Actions for this Contract.

Modification No. 14 would increase the Contract amount by an additional \$6,000,000 to support the additional scope in the associated design-build projects, for a new total Contract not-to-exceed amount of \$38,000,000, and extend the Contract duration for services through July 7, 2023. Because the original BOS resolution, Resolution No. 187-13, was for a term of three years, Modification No. 14 would also reconcile the contract duration terms authorized by the Airport Commission and BOS for services from July 2, 2016 through July 7, 2023.

Pending Commission approval, Staff will seek BOS approval to increase the Contract not-to-exceed amount as required by the San Francisco Charter Section 9.118(b) for the full estimated Contract amount of \$38,000,000 and to extend the Contract term through July 7, 2023.

Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Program. 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 Program on budget and on schedule.

The full not-to-exceed Contract amount of \$38,000,000 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 has approved a 22% Local Business Enterprise sub-consultant participation goal for this Contract and T1 Partners has committed to meeting this requirement.

Recommendation

I recommend the Commission approve Modification No. 14 to Professional Services Contract No. 9185.9, Program Management Support Services for the Terminal 1 Redevelopment Program with T1 Partners, a Joint Venture, to increase the Contract amount by \$6,000,000 for a new Contract not-to-exceed amount of \$38,000,000 for services from July 2, 2016 through July 7, 2023.



Ivar C. Satero
Airport Director

Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Attachments

ATTACHMENT A SUMMARY OF COMMISSION ACTIONS

February 4, 2020

Contract No.: 9185.9 - Program Management Support Services for the Terminal 1/Boarding Area B Redevelopment Program

Contractor: T1 Partners, a Joint Venture

Modification No. 14

Date	Modification No.	Resolution No.	Description	Scope	Amount
4/16/2013	-	13-0087	Award of Contract	First year of services, and seek Board of Supervisor's approval.	\$4,453,178
8/26/2013	1	-	Administrative Modification	Administrative changes, including new labor and overhead rates and new subconsultants	\$0
2/18/2014		14-0026	Environmental Review	Project approved in the 1992 Master Plan Environmental Impact Report (EIR) and subsequent 2007 Addendum to the Master Plan EIR. No new mitigation measures required. Authorization to proceed with implementation of Terminal 1 project.	
2/21/2014	2	-	Administrative Modification	Administrative changes, including new labor and overhead rates and new subconsultants	\$0
7/8/2014	3	14-0067	Contract Modification	Second year of services	\$7,807,579
2/18/2015	4	-	Administrative Modification	Administrative changes, including changes to labor and overhead rates and revisions to scope of services	\$0
7/7/2015	5	15-0142	Contract Modification	Third year of services	\$7,500,000
6/1/2016	6	16-0174	Contract Modification	Fourth year of services	\$3,967,000
7/7/2016	7	-	Administrative Modification	Administrative changes, including changes to labor and overhead rates and revisions to scope of services	\$0
6/6/2017	8	17-0194	Contract Modification	Fifth year of services	\$4,533,243
10/1/2017	9	-	Administrative Modification	Administrative changes, including changes to labor and overhead rates and addition of new subconsultant	\$0
6/5/2018	10	18-0163	Contract Modification	Sixth year of services	\$2,389,000
8/1/2018	11	-	Administrative Modification	Administrative changes, including changes to labor and overhead rates	\$0
6/4/2019	12	19-0143	Contract Modification	Seventh year of services	\$1,350,000

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS

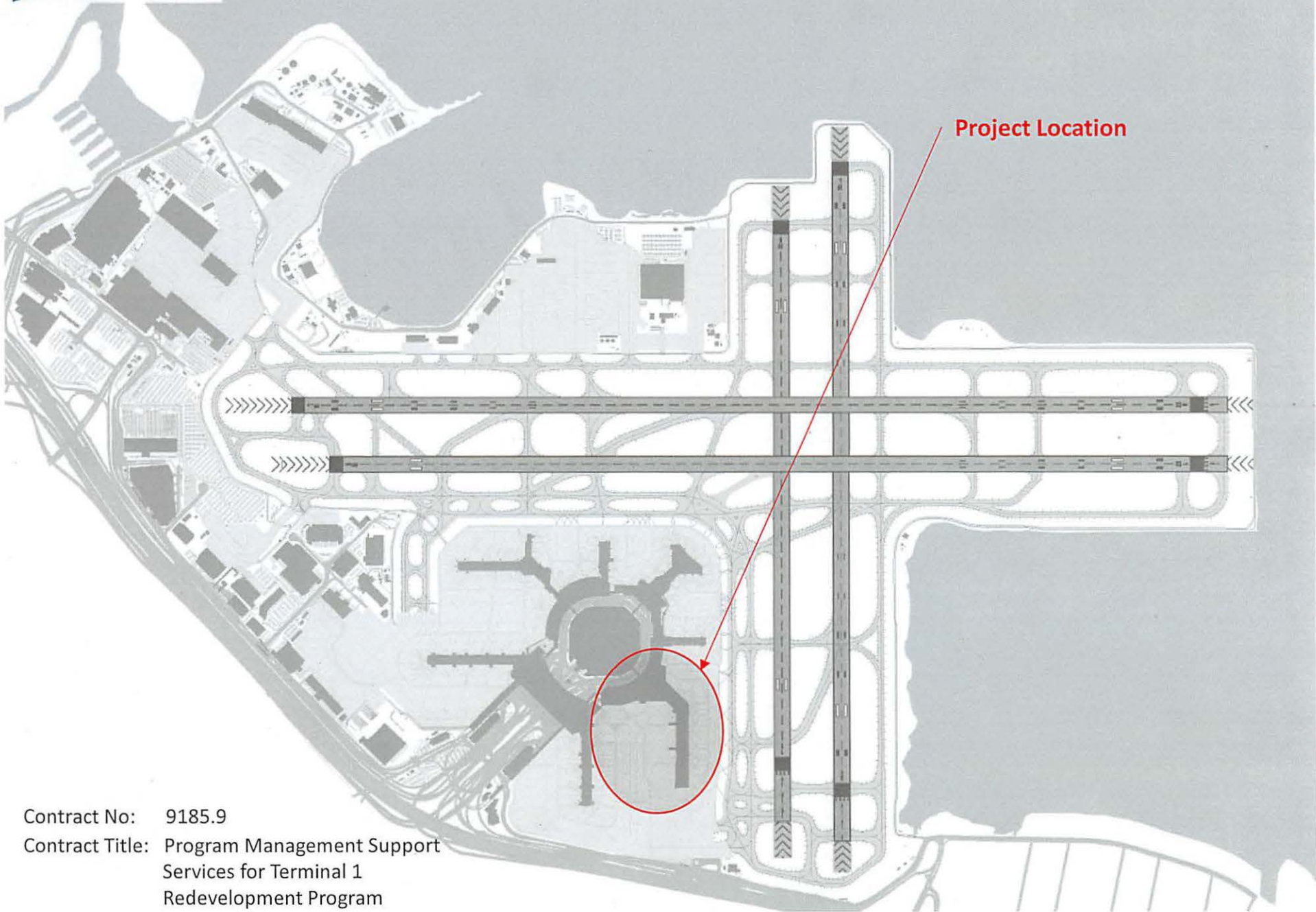
February 4, 2020

Contract No.: 9185.9 - Program Management Support Services for the Terminal 1/Boarding Area B Redevelopment Program

Contractor: T1 Partners, a Joint Venture

Modification No. 14

Date	Modification No.	Resolution No.	Description	Scope	Amount
6/4/2019	43	19-0144	Contract Modification	(Proposed) Increase Contract amount and duration to the full Contract amount through July 7, 2023, and seek Board of Supervisor's approval.	Not Executed
1/22/2020	13	-	Administrative Modification	Administrative changes to capture the reorganization of the joint venture	\$0
Contract As-Modified to Date					\$32,000,000
Proposed Contract Modification No.14 Amount					<u>\$6,000,000</u>
Proposed Modified Contract Amount					\$38,000,000



Project Location

Contract No: 9185.9
Contract Title: Program Management Support
Services for Terminal 1
Redevelopment Program