

File No. 200418

Committee Item No. 6

Board Item No. 9

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date June 17, 2020

Board of Supervisors Meeting

Date June 23, 2020

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### OTHER (Use back side if additional space is needed)

- Airport Commission Resolutions
- \_\_\_\_\_
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Completed by: Linda Wong

Date June 12, 2020

Completed by: Linda Wong

Date June 19, 2020

1 [Airport Professional Services Agreement - PGH Wong & Partners JV - Project Management  
2 Support Services for the Courtyard 3 Connector Project - Not to Exceed \$17,250,000]

3 **Resolution approving Modification No. 5 to Airport Contract No. 10072.41, Project**  
4 **Management Support Services for the San Francisco International Airport, Courtyard 3**  
5 **Connector Project with PGH Wong & Partners JV, a joint venture consisting of PGH**  
6 **Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to**  
7 **increase the Contract amount by \$7,500,000 for a new not to exceed amount of**  
8 **\$17,250,000 for services, with no change to the contract term, pursuant to Charter,**  
9 **Section 9.118(b); and making findings under the California Environmental Quality Act.**

10  
11 WHEREAS, The San Francisco International Airport Courtyard 3 Connector Project  
12 (“Project”) is constructing a new pre-security and post-security connector between Terminal 2  
13 and Terminal 3, as well as an adjacent building for office space, tenant lease space,  
14 passenger amenities, and lounges; and

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

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

24 WHEREAS, On September 1, 2018, the Airport Director executed Modification No. 1  
25 updating overhead rates with no changes to the Contract amount or term; and

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

4           WHEREAS, On October 18, 2019, the Airport Director executed Modification No. 3  
5 updating labor rates with no changes to the Contract amount or term; and

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

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

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

19          WHEREAS, On February 18, 2020, by Resolution No. 20-0029, the Commission  
20 approved Modification No. 5 to the Contract, increasing the not to exceed amount to  
21 \$17,250,000 with no change to the contract duration, and directing the Commission Secretary  
22 to seek Board of Supervisors approval of the proposed increase to the Contract's not to  
23 exceed amount; and

24          WHEREAS, Charter, Section 9.118(b) provides that modifications exceeding \$500,000  
25 for agreements entered into by a department, board, or commission requiring anticipated

1 expenditures of ten million dollars or more, shall be subject to approval by the Board of  
2 Supervisors by resolution; and

3 WHEREAS, After reviewing the information regarding the Project, the San Francisco  
4 Planning Department, Environmental Planning Division (“Planning Department”) prepared a  
5 Preliminary Negative Declaration for the Project, dated May 24, 2017, which was thereafter  
6 amended to respond to a comment received during the public review period, and a Final  
7 Negative Declaration (“FND”) (File No. 2016-000857ENV), dated July 28, 2017, was issued  
8 by the Planning Department, all in accordance with the California Environmental Quality Act  
9 (California Public Resources Code Section 21000, et seq.) (“CEQA”), the State CEQA  
10 Guidelines (15 Cal. Code Regs. Section 15000, et seq.), and Chapter 31 of the San Francisco  
11 Administrative Code; and

12 WHEREAS, In issuing the FND, the Planning Department determined that the Project  
13 could not have a significant effect on the environment; and

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

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

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

24 RESOLVED, That the Board of Supervisors adopts the FND; and, be it  
25

1           FURTHER RESOLVED, That the Board of Supervisors hereby approves Modification  
2 No. 5 to Airport Contract No. 10072.41, Program Management Support Services for the San  
3 Francisco International Airport Courtyard 3 Connector Project, with PGH Wong & Partners JV,  
4 a joint venture consisting of PGH Wong Engineering, Inc., and Avila and Associates  
5 Consulting Engineers, Inc., increasing the Contract amount by \$7,500,000 for a new total  
6 Contract not to exceed amount of \$17,250,000; a copy of Modification No. 5 is contained in  
7 Board of Supervisors' File No. 200418 along with the Contract and all previously executed  
8 modifications; and, be it

9           FURTHER RESOLVED, That within thirty (30) days of Modification No. 5 being fully  
10 executed by all parties, the Commission shall provide a copy to the Clerk of the Board for  
11 inclusion in the official file.

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<b>Item 6</b> <b>File 20-0418</b>	<b>Department:</b> <b>San Francisco International Airport (Airport)</b>
<b>EXECUTIVE SUMMARY</b>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would approve a fifth modification to the project management support services contract between the Airport and PGH Wong &amp; Partners JV, a joint venture consisting of PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to (1) increase the contract amount by \$7,500,000 from \$9,750,000 for a total amount not to exceed \$17,250,000, and (2) making findings under the California Environmental Quality Act.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• In December 2017, the Airport awarded a new contract to PGH Wong &amp; Partners JV, a joint venture then consisting of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for an initial not to exceed amount of \$3,250,000 for one year of service. Because the contract was less than \$10 million and less than 10 years, the contract did not require Board of Supervisors' approval.</li> <li>• Under the proposed contract modification, PGH Wong &amp; Partners JV will continue to provide project management support services for the Courtyard 3 Connector Project, including project and construction management and quality assurance oversight, building code compliance, safety policy, and procedure oversight, project controls, scheduling, contract administration, cost estimating services, and field inspection.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would increase the not-to-exceed amount of the contract by \$7,500,000 from \$9,750,000 for a total amount not to exceed \$17,250,000. The source of funds for the proposed contract to PGH Wong &amp; Partners JV will come from Airport Revenue Bonds that are funding the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.</li> </ul> <p style="text-align: center;"><b>Policy Consideration</b></p> <ul style="list-style-type: none"> <li>• In order to address the projected revenue shortfall due to the COVID-19 health crisis and reduced air travel, estimated by the Controller and Mayor's Budget Office to be from \$190 to \$220 million in FY 2019-20, the Airport has identified 35 percent (totaling approximately \$1.17 billion) of the remaining Capital Improvement Program (CIP) to suspend for at least six months. The Courtyard 3 Connector Project will not be suspended due to its essential nature and will continue through project completion. The Airport has over \$900 million in available Airport Revenue Bond proceeds as of May 31, 2020, authority to issue an additional \$2 billion in Airport Revenue Bonds over the next three years to fund Phase 1 of the Ascent Program, and a \$500 million commercial paper program that can be used to fund the project if needed.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• Approve the proposed resolution.</li> </ul>	

**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 Airport selected PGH Wong & Partners JV after issuing a competitive Request for Proposals (RFP) in August 2017 to provide project management support services for the Courtyard 3 Connector Project<sup>1</sup> at the Airport. PGH Wong & Partners JV was one of four vendors who submitted a proposal and had the highest-ranking score of 518 points out of a total of 550. The estimated duration of the contract term specified in the RFP is 40 months.

In December 2017, the Airport awarded a new 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 an initial not to exceed amount of \$3,250,000 for one year of service. Because the contract was less than \$10 million and less than 10 years, the contract did not require Board of Supervisors’ approval.

The Airport modified the contract four times, as shown in Table 1 below. Modifications did not require Board of Supervisors’ approval because the total contract amount did not exceed \$10 million.

**Table 1: PGH Wong & Partners JV Contract Modifications**

<b>Modification No.</b>	<b>Date</b>	<b>Description</b>	<b>Not-to-Exceed Amount</b>
1	9/1/18	Amended overhead rates to be consistent with subcontractor back up. No change to contract amount.	\$3,250,000
2	2/19/19	Extended contract for second year of services through March 12, 2020.	\$8,250,000
3	10/18/19	Amended base labor rates (CPI index allowable increase). No change to contract amount.	\$8,250,000
4	2/18/20	Extended contract for services through June 30, 2022, and modified contract to acknowledge that CFWright Consulting, LLC was no longer a member of the joint venture PGH Wong & Partners.	\$9,750,000

<sup>1</sup> The Courtyard 3 Connector Project scope includes design and construction of a new secure connector and development of approximately 100,000 square feet of additional space between Terminal 2 and Terminal 3 for passenger amenities, lounges, offices, or other Airport and tenant needs. The project provides systems connections and provides for baggage handling system updates. The project also performs relocation of Airport facilities such as the Communications Center, and Security Operations Center and associated special systems, security, communications, and utilities infrastructure.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve a fifth modification to the project management support services contract between the Airport and PGH Wong & Partners JV, a joint venture consisting of PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to (1) increase the contract amount by \$7,500,000 from \$9,750,000 for a total amount not to exceed \$17,250,000, and (2) make findings under the California Environmental Quality Act. Under the proposed resolution, there will be no change to the contract term of December 19, 2017, through June 30, 2022.

**Total Contract Term**

The total contract term from December 19, 2017, through June 30, 2022, is approximately 54 months or 14 months longer than the term specified in the original RFP. According to Mr. Victor Madrigal Jr., Principal Contracts Administrator with the Procurement and Contracts Section at the Airport, the contract term extends beyond the term advertised in the RFP because the Courtyard 3 Connector Project and associated design-build contract scope and timeline increased, requiring continued project management and support services. The projected 54 month contract duration is consistent with the construction schedule to the Courtyard 3 Connector Project.

**Increase in Contract Budget**

According to Mr. Kevin Kone, Airport Finance Director, the original budget for project management support services for the Courtyard 3 Connector Project was \$11,500,000. The proposed budget under the fifth contract amendment of \$17,250,000 is an increase in the original project management support services budget for the Courtyard 3 Connector Project.

According to Mr. Kone, the budget for project management support services increased from the original budget of \$11,500,000 to \$17,250,000 for the additional scope of work to the design-build contract, including but not limited to the following:

- Additional structural and infrastructure requirements
- New elevator cab
- Net-zero energy initiatives such as mechanical system and dynamic glazing
- Special systems room infrastructure relocation and upgrades of selected systems
- Interim relocation of Airport's Security Operation center (SOC) and Communications Center that required relocation and upgrade of 911 System and other security systems

**Services Provided**

As part of the Courtyard 3 Connector Project, the Airport 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. Under the proposed contract modification, PGH Wong & Partners JV will continue to provide project management support services for the Courtyard 3 Connector Project, including project and construction management



and quality assurance oversight, building code compliance, safety policy, and procedure oversight, project controls, scheduling, contract administration, cost estimating services, and field inspection.

According to Mr. Madrigal, the requested increased amount is related to the additional scope of work for the Courtyard 3 Connector Project, which includes updating the building program, adding interior space build-out, increasing infrastructure for essential facility designation, relocating the Airport's Communications and Security Operations Center, and relocating of critical infrastructure for final secure connector alignment.

### **Performance Monitoring**

The proposed 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) Project controls;
- 2) Change order preparation;
- 3) Quality control;
- 4) Contract administration;
- 5) Teamwork and communication;
- 6) Management of the project cost and schedule;
- 7) Project management support services team management, and
- 8) General issues (e.g., safety and security, technical expertise, management, responsive to requests, dependability, and trust)

According to the most recent annual performance evaluation dated March 31, 2020, the contractor met or exceeded all performance objectives for each of the criteria categories.

### **FISCAL IMPACT**

The proposed resolution would increase the not-to-exceed amount of the contract by \$7,500,000 from \$9,750,000 for a total amount not to exceed \$17,250,000. The source of funds for the proposed contract to PGH Wong & Partners JV will come from Airport Revenue Bonds that are funding the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan. The uses of funds for the proposed PGH Wong & Partners JV contract are shown in Table 2 below.

**Table 2. Uses of Funds for Proposed PGH Wong & Partners JV Contract**

<b>Uses (Expenditures)</b>	<b>FY 2018-19 (Actual)</b>	<b>FY 2019-20 (Actual)</b>	<b>FY 2020-21 (Budget)</b>	<b>FY 2021-22 (Budget)</b>	<b>Total</b>
Labor (Joint Venture) <sup>2</sup>	\$1,561,000	\$3,272,000	\$3,434,000	\$3,699,000	\$11,966,000
Labor (Subcontractors) <sup>3</sup>	545,000	1,217,000	1,924,000	1,303,000	4,989,000
Mark-up <sup>4</sup>	11,000	24,000	12,000	-	47,000
<i>Subtotal, labor costs</i>	<i>\$2,117,000</i>	<i>\$4,513,000</i>	<i>\$5,370,000</i>	<i>\$5,002,000</i>	<i>\$17,002,000</i>
Other direct costs <sup>5</sup>	61,000	81,000	55,000	51,000	248,000
<b>Total Uses</b>	<b>\$2,178,000</b>	<b>\$4,594,000</b>	<b>\$5,425,000</b>	<b>\$5,053,000</b>	<b>\$17,250,000</b>

Source: Airport

According to Mr. Madrigal, staffing for the proposed contract fluctuates depending on the phase of the Courtyard 3 Connector Project. The first year of services included programming and early design and required project, design, and project controls managers, as well as office engineers and administrative staff. Construction for the project began towards the end of the first year of services; consequently, additional staff members joined to manage construction while design continued. Mr. Madrigal states that staffing levels are expected to be relatively stable for FY 2020-21 and FY 2021-22 to manage the design, construction, building startup, and relocation of building occupants into their new offices. According to Mr. Madrigal, the increase in labor costs is primarily because of cost of living changes based on the Consumer Price Index (CPI)<sup>6</sup>, as well as fluctuating staffing requirements.

Table 3 below shows the funding breakdown of the requested increased amount of \$7,500,000 for the proposed contract.

<sup>2</sup> Key team members include Project Manager, Design Manager, Project Controls Manager, Construction Manager, Mechanical/Electrical/Plumbing Manager, Special Systems Manager, Tenant Manager, Resident Engineer, Office/Project Engineers, Document Control, and Administrative staff.

<sup>3</sup> Subcontractors include Studio 151, Chaves, Montez Group and Saylor.

<sup>4</sup> The Airport removed the mark-up on sub-consultant labor for FY 2021-22.

<sup>5</sup> This includes reimbursable items such as office supplies and partnering facilitation.

<sup>6</sup> For FY 2019-2020, a 3 percent CPI rate increase was used based on the CPI Index San Francisco, April 2019. For FY 2020-21, a 4 percent increase was used.

**Table 3. Additional Funding Breakdown for Proposed PGH Wong & Partners JV Contract**

<b>Contractor</b>	<b>Category</b>	<b>Amount</b>	<b>Contract Share</b>
PGH Wong	Oversight of Trade/ Construction Contractors	\$1,878,000	
PGH Wong	Construction management	1,223,000	
PGH Wong	Architectural Support	840,000	
PGH Wong	Contract Administration	237,000	
PGH Wong	Project Controls	185,000	
Subtotal PGH Wong		4,363,000	58%
Avila & Associates	Project Controls	823,000	
Avila & Associates	Oversight of Trade/ Construction Contractors	30,000	
Subtotal Avila & Assoc		853,000	11%
Studio 151	Construction management	925,000	
Saylor	Project Controls	780,000	
Montez Group	Inspection	490,000	
Chaves	Contract Administration	13,000	
Subtotal Subcontractors		2,208,000	29%
<i>Subtotal Services</i>		<i>\$7,424,000</i>	<i>99%</i>
Partnering *		51,000	
Other Direct Costs		25,000	
<b>Total</b>		<b>\$7,500,000</b>	<b>100%</b>

Source: Airport

\* According to Mr. Madrigal, partnering is a city required service included within the contract. The purpose and goals include the following: early and regular communication with involved parties, establishment of relationships/trust/commitment, discussion of goals, development of risk management strategies, development of project efficiencies, implementation of timely communication and decision making, issue resolution, and partnering evaluation.

## POLICY CONSIDERATION

### Impact of COVID-19 Health Crisis

The Courtyard 3 Connector Project budget is \$293,026,000, of which \$67,529,123 has been spent to date. The budget of \$293,026,000 is an increase from the FY 2017-18 Capital Improvement Plan (CIP) of \$253,700,00. According to Mr. Kone, the increase in the Courtyard 3 Connector Project budget is due to the additional scope of work and extended-time period to the design-build contract.

According to Mr. Kone, this project will not be deferred as part of the Airport's Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.<sup>7</sup> In order to address the projected revenue shortfall due to the COVID-19 health crisis and reduced air travel, estimated by the Controller and Mayor's Budget Office to be from \$190 to \$220 million in FY 2019-20, the Airport has identified 35 percent (totaling approximately \$1.17 billion) of the remaining Capital Improvement Program (CIP) to suspend for at least six months. Mr. Kone states that the CIP reduction will help ensure there is sufficient funding for essential projects and projects in mid-construction. The Courtyard 3 Connector Project will not be suspended due to its essential nature and will continue through project completion. According to Mr. Kone, the Airport has over \$900 million in available Airport Revenue Bond proceeds as of May 31, 2020, and authority to issue an additional \$2 billion in Airport Revenue Bonds over the next three years to fund Phase 1 of the Ascent Program. Mr. Kone also states that the Airport has a \$500 million commercial paper program that can be used to fund the project if needed.

In addition, according to Mr. Madrigal, per the City Administrator's April 1, 2020 safety guidelines, the contractor is adhering to social distancing requirements and COVID-19 Construction Field Safety guidelines, submitted their Site-Specific Health and Safety Plan, designated a Site Safety Representative to monitor and implement all recommended safety practices, and established the level of Personal Protective Equipment (PPE) required for each specific task. According to Mr. Madrigal, as of May 2020, the project scope has not been impacted by the COVID-19 health crisis

## RECOMMENDATION

Approve the proposed resolution.

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<sup>7</sup> The Ascent Program includes the new Airport Grand Hyatt hotel, completed in October 2019, renovation of the Harvey Milk Terminal (Terminal 1/T1 Program), renovation of the International Terminal, new dining and shopping facilities, and a connector between Terminal 2 and Terminal 3.

**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><b>CITY</b> 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 2<sup>nd</sup> 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>
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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 OVERALL 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

<b>THIS ENCUMBRANCE:</b>	\$ 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: <b>MAR 12 2018</b>

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 19<sup>th</sup> day of December, 2017, in the City and County of San Francisco, State of California, by and between: **PGH Wong & Partners JV**, 182 2<sup>nd</sup> 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 2<sup>nd</sup> 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](mailto:Kris.Opbroek@flysfo.com)  
                         Fax: (650) 821-9410

To Contractor:    Joseph Magnello  
                         Project Manager  
                         PGH Wong Engineering, Inc.  
                         182 2<sup>nd</sup> Street, Suite 500  
                         San Francisco, CA 94105  
                         Email: [jmagnello@pghwong.com](mailto: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.flysfo.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.





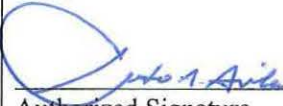

13.2 **Payment Card Industry (“PCI”) Requirements. – Not applicable.**

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 <sup>nd</sup> 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	 Authorized Signature Ernesto A. Avila President Avila and Associates Consulting Engineers, Inc. 490 Post Street, Suite 1415 San Francisco, CA 94102 (415) 576-1230
By:  Heather Wolnick Deputy City Attorney	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](http://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.

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## 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 (OSHDP)	\$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%
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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.

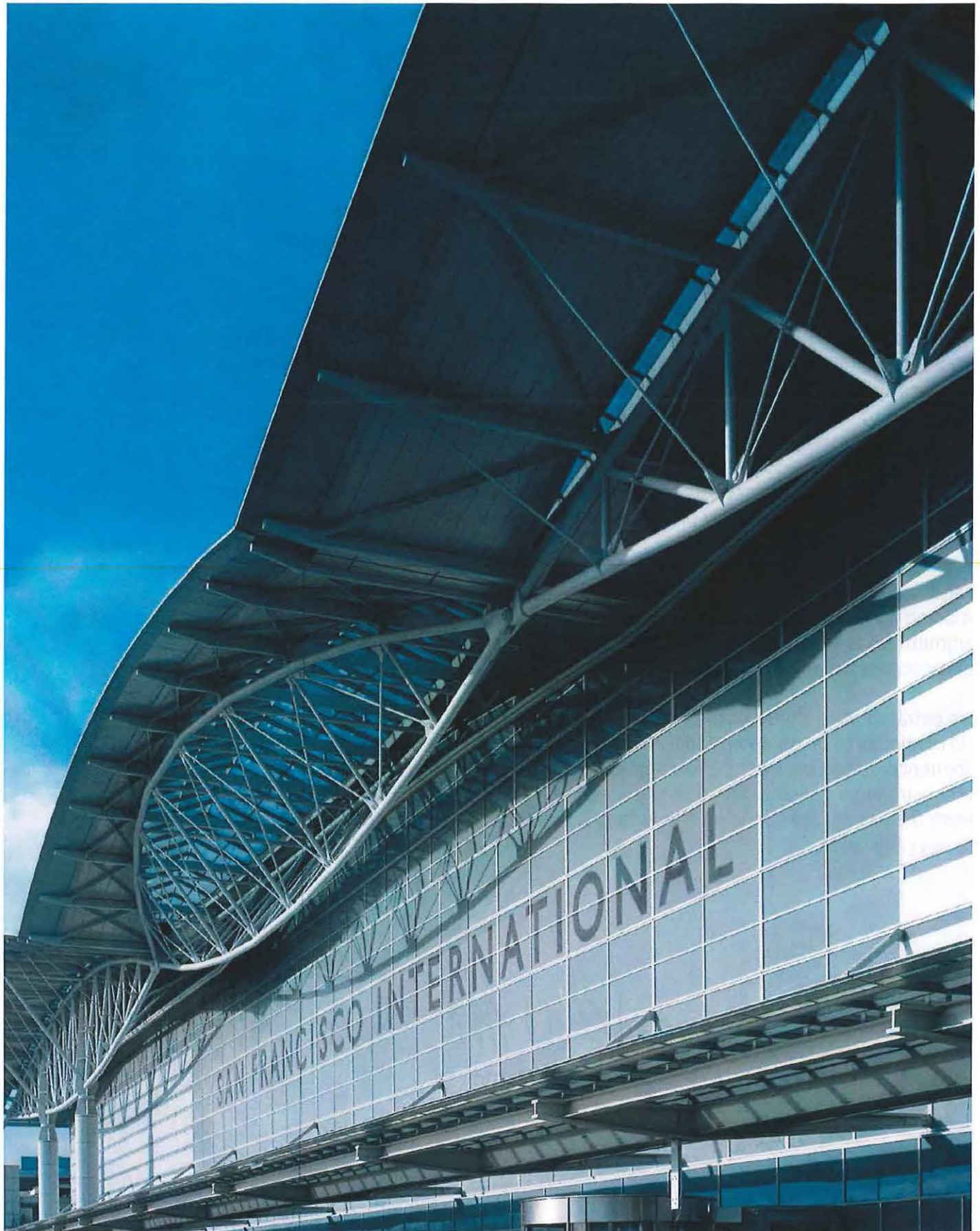
The Plan includes seven major goals supported by 32 objectives, as outlined in this document. More than 160 initiatives were created by employees to support these objectives and goals. The process of supporting SFO's overall goals will be extended to individual employees as they prepare their personal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

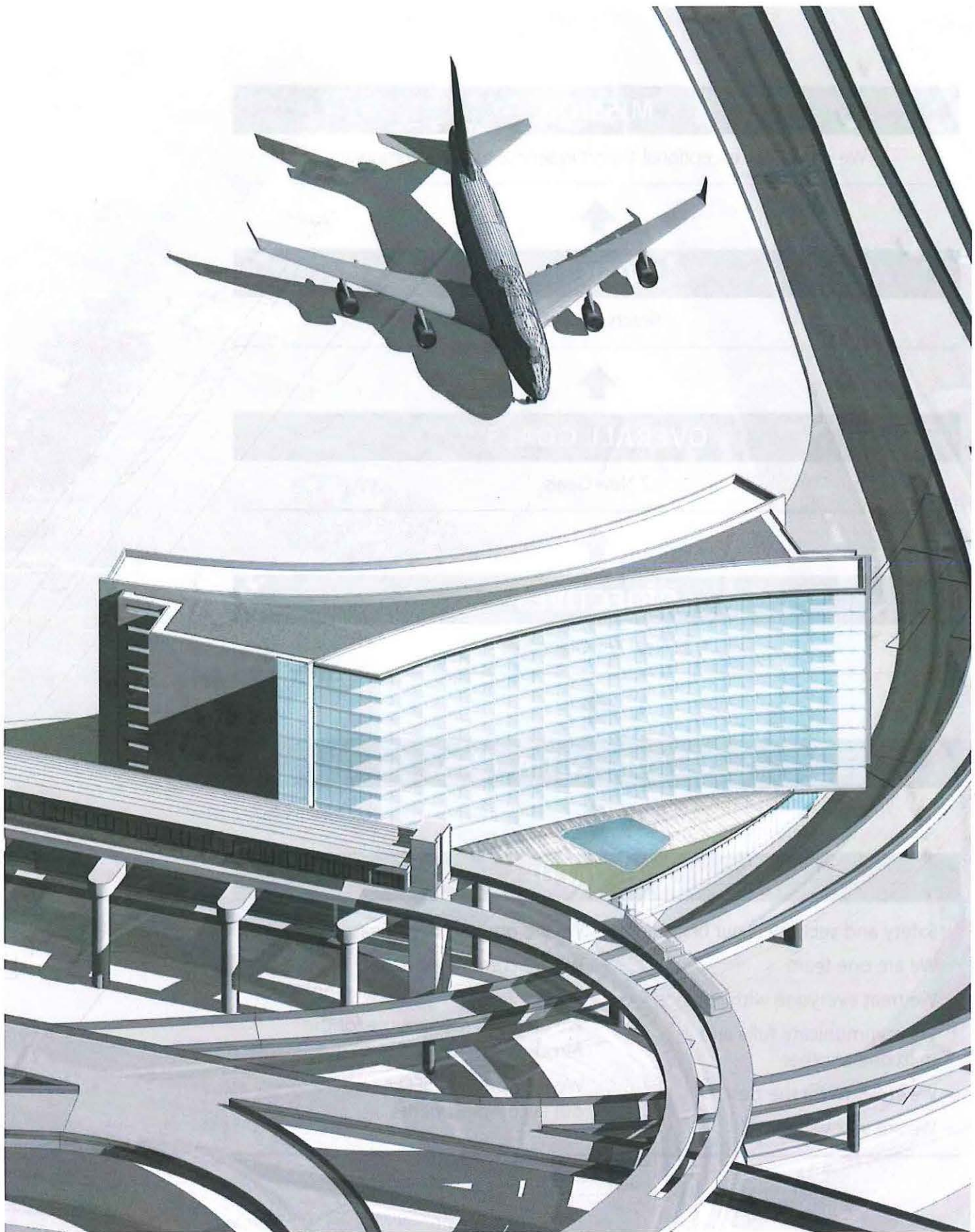


## STRATEGIC INITIATIVES



## CORE VALUES

Safety and security is our first priority	We are open to new ideas
We are one team	We are committed to SFO being a great place to work for all employees
We treat everyone with respect	We are each responsible for the Airport's success
We communicate fully and help one another	We take pride in SFO and in our accomplishments
We strive to be the best	
We are innovative	



## 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

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

<sup>1</sup> Baseline year: 2013

<sup>2</sup> Final amount TBD upon approval of Capital Improvement Plan



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

## 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**

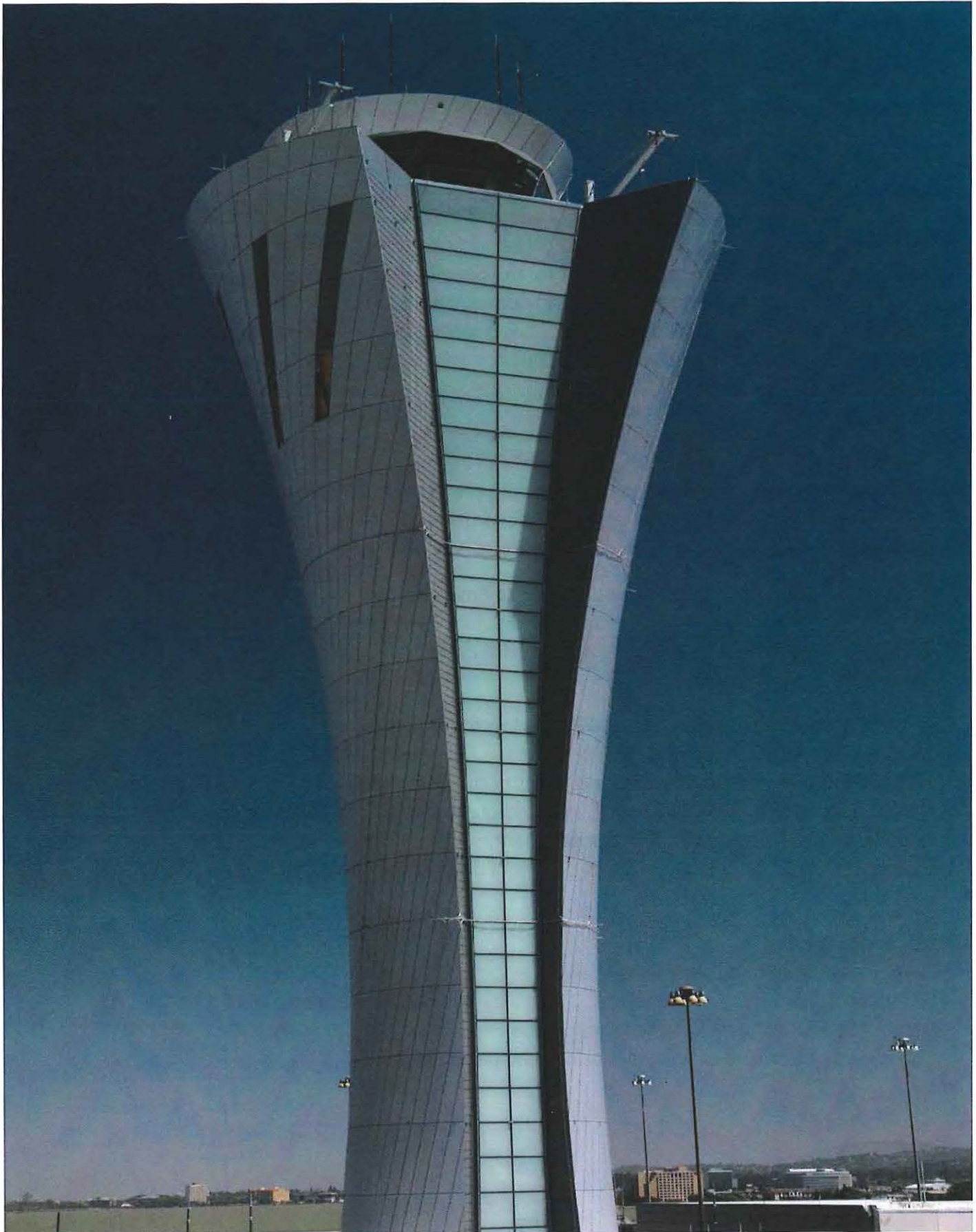
- This policy underscores SFO's commitment to provide a level playing field for all air carriers in order to foster competitive air service choices and competitive air fares for the travelling public.

### **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%
<b>Total Revenues</b>	<b>\$970.8 million</b>	

### 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)

<b>FY2015/16 Approved Budget</b>			<b>% of Total</b>
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%
<b>Total</b>	<b>\$ 970.8</b>	<b>million</b>	

## 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](http://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):

<b>City:</b>	<b>Contractor:</b>
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@flysf.com](mailto:sfo.asbao@flysf.com))  
**or**  
Document 00435, Subcontractor List for Construction Contracts (email copy to: [sfo.asbao@flysf.com](mailto:sfo.asbao@flysf.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@flysf.com](mailto:sfo.asbao@flysf.com).
- Y  N 9. OCA approval required?
- Y  N 10. DT CIO approval (if required)

## INSTRUCTIONS FOR CERTIFICATION CHECKLIST

Y N 11. OCA (Purchasing) Waiver (if required)

Y N 12. CMD Waiver (if required)

Y N 13. Prop. "J" Approval (if required)

Y N 14. Other (state): JV Agreement

FSP Ct ID ~~0000029434~~

NIGP Code \_\_\_\_\_

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

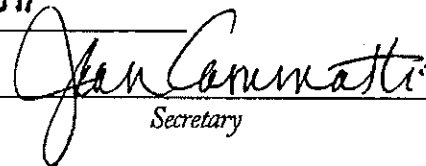
RESOLVED, that the Commission hereby awards Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners Joint Venture in an amount not to exceed \$3,250,000 for the first year of services.

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)**

**YES NO**

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

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, 2018DEPARTMENT: Airport Commission DEPARTMENT NUMBER: 27PERSONAL SERVICES CONTRACT NUMBER (PSC#): 47501-16/17PERSONAL SERVICES CONTRACT APPROVAL DATE: August 7, 2017WILL THIS CONTRACT BE AWARDED TO MULTIPLE CONTRACTORS? No

IF YES, THIS AWARD NOTICE IS FOR CONTRACTOR NUMBER \_\_\_\_\_ OF \_\_\_\_\_

CONTRACTOR: PGH Wong & Partners JV, Ct. 10072.41AMOUNT: \$3,250,000 DURATION: 7/1/2017 - 6/30/2018**Prior History**

Date	Amount	Fiscal Year	Unspent Balance
None	<u>\$0</u>		
<b>Total</b>	<b>\$0</b>		

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, 4<sup>th</sup> 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%.

<b>Contract:</b>	Project Management Support Services for the Courtyard 3 Connector Project at the San Francisco International Airport, Contract No. 10072.41	<b>RATING BONUS</b>	
<b>Firm:</b>	PGH Wong & Partners JV	<input type="checkbox"/> LBE 10%	<input type="checkbox"/> Joint Venture 7.5%
<b>Contact Person:</b>	Clifford S. M. Wong, P.E.	<input type="checkbox"/> Joint Venture 5%	<input type="checkbox"/> Joint Venture 10% (LBEs ONLY)
<b>Address:</b>	182 2 <sup>nd</sup> Street, Suite 500	<input type="checkbox"/> No Rating Bonus Requested	
<b>City/ZIP</b>	San Francisco, CA 94105	LBE Requirement      21 %	
<b>Phone</b>	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%
			<b>Total % of Work: 100%</b>	<b>Total LBE Subconsulting%</b>		<b>22.12%</b>

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 <sup>nd</sup> 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 type="checkbox"/> Health/Medical Services                                 | <input type="checkbox"/> Sediment Analysis                 |
| <input type="checkbox"/> Civil/Structural/Hydraulic Engineering | <input checked="" type="checkbox"/> IT/Technical 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 (please describe) _____         |  |

**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 2<sup>nd</sup> 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.
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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	B	C
	JV Partners' Work as a % of the total project	% of Task by Non-LBE JV Partner	% 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%
<b>TOTAL JV %</b>	<b>77.88%</b>	<b>54.52%</b>	<b>23.36%</b>

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%
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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 2<sup>nd</sup> 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		
Audit 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:

<b>Wong:</b>	70%
<b>CFWright:</b>	15%
<b>Avila:</b>	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, CFWright 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>	2/2/18
2	CAU	Review & Initial	<i>AK</i> <i>ces</i>	2/14/18
3	Legal - Heather Wolnick	Signature	<i>Hw</i>	2/15/18
4	Jean Caramatti	Signature	<i>JC</i>	2/16/18
5	Airport Director - Ivar C. Satero	Signature	<i>IS</i>	2/16/18
6	CAU	Review & Initial	<i>ces</i>	2/22/18
7	CMU - Victor M. Madrigal Jr.	Information	<i>VM</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	<a href="mailto:victor.madrigal@flysfo.com">victor.madrigal@flysfo.com</a>		





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:

RECEIVED  
ACCOUNTING  
2018 OCT 25 PM 3:44





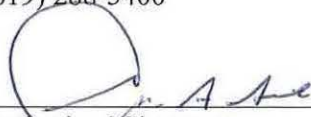
<b>Firm Name</b>	<b>Home Office Overhead Rate</b>	<b>Field Office Overhead Rate</b>
PGH Wong Engineering, Inc.	125.00%	125.00%
CFWright Consulting	134.58%	134.58%
Avila and Associates	135.00%	125.00%
Montez Group	135.00%	132.00%
Saylor Consulting Group	163.20%	150.00%
Chaves & Associates	145.00%	145.00%
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><b>CITY</b> AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO</p> <p>By:  Ivar C. Satero, Airport Director</p> <p>Approved as to Form:</p> <p>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 2<sup>nd</sup> 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>
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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

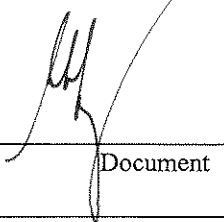
PREVIOUS ENCUMBRANCE: \$ 2,494,000.00 (0000159674)  
**THIS ENCUMBRANCE: \$0.00 (0000159674)**  
 TOTAL ENCUMBRANCE: \$ 2,494,000.00

**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**

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.


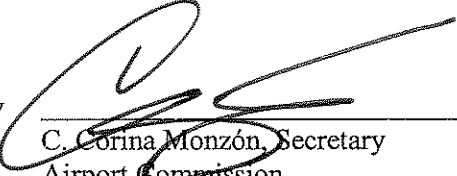


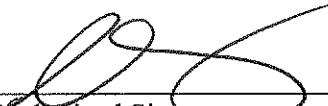


**3. Article 2. Term of the Agreement, Section 2.1** is hereby amended to extend the term of the contract for **365 days** for a new ending date of **March 12, 2020**.

**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><b>CITY</b> 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:  <del>Heather Wolnick</del>  Deputy City Attorney</p>	<p> Authorized Signature</p> <p>Clifford S. M. Wong President PGH Wong Engineering, Inc. 182 2<sup>nd</sup> 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>
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CITY AND COUNTY OF SAN FRANCISCO

**CONTRACT ORDER**

CONTRACT WITH:

**PGH WONG & PARTNERS JV**

**182 2<sup>ND</sup> 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 OVARALL 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

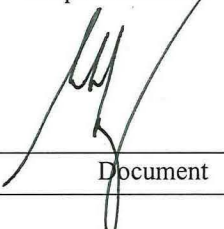
PREVIOUS ENCUMBRANCE: \$ 2,882,900.00 (0000159674)  
 PREVIOUS ENCUMBRANCE 2,086,100.00 (0000320412)  
**THIS ENCUMBRANCE: 0**  
 TOTAL ENCUMBRANCE: \$ 4,969,000.00

**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 THROUGHT 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**

IVAR C. SATERO Airport Director 		Chief Administrative Officer, Board of Supervisor		Materials, Supplies & Services Purchaser Real Property Leases & Rents Director of Property			Certification Date:  <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">OCT 18 2019</div>	
By:								
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.

3. Appendix B, Calculation of Charges of the Agreement is hereby amended as follows:

a. Subparagraph 3.1.3, is hereby deleted in its entirety and replaced with the following:

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	\$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
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 Coordinator	\$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
Project Controls Engineer	\$54	\$78.00
Project Controls Manager	\$74	\$102.96
Project Manager	\$84	\$115.44
QA Inspector	\$50	\$71.76
QA/QC/Code Compliance/Safety Manager	\$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
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

4. **Section 4.5 Assignment** is hereby deleted in its entirety and replaced with a new **Section 4.5 Assignment** as follows:

**4.5 Assignment.** The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be directly or indirectly assigned, novated, hypothecated, transferred, or delegated by Contractor, or, where the Contractor is a joint venture, a joint venture partner, (collectively referred to as an "Assignment") unless first approved by City by written instrument executed and approved in the same manner as this Agreement. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (i) reputable and capable, financially and otherwise, of performing the Contractor's obligations under this Agreement and any other documents or obligations to be assigned, (ii) not forbidden by applicable law from transacting business or entering into contracts with City or providing the Services required by the Agreement; and (iii) subject to the jurisdiction of the courts of the State of California. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets of Contractor shall be deemed an Assignment for purposes of this Agreement. Contractor shall immediately notify City about any Assignment. Any purported Assignment made in violation of this provision shall be null and void.

5. **Section 5.1 Insurance** is hereby amended as follows:

Subparagraph 5.1.9 is added as follows:

5.1.9 Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

6. **Section 5.3 Indemnification For Design Professionals** is hereby amended to the Agreement. **Section 5.3 Indemnification for Design Professionals** is as follows:

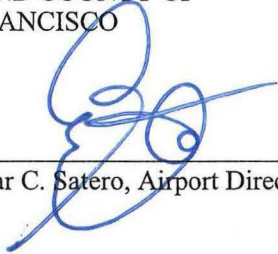
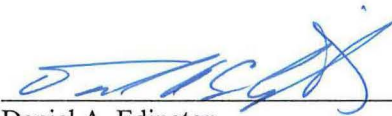


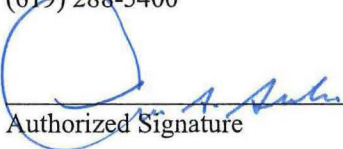
**Section 5.3 Indemnification For Design Professionals** To the fullest extent permitted by law, Contractor shall assume the defense of (with legal counsel subject to approval of the City), indemnify and save harmless the City, its boards, commissions, officers, and employees (collectively "Indemnitees"), from and against any and all claims, loss, cost, damage, injury (including, without limitation, injury to or death of an employee of the Contractor or its subconsultants), expense and liability of every kind, nature, and description (including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, fees of expert consultants or witnesses in litigation, and costs of investigation), that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, the negligence, recklessness, or willful misconduct of the Contractor, any subconsultant, anyone directly or indirectly employed by them, or anyone that they control (collectively, "Liabilities").

**5.3.1 Limitations.** No insurance policy covering the Contractor's performance under this Agreement shall operate to limit the Contractor's Liabilities under this provision. Nor shall the amount of insurance coverage operate to limit the extent of such Liabilities. The Contractor assumes no liability whatsoever for the sole negligence, active negligence, or willful misconduct of any Indemnitee or the contractors of any Indemnitee.

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

8. **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><b>CITY</b> AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO</p> <p>By:  Ivar C. Satero, Airport Director</p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By:  Daniel A. Edington Deputy City Attorney</p>	<p> Authorized Signature</p> <p>Clifford S. M. Wong President PGH Wong Engineering, Inc. 182 2<sup>nd</sup> 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>
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**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.

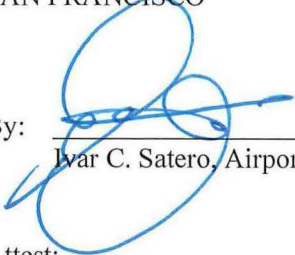



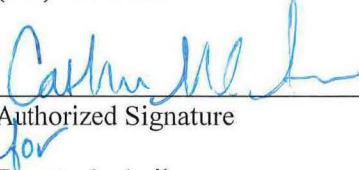
**13.4.2 Use of City Data and Confidential Information.** Contractor agrees to hold City's Confidential Information received from or created on behalf of the City in strictest confidence. Contractor shall not use or disclose City's Data or Confidential Information except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City's Confidential Information outside the United States is subject to prior written authorization by the City. Access to City's Confidential Information must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data or Confidential Information solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein 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 or Confidential Information 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.

**13.4.3 Disposition of Confidential Information.** Upon termination of Agreement or request of City, Contractor shall within forty-eight (48) hours return all Confidential Information which includes all original media. Once Contractor has received written confirmation from City that Confidential Information has been successfully transferred to City, Contractor shall within ten (10) business days purge all Confidential Information from its servers, any hosted environment Contractor has used in performance of this Agreement, 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.

**15. Joint Venture Member Change.** City hereby recognizes that CFWRight Consulting, LLC is no longer a member of the joint venture PGH Wong & Partners JV. The joint venture now consists of only two members, PGH Wong Engineering, Inc. and Avila and Associates Consulting Engineers, Inc.

**16. 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><b>CITY</b> 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: <u>20-0028</u></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> Authorized Signature</p> <p>Clifford S. M. Wong President PGH Wong Engineering, Inc. 182 2<sup>nd</sup> Street, Suite 500 San Francisco, California 94105 (415) 566-0800</p> <p> Authorized Signature for</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>
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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., 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. 20-0029

- 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

~~20-0028~~ 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

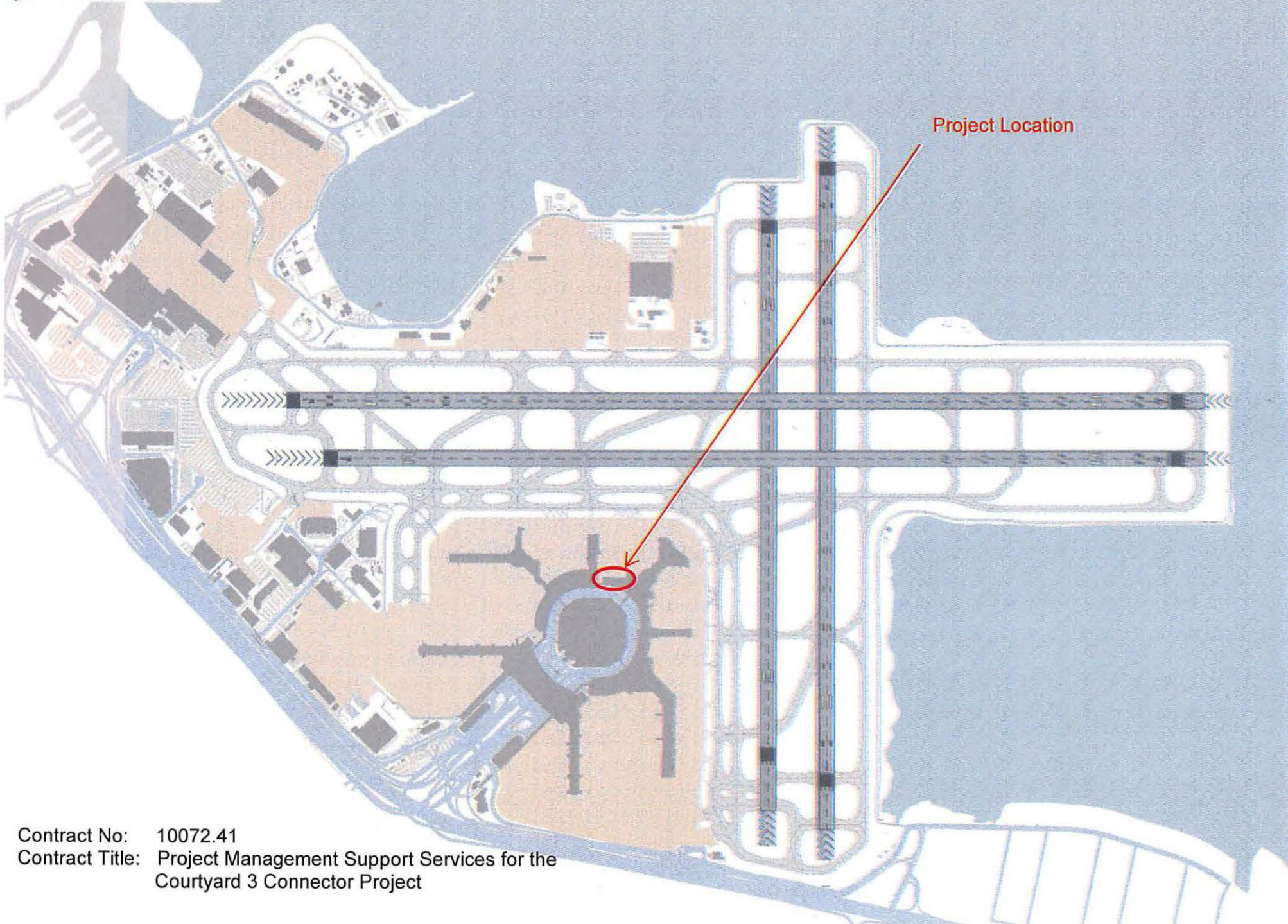
Attachments

**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

<b>Contract As-Modified to Date</b>	<b>\$8,250,000</b>
Proposed Contract Modification No. 4 Amount	<u>\$1,500,000</u>
Proposed Contract Modification No. 5 Amount	<u>\$7,500,000</u>
<b>Proposed Modified Contract Amount</b>	<b>\$17,250,000</b>



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. 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

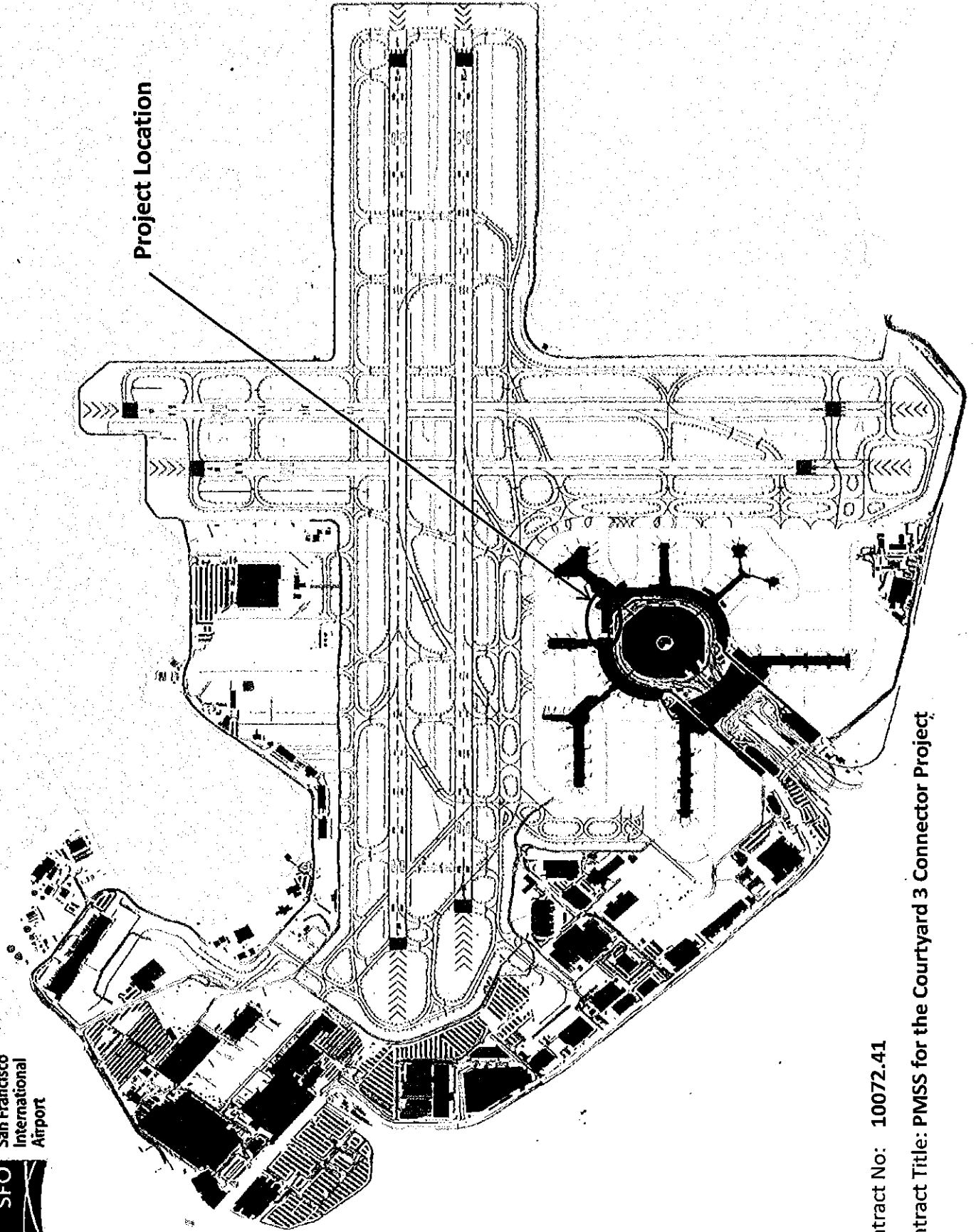
Attachment I

<b>PROPOSED MINIMUM QUALIFICATIONS REQUIREMENTS</b>	
<b>Project:</b>	Contract No. 10072.41 - Project Management Support Services (PMSS) for the Courtyard 3 Connector Project
<b>Minimum Qualification Requirements</b>	<p>In the past ten (10) years, Proposer or any team member have:</p> <ol style="list-style-type: none"> <li>1. Managed a public sector project that included the implementation of Partnering and Stakeholder Engagement services.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>5. Operated each of the following tools: an electronic document management system, AutoCAD, and Revit.</li> </ol>

<b>RECOMMENDED EVALUATION AND SELECTION CRITERIA</b>	
<b>Criteria</b>	<b>Scoring Weight</b>
Introduction and Executive Summary	0
Proposers Experience and Qualifications	80
Proposed Key Project Personnel	120
Project Approach	100
Oral Interview	250
<b>Total Possible Points</b>	<b>550</b>



San Francisco  
International  
Airport



Project Location

Contract No: 10072.41

Contract Title: PMSS for the Courtyard 3 Connector Project

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.

### **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

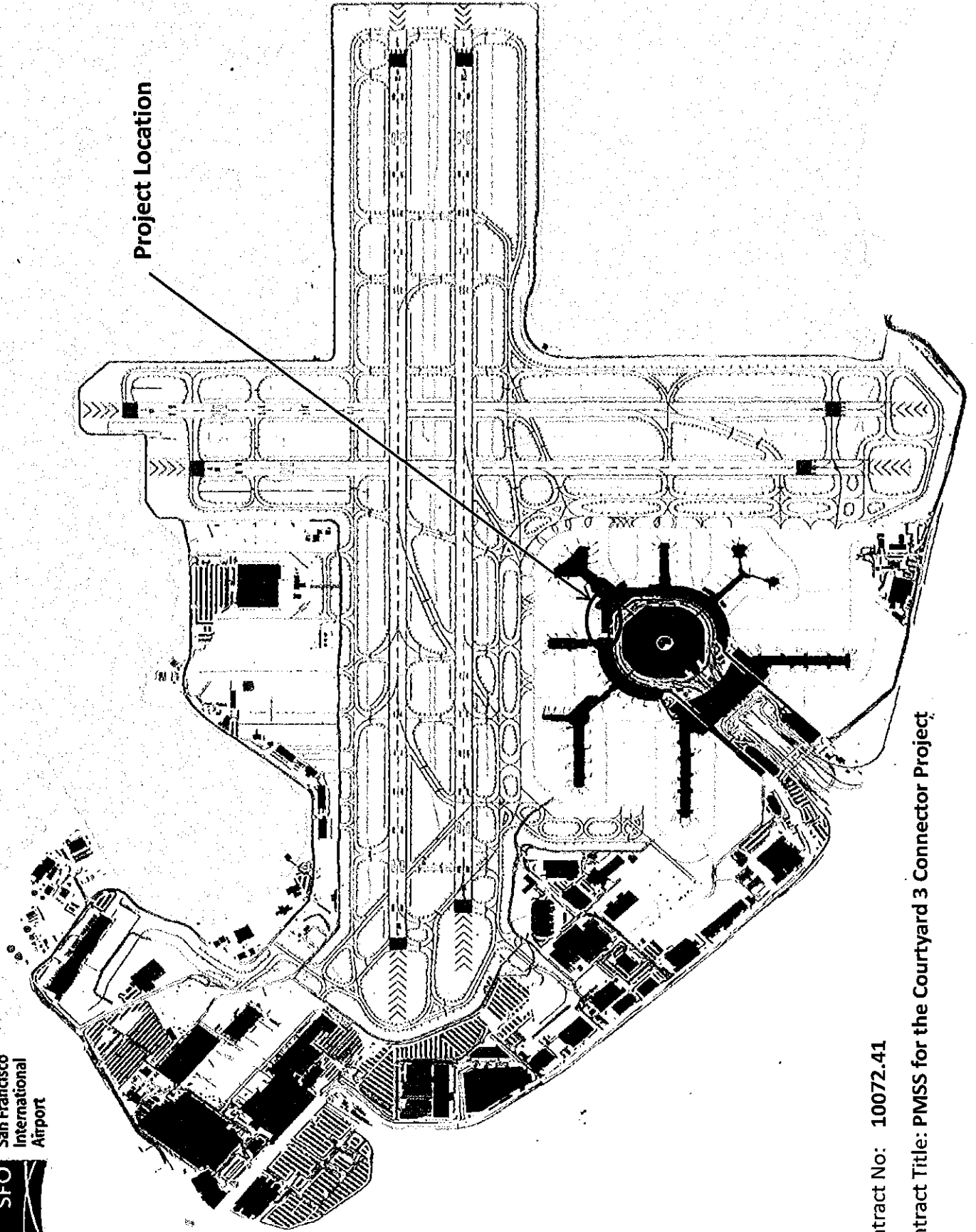
<b>PROPOSED MINIMUM QUALIFICATIONS REQUIREMENTS</b>	
<b>Project:</b>	Contract No. 10072.41 - Project Management Support Services (PMSS) for the Courtyard 3 Connector Project
<b>Minimum Qualification Requirements</b>	<p>In the past ten (10) years, Proposer or any team member have:</p> <ol style="list-style-type: none"> <li>1. Managed a public sector project that included the implementation of Partnering and Stakeholder Engagement services.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>5. Operated each of the following tools: an electronic document management system, AutoCAD, and Revit.</li> </ol>

<b>RECOMMENDED EVALUATION AND SELECTION CRITERIA</b>	
<b>Criteria</b>	<b>Scoring Weight</b>
Introduction and Executive Summary	0
Proposers Experience and Qualifications	80
Proposed Key Project Personnel	120
Project Approach	100
Oral Interview	250
<b>Total Possible Points</b>	<b>550</b>





San Francisco  
International  
Airport



Contract No: 10072.41

Contract Title: PMSS for the Courtyard 3 Connector Project

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0321

**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. 17-321

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



**MEMORANDUM**

December 19, 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

17-321  
 DEC 19 2017

FROM: Airport Director

SUBJECT: Award of Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project

DIRECTOR'S RECOMMENDATION: AWARD 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.

**Executive Summary**

Transmitted herewith for your approval is a proposed Resolution to award 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.

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 Project Management Support Services 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 up valuable space in the International Terminal Building, currently occupied by Airport staff, Federal Agencies and other tenants. The spaces vacated in the International Terminal Building will be available as new leasable space resulting in additional revenue generation.

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 Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project and to negotiate with the highest-ranked proposer.

On September 25, 2017, the Airport received four proposals. One of the Proposers is a Joint Venture with Local Business Enterprise firms and another Proposer is a Local Business Enterprise firm.

The Airport convened a four-member selection panel, consisting of one Airport Commission employee and three members of the project management and construction management industry, to review and score the proposals in accordance with the criteria stated in the RFQ/RFP. On November 2, 2017, the Selection Panel interviewed the four highest-ranked proposers, including key personnel, and thoroughly appraised their qualifications.

Based on the results of the Proposal evaluations and interviews, the final scores are as follows:

	Evaluation Score (550 max.)	LBE Rating Bonus	Final Score
1. PGH Wong & Partners JV	518.00	0.0%	518.00
2. AGS, Inc.	461.5	2.0%	470.73
3. The Allen Group, LLC/gkkworks, a JV	446.00	0.0%	446.00
4. MARRS/ABA JV	357.00	0.0%	357.00

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 for PGH Wong & Partners Joint Venture is \$3,250,000. Since the Project will be a multi-year, phased project, Staff estimates that the total Contract amount is \$11,500,000 with a total Contract duration of 40 months.

The Contract will be renewed each year based on PGH Wong & Partners Joint Ventures performance.

The Contracts Monitoring Division (CMD) reviewed the RFQ/RFP documentation, Proposals and scoring, and has determined that the selection process is in compliance with Chapter 14B requirements. CMD has approved a 21% Local Business Enterprise sub-consultant participation

requirement for this Contract. PGH Wong & Partners Joint Venture has committed to meeting this requirement.

### **Environmental Review**

On July 28, 2017, the San Francisco Planning Department issued the Final Negative Declaration (San Francisco Planning Department File No. 2016-000857ENV) for the Courtyard 3 Connector Project. On August 15, 2017, under Resolution No. 17-0188, the Airport Commission adopted the Final Negative Declaration and related California Environmental Quality Act (CEQA) findings and determined to proceed with the project.

### **Recommendation**

Based on the above, I recommend that the Commission award Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project, to PGH Wong & Partners Joint Venture in a Contract amount not to exceed \$3,250,000 for the first year of services.



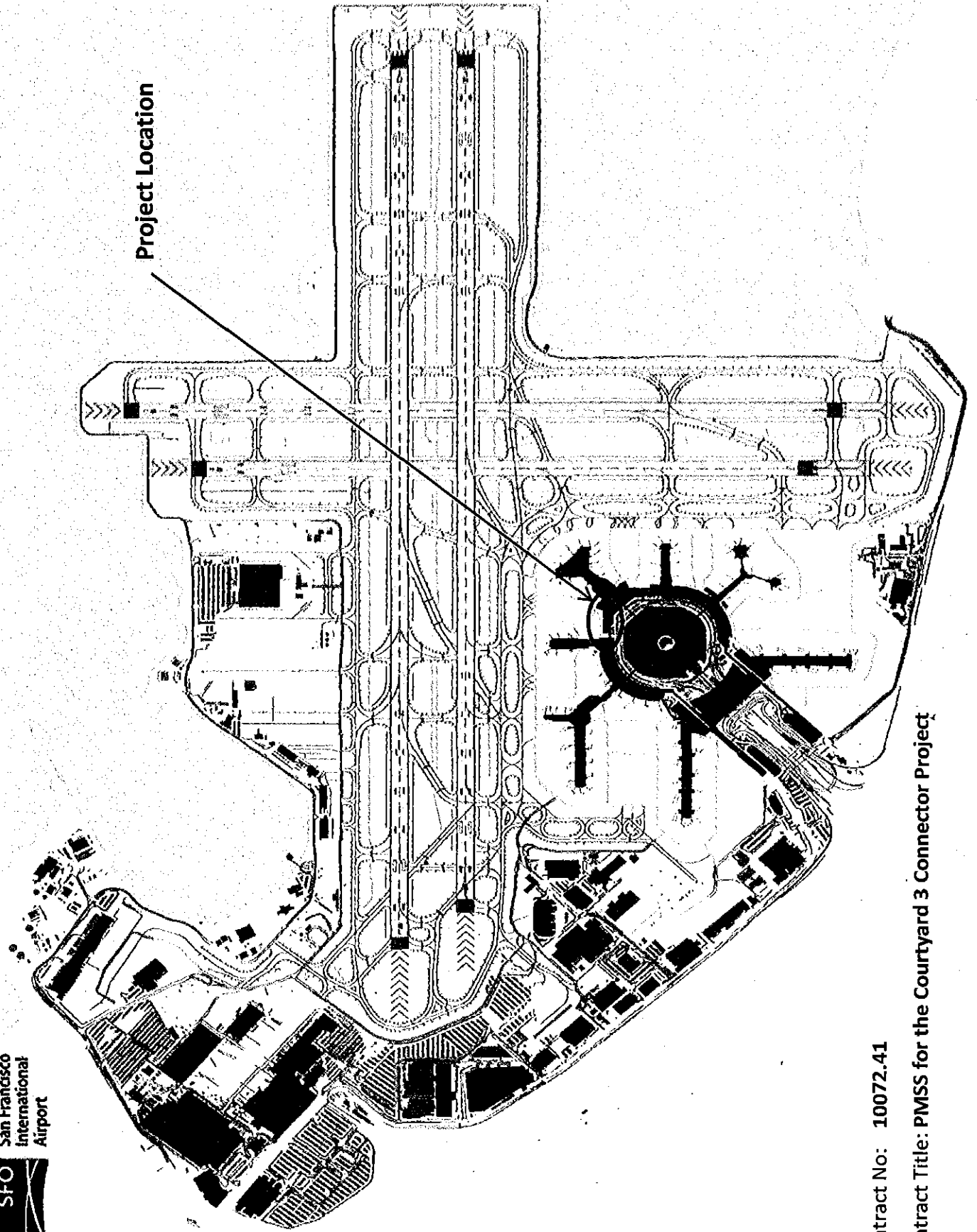
Ivar C. Satero  
Airport Director

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

Attachments



San Francisco  
International  
Airport



Project Location

Contract No: 10072.41

Contract Title: PMSS for the Courtyard 3 Connector Project

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.

On September 1, 2018, Administrative Modification No. 1 was executed to adjust several overhead rates. Modification No. 1 did not change the Contract amount or duration.

Modification No. 2 extends the Contract duration through March 12, 2020 and increases the Contract amount by \$5,000,000 for a new total Contract not-to-exceed amount of \$8,250,000.

The Contract budget amount for this Contract is \$14,000,000 for five years of services and is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division has approved a 21% Local Business Enterprise sub-consultant participation requirement for this Contract and PGH Wong & Partners has committed to meeting this requirement.

### **Recommendation**

I recommend the Commission approve Modification No. 2 to Professional Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong and Partners JV, to increase the Contract amount by \$5,000,000 for a new Contract not-to-exceed amount of \$8,250,000 and to extend the Contract duration for services through March 12, 2020.



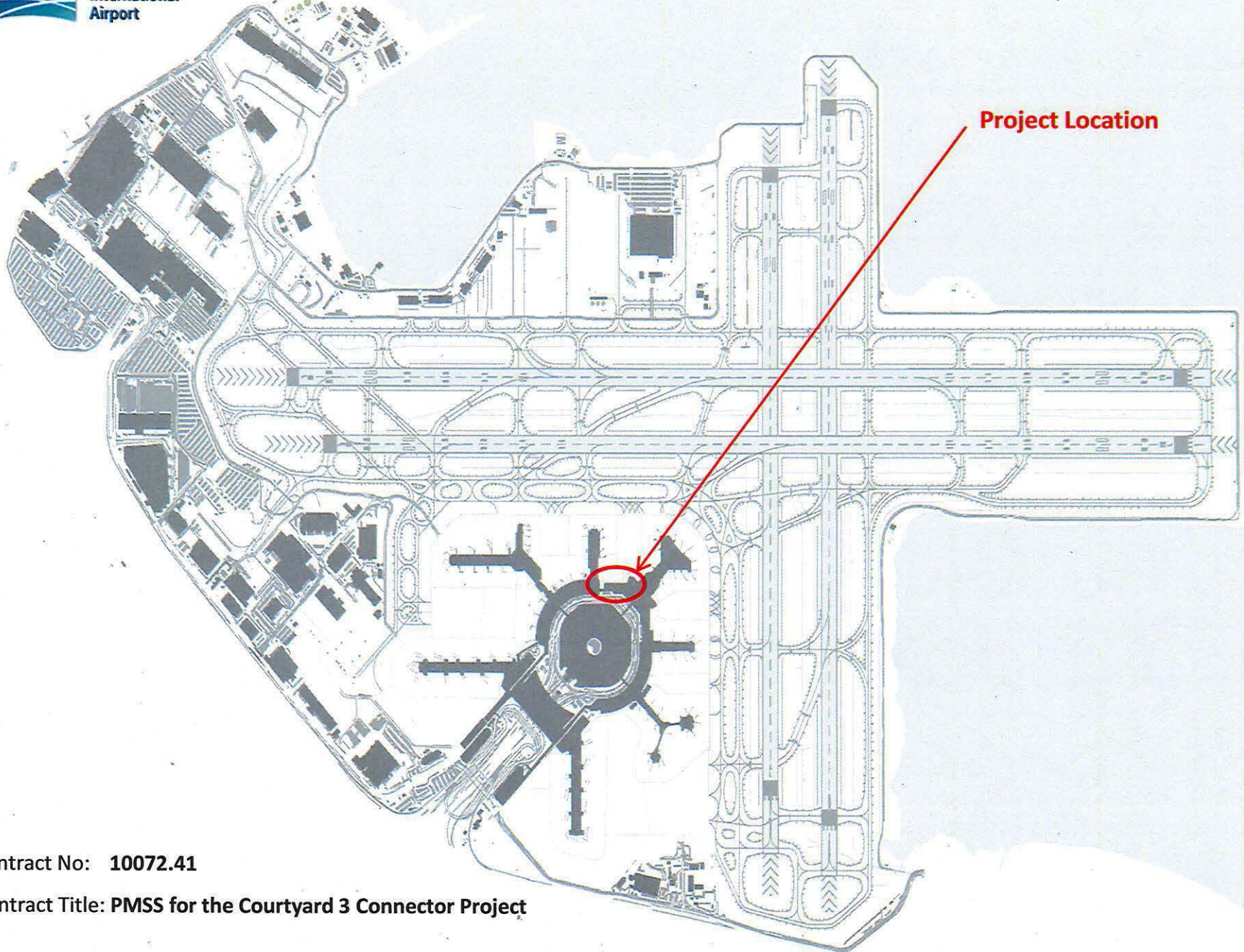
Ivar C. Satero  
Airport Director

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

Attachments



San Francisco  
International  
Airport



**Project Location**

Contract No: **10072.41**

Contract Title: **PMSS for the Courtyard 3 Connector Project**

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. Guggenlime  
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.

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. Refer to Attachment A – Summary of Commission Actions for this Contract.

This Modification No. 4 would increase the Contract amount to the full not-to-exceed amount of \$17,250,000 and would extend the Contract to the full duration of 51 months of services, through June 30, 2022.

Staff will periodically review and adjust the consultant's 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 through off-calendar memoranda. Staff will evaluate performance based on the retention of key personnel and the proficiency of the consultant to provide project management support services to assist in the delivery of the Project on budget and on schedule.

Because Modification No. 4 will cause the potential Contract value to exceed \$10,000,000, pending Commission approval, Staff will seek Board of Supervisors' approval of this modification as required by the San Francisco Charter Section 9.118(b).

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

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

### **Recommendation**

I recommend the Commission approve Modification No. 4 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners JV, to increase the Contract amount by \$9,000,000 for a new not-to-exceed amount of \$17,250,000 for services through June 30, 2022.

I also recommend the Commission to direct 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).



Ivar C. Satero  
Airport Director

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

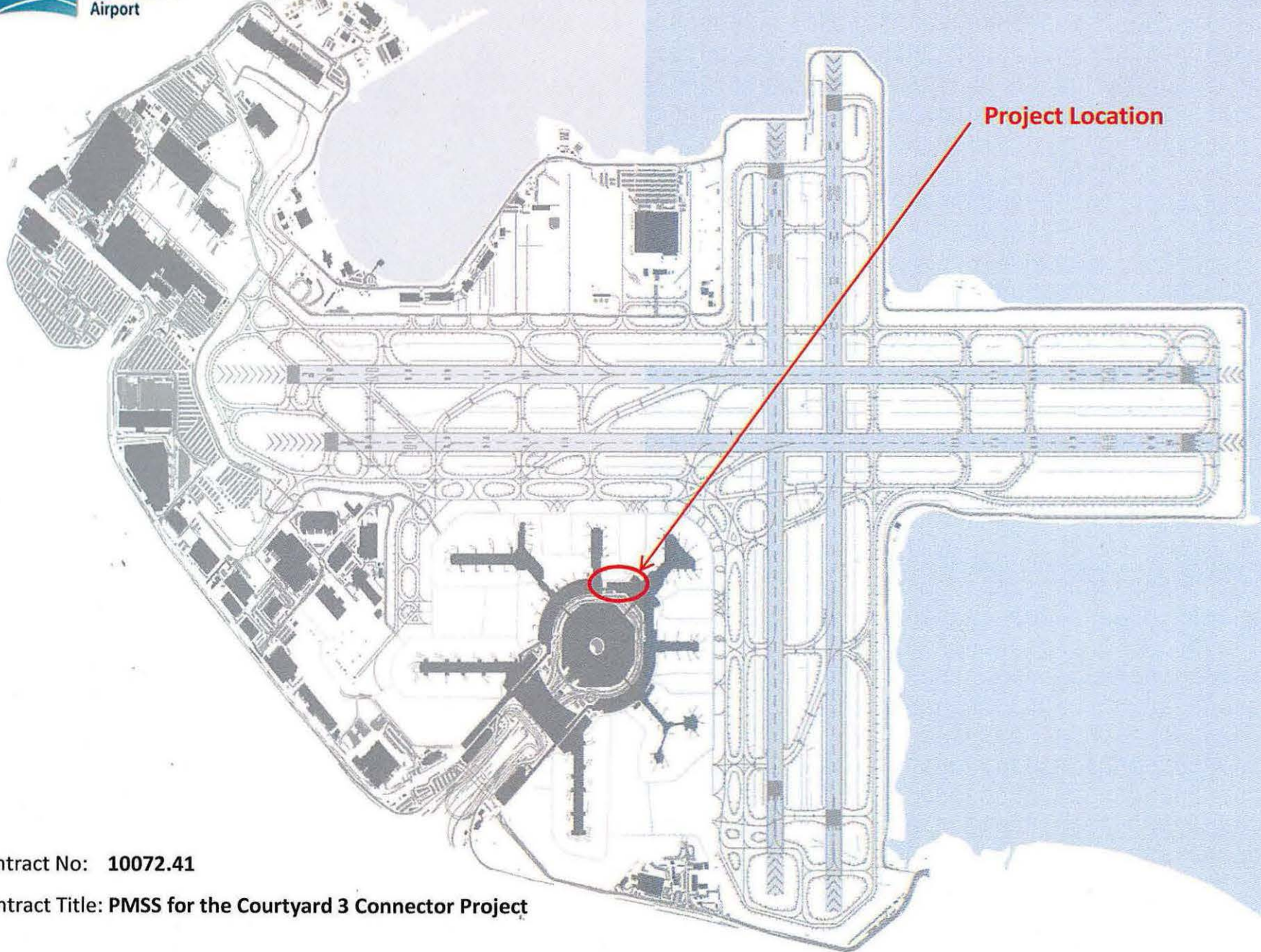
Attachments

**ATTACHMENT A**  
**SUMMARY OF COMMISSION ACTIONS**  
November 5, 2019

Contract No. 10072.41 - Project Management Support Services for the Courtyard 3 Connector Project.  
Courtyard 3 Connector  
Modification No. 4

<b>Date</b>	<b>Modification No.</b>	<b>Resolution No.</b>	<b>Description</b>	<b>Scope</b>	<b>Amount</b>
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

**Contract As-Modified to Date**      **\$8,250,000**  
Proposed Contract Modification No. 4 Amount      **\$9,000,000**  
**Proposed Modified Contract Amount**      **\$17,250,000**



Contract No: **10072.41**

Contract Title: **PMSS for the Courtyard 3 Connector Project**



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.

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

~~20-0028~~ 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

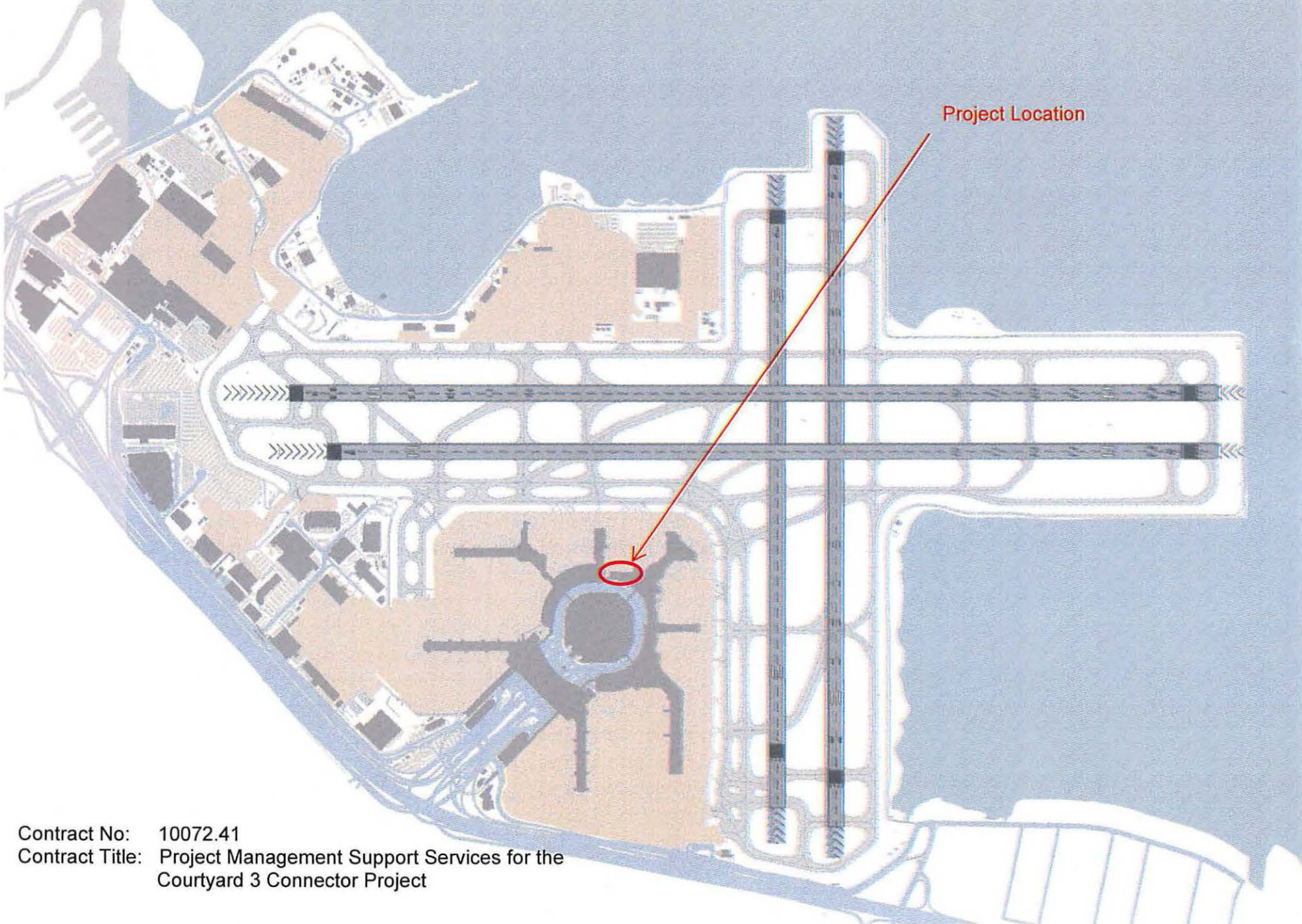
Attachments

**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

<b>Contract As-Modified to Date</b>	<b>\$8,250,000</b>
Proposed Contract Modification No. 4 Amount	<u>\$1,500,000</u>
Proposed Contract Modification No. 5 Amount	<u>\$7,500,000</u>
<b>Proposed Modified Contract Amount</b>	<b>\$17,250,000</b>



Project Location

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

**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.

**From:** [Dyanna Quizon \(AIR\)](#)  
**To:** [BOS Legislation, \(BOS\)](#)  
**Cc:** [Corina Monzon \(AIR\)](#); [Cathy Widener \(AIR\)](#); [Carolyn Jayin \(AIR\)](#); [Victor Madrigal \(AIR\)](#)  
**Subject:** BOS E-FILE SUBMITTAL - Approval of Modification No. 5 (Ct. No. 10072.41) to Project Management Support Services with PGH Wong & Partners JV  
**Date:** Friday, April 24, 2020 9:30:48 AM  
**Attachments:** [image001.png](#)  
[1 - 10072.41 BOS Cover Letter RO.pdf](#)  
[RE Request for E-Approval - Project Management Support Services for the Courtyard 3 Connector Project .msg](#)

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\*\*\*Please note that the files will be sent via Secure Transfer by Victor Madrigal due to the size. I have attached the cover letter with e-signature approval from the Commission Secretary.\*\*\*

CITY AND COUNTY OF SAN FRANCISCO

AIRPORT COMMISSION

BOARD OF SUPERVISORS LEGISLATION

To: BOS Legislation

Date: April 24, 2020

RE: Approval of Modification No. 5 to Project Management Support Services between PGH Wong & Partners - a Joint Venture and the City and County of San Francisco, acting by and through its Airport Commission

Attached is proposed legislation concerning approval Modification No. 5 to Project Management Support Services, between the City and County of San Francisco, acting by and through its Airport Commission, and PGH Wong & Partners - a Joint Venture.

The Airport Commission approved an increase to the contract amount to Project Management Support Services, by adopting Resolution No. 20-0029, on February 18, 2020.

The attachments for Modification No. 5 are listed below:

- Proposed Board of Supervisors Resolution;
- 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 Nos. 1 through 4; and
- A copy of Modification No. 5.

Contacts:

Cathy Widener, Governmental Affairs Administrator  
650-821-5023



**Dyanna Quizon** (*preferred pronouns: she/her/hers*)

Manager | Government Affairs

San Francisco International Airport | P.O. Box 8097 | San Francisco, CA 94128

Tel 650-821-4005 | [flysfo.com](https://www.flysfo.com)



## 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](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #:

200418

Bid/RFP #:

10072 . 41

### 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

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cathy widener	650-821-5023
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR San Francisco International Airport	cathy.widener@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> PGH Wong and Partners JV	<b>TELEPHONE NUMBER</b> 415-566-0800
<b>STREET ADDRESS (including City, State and Zip Code)</b> 182 2nd Street, Suite 500, San Francisco, CA 94105	<b>EMAIL</b> cliff@pghwong.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b>	<b>FILE NUMBER (If applicable)</b>
	10072.41	200418
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$17,250,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> The contractor provides project management support services to assist the Airport for 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 the construction of 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

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>

**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
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**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
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**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
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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><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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