

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **15 - 0171 -**

MODIFICATION NO. 6 TO CONTRACT NO. 9024.9, CONSTRUCTION MANAGEMENT SERVICES FOR THE INTERNATIONAL TERMINAL AND TERMINAL 3 BOARDING AREA F CHECKED BAGGAGE INSPECTION SYSTEM MODERNIZATION PROGRAM AND THE INTERNATIONAL TERMINAL BAGGAGE HANDLING SYSTEM IMPROVEMENTS PROJECT, IN AN AMOUNT OF \$1,350,000 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$9,945,000 AND TO INCREASE THE CONTRACT DURATION THROUGH SEPTEMBER 30, 2016

WHEREAS, the Checked Baggage Inspection System (CBIS) Modernization Program provides for the upgrade and replacement of the CBIS and Checked Baggage Resolution Area (CBRA) for the International Terminal (ITB) and for Boarding Area F (BAF), under the TSA's Recapitalization Program. In addition, the Project provides for baggage handling system (BHS) control upgrades and improvements to the ITB BHS as well as Boarding Area E (BAE) to BAF BHS Transfer Line; and

WHEREAS, on March 1, 2011, by Resolution No. 11-0045, the Commission authorized the Director to execute an Other Transaction Agreement (OTA) with the TSA for 90% reimbursement of design costs, including construction management services during design, for the ITB and BAF CBIS Modernization Program; and

WHEREAS, on June 30, 2011, by Resolution No. 11-0146, the Commission awarded this Contract 9024.9 to CAGE Professional Services, Inc. dba CAGE, Inc. for Construction Management (CM) Services for Project; and

WHEREAS, by various resolutions, the Commission has approved Modification Nos. 1 through 5 to provide for contract renewals tied to the schedule of the design-build contract, for a current contract amount not to exceed \$8,595,000, with a duration of 51 months; and

WHEREAS, this Modification No. 6 to Contract No. 9024.9 with CAGE, Inc. extends the contract for another year of services through September 30, 2016 and increases the contract amount by \$1,350,000 to allow for close out of the completed design-build baggage handling contract, reimbursement requests to the TSA, and support services for design coordination and cost estimating for a future design-build Request for Qualifications/Proposals. Once the new design-build contract has been awarded, this contract will provide for general contract administration and project management support services to support construction activities. Staff may recommend continuing this contract to provide these services for the full duration of the new design-build contract; and

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WHEREAS, due to the federal funding component for these services, the Airport encouraged proposers to utilize "best efforts" to subcontract at least 10% of the work to certified Federal Small Business Enterprises (SBE). Due to the specialized nature of the services, CAGE, Inc. is committed to achieving a 7.5% SBE sub-consultant participation; now, therefore be it

RESOLVED, that the Commission hereby approves Modification No. 6 to Contract No. 9024.9, Construction Management Services for the International Terminal and Boarding Area F Checked Baggage Inspection System Modernization Program, Boarding Area E Checked Baggage Inspection System Activation and the International Terminal Baggage Handling System Improvements Project, with CAGE Professional Services, Inc. dba CAGE, Inc. in an amount of \$1,350,000 for a new total contract amount not to exceed \$9,945,000 for services through September 30, 2016.

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

at its meeting of _____

SEP 01 2015


Secretary



San Francisco International Airport

MEMORANDUM

September 1, 2015

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Modification No. 6 to Professional Services Contract No. 9024.9, Construction Management Services for the International Terminal and Terminal 3 Boarding Area F Checked Baggage Inspection System Modernization Program and the International Terminal Baggage Handling System Improvements

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 6 TO PROFESSIONAL SERVICES CONTRACT NO. 9024.9, CONSTRUCTION MANAGEMENT SERVICES FOR THE INTERNATIONAL TERMINAL AND TERMINAL 3 BOARDING AREA F CHECKED BAGGAGE INSPECTION SYSTEM MODERNIZATION PROGRAM AND THE INTERNATIONAL TERMINAL BAGGAGE HANDLING SYSTEM IMPROVEMENTS PROJECT, IN AN AMOUNT OF \$1,350,000 FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$9,945,000 AND EXTENDING THE CONTRACT DURATION THROUGH SEPTEMBER 30, 2016

Executive Summary

Transmitted herewith for your approval is a proposed Resolution approving Modification No. 6 to Professional Services Contract No. 9024.9, Construction Management (CM) Services for the International Terminal and Terminal 3 Boarding Area F (BAF) Checked Baggage Inspection System (CBIS) Modernization Program, Boarding Area E (BAE) CBIS Activation and the International Terminal (ITB) Baggage Handling System Improvements Project, with CAGE Professional Services, Inc. dba CAGE, Inc., in an amount of \$1,350,000 for a total contract amount not to exceed \$9,945,000 and extending the contract duration through September 30, 2016.

The CBIS Modernization Program provides for the upgrade and replacement of the CBIS and Checked Baggage Resolution Area (CBRA) for the ITB and for BAF, under the TSA's Recapitalization Program. In addition, the Project provides for BHS control upgrades and improvements to the ITB baggage handling system as well as BAE to BAF Baggage Handling System Transfer Line.

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THIS PRINT COVERS CALENDAR ITEM NO. 4

EDWIN M. LEE MAYOR LARRY MAZZOLA PRESIDENT LINDA S. CRAYTON VICE PRESIDENT ELEANOR JOHNS RICHARD J. GUGGENHIME PETER A. STERN JOHN L. MARTIN AIRPORT DIRECTOR

This contract provides construction management support services for the Project. This modification will provide the required construction management services to close out the current design-build contract and design analysis and detailing of scope so that a design-build contract can be procured for completion of the Project.

Background

On March 1, 2011, by Resolution No. 11-0045, the Commission authorized the Director to execute an Other Transaction Agreement (OTA) with the TSA for 90% reimbursement of design costs, including construction management services, for the ITB and BAF CBIS Modernization Program under the TSA's Recapitalization Program, which funds modernization of the TSA's Explosive Detection Systems equipment within the CBIS and CBRAs.

On June 30, 2011, by Resolution No. 11-0146, the Commission awarded this Contract No. 9024.9 to CAGE, Inc. for CM Services. The past design-build services for this Project were provided by VanDerLande Industries (VI) with a contract amount of \$83,868,927 and a contract expiration date of March 31, 2015. By various resolutions, the Commission has approved Modification Nos. 1 through 5 for this CM contract to provide for contract renewals tied to the schedule of the design-build contract, for a current contract amount not to exceed \$8,595,000, with a duration of 51 months.

Due to ongoing issues with the operational performance of the TSA-furnished screening equipment and its effect on Airport and airline operational capacity, the Modernization Project under the TSA's Recapitalization Program was put on hold and the Airport determined to close out the design-build contract with VI. The Project is ready to resume after successful discussions with the TSA. Additional design analysis is needed to determine the scope, budget and schedule required to complete the Project. Once the scope, budget, and schedule for completion of the Project are determined and agreed to with the TSA, the Airport intends to issue a new Request for Qualifications/Proposals (RFQ/RFP) for design-build services to complete the Project.

This Modification No. 6 extends the contract duration by 12 months for another year of services through September 30, 2016 and increases the contract amount by \$1,350,000. In the next year, CAGE, Inc. will be supporting Airport Staff's efforts to close out of the completed design-build contract and submit reimbursement requests to the TSA. CAGE, Inc. will also provide support services for design coordination and cost estimating for a future design-build RFQ/RFP. Once the new design-build contract has been awarded, CAGE, Inc. will provide general contract administration and project management support services in support of construction activities. Staff may recommend continuing this contract to provide these services for the full duration of the new design-build contract.

Staff and Consultant have reached agreement on scope, staffing and fee for the next year of services. The modified not-to-exceed amount is \$9,945,000 with a contract duration of 63 months through September 30, 2016. This Modification will be funded from the Airport's 5-year Capital Improvement Plan. Staff is still working with the TSA to determine what portion of the future work may be reimbursed by the TSA.

Due to the federal funding component for these services, there are no Local Business Enterprise sub-consultant participation goals for the contract. Staff encouraged proposers to utilize "best efforts" to subcontract at least 10% of the work to certified federal Small Business Enterprise (SBE). Due to the specialized nature of the services, CAGE, Inc. has achieved a 7.5% SBE sub-consultant participation.

Recommendation

Based on the above, I recommend the Commission approve Modification No. 6 to Contract No. 9024.9, Construction Management Services for the ITB and BAF CBIS Modernization Program, BAE CBIS Activation and the ITB Terminal BHS Improvements Project, with CAGE Professional Services, Inc. (dba CAGE, Inc.) in an amount of \$1,350,000 for a total contract amount not to exceed \$9,945,000 and to extend the contract duration through September 30, 2016.



John L. Martin
Airport Director

Prepared by: -Geoffrey W. Neumayr
Deputy Airport Director
Design & Construction

Attachment