



MEMORANDUM

December 3, 2019

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

19-0294

19-0295
DEC -3 2019

FROM: Airport Director

SUBJECT: Approval of Modification Nos. 8 and 9 to Professional Services Contract No. 10010.41, Project Management Support Services for the New Boarding Area B Project, and Determination to Proceed with the Taxilane Pavement Repairs by Boarding Areas A and B scope

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NOS. 8 AND 9 TO PROFESSIONAL SERVICES CONTRACT NO. 10010.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE NEW BOARDING AREA B PROJECT, WITH T1 CUBED, A JOINT VENTURE BETWEEN WSP USA INC., AND AGS INC., TO INCREASE THE CONTRACT AMOUNT BY \$9,500,000 FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$38,500,000, TO EXTEND THE CONTRACT FOR SERVICES THROUGH MAY 31, 2022, AND DETERMINE TO PROCEED WITH THE TAXILANE PAVEMENT REPAIRS BY BOARDING AREAS A AND B SCOPE.

Executive Summary

The Project is constructing a New Boarding Area B that can accommodate up to a 28 aircraft parking positions, including seven international swing gates; a new architectural building envelope; complete electrical, mechanical, and special systems replacement; interior architecture; new concessions program; new passenger boarding bridges; new aircraft apron; new jet fuel hydrant system; and all other support systems, along with public art installations. This Project also includes the construction of taxilane pavement to address existing deficiencies adjacent to Boarding Area B.

This Contract provides Program Management Support Services (PMSS) for the Project, which includes cost/schedule controls, construction management, special inspections, document control, cost estimating, commissioning services, and other administrative support functions.

This proposed action approves increasing the full not-to-exceed Contract amount to \$38,500,000 and extending the full Contract duration through May 31, 2022.

THIS PRINT COVERS CALENDAR ITEM NO. 8

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

ELEANOR JOHNS

RICHARD J. GUGGENHIME

MALCOLM YEUNG

IVAR C. SATERO
AIRPORT DIRECTOR

The addition of scope and duration of the Project's design-build contract created the need for additional PMSS services. Modification No. 8 increases the Contract amount by \$500,000 for a new Contract amount not to exceed \$29,500,000. Modification No. 9 increases the Contract amount by an additional \$9,000,000 for a new total Contract amount not to exceed \$38,500,000 and extends the Contract duration for services through May 31, 2022. If the Commission approves Modification No. 8, the blank in the proposed Resolution approving Modification No. 9 will be filled in with the appropriate Resolution number.

Modification No. 9 causes the Contract to exceed the current Board of Supervisors (BOS) authorization and will be submitted to the BOS for the Contract amount and the extended Contract duration.

Background

On January 20, 2015, by Resolution No. 15-0004, the Commission awarded this Contract to T1 Cubed – a Joint Venture in an amount not to exceed \$4,300,000 for the initial year of services.

On March 31, 2015, by Resolution No. 102-15, the Board of Supervisors approved this Contract and authorized a not-to-exceed amount of \$29,000,000 for a term of six years.

Modification Nos. 1, 3, and 5 were administrative modifications to adjust labor rates and add new sub-consultants.

The Commission previously approved Contract Modification Nos. 2, 4, and 6 to increase the total Contract not-to-exceed amount to \$25,350,000 and extend the Contract duration through May 4, 2019.

On December 4, 2018, by Resolution No. 18-0390, the Commission approved Contract Modification No. 7 increasing the Contract amount by \$13,150,000, for a new not-to-exceed total Contract amount of \$38,500,000, extending the Contract duration through May 31, 2022, and directing Staff to seek BOS approval of Modification No. 7 consistent with San Francisco Charter Section 9.118(b).

However, Modification No. 7, as executed by T1 Cubed - A Joint Venture, actually only increased the Contract amount by \$3,650,000 and extended the Contract duration to May 31, 2021. Modification No. 7, as executed, did not exceed the authority granted by the BOS on March 31, 2015 through Resolution No. 102-15, and therefore Staff did not seek BOS approval of Modification No. 7. Refer to Attachment A – Summary of Commission Actions for this Contract.

The addition of scope and duration of the Project's design-build contract (Contract No. 10010.66) has created the need for additional PMSS services. Together, Modification Nos. 8 and 9 increase the Contract to the full not-to-exceed amount of \$38,500,000 for services through May 31, 2022.

Modification No. 8 to this Contract would increase the Contract amount by \$500,000 for a new total Contract amount not to exceed \$29,500,000, with no change to the Contract duration. San

Francisco Charter Section 9.118(b) permits modifications up to \$500,000 without approval by the BOS. Modification No. 8 will extend the Contract amount to allow the Airport to compensate T1 Cubed while Staff seek BOS approval of Modification No. 9.

Modification No. 9 would increase the Contract amount by an additional \$9,000,000, for a new total Contract not-to-exceed amount of \$38,500,000, and increases the Contract duration for services through May 31, 2022.

Because Modification No. 9 would cause the total Contract amount to exceed the BOS authorized Contract value by more than \$500,000, 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 \$38,500,000.

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 \$38,500,000 is equal to the budget for this Contract funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

The forecast amount for this Contract is \$38,500,000 for seven years of services, and falls within the Contract budget, with the appropriate levels of contingency.

The City's Contract Monitoring Division has approved 20% Local Business Enterprise sub-consultant participation requirement for this Contract and T1 Cubed – a Joint Venture has committed to meeting this requirement.

Environmental Review

On February 18, 2014, by Resolution 14-0026, the Commission determined to proceed with the New Boarding Area B Project. The Airport subsequently proposed the Taxilane Pavement Repairs by Boarding Areas A and B scope.

On November 14, 2019, the San Francisco Planning Department, Environmental Planning Division, determined that the Taxilane Pavement Repairs by Boarding Areas A and B scope is categorically exempt from review under the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000, *et seq.*) and Section 15301 of the CEQA Guidelines as a Class 1 exemption, which applies to repair and maintenance of existing facilities. This exemption determination is available from the Planning Department under File No. 2019-021100ENV. This action constitutes the Approval Action for the Taxilane Pavement Repairs by Boarding Areas A and B scope for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.

Recommendation

I recommend the Commission approve Modification Nos. 8 and 9 to Professional Services Contract No. 10010.41, Project Management Support Services for the New Boarding Area B Project, with T1 Cubed – a Joint Venture between WSP USA Inc. and AGS, Inc., to increase the Contract amount by a combined total of \$9,500,000 for a new Contract not-to-exceed amount of \$38,500,000 for services through May 31, 2022, and determine to proceed with the Taxilane Pavement Repairs by Boarding Areas A and B scope.



Ivar C. Satero
Airport Director

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

Attachments

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
December 3, 2019

Contract No. 10010.41 - Project Management Support Services for New Boarding Area B Project

Contractor: T1 Cubed - a Joint Venture

Modification No. 8 & 9

Date	Modification No.	Resolution No.	Description	Scope	Amount
2/18/2014		14-0026	Environmental Review	Project approved in the 1992 Master Plan Environmental Impact Report (EIR) and subsequent 2007 Addendum to the Master Plan EIR. No new mitigation measures required. Authorization to proceed with implementation of Terminal 1 project.	
1/20/2015	-	15-0004	Award of Contract	Program Management Support Services	\$4,300,000
3/31/2015	-	102-15	Board of Supervisors Approval	Board of Supervisors approve Agreement under San Francisco Charter Section 9.118	\$0
3/31/2015	1	-	Administrative Modification	Amend Appendix B, Calculation of Charges, and update standard contractual clauses.	\$0
3/15/2016	2	16-0078	Contract Modification	Increase contract amount, extend the term of the contract, and amend Appendix B - Calculation of Charges.	\$7,500,000
7/1/2016	3	-	Administrative Modification	Amend Appendix B - Calculation of Charges	\$0
3/21/2017	4	17-0059	Contract Modification	Increase contract amount, extend term of contract, amend the Appendix B - Calculation of Charges	\$5,100,000
1/1/2018	5	-	Administrative Modification	Modified Agreement to included new sub-consultant and updated labor rates.	\$0
2/20/2018	6	18-0041	Contract Modification	Increase contract amount, extend term of contract.	\$8,450,000
12/4/2018	7	18-0390	Contract Modification	Increase contract amount, extend term of contract. Modification No. 7 as executed was less than Resolution authorization.	\$3,650,000

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
 December 3, 2019

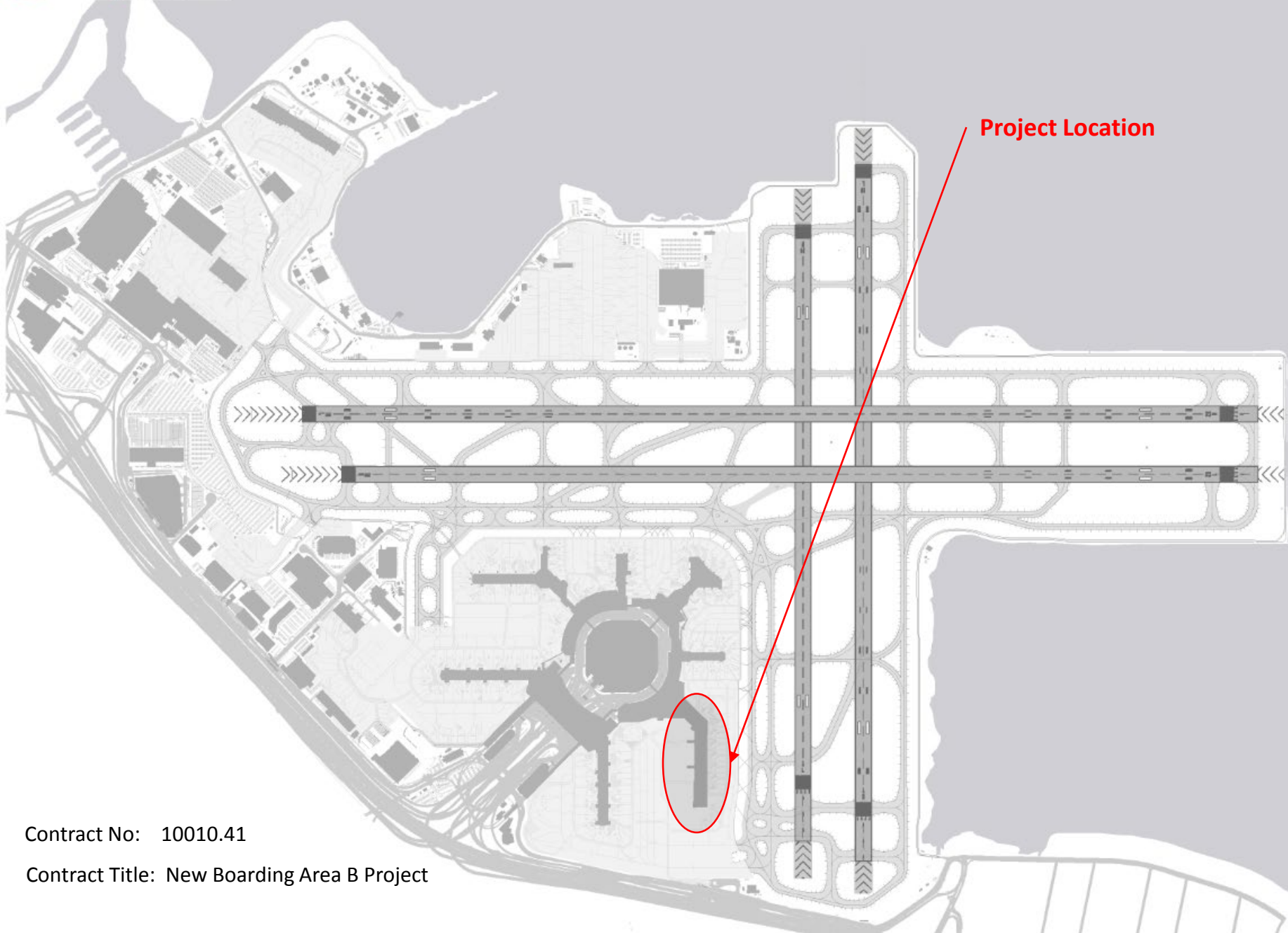
Contract No. 10010.41 - Project Management Support Services for New Boarding Area B Project

Contractor: T1 Cubed - a Joint Venture

Modification No. 8 & 9

Date	Modification No.	Resolution No.	Description	Scope	Amount
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Contract As-Modified to Date	\$29,000,000
Proposed Contract Modification No. 8 Amount	<u>\$500,000</u>
Proposed Contract Modification No. 9 Amount	<u>\$9,000,000</u>
Proposed Modified Contract Amount	\$38,500,000



Project Location

Contract No: 10010.41

Contract Title: New Boarding Area B Project