

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 21-0244

APPROVAL OF MODIFICATION NO. 2 TO CONTRACT NO. 50178, WITH COVENANT AVIATION SECURITY, LLC TO EXERCISE THE LAST 2-YEAR OPTION TO EXTEND THE CONTRACT TERM THROUGH JUNE 30, 2024, AND INCREASE THE CONTRACT AMOUNT BY \$7,900,324 FOR A NEW TOTAL NOT-TO-EXCEED AMOUNT OF \$19,685,578

WHEREAS, the Airport's Security Program (ASP), approved by the Transportation Security Administration (TSA) requires the Airport to conduct inspections of all deliveries, merchandise, consumables, and employees accessing the Sterile Area of the Airport and to provide other security services around the Airport; and

WHEREAS, on September 18, 2018, by Resolution No. 18-0299, the Commission awarded Contract No. 50178, General Airport Security Services to Covenant Aviation Security, LLC for an initial period of twenty (20) months, with two 2-year options to extend, at the sole discretion of the Commission, for an amount not to exceed \$5,500,000; and

WHEREAS, on June 2, 2020, by Resolution No. 20-0096, the Commission approved Modification No. 1 to exercise the first 2-year option to extend the contract term through June 30, 2022, and increase the contract amount by \$6,285,254 for a new not-to-exceed amount of \$11,785,254, and reduce the management fee for the term July 1, 2020 to June 30, 2021 from \$49,576 per month to \$47,097.20 per month, due to the financial impacts of the COVID-19 pandemic on the City and the Airport; and

WHEREAS, Staff seeks Commission approval to exercise the last 2-year option to extend the contract term and increase the contract amount; now, therefore, be it

RESOLVED, that this Commission approves Modification No. 2 to Contract No. 50178 with Covenant Aviation Security, LLC to exercise the last 2-year option to extend the contract term through June 30, 2024, and increase the contract amount by \$7,900,324, for a new total not-to-exceed amount of \$19,685,578; and, be it further

RESOLVED, that the Commission Secretary is hereby directed to request approval of the Modification No. 2 to Contract No. 50178 from the Board of Supervisors pursuant to Section 9.118 of the Charter of the City and County of San Francisco.

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

= DEC 21 2021

at its meeting of _____


Secretary



MEMORANDUM

December 21, 2021

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Eleanor Johns, Vice President
Hon. Everett A. Hewlett, Jr.
Hon. Jane Natoli
Hon. Malcolm Yeung

21-0244
= DEC 21 2021

FROM: Airport Director

SUBJECT: Approval of Modification No. 2 to Contract No. 50178 with Covenant Aviation Security, LLC

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO CONTRACT NO. 50178, WITH COVENANT AVIATION SECURITY, LLC TO EXERCISE THE LAST 2-YEAR OPTION TO EXTEND THE CONTRACT TERM THROUGH JUNE 30, 2024, AND INCREASE THE CONTRACT AMOUNT BY \$7,900,324 FOR A NEW TOTAL NOT-TO-EXCEED AMOUNT OF \$19,685,578 AND DIRECT THE COMMISSION SECRETARY TO SEEK APPROVAL OF THE MODIFICATION FROM THE BOARD OF SUPERVISORS PURSUANT TO SECTION 9.118 OF THE CHARTER OF THE CITY AND COUNTY OF SAN FRANCISCO.

Executive Summary

Commission approval is requested for Modification No. 2 to Contract No. 50178 with Covenant Aviation Security, LLC to exercise the last 2-year option to extend the contract term through June 30, 2024, and increase the contract amount by \$7,900,324. for a new total not-to-exceed amount of \$19,685,578.

Background

SFO's Airport's Security Program (ASP), approved by the Transportation Security Administration (TSA), requires the Airport to conduct inspections of all deliveries, merchandise, consumables, and employees accessing the Sterile Area, which is situated past the screening checkpoints. TSA requires the Airport to provide guards to staff the passenger security checkpoint exit lanes during non-TSA screening hours and perform random employee inspections at direct access points. Covenant Aviation Security provides the required Airport screening services on vendors bringing items to the secured area of the Airport, on visitors at the entryway of the Airport Commission offices, to guard exit lanes when TSA personnel are not on site, and to perform badge checks on individuals using secure bypass doors throughout the Airport.

THIS PRINT COVERS CALENDAR ITEM NO. 2

AIRPORT COMMISSION		CITY AND COUNTY OF SAN FRANCISCO				
LONDON N. BREED MAYOR	LARRY MAZZOLA PRESIDENT	ELEANOR JOHNS VICE PRESIDENT	EVERETT A. HEWLETT, JR.	JANE NATOLI	MALCOLM YEUNG	IVAR C. SATERO AIRPORT DIRECTOR

On September 18, 2018, by Resolution No. 18-0299, the Commission awarded Contract No. 50178, General Airport Security Services to Covenant Aviation Security, LLC for an initial period of twenty (20) months, with two 2-year options, for an amount not to exceed \$5,500,000 for the initial 20-month period.

On June 2, 2020, by Resolution No. 20-0096, the Airport entered into Modification No. 1 to exercise the first 2-year option to extend the contract term through June 30, 2022, and increase the contract amount by \$6,285,254 for a new total not-to-exceed amount of \$11,785,254, and reduce the management fee for the term July 1, 2020 to June 30, 2021 from \$49,576 per month to \$47,097.20 per month, due to the financial impacts of the COVID-19 pandemic on the City and the Airport.

Staff seeks Commission approval to exercise the last 2-year option to extend the contract term through June 30, 2024, and increase the contract amount by \$7,900,324, for a new total not-to-exceed amount of \$19,685,578.

Because the contract exceeds \$10,000,000, approval of the Board of Supervisors is required for Modification No. 2 to Contract No. 50178 pursuant to San Francisco Charter Section 9.118(b).

Recommendation

I recommend this Commission adopt the attached resolution (i) approving Modification No. 2 to Contract No. 50178 with Covenant Aviation Security, LLC to exercise the last 2-year option to extend the term through June 30, 2024, and increase the contract amount by \$7,900,324 for a new total not-to-exceed amount of \$19,685,578 and (ii) directing the Commission Secretary to seek approval of the Modification from the Board of Supervisors pursuant to Section 9.118 of the Charter of the City and County of San Francisco.



Ivar C. Satero
Airport Director

Prepared by: Jeff Littlefield
Chief Operating Officer

Attachment