



MEMORANDUM

November 15, 2022

TO: AIRPORT COMMISSION
Hon. Eleanor Johns, President
Hon. Malcolm Yeung, Vice President
Hon. Everett A. Hewlett, Jr.
Hon. Jane Natoli
Hon. Jose F. Almanza

22-0177

NOV 15 2022

FROM: Airport Director

SUBJECT: Approval of Modification No. 18 to Professional Services Contract No. 9185.9, Program Management Support Services for the Terminal 1/Boarding Area B Redevelopment Program

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 18 TO PROFESSIONAL SERVICES CONTRACT NO. 9185.9, PROGRAM MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 1/BOARDING AREA B REDEVELOPMENT PROGRAM, WITH T1 PARTNERS, A JOINT VENTURE, A JOINT VENTURE BETWEEN THE ALLEN GROUP, LLC AND EPC CONSULTANTS, INC., TO EXTEND THE CONTRACT FOR ADDITIONAL YEARS OF SERVICES FROM JULY 7, 2023 THROUGH JULY 31, 2025.

Executive Summary

Through this Contract, T1 Partners, a Joint Venture, a joint venture between The Allen Group, LLC and EPC Consultants, Inc. (T1 Partners), provides Program Management Support Services (PMSS) consisting of overall management expertise and oversight of the Terminal 1/Boarding Area B Redevelopment Program (T1 Program). The scope of work for the Contract includes design and construction management services, project controls, contract administration, cost estimating, and field inspection.

This Contract Modification No. 18 would extend the Contract duration for services from July 7, 2023 through July 31, 2025 to provide services during the current final completion duration of the T1 Program's design-build contract for Harvey Milk Terminal 1 Center Renovation Project. On September 30, 2020, Staff suspended construction of the final phase consisting of the northern portion of Terminal 1 (T1 North) of the Project in consideration of the financial impacts caused by the COVID-19 pandemic. On March 10, 2022, Staff authorized all remaining T1 North construction activities to recommence.

Modification No. 18 would cause the Contract to exceed the current Board of Supervisors (BOS) authorization and, upon Commission approval, Staff will submit it to the BOS for approval to extend the Contract duration.

Background

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

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

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

The Commission previously approved Modification Nos. 3, 5, 6, 8, 10, 12, and 14 increasing the Contract not-to-exceed amount to \$38,000,000 and extending the Contract duration to July 7, 2023. Modification Nos. 1, 2, 4, 7, 9, 11, 15, 16, and 17 were administrative modifications to adjust labor rates and add new sub-consultants with no change to the Contract amount or duration. Refer to Attachment A – Summary of Commission Actions and Contract Amendments for this Contract.

On May 19, 2020, by Resolution No. 234-20, the BOS approved this Contract and authorized a not-to-exceed amount of \$38,000,000 and to extend the Contract term through July 7, 2023.

Modification No. 18 would extend the Contract duration for services through July 31, 2025 with no change to the Contract amount. On September 30, 2020, in consideration of the financial impacts caused by the COVID-19 pandemic, Staff suspended construction of T1 North which was the final phase of the T1 Program. Due to the fiscal impacts of the pandemic, Staff developed an incremental plan to implement the remaining T1 North work. This plan divided scope into seven steps, by trade, to align with construction sequencing, and allowing for off-ramps if the economic recovery stalled. All seven steps in the T1 North plan have since been approved to move forward. Staff and T1 Partners have reached agreement on scope, staffing and fee for the remaining years of services.

The full not-to-exceed Contract amount of \$38,000,000 is equal to the budget for this Contract funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

Pending Commission approval, Staff will seek BOS approval to extend the Contract term through July 31, 2025.

Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Program. Staff will evaluate performance based on retention of key personnel and the proficiency of the team to perform the required tasks.

The City's Contract Monitoring Division has approved a 22% Local Business Enterprise sub-consultant participation goal for this Contract and T1 Partners has committed to meeting this requirement.

Recommendation

I recommend the Commission approve Modification No. 18 to Professional Services Contract No. 9185.9, Program Management Support Services for the Terminal 1/Boarding Area B Redevelopment Program with T1 Partners, a Joint Venture, a joint venture between The Allen Group, LLC and EPC Consultants, Inc., to extend the Contract for additional years of services to July 31, 2025 with no change to the Contract amount and direct the Commission Secretary to seek Board of Supervisors approval for Contract Modification No. 18 consistent with San Francisco Charter Section 9.118(b).



Gary C. Satero
Airport Director

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Chief Development Officer
Planning, Design & Construction

Attachments

Attachment A
SUMMARY OF COMMISSION ACTIONS and CONTRACT AMENDMENTS
November 15, 2022

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

Contractor: T1 Partners, a Joint Venture

Modification No. 18

Date	Modification No.	Resolution No.	Description	Scope	Amount
4/16/2013	–	13-0087	Award of Contract	First year of services, and seek Board of Supervisor's approval.	\$4,453,178
6/11/2013	N/A	187-13	BOS Resolution	Approval of Contract	\$0
8/26/2013	1	–	Administrative Modification	Administrative changes, including new labor and overhead rates and new subconsultants	\$0
2/18/2014		14-0026	Environmental Review	Project approved in the 1992 Master Plan Environmental Impact Report (EIR) and subsequent 2007 Addendum to the Master Plan EIR. No new mitigation measures required. Authorization to proceed with implementation of Terminal 1 project.	
2/21/2014	2	–	Administrative Modification	Administrative changes, including new labor and overhead rates and new subconsultants	\$0
7/8/2014	3	14-0067	Contract Modification	Second year of services	\$7,807,579
2/18/2015	4	–	Administrative Modification	Administrative changes, including changes to labor and overhead rates and revisions to scope of services	\$0
7/7/2015	5	15-0142	Contract Modification	Third year of services	\$7,500,000
6/1/2016	6	16-0174	Contract Modification	Fourth year of services	\$3,967,000
7/7/2016	7	–	Administrative Modification	Administrative changes, including changes to labor and overhead rates and revisions to scope of services	\$0
6/6/2017	8	17-0194	Contract Modification	Fifth year of services	\$4,533,243
10/1/2017	9	–	Administrative Modification	Administrative changes, including changes to labor and overhead rates and addition of new subconsultant	\$0
6/5/2018	10	18-0163	Contract Modification	Sixth year of services	\$2,389,000
8/1/2018	11	–	Administrative Modification	Administrative changes, including changes to labor and overhead rates	\$0
6/4/2019	12	19-0143	Contract Modification	Seventh year of services (To July 7, 2020)	\$1,350,000

Attachment A
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November 15, 2022

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Contractor: T1 Partners, a Joint Venture

Modification No. 18

Date	Modification No.	Resolution No.	Description	Scope	Amount
6/4/2019	13	19-0144	Contract Modification	(Proposed) Increase Contract amount and duration to the full Contract amount through July 7, 2023, and seek Board of Supervisor's approval.	Not Executed
2/4/2020	14	20-0017	Contract Modification	Increase Contract amount and duration to the full Contract amount through July 7, 2023, and seek Board of Supervisor's approval of Modification No.14.	\$6,000,000
5/19/2020	N/A	234-20	BOS Resolution	Approval of Modification No.14.	\$0
6/1/2020	15	-	Administrative Modification	Administrative changes to capture revised rates effective June 1, 2020 (Replace Appendix B.5 Calculation of Charges)	\$0
7/1/2021	16	-	Administrative Modification	Administrative changes to indicate direct hourly rate ranges and labor classification addition (Replace Appendix B.6 Calculation of Charges)	\$0
6/15/2022	17	-	Administrative Modification	Administrative changes to add AvAirPros and revise labor classification addition (Replace Appendix B.7 Calculation of Charges)	\$0
Contract As-Modified to Date					\$38,000,000
Proposed Contract Modification No.18 Amount					<u>\$0</u>
Proposed Modified Contract Amount					\$38,000,000