



San Francisco International Airport

MEMORANDUM

May 3, 2016

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: Approval of Modification No. 2 to Professional Services Contract No. 8768.41, Project Management Support Services for the Airport Hotel Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 8768.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRPORT HOTEL PROJECT WITH PGH WONG-MCK JV, IN AN AMOUNT NOT TO EXCEED \$2,562,000 WITH A NEW CONTRACT AMOUNT OF \$5,500,000 AND WITH A NEW CONTRACT DURATION OF 24 MONTHS FOR SERVICES THROUGH JUNE 10, 2017

Executive Summary

Transmitted herewith for your approval is a proposed Resolution approving Modification No. 2 to Professional Services Contract No. 8768.41, Project Management Support Services (PMSS) for the Airport Hotel Project (Project) with PGH Wong-MCK JV, in an amount not to exceed \$2,562,000 with a new contract amount of \$5,500,000 and with a new contract duration of 24 months through June 10, 2017.

The Project will construct a 4-Star, 4-Diamond Hotel on Plot 2. The Hotel will feature 350 guest rooms, meeting space, a three meal restaurant, roof-top bar, spa and pool. The Project will reconfigure South McDonnell Road and install new underground utilities, to provide additional Remain Over Night (RON) aircraft parking positions adjacent to Boarding Area A and will be tracked as a separate project.

This Contract provides PMSS for the Project, including Project Management, Design Management, Project Controls, Airport Systems Specialists, Cost Control, Schedule Analysis, and Document Controls.

This modification provides for the second year of PMSS for the Project and the addition of the South McDonnell Road reconfiguration.

Background

On September 19, 2014 by Resolution No. 14-0178, the Commission authorized the Director to issue a Request for Qualifications/Proposals (RFQ/RFP) for PMSS for the Project and to negotiate with the highest-ranked proposer.

THIS PRINT COVERS CALENDAR ITEM NO. 7

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

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

On January 13, 2015 by Resolution No. 15-003 the Commission awarded Contract No. 8768.41 to PGH Wong-MCK JV for PMSS in an amount not to exceed \$2,938,000 for the first year of services through June 10, 2016. This Contract is structured as a cost-plus-fixed-fee contract. The total forecast contract value at completion is \$13,700,000.

After the initial award and during the Programming Phase, the Project grew in complexity and coordination with the addition of the utility relocation and roadway configuration of South McDonnell Road. Additionally, there are several adjacent projects that will be constructed concurrently along with the Airport Hotel Project. The PMSS will provide a focused effort and coordination to facilitate this scope is incorporated to meet the Airport Hotel Project schedule.

Modification No. 2 is for the second year of services. Staff and PGH Wong-MCK JV have reached agreement on scope, staffing and fee for the second year of services.

The City's Contract Monitoring Division has approved a 22% Local Business Enterprise sub-consultant participation requirement for this Contract and PGH Wong-MCK JV has committed to meeting this requirement.

Recommendation

Based on the above, I recommend that the Commission approve Modification No. 2 to Professional Services Contract No. 8768.41, Project Management Support Services for the Airport Hotel Project with the addition of the South McDonnell Road reconfiguration, in an amount not to exceed \$2,562,000 with a new contract amount of \$5,500,000 and a new contract duration of 24 months through June 10, 2017..



John E. Martin
Airport Director

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

Attachments

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 16-0134

APPROVAL OF MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 8768.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRPORT HOTEL PROJECT IN AN AMOUNT NOT TO EXCEED \$2,562,000 WITH A NEW CONTRACT AMOUNT OF \$5,500,000 FOR SERVICES THROUGH JUNE 10, 2017

WHEREAS, on January 13, 2015, the Commission awarded a contract to PGH Wong-MCK JV for Project Management Support Services for the Airport Hotel Project in amount not to exceed \$2,938,000 for services through June 10, 2016; and

WHEREAS, by Administrative Modification No. 1 modifications were made to the terms and conditions of the contract, and no changes were made to the contract amount or contract duration; and

WHEREAS, Modification No. 2 is for one additional year of service, the addition of the South McDonnell Road reconfiguration and an increase to the not-to-exceed amount of Contract No. 8768.41 of \$2,562,000 through June 10, 2017, for a new contract amount not to exceed \$5,500,000; and

WHEREAS, Staff and PGH Wong-MCK JV have reached agreement on scope, staffing and fee for the one year of service; and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise sub-consultant participation requirement of 22% for this Contract and PGH Wong-MCK JV is committed to meeting that requirement; now, therefore, be it

RESOLVED, that the Commission hereby approves Modification No. 2 to Professional Services Contract No. 8768.41, Project Management Support Services for the Airport Hotel Project with PGH Wong-MCK JV, in an amount not to exceed \$2,562,000 with a new contract amount of \$5,500,000 for services through June 10, 2017.

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

at its meeting of _____

MAY 08 2016


Secretary