



San Francisco International Airport

MEMORANDUM

April 4, 2023

TO: AIRPORT COMMISSION

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

23-0089

APR 4 2023

FROM: Airport Director

SUBJECT: Approval of Modification No. 12 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 12 TO PROFESSIONAL SERVICES CONTRACT NO. 10071.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 3 WEST MODERNIZATION PROJECT, WITH WCME JV, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., CONSOR PMCM, INC., MCK AMERICAS, INC., AND ENVIRONMENTAL & CONSTRUCTION SOLUTIONS, TO EXTEND THE CONTRACT FOR SERVICES THROUGH DECEMBER 31, 2025, AND REMOVE THE OPTIONS TO EXTEND THE CONTRACT TERM.

Executive Summary

The Terminal 3 West Modernization Project (Project) will renovate and expand the existing western half of Terminal 3 to provide a seismic retrofit, upgrade and replace old building systems, increase international operational flexibility by providing three wide-body or four narrow-body swing gates, create a secure connection to customs, implement a world-class concessions program to increase revenue generation, and enhance the passenger experience.

The Project Management Support Services (PMSS) consultant provides overall management expertise and oversight of the Project. The Contract's scope of work includes design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

Modification No. 12 will extend the Contract duration through December 31, 2025, and remove the options to extend the Contract term.

Background

On February 16, 2016, by Resolution No. 16-0053, the Commission awarded this Contract to WCME JV, a joint venture of PGH Wong Engineering, Inc., Cooper Pugeda Management, Inc., MCK Americas, Inc., and Environmental & Construction Solutions, in a Contract not-to-exceed amount of \$8,100,000 with a Contract term of one year. The Commission approved, through Modification Nos. 1, 3, 4, and 6, extending the Contract term through October 4, 2023 and increasing the Contract not-to-exceed amount to \$50,000,000. Modification Nos. 2, 5, and 7 through 11, were administrative modifications to update Contract terms and conditions and to

THIS PRINT COVERS CALENDAR ITEM NO. 10

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED
MAYOR

ELEANOR JOHNS
PRESIDENT

MALCOLM YEUNG
VICE PRESIDENT

EVERETT A. HEWLETT, JR.

JANE NATOLI

JOSE F. ALMANZA

IVAR C. SATERO
AIRPORT DIRECTOR

acknowledge an assignment of interest and name change among the joint venture members. Refer to Attachment A – Summary of Commission Actions to date for the Contract.

On July 31, 2018, by Resolution No. 284-18, the Board of Supervisors (BOS) approved Modification No. 4, increasing the Contract not-to-exceed amount to \$14,000,000 for services through April 4, 2019.

On February 12, 2019, by Resolution No. 73-19, the BOS approved Modification No. 6, increasing the Contract not-to-exceed amount to \$50,000,000.

On March 20, 2019, the Airport executed an administrative Modification No. 7 to acknowledge that the consultant's joint venture member Cooper Pugeda Management, Inc. changed its name to CPM Associates, Inc.

On April 7, 2020, the Airport suspended work on the Project due to the COVID-19 pandemic's impact on Airport finances and travel demand. The demand for international swing gates has returned and the terminal still requires a structural retrofit and expansion, as well as the replacement of end-of-life building systems. Therefore, the Airport lifted the suspension and work resumed on January 1, 2023.

On March 6, 2023, the Airport executed administrative Modification No. 11 to acknowledge that CPM Associates, Inc. changed its name to Consor PMCM, Inc.

Modification No. 12 will extend the term of the Contract to December 31, 2025 and will also remove the four options to extend the Contract term, which will better align this Contract with the Airport's typical practice regarding PMSS contracts.

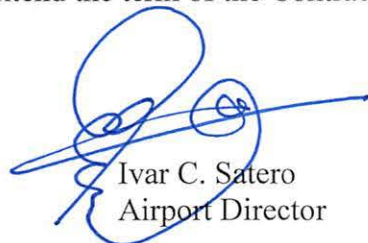
The current budget for the Contract is \$50,000,000. The Contract is currently funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

Staff will periodically review and adjust the staffing provided by the Contract based on the dynamic needs of the Project. Staff will report to the Commission periodically on the performance of the consultant team through off-calendar Memoranda. Staff will evaluate performance based on the retention of key personnel and the proficiency of the team to perform the required tasks.

The City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 20% for the Contract. WCME JV has committed to meeting this requirement.

Recommendation

I recommend the Commission approve Modification No. 12 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project, with WCME JV, a joint venture of PGH Wong Engineering, Inc., Consor PMCM, Inc., MCK Americas, Inc., and Environmental & Construction Solutions, to extend the term of the Contract to December 31, 2025, and remove the four options to extend the Contract term.



Ivar C. Satero
Airport Director

Prepared by: Judi Mosqueda
Chief Development Officer
Design & Construction

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
April 4, 2023

Contract No.: 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project

Consultant: WCME JV

Modification No. 12

Date	Modification No.	Resolution No.	Description	Scope	Amount
4/7/2015	-	15-0074	Environmental Review	Commission affirmed Categorical Exemption for the project. This action constitutes the Approval Action pursuant to Section 31.04(h) of the San Francisco Administrative Code.	\$0
2/16/2016	-	16-0053	Award of Contract	Program Management Support Services	\$8,100,000
3/21/2017	1	17-0064	Second Year of Services	Extend contract term for 1 year	\$0
10/1/2017	2	-	Administrative Modification	Update terms of Appendix B to reflect CPI Increase	\$0
3/6/2018	3 and 4	18-0053	Third Year of Services	Extend contract term for 1 year and seek Board of Supervisors' approval to exceed \$10M	\$5,900,000
8/1/2018	5		Administrative Modification	Add sustainability subconsultant	\$0
11/20/2018	6	18-0370	Commission Action	Increase contract amount and extend the contract term	\$36,000,000
3/20/2019	7		Administrative Modification	Update the overhead rates and acknowledge Cooper Puga Management's assignment of interest in the joint venture to CPM Associates.	\$0
9/16/2019	8		Administrative Modification	Add new sub-consultants, update the overhead rates, and update the Agreement to maintain consistency with statutory, Code, San Francisco ordinances effecting contracting, and other applicable standard changes to City contracts	\$0
6/1/2020	9		Administrative Modification	Update the Notices to Parties provision, delete and replace Appendix B, Calculation of Charges, and updated standard contractual clauses	\$0
11/14/2022	10		Administrative Modification	Update the terms and conditions set forth herein to delete and replace Appendix B, Calculation of Charges, and updated standard contractual clauses	\$0
3/6/2023	11		Administrative Modification	Acknowledge joint venture member CPM Associates's name change to Consor PMCM	\$0

Authorized Contract Amount to Date \$50,000,000
Proposed Contract Modification No. 12 Amount \$0
Proposed Modified Contract Amount \$50,000,000

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 23-0089

APPROVAL OF MODIFICATION NO. 12 TO PROFESSIONAL SERVICES CONTRACT NO. 10071.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 3 WEST MODERNIZATION PROJECT, WITH WCME JV, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., CONSOR PMCM, INC., MCK AMERICAS, INC., AND ENVIRONMENTAL & CONSTRUCTION SOLUTIONS, TO EXTEND THE CONTRACT DURATION TO DECEMBER 31, 2025, AND REMOVE THE OPTIONS TO EXTEND THE CONTRACT TERM

- WHEREAS, the Terminal 3 West Modernization Project will renovate and expand the existing western half of Terminal 3 to provide a seismic retrofit, upgrade and replace old building systems, increase international operational flexibility by providing three wide-body or four narrow-body swing gates and create a secure connection to customs, implement a world-class concessions program to increase revenue generation, and enhance the passenger experience; and
- WHEREAS, on February 16, 2016, by Resolution No. 16-0053, the Commission awarded this Contract to WCME JV, a joint venture of PGH Wong Engineering, Inc., Cooper Pugeda Management, Inc., MCK Americas, Inc., and Environmental & Construction Solutions, for an amount not to exceed \$8,100,000 with a Contract term of one year and four options to extend the term for a total estimated Contract duration of five-and-a-half years; and
- WHEREAS, on March 21, 2017, by Resolution No. 17-0064, the Commission approved Modification No. 1 to extend the term of the Contract through April 3, 2018; and
- WHEREAS, on October 1, 2017, the Director executed administrative Modification No. 2 to adjust labor rates with no change to the Contract amount; and
- WHEREAS, on March 6, 2018, by Resolution No. 18-0053, the Commission approved Modification Nos. 3 and 4, which together extended the Contract term through April 4, 2019, and increased the Contract not-to-exceed amount to \$14,000,000; and
- WHEREAS, on July 31, 2018, by Resolution 284-18, the Board of Supervisors approved Modification No. 4; and
- WHEREAS, on August 1, 2018, the Director executed administrative Modification No. 5 to replace a sub-consultant; and
- WHEREAS, on November 20, 2018, by Resolution No. 18-0370, the Commission approved Modification No. 6 increasing the Contract not-to-exceed amount to \$50,000,000 and extending the term of the Contract through October 4, 2023; a standard contractual clause was also updated through Modification No. 6; and

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- WHEREAS, on February 12, 2019, by Resolution No. 73-19, the Board of Supervisors approved Modification No. 6; and
- WHEREAS, on March 20, 2019, the Director executed administrative Modification No. 7 to update the overhead rates and document that the Contractor's joint venture member, Cooper Puga Management, Inc., assigned its membership in the joint venture to CPM Associates, Inc; and
- WHEREAS, on September 16, 2019, the Director executed administrative Modification No. 8 to add new sub-consultants, update the overhead rates, and update standard contractual clauses; and
- WHEREAS, on June 1, 2020, the Director executed administrative Modification No. 9 delete and replace Appendix B, Calculation of Charges and updated standard contractual clauses through Modification No. 9; and
- WHEREAS, on November 14, 2022, the Director executed administrative Modification No. 10 to delete and replace Appendix B, Calculation of Charges; and
- WHEREAS, on March 6, 2023, the Director executed administrative Modification No. 11 to acknowledge that the Contractor's joint venture member CPM Associates, Inc. changed its name to Consor PMCM, Inc.; and
- WHEREAS, Modification No. 12 would extend the term of the Contract to December 31, 2025, and remove the four options to extend the Contract term; and
- WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 20% for the Contract and WCME JV is committed to meeting this requirement; now, therefore, be it
- RESOLVED, that the Commission hereby approves Modification No. 12 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project, with WCME JV, a joint venture of PGH Wong Engineering, Inc., Consor PMCM, Inc., MCK Americas, Inc., and Environmental & Construction Solutions, to extend the term of the Contract through December 31, 2025, and remove the four options to extend the Contract term.

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*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of* **APR 4 2023**


Secretary