

MEMORANDUM
September 17, 2024

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

24-0205

= SEP 17 2024

FROM: Airport Director

SUBJECT: Approval of Modification No. 2 to Professional Services Contract
No. 11917.41, Project Management Support Services for the West Field
Garage 675 Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 11917.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE WEST FIELD GARAGE 675 PROJECT, WITH PGH WONG/THE ALLEN GROUP, A JOINT VENTURE BETWEEN PGH WONG ENGINEERING, INC. AND THE ALLEN GROUP, LLC, TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$14,000,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$17,000,000 AND TO EXTEND THE CONTRACT FOR AN ADDITIONAL FOUR YEARS OF SERVICES.

Executive Summary

The West Field Garage 675 Project (Project) will construct a new employee parking garage, upgrade the West Field AirTrain Station, provide elevated pedestrian walkways between the new garage and AirTrain station, and demolish existing facilities to support future development of the West Field Area.

The Contract provides Project Management Support Services (PMSS) for the Project. The PMSS consultant provides overall management expertise and oversight of the Project, including design and construction management services, project controls, contract administration, cost estimating services, and field inspections.

This Modification seeks authorization of the remaining years of services and an increase to the not-to-exceed Contract amount. Upon Commission approval, the Commission Secretary will seek Board of Supervisors' approval of this Modification consistent with San Francisco Charter Section 9.118(b).

Background

On April 18, 2023, by Resolution No. 23-0100, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals (RFQ/RFP) for PMSS for the Project and to negotiate with the highest-ranked shortlisted proposer. Refer to Attachment A – Summary of Commission Actions for the Contract.

On November 21, 2023, by Resolution No. 23-0286, the Commission awarded the Contract to PGH Wong/The Allen Group Joint Venture, a joint venture between PGH Wong Engineering, Inc. and The Allen Group, LLC in an amount not to exceed \$3,000,000 for the first year of services.

Modification No. 1 was an administrative modification to adjust labor rate calculations with no change to the Contract amount or duration.

Modification No. 2 would increase the Contract amount by \$14,000,000 for a new Contract amount not to exceed \$17,000,000 and extend the Contract for an additional four years of services. At the time of award, Staff estimated the total Contract amount would be \$14,000,000 with a total Contract duration of four and a half years. The Project recently completed the Programming Phase and the budget for this Contract has been increased, corresponding with the additional resources needed to support the Project and the overall West Field Program. Staff and PGH Wong/The Allen Group Joint Venture have reached an agreement on scope, staffing, and fees for the remaining years of services in alignment with the Project's established scope and schedule.

Because Modification No. 2 would cause the Contract to exceed \$10,000,000, pending Commission authorization, the Airport will seek the Board of Supervisors' approval consistent with San Francisco Charter Section 9.118(b) for the new full Contract not-to-exceed amount.

The proposed full Contract not-to-exceed amount is equivalent to the \$17,000,000 budget for this Contract and funded from the Ascent Program – Phase 1.5 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division approved a 20% Local Business Enterprise sub-consulting participation requirement for the Contract. PGH Wong/The Allen Group Joint Venture has committed to meeting this requirement.

Environmental Reviews

The development of administration, airport and airline support, cargo, and ground service equipment facilities are projects that were included in the 1989 San Francisco International Airport Master Plan (Master Plan) approved by the Airport Commission on November 3, 1992 by Resolution 92-0284. The Master Plan was the subject of a Program Environmental Impact Report (EIR), which was certified by the San Francisco Planning Commission on May 28, 1992.

The Project encompasses facilities and utility infrastructure contained in three addenda to the Master Plan EIR, as prepared and issued by the San Francisco Planning Department, Environmental Planning Division (SF Planning Department). For all three addenda, the Airport Commission adopted the findings under the California Environmental Quality Act by Resolution No. 23-0100, adopted April 18, 2023.

Consolidated Administration Campus

Since certification of the Master Plan EIR, the administration offices development envisioned in the Master Plan has been modified. The SF Planning Department prepared and issued the Consolidated Administration Campus addendum to the Master Plan EIR, dated January 22, 2015, to address changes to that project and to specifically evaluate the impacts of those modifications. By Resolution No. 15-0021, adopted February 3, 2015, the Airport Commission authorized the implementation of the Consolidated Administration Campus Project. Further modifications were made to the Consolidated Administration Campus Project as envisioned in the January 22, 2015 addendum, and these revisions were evaluated in a subsequent addendum to the Master Plan EIR published on May 17, 2021. For both modifications, the SF Planning Department concluded that the Consolidated Administration Campus Project, as modified from its description in the EIR, is within the scope of the Master Plan, that the environmental impacts of the Project have been adequately analyzed in the EIR, that the modifications to the Project would not cause new significant impacts not identified in the EIR nor require new mitigation measures, and that no supplemental EIR or negative declaration is required.

Plot 10F Demolition and Paving and Cargo Building 662

Since certification of the Master Plan EIR, modifications to the cargo facilities envisioned in the Master Plan have been made. The SF Planning Department prepared and issued the Plot 10F Demolition and Paving and Cargo Building 662 addendum to the Master Plan EIR, dated December 15, 2022, to address changes to that project and to specifically evaluate the impacts of those modifications. The SF Planning Department concluded that the Plot 10F Demolition and Paving and Cargo Building 662 Project, as modified from its description in the EIR, is within the scope of the Master Plan, that the environmental impacts of the Project have been adequately analyzed in the EIR, that the modifications to the Project would not cause new significant impacts not identified in the EIR nor require new mitigation measures, and that no supplemental EIR or negative declaration is required.

West Field Cargo Redevelopment

Since certification of the Master Plan EIR, modifications to redevelopment of the airport and airline support facilities envisioned in the Master Plan have been made. The SF Planning Department prepared and issued the West Field Cargo Redevelopment addendum to the Master Plan Program EIR, dated August 22, 2003, to address changes to that project and to specifically evaluate the impacts of those modifications. By Resolution No. 03-0207, adopted October 2, 2003, the Airport Commission authorized the implementation of the West Field Cargo Redevelopment Project. Further modifications were made to the West Field Cargo Redevelopment Project as envisioned

in the addendum dated August 22, 2003 and these revisions were evaluated in a subsequent addendum to the Master Plan Program EIR, dated May 17, 2021. For both modifications, the SF Planning Department concluded that the West Field Cargo Redevelopment Project, as modified from its description in the EIR, is within the scope of the Master Plan, that the environmental impacts of the Project have been adequately analyzed in the EIR, that the modifications to the Project would not cause new significant impacts not identified in the EIR nor require new mitigation measures, and that no supplemental EIR or negative declaration is required.

Recommendation

I recommend the Commission approve Modification No. 2 to Professional Services Contract No. 11917.41, Project Management Support Services for the West Field Parking Garage 675 Project, with PGH Wong/The Allen Group Joint Venture, a joint venture between PGH Wong Engineering, Inc. and The Allen Group, LLC, to increase the Contract not-to-exceed amount by \$14,000,000 for a new Contract amount not to exceed \$17,000,000 and to extend the Contract for an additional four years of services for a total Contract duration of five years.

I also recommend that the Commission direct the Commission Secretary to seek the Board of Supervisors' approval of Modification No. 2 consistent with San Francisco Charter Section 9.118(b).



Ivar C. Satero
Airport Director

Prepared by: Judi Mosqueda
Chief Development Officer
Design & Construction

Attachments

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 24-0205

APPROVAL OF MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 11917.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE WEST FIELD GARAGE 675 PROJECT, WITH PGH WONG/THE ALLEN GROUP JOINT VENTURE, A JOINT VENTURE BETWEEN PGH WONG ENGINEERING, INC. AND THE ALLEN GROUP, LLC, TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$14,000,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$17,000,000 AND TO EXTEND THE CONTRACT FOR AN ADDITIONAL FOUR YEARS OF SERVICES

WHEREAS, the West Field Garage 675 Project (Project) will construct a new employee parking garage, upgrade the West Field AirTrain Station, provide elevated pedestrian walkways between the new garage and AirTrain station, and demolish existing facilities to support future development of the West Field Area; and

WHEREAS, on November 3, 1992, by Resolution No. 92-0284, the Commission approved the 1989 San Francisco International Airport Master Plan (Master Plan) and adopted findings, including a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program, as required by the California Environmental Quality Act (CEQA); and

WHEREAS, the Master Plan was the subject of a Program Environmental Impact Report (EIR) prepared by the City and County of San Francisco Office of Environmental Review and certified by the San Francisco Planning Commission on May 28, 1992, by Motion No. 13356, in accordance with the requirements of CEQA, Public Resources Code section 21000, *et seq.*; Title 14, section 15000, *et seq.* of the California Code of Regulations (CEQA Guidelines); and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, the West Field Garage 675 Project is a project included in the Master Plan, and is described generally in the Master Plan and analyzed in the EIR; and

WHEREAS, Section 15168 of the CEQA Guidelines requires subsequent activities in a program that are covered by a program EIR be examined in light of the EIR to determine whether additional environmental documentation must be prepared; and

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WHEREAS, after reviewing the information regarding the Project, the San Francisco Planning Department, Environmental Planning Division prepared the Consolidated Administration Campus addendum to the Master Plan EIR, dated May 17, 2021, the Plot 10F Demolition and Paving and Cargo Building 662 addendum to the Master Plan Program EIR, dated December 15, 2022, and the West Field Cargo Redevelopment Project addendum to the Master Plan Program EIR, dated May 17, 2021, to address the changes to the Project to specifically evaluate the impacts of the modifications; and

WHEREAS, the San Francisco Planning Department, Environmental Planning Division concluded that the Project, as modified from its description in the EIR, is within the scope of the Master Plan Program, that the environmental impacts of the Project have been adequately analyzed in the EIR, that the modifications to the Project would not cause new significant impacts not identified in the EIR nor require new mitigation measures, and that no supplemental EIR or negative declaration is required; and

WHEREAS, since the EIR and addenda were finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the EIR or addenda due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the EIR or addenda; and

WHEREAS, the Project Management Support Services (PMSS) consultant will provide overall management expertise and oversight of the Project; the scope of work for the Contract will include design and construction management services, project controls, contract administration, cost estimating services, and field inspections; and

WHEREAS, on April 18, 2023, by Resolution No. 23-0100, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals (RFQ/RFP) for PMSS for the Project; and

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WHEREAS, on November 21, 2023, by Resolution No. 23-0268, the Commission awarded the Contract to PGH Wong/The Allen Group Joint Venture, a joint venture between PGH Wong Engineering, Inc. and The Allen Group, LLC, in the not-to-exceed Contract amount of \$3,000,000 for the first year of services; and

WHEREAS, Modification No. 2 would increase the Contract amount by \$14,000,000 for a new Contract amount not to exceed \$17,000,000 and extend the Contract for an additional four years of services; and

WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 20% for the Contract and PGH Wong/The Allen Group Joint Venture has committed to meeting this requirement; now, therefore, be it

RESOLVED, the Commission has reviewed and considered the EIR, addenda, and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Contract No. 11917.41 and incorporates the CEQA findings contained in Resolution Nos. 92-0284, 03-0207, 15-0021, and 23-0100, including the Statement of Overriding Considerations, as though set forth in this Resolution; and, be it further

RESOLVED, that the Commission hereby approves Modification No. 2 to Professional Services Contract No. 11917.41, Project Management Services for the West Field Garage 675 Project, with PGH Wong/The Allen Group Joint Venture, a joint venture between PGH Wong Engineering, Inc. and The Allen Group, LLC, to increase the Contract not-to-exceed amount by \$14,000,000 for a new Contract amount not to exceed \$17,000,000 and to extend the Contract for an additional four years of services; and, be it further

RESOLVED, that the Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of Modification No. 2 to the Contract consistent with San Francisco Charter Section 9.118(b) in a not-to-exceed amount equal to the amount of the Contract budget of \$17,000,000.

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I hereby certify that the foregoing resolution was adopted by the Airport Commission
— SEP 17 2024
at its meeting of _____



Secretary