

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 18-0953

APPROVAL OF MODIFICATION NOS. 3 & 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10071.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 3 WEST MODERNIZATION PROJECT, WITH WCME JV, IN AN AMOUNT OF \$5,900,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$14,000,000 FOR SERVICES THROUGH APRIL 4, 2019

WHEREAS, the Terminal 3 West Modernization Project will extend the useful life of the building to meet current code requirements and enhance overall passenger experience in Terminal 3; and

WHEREAS, on February 16, 2016, by Resolution No. 16-0053, the Commission awarded this Contract to WCME JV for Project Management Support Services for the Terminal 3 West Modernization Project in the not-to-exceed amount of \$8,100,000 for the initial year of services; and

WHEREAS, on March 21, 2017, by Resolution No. 17-0064, the Commission approved Modification No. 1 extending the contract for the second year of services through April 3, 2018 with no increase in the Contract amount;

WHEREAS, by administrative Modification No. 2, the contract was amended to update labor rates; and

WHEREAS, together Modification No. 3 and Modification No. 4 increase the Contract by \$5,900,000 for a new total contract not-to-exceed amount of \$14,000,000 to provide for the third year of services through April 4, 2019; and

WHEREAS, Modification No. 3 increases the Contract amount by \$1,890,000 for a new contract not-to-exceed amount of \$9,990,000 to allow services to continue from the current Contract expiration date of April 3, 2018 through August 30, 2018; and

WHEREAS, Modification No. 4 increases the Contract amount by \$4,010,000 for the remainder of the third year of services for a new Contract not-to-exceed amount of \$14,000,000 for services from September 1, 2018 through April 4, 2019; and

WHEREAS, the current budget for this contract is \$60,000,000 with an anticipated duration of seven years of services through April 4, 2023; and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise (LBE) subcontractor participation requirement of 20% for this Contract and WCME JV has committed to meeting that requirement; now, therefore, be it

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RESOLVED, that the Commission hereby approves Modification No. 3 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project with WCME JV, in an amount of \$1,890,000 for a new Contract not-to-exceed amount of \$9,990,000 for services through August 4, 2018; and, be it further

RESOLVED, that the Commission hereby approves Modification No. 4 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project with WCME JV, in an amount of \$4,010,000 for a new Contract not-to-exceed amount of \$14,000,000 for services through April 4, 2019; and, be it further

RESOLVED, that this Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of this Contract required by San Francisco Charter Section 9.118(b) and an authorized not-to-exceed amount equal to the amount of the Contract budget of \$60,000,000 for services through April 4, 2023.

Page 2 of 2

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

MAR 06 2018


Secretary



San Francisco International Airport

MEMORANDUM

March 6, 2018

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 Nos. 3 and 4 (Annual Renewal) to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NOS. 3 AND 4 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., COOPER PUGEDA MANAGEMENT, INC., MCK AMERICAS, INC., AND ENVIRONMENTAL & CONSTRUCTION SOLUTIONS, IN AN AMOUNT OF \$5,900,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$14,000,000 FOR SERVICES THROUGH APRIL 4, 2019.

Executive Summary

Transmitted herewith for your approval is a proposed Resolution approving Modification Nos. 3 & 4 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., Cooper Pugada Management, Inc., MCK Americas, Inc., and Environmental & Construction Solutions, in an amount of \$5,900,000 for a new Contract not-to-exceed amount of \$14,000,000 for services through April 4, 2019.

This is the annual renewal of the Contract for the third year of services. The annual renewal is presented in two modifications to accommodate approval of this Contract by the Board of Supervisors.

The Project will extend the useful life of the existing Terminal 3 building to meet current code requirements and enhance overall passenger experience in the west side of Terminal 3.

This Contract provides Project Management Support Services for the Project and for the Boarding Area F Passenger Boarding Bridge Project, which is currently deferred. The Contract includes design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

THIS PRINT COVERS CALENDAR ITEM NO. 2

MARK FARRELL MAYOR	LARRY MAZZOLA PRESIDENT	LINDA S. CRAYTON VICE PRESIDENT	ELEANOR JOHNS	RICHARD J. GUGGENHIME	PETER A. STERN	IVAR C. SATERO AIRPORT DIRECTOR
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Background

On February 16, 2016, by Resolution No. 16-0053, the Commission awarded this Contract to WCME JV in a not-to-exceed amount of \$8,100,000 for the initial year of services.

On March 21, 2017, by Resolution No. 17-0064, the Commission approved Modification No. 1 to this Contract, which was the annual renewal for the second year of services through April 3, 2018 with no increase in the Contract amount. Administrative Modification No. 2 was executed to update billing rates.

Together, Modification Nos. 3 and 4 increase the Contract not-to-exceed amount by \$5,900,000 for a total Contract not-to-exceed amount of \$14,000,000 for the third year of services through April 4, 2019. The total amount agreed to by Staff and WCME JV brings the Contract to exceed the amount which requires approval by the Board of Supervisors (\$10,000,000). Therefore, Staff presents two modifications for the third year renewal. Two modifications allow services to continue while Staff seeks Board approval for the remainder of the annual renewal amount.

Modification No. 3 increases the Contract amount by \$1,890,000 for a new Contract amount of \$9,990,000 for services through August 30, 2018. Pending approval by the Board of Supervisors, Modification No. 4 will further increase the Contract amount by \$4,010,000 for a new Contract not-to-exceed amount of \$14,000,000 for services through April 4, 2019.

The current forecast and budget for this Contract is \$60,000,000, with an anticipated duration of seven years. The Contract is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

Because this Contract will exceed \$10,000,000 within the next year of services, pending Commission approval, Staff will seek Board of Supervisors' approval of Modification No. 4 as required by the San Francisco Charter Section 9.118(b) for the full estimated cost and duration of the Contract.

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

Recommendation

Based on the above, I recommend that the Commission approve Modification Nos. 3 and 4 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project, with WCME JV in an amount of \$5,900,000 for a new Contract not-to-exceed amount of \$14,000,000 for services through April 4, 2019.



Ivar C. Satero
Airport Director

Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Attachments

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
 March 6, 2018

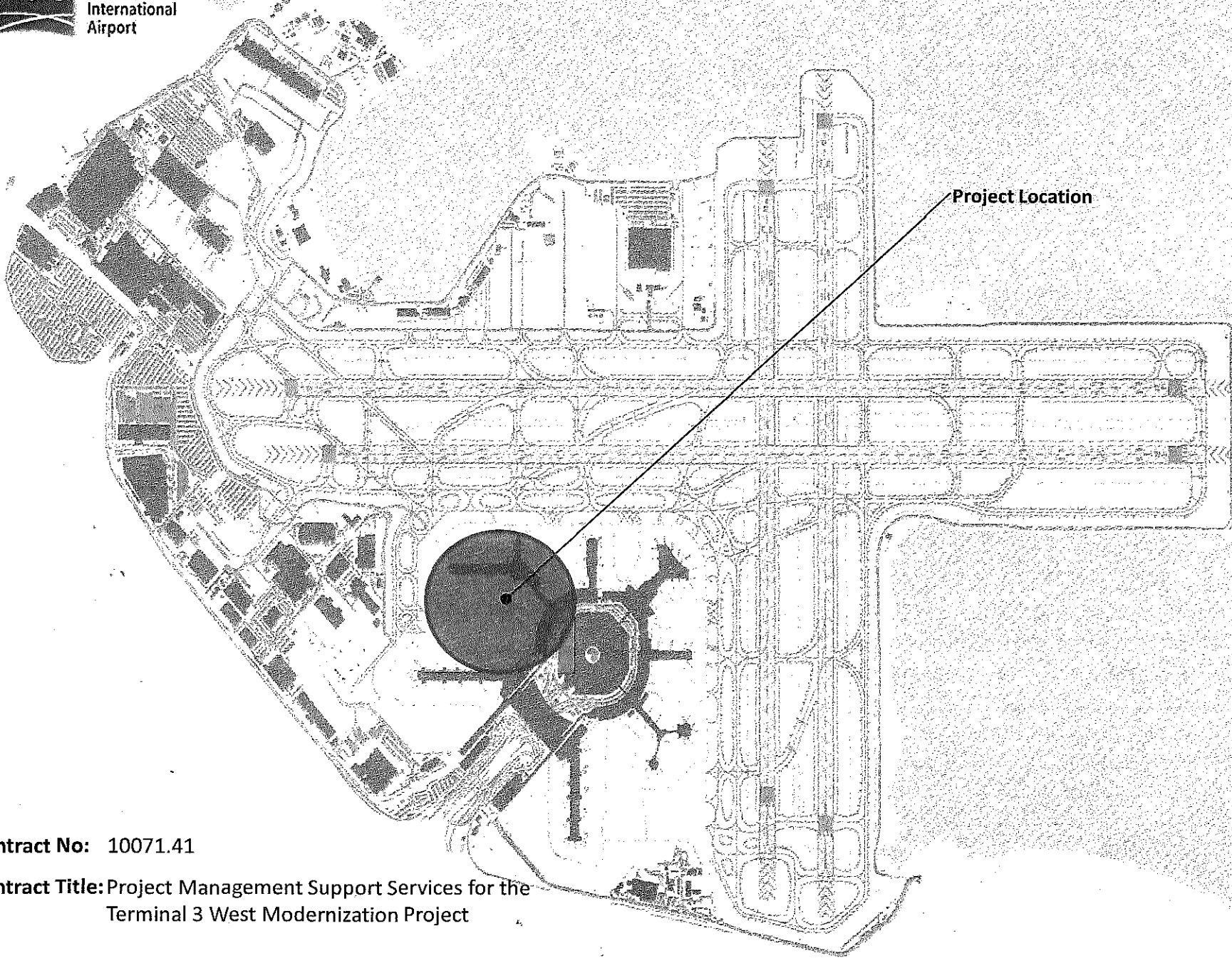
10071.41 Project Management Support Services for the Terminal 3 West Modernization Project
 WCME JV
 Modification Nos. 3 and 4

Date	Modification No.	Resolution No.	Description	Scope	Amount
2/16/2016	-	16-0053	Award of Contract	Project Management Support Services	\$8,100,000
3/21/2017	1	17-0064	Second Year of Services	Extend contract services for 1 year	\$0
10/1/2017	2	-	Administrative Modification	Update terms of Appendix B to reflect CPI Increase	\$0

Contract As-Modified to Date	\$8,100,000
Proposed Contract Modification No. 3 Amount	\$1,890,000
Proposed Contract Modification No. 4 Amount	<u>\$4,010,000</u>
Proposed Modified Contract Amount	\$14,000,000



San Francisco
International
Airport



Project Location

Contract No: 10071.41

Contract Title: Project Management Support Services for the
Terminal 3 West Modernization Project