

AIRPORT COMMISSION

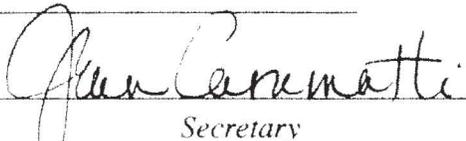
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 12 0158

AUTHORIZE MODIFICATION NO. 2 TO CONTRACT NO. 9024.9, CONSTRUCTION MANAGEMENT SERVICES FOR THE INTERNATIONAL TERMINAL AND BOARDING AREA F CHECKED BAGGAGE INSPECTION SYSTEM MODERNIZATION PROGRAM, AND THE INTERNATIONAL TERMINAL BAGGAGE HANDLING SYSTEM IMPROVEMENTS PROJECT IN AN AMOUNT NOT TO EXCEED \$780,800.

- WHEREAS, on March 1, 2011, by Resolution No. 11-0045, the Commission authorized the Director to execute an Other Transaction Agreement with the Transportation Security Administration (TSA) for 90% reimbursement of design costs, including construction management services during design, for the International Terminal and Boarding Area F Checked Baggage Inspection System Modernization Program under the TSA's Recapitalization Program, in an amount not to exceed \$3,279,870; and
- WHEREAS, on June 30, 2011, by Resolution No. 11-0146, the Commission authorized the initial award of Contract No. 9024.9, to CAGE Inc. for the Project in an amount not to exceed \$585,805, with a contract duration of six months, for the Task 1 CM support services during design only; and
- WHEREAS, on August 16, 2011, by Resolution No. 11-0177, the Commission authorized the Director to execute an OTA with the TSA for 90% reimbursement of construction costs, including Task 2 CM support services during construction, for the Program under the TSA's Recapitalization Program, in an amount not to exceed \$40,456,890; and
- WHEREAS, on October 4, 2011, by Resolution No. 11-0221, the Commission authorized Modification No. 1 to Contract No. 9024.9, to CAGE Inc., in an amount not to exceed \$4,823,109, for CM services for Tasks 2, 3 and 4, with a contract duration of 30 months, for a total contract amount not to exceed \$5,408,914; and
- WHEREAS, the Airport budgeted for Task 3 and 4 under the Airport's capital plan; and
- WHEREAS, the estimated construction cost of the Task 4 Boarding Area E to F BHS Transfer Line was in the amount of \$5,000,000, and the portion of Contract 9024.9 for CM services was not-to-exceed \$410,000; and
- WHEREAS, as a result of the much larger than anticipated expansion of UA into Boarding Area E, the Transfer Line size and complexity has increased to accommodate the larger bag volume; and
- WHEREAS, the increase to the construction estimate for the Boarding Area E to F BHS Transfer Line is \$9,294,927, for a total of \$14,294,927; and
- WHEREAS, the proposed increase to the not-to-exceed amount for Task 4 is \$780,800, which is budgeted under the Airport's capital plan, for a total proposed not-to-exceed amount for Contract 9024.9 of \$6,189,714; now, therefore be it
- RESOLVED, that the Commission hereby authorizes Modification No. 2 to professional services agreement, Contract No. 9024.9, Construction Management Services for the International Terminal and Boarding Area F Checked Baggage Inspection System Modernization Program, and the International Terminal Baggage Handling System Improvements Project, with CAGE Inc., for an amount not to exceed \$780,800, for a total contract amount not to exceed \$6,189,714, and with no change to the contract duration of thirty months.

I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of JUL 17 2012


Secretary



San Francisco International Airport

MEMORANDUM

July 17, 2012

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: Modification No. 2 to Professional Services Agreement, Contract No. 9024.9, Construction Management Services for the International Terminal and Boarding Area F Checked Baggage Inspection System Modernization Program, and the International Terminal Baggage Handling System Improvement Project, with CAGE, Inc., in an amount not to exceed \$780,800.

DIRECTOR'S RECOMMENDATION: AUTHORIZE MODIFICATION NO. 2 TO PROFESSIONAL SERVICES AGREEMENT, CONTRACT NO. 9024.9, CONSTRUCTION MANAGEMENT SERVICES FOR THE INTERNATIONAL TERMINAL AND BOARDING AREA F CHECKED BAGGAGE INSPECTION SYSTEM MODERNIZATION PROGRAM, AND THE INTERNATIONAL TERMINAL BAGGAGE HANDLING SYSTEM IMPROVEMENT PROJECT, WITH CAGE, INC., IN AN AMOUNT NOT TO EXCEED \$780,800.

Executive Summary

Transmitted herewith for your approval is a proposed Resolution to authorize Modification No. 2 to Contract No. 9024.9, Construction Management Services for the International Terminal and Boarding Area F Checked Baggage Inspection System (CBIS) Modernization Program, and the International Terminal Baggage Handling System (BHS) Improvement Project, with Cage, Inc., in an amount not to exceed \$780,800, for a new total contract amount of \$6,189,714. Modification No. 2 provides for construction management services for the increased scope of the Boarding Area E to F BHS Transfer Line requirement, in order to accommodate the expanded operation of United Airlines in T3/Boarding Area E.

Background

On June 30, 2011, by Resolution No. 11-0146, the Commission authorized the initial award of Contract No. 9024.9, to CAGE Inc., in an amount not to exceed \$585,805, with a contract duration of six months, for the Task 1 CM support services during design only for the International Terminal and Boarding Area F CBIS Modernization Program under the TSA's Recapitalization Program.

On October 4, 2011, by Resolution No. 11-0221, the Commission authorized Modification No. 1 to this contract, in an amount not to exceed \$4,823,109 for CM services Tasks 2, 3 and 4, for a total contract amount not to exceed \$5,408,914, with a contract duration of 30 months.

THIS PRINT COVERS CALENDAR ITEM NO. 12

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

The breakdown of tasks under Modification No. 1 is as follows:

1. Task 2 CBIS Modernization Construction	\$3,237,597
2. Task 3 International Terminal BHS Improvements	\$1,175,512
3. Task 4 Boarding Area E and F BHS Transfer Line	<u>\$ 410,000</u>
Total Not To Exceed Amount For Modification No. 1	\$4,823,109.

As per Modification No. 1, Task 4, CAGE, Inc., was to provide CM services for the Boarding Area E to F BHS Transfer Line, for the interconnection of the BAF and BAE BHS systems. The scope was based on the original airline gate plan in Boarding Area E, accommodating United Airlines (UA), Air Canada and USAir. At this time, the estimated construction cost of the Transfer Line scope was \$5,000,000, and the Task 4 cost for CM services was not to exceed \$410,000.

However, as a result of the much larger expansion of UA into Boarding Area E, the Transfer Line size and complexity has increased to accommodate the larger bag volume. Also, the construction of the Boarding Area E BHS improvements, previously provided for separately under Contract No. 8974.B, Terminal 3/Boarding Area E Improvements Project, and the Terminal 3/Boarding Area E ticket counter BHS improvements are now both proposed to be incorporated into the Boarding Area E to F BHS Transfer Line scope to ensure appropriate interface and coordination. The new estimate for the Transfer Line scope is \$14,294,927. Based on this, the proposed increase to the not-to-exceed amount for Task 4 is \$780,800, for a total of \$1,190,800. As a result, the proposed total not-to-exceed amount for Contract 9024.9 is \$6,189,714.

The estimated total value of the construction to be managed by the Consultant is \$64,344,000. The total authorized project budget for CM services, including materials testing and special inspection, is \$5,408,914. And, although the CM services budget for the Project is 8.4%, which is not within the Airport's overall goal of achieving 15% for project "soft cost" performance, Staff determined that the scope should include 24 hour CM oversight to ensure appropriate control during construction, due to the nature of the work, and the requirement that it occur at all hours to minimize disruption to the Airport's operation.

Due to the federal funding component for these services, there are no HRC LBE subconsultant participation goals for the contract. The Airport encouraged proposers to utilize "best efforts" to subcontract at least 10% of the work to certified small and disadvantaged businesses (SDB). There is no specific DBE subconsultant goal for this contract, but the Airport's overall 3-year DBE goal is 12%. Due to the specialized nature of the services, CAGE Inc. was able to achieve 5.8% SDB and DBE subconsultant participation.

Recommendation

Based upon the foregoing, I recommend your approval of Modification No. 2 to professional services agreement, Contract No. 9024.9, Construction Management Services for the International Terminal and Boarding Area F Checked Baggage Inspection System Modernization Program, and the International Terminal Baggage Handling System Improvement Project, to CAGE, Inc., in an amount not-to-exceed \$780,800, for a revised total not-to-exceed amount of \$6,189,714, and with no change to the contract duration of 30 months.


John L. Martin
Airport Director

Prepared by: Ivar Satero
Deputy Airport Director
Design and Construction