

AMENDED IN COMMITTEE

11/2/17

FILE NO. 171078

RESOLUTION NO. 416-17

1 [Airport Professional Services Agreement Modification No. 10 - CAGE Professional Services,
2 Inc. dba CAGE, Inc. - International Terminal Checked Baggage Handling Projects - Not to
3 Exceed \$10,695,000, and Further Modifications Not to Exceed \$14,500,000]

4 **Resolution retroactively approving Modification No. 10 to Airport Contract No. 9024.9,**
5 **Construction Management Services for the International Terminal Checked Baggage**
6 **Inspection System Modernization Program and Baggage Handling System**
7 **Improvements Project, with CAGE Professional Services, Inc. dba CAGE, Inc., for a**
8 **total amount not to exceed \$10,695,000 for services from September 30, 2017, through**
9 **September 30, 2018, pursuant to Charter, Section 9.118(b); and approving an amount**
10 **for further modifications to increase the total amount not to exceed \$14,500,000 for**
11 **services through December 31, 2020.**

12
13 WHEREAS, The International Terminal Checked Baggage Inspection System ("CBIS")
14 Modernization Program ("Modernization Program") is a \$134,000,000 project to upgrade and
15 replace the CBIS and Checked Baggage Resolution Area ("CBRA") for the Airport's
16 International Terminal Building ("ITB"); the Baggage Handling System ("BHS") Improvements
17 Project is a \$43,000,000 project to provide BHS control upgrades and improvements to the
18 ITB BHS; and

19 WHEREAS, The Modernization Program is reimbursable under the Transportation
20 Security Agency's ("TSA's") Recapitalization Program; the original Other Transaction
21 Agreement with the TSA for reimbursement through the Recapitalization Program included
22 construction management services; and

23 WHEREAS, On June 30, 2011, by Resolution No. 11-0146, the Commission awarded
24 Contract No. 9024.9, Construction Management Services for the International Terminal and
25

1 Terminal 3, Boarding Area F Checked Baggage Inspection Systems Modernization Program
2 and Internal Terminal Baggage Handling System Improvements Project ("Contract") to CAGE
3 Professional Services, Inc. dba CAGE, Inc. ("CAGE"), in the not to exceed amount of
4 \$585,805 and a term of six months for initial services; and

5 WHEREAS, In January 2012, the Commission awarded a design-build agreement to
6 VanDerLande Industries, Inc. in an amount not to exceed \$64,344,000 for the Modernization
7 Program, the ITB BHS Project, Boarding Area F BHS improvements, and a BHS transfer line
8 connecting Boarding Areas E and F; and

9 WHEREAS, By various resolutions, the Commission authorized Modification Nos. 1
10 through 3 to the Contract with CAGE, increasing the not to exceed amount to \$7,000,000 and
11 extending the term through June 30, 2014, for management of the design-build agreement;
12 and

13 WHEREAS, Due to ongoing issues with the operational performance of the TSA-
14 furnished screening equipment and its effect on Airport and airline operational capacity, in
15 June 2014, the Airport and the TSA agreed to put the Modernization Program on hold; for this
16 reason, the Airport determined to close out the design-build agreement with VanDerLande
17 Industries, Inc. effective March 31, 2015, and re-scope the agreement's components; and

18 WHEREAS, The original Other Transaction Agreement ("OTA") with the TSA was
19 successfully closed out on September 26, 2016; the TSA and the Airport agreed to include the
20 Modernization Program in another OTA for Terminal 1 BHS work; the new OTA does not
21 contain enough funds for reimbursement of the remainder of this Contract, so it will be funded
22 by the Airport; and

23 WHEREAS, The Airport ultimately determined to solicit a new design-build agreement
24 for the Modernization Program and ITB BHS upgrades, and separately solicit the Boarding
25

1 Area F BHS work as part of the Airport's Terminal 3 West Improvements Project; the other
2 components were completed under the VanDerLande agreement; and

3 WHEREAS, By various resolutions, the Commission authorized Modification Nos. 4, 5,
4 6, and 8 to the Contract with CAGE, increasing the not to exceed amount to \$9,945,000 and
5 extending the term through September 30, 2017; these modifications included support of the
6 re-scoping of the BHS projects and the solicitation of a new design-builder for the ITB work;
7 and

8 WHEREAS, On May 2, 2017, the Commission awarded a design-build agreement for
9 the ITB BHS work to Skanska USA Building, Inc.; because construction management services
10 for the Terminal 3 BHS work is no longer provided under the Contract with CAGE, the
11 Contract title was amended through Modification No. 8 to "International Terminal Checked
12 Baggage Inspection System Modernization Program and Baggage Handling System
13 Improvements Project"; and

14 WHEREAS, The Airport Director executed Modifications No. 7 and 9 to the Contract
15 with CAGE to add sub-consultants and update labor rates with no changes to the Contract
16 amount or term; and

17 WHEREAS, By Resolution No. 17-0155 dated June 20, 2017, the Commission
18 approved Modification No. 10 to the Contract with CAGE, increasing the not to exceed
19 amount to \$10,695,000 and extending the term through September 30, 2018; and

20 WHEREAS, The Airport Staff estimates the total amount of construction management
21 services required under the Contract with CAGE to support the delivery of the design-build
22 project will not exceed \$14,500,000 for a term through December 31, 2020; and

23 WHEREAS, San Francisco Charter Section 9.118(b) provides that the agreements
24 entered into by a department, board, or commission requiring anticipated expenditures by the
25

1 City and County of ten million dollars or more, shall be subject to approval by the Board of
2 Supervisors by resolution; now, therefore, be it

3 RESOLVED, That the Board of Supervisors hereby retroactively approves Modification
4 No. 10 to Airport Contract No. 9024.9, Construction Management Services for the
5 International Terminal Checked Baggage Inspection System Modernization Program and
6 Baggage Handling System Improvements Project, with CAGE Professional Services, Inc. dba
7 CAGE, Inc. for a total amount not to exceed \$10,695,000 for services from September 30,
8 2017, through September 30, 2018, a copy of which is contained in Board of Supervisors' File
9 No. 171078 along with the Contract and all previously executed modifications; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes further
11 modifications to the Contract, upon Airport Commission approval, up to a not-to-exceed
12 amount of \$14,500,000 for services through December 31, 2020, provided any future
13 modification does not change other material terms of the Contract; and, be it

14 FURTHER RESOLVED, That within thirty (30) days of Modification No. 10 being fully
15 executed by all parties, the Commission shall provide the a copy to the Clerk of the Board for
16 inclusion in the official file.



City and County of San Francisco
Tails
Resolution

City Hall,
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 171078

Date Passed: November 14, 2017

Resolution retroactively approving Modification No. 10 to Airport Contract No. 9024.9, Construction Management Services for the International Terminal Checked Baggage Inspection System Modernization Program and Baggage Handling System Improvements Project, with CAGE Professional Services, Inc. dba CAGE, Inc., for a total amount not to exceed \$10,695,000 for services through September 30, 2018, pursuant to Charter, Section 9.118(b); and approving an amount for further modifications to increase the total amount not to exceed \$14,500,000 for services through December 31, 2020.

November 02, 2017 Budget and Finance Committee - AMENDED

November 02, 2017 Budget and Finance Committee - RECOMMENDED AS AMENDED

November 14, 2017 Board of Supervisors - ADOPTED

Ayes: 10 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Safai, Sheehy, Tang and Yee
Noes: 1 - Ronen

File No. 171078

I hereby certify that the foregoing Resolution was ADOPTED on 11/14/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

11/22/2017
Date Approved