

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 18-0370

**APPROVAL OF MODIFICATION NO. 6 TO PROFESSIONAL SERVICES CONTRACT NO. 10071.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 3 WEST MODERNIZATION PROJECT, WITH WCME JV, INCREASING THE CONTRACT BY \$36,000,000 FOR A TOTAL CONTRACT NOT-TO-EXCEED AMOUNT OF \$50,000,000 AND EXTENDING THE CONTRACT DURATION FOR SERVICES THROUGH OCTOBER 4, 2023.**

- WHEREAS, the Terminal 3 West Modernization Project extends the useful life of the existing Terminal 3 building to meet current code requirements and enhances overall passenger experience in the west side of 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 Project in a Contract 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 for the second year of services through April 3, 2018, 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 for the third year of services through April 4, 2019, and increased the Contract not-to-exceed amount by \$5,900,000; and
- WHEREAS, administrative Modification Nos. 2 and 5 adjusted labor rates and added new sub-consultants with no change to the contract amount or duration; and
- WHEREAS, on July 19, 2018, by Resolution 284-18, the Board of Supervisors approved Modification No. 4, in an amount of \$4,010,000 for a new not-to-exceed amount of \$14,000,000 for services through April 4, 2019; and
- WHEREAS, this Modification No. 6 increases the Contract amount by \$36,000,000 to the full Contract not-to-exceed amount of \$50,000,000 and the Contract duration by four and a half years for a total duration of seven and a half years of services; and
- WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 20% for this Contract and WCME JV has committed to meeting that requirement; now, therefore, be it
- RESOLVED, that the Commission hereby approves Modification No. 6 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 \$36,000,000 for a new Contract not-to-exceed amount of \$50,000,000 and to extend the Contract duration for seven and a half years of services; and, be it further
- RESOLVED, that this Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of this modification consistent with San Francisco Charter Section 9.118(b).

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*  
at its meeting of NOV 20 2018

  
Secretary



San Francisco International Airport

**MEMORANDUM**

November 20, 2018

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of Modification No. 6 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 6 TO PROFESSIONAL SERVICES CONTRACT NO. 10071.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE TERMINAL 3 WEST MODERNIZATION PROJECT, WITH WCME JV, TO INCREASE THE CONTRACT AMOUNT BY \$36,000,000 FOR A NEW TOTAL CONTRACT NOT-TO-EXCEED AMOUNT OF \$50,000,000 AND TO EXTEND THE CONTRACT DURATION FOR SERVICES THROUGH OCTOBER 4, 2023.

**Executive Summary**

Transmitted herewith for your approval is a proposed Resolution approving Modification No. 6 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project (Project), with WCME, a joint venture of PGH Wong Engineering, Inc., Cooper Pugada Management, Inc., MCK Americas, Inc., and Environmental & Construction Solutions, for a total Contract not-to-exceed amount of \$50,000,000 for services through October 4, 2023.

This proposed action approves the full Contract not-to-exceed amount of \$50,000,000 and the full Contract duration of seven and a half years of services. Because the Contract exceeds \$10,000,000, the modification will require approval by the Board of Supervisors.

The Project extends 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. The Contract includes design and construction management services, project controls, contract administration, cost estimating services and field inspection.

**Background**

On February 16, 2016, by Resolution No. 16-0053, the Commission awarded this Contract to WCME JV in a Contract not-to-exceed amount of \$8,100,000 for the initial year of services. At the time of award, the total contract forecast was \$48,000,000 with a forecasted duration of five and a half years.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

THIS PRINT COVERS CALENDAR ITEM NO. 4

LONDON N. BREED MAYOR    LARRY MAZZOLA PRESIDENT    LINDA S. CRAYTON VICE PRESIDENT    ELEANOR JOHNS    RICHARD J. GUGGENHIME    PETER A. STERN    IVAR C. SATERO AIRPORT DIRECTOR

The Commission previously approved Contract Modification Nos. 1, 3 and 4 to increase the Contract not-to-exceed amount to \$14,000,000 and extend the Contract duration to three years. Modification Nos. 2 and 5 were administrative modifications to adjust labor rates and add new sub-consultants with no change to the contract amount or duration.

On July 19, 2018, by Resolution 284-18, the Board of Supervisors approved Modification No. 4, for a new not-to-exceed amount of \$14,000,000 for services through April 4, 2019.

This Modification No. 6 increases the Contract amount to the full not-to-exceed amount of \$50,000,000 and extends the Contract to the full duration of seven and a half years of services through October 4, 2023.

Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Project. Staff will report to the Commission bi-annually on the performance of this consultant team through off-calendar memoranda. Performance will be evaluated based on retention of key personnel and the proficiency of the team to provide project management support services to assist in the delivery of the Project on budget and on schedule.

Because this Contract exceeds \$10 million, pending Commission approval, Staff will seek Board of Supervisor's approval as required by the San Francisco Charter Section 9.118(b).

The full Contract not-to-exceed amount is equal to the budget amount for this Contract and is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

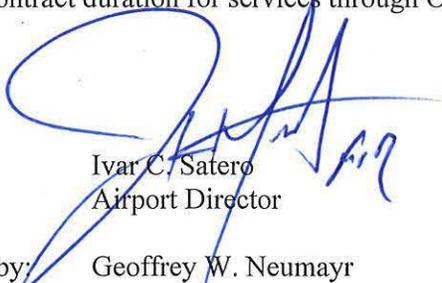
The City's Contract Monitoring Division has approved 20% Local Business Enterprise sub-consultant participation requirement for this Contract and WCME JV has committed to meeting this requirement.

### **Environmental Review**

The San Francisco Planning Department, Environmental Planning Division, has determined that the Terminal 3 West Modernization Project is categorically exempt from the California Environmental Quality Act (CEQA; Public Resources Code Section 21000, et seq.) as a §15332 (Class 32) exemption (Planning Department File No. 2015-002670ENV). The Commission determined to proceed with this Project on April 7, 2015, by Resolution No. 15-0071.

### **Recommendation**

I recommend the Commission approve Modification No. 6 to Professional Services Contract No. 10071.41, Project Management Support Services for the Terminal 3 West Modernization Project, with WCME JV, to increase the Contract amount by \$36,000,000 for a new Contract not-to-exceed amount of \$50,000,000 and to extend the Contract duration for services through October 4, 2023.



Ivar C. Satero  
Airport Director

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

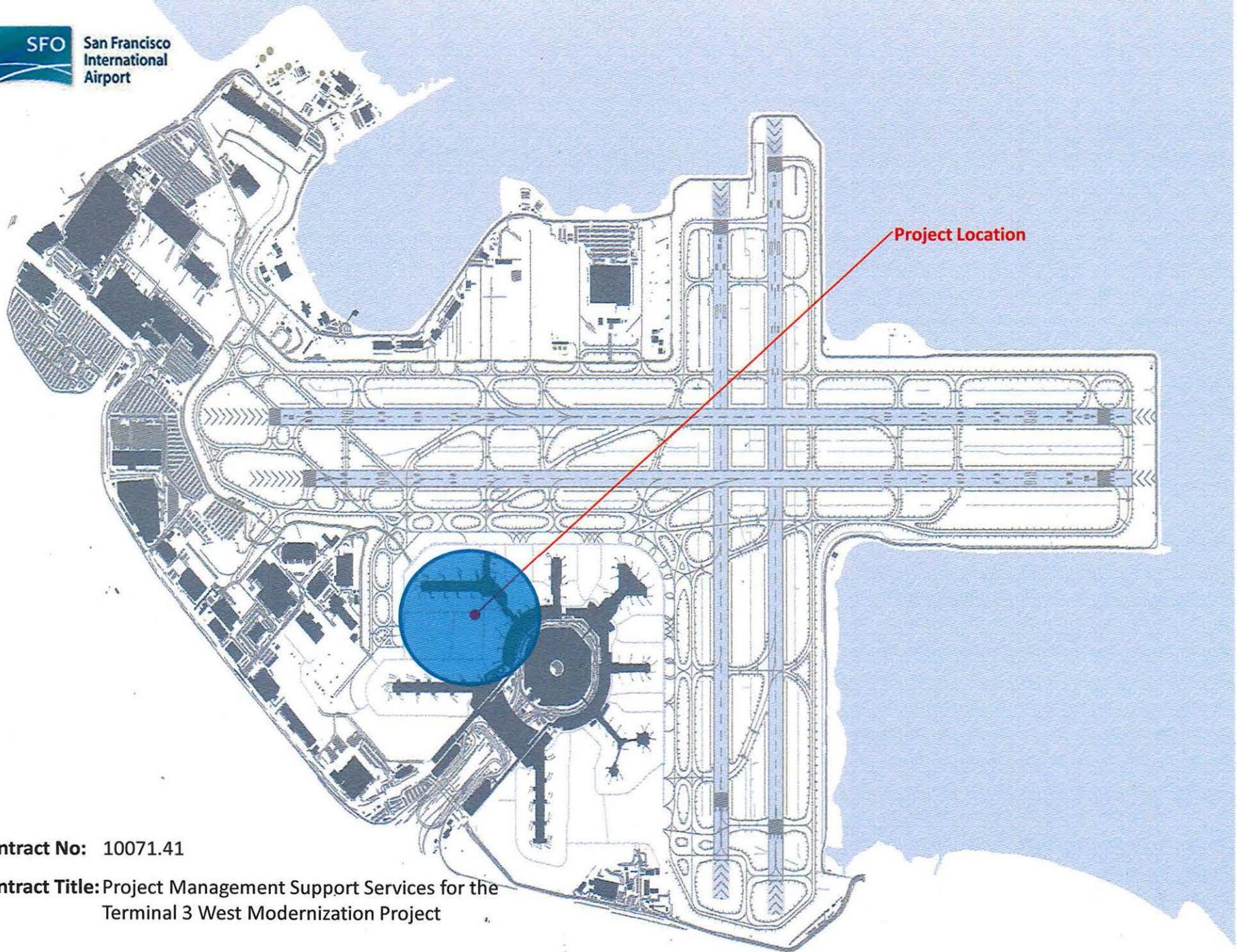
Attachments

**ATTACHMENT A**  
**SUMMARY OF COMMISSION ACTIONS**  
 November 20, 2018

10071.41 - Project Management Support Services for the Terminal 3 West Modernization Project  
 WCME JV  
 Modification No. 6

Date	Modification No.	Resolution No.	Description	Scope	Amount
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 services 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	10-0053	Third Year of Services	Extend contract services for 1 year and seek Board of Supervisors' approval to exceed \$10M	\$5,900,000
9/18/2018	5	-	Administrative Modification	Add sustainability subconsultant	\$0

<b>Contract As-Modified to Date</b>	<b>\$14,000,000</b>
Proposed Contract Modification No. 6 Amount	<u>\$36,000,000</u>
<b>Proposed Modified Contract Amount</b>	<b>\$50,000,000</b>



**Contract No:** 10071.41

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