



**MEMORANDUM**

February 20, 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 No. 6 (Annual Renewal) to Professional Services Contract No. 10010.41, Project Management Support Services for the New Boarding Area B Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 6 TO PROFESSIONAL SERVICES CONTRACT NO. 10010.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE NEW BOARDING AREA B PROJECT WITH T1 CUBED – A JOINT VENTURE, IN AN AMOUNT OF \$8,450,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$25,350,000 FOR SERVICES THROUGH MAY 4, 2019.

**Executive Summary**

Transmitted herewith for your approval is a proposed Resolution approving Modification No. 6 to Professional Services Contract No. 10010.41, Project Management Support Services for the New Boarding Area B Project with T1 Cubed – a Joint Venture, in an amount of \$8,450,000 for a new Contract amount not to exceed \$25,350,000 for services through May 4, 2019.

This is the annual renewal of the Contract for the fourth year of services.

The Project consists of constructing a New Boarding Area B that will include international arrival swing gates to accommodate up to a 28 gate configuration, a new architectural building envelope; complete electrical, mechanical, and special systems replacement; interior architecture; a new concessions program; new passenger boarding bridges; new aircraft apron; a new jet fuel hydrant system; and all other support systems, along with public art installations.

This Contract provides Project Management Support Services for the Project. The Contract includes design and construction management, project controls, contract administration, cost estimating services, LEED commissioning services, field inspections, and material testing.

**Background**

On January 20, 2015, by Resolution No. 15-0004, the Commission awarded this Contract to T1 Cubed – a Joint Venture in an amount not to exceed \$4,300,000 for the initial year of services.

On March 31, 2015, by Resolution No. 102-15, the Board of Supervisors approved this Contract and authorized a not-to-exceed amount of \$29,000,000 for services through May 4, 2021.

The Commission previously approved Contract Modification Nos. 2 and 4 to increase the Contract not-to-exceed amount to \$16,900,000 and extend the Contract duration to three years. Modification Nos. 1, 3, and 5 were administrative modifications to adjust labor rates and add new sub-consultants.

This Modification No. 6 is for the fourth year of services. Staff and T1 Cubed – a Joint Venture have reached agreement on scope, staffing, and fee for the fourth year of services. This modification increases the Contract amount by \$8,450,000, for a new Contract not-to-exceed amount of \$25,350,000.

The current budget for this Contract is \$38,500,000 with an anticipated duration of eight years of services. The Contract is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan. The contract budget has increased due to the addition of scope and duration to the associated Design Build contract, as approved on November 21, 2017, through Resolution No. 17-0290.

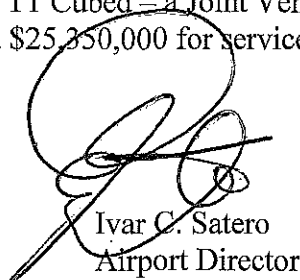
The forecast for this Contract is \$38,000,000 for eight years of services, and falls within the Contract budget, with the appropriate levels of contingency.

Since this Contract will now exceed the Board authorized value, pending Commission approval, Staff will seek Board of Supervisor's approval to increase the authorized not to exceed amount as required by the San Francisco Charter Section 9.118(b) for the full estimated amount of the Contract.

The City's Contract Monitoring Division has approved 20% Local Business Enterprise sub-consultant participation requirement for this Contract and T1 Cubed – a Joint Venture has committed to meeting this requirement.

### **Recommendation**

Based on the above, I recommend that the Commission approve Modification No. 6 to Professional Services Contract No. 10010.41, Project Management Support Services for the New Boarding Area B Project with T1 Cubed – a Joint Venture, in an amount of \$8,450,000 for a new contract amount not to exceed \$25,350,000 for services through May 4, 2019.



Ivar C. Satero  
Airport Director

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Attachments