AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 20-0029

APPROVAL OF MODIFICATION NO. 5 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, INCREASING THE CONTRACT BY $7,500,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED $17,250,000

WHEREAS, the Courtyard 3 Connector Project (Project) was the subject of a Negative Declaration prepared by the San Francisco Planning Department, Environmental Planning Division, dated July 28, 2017, in accordance with the requirements of the California Environmental Quality Act, Cal. Public Resources Code Sec. 21000, *et seq.* (CEQA); Title 14, Section 15000, *et seq*. of the Code of California Regulations (CEQA Guidelines); and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, on August 15, 2017, by Resolution No. 17-0188, the Commission adopted the Final Negative Declaration for the Project and adopted as its own the findings made therein by the San Francisco Planning Department, Environmental Planning Division, including Improvement Measure I-TR, Coordinated Construction Traffic Control Plan, as required by CEQA; and

WHEREAS, since the Negative Declaration was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Negative Declaration; and

WHEREAS, the Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges; and

WHEREAS, the Project Management Support Services (PMSS) Consultant provides overall management expertise and oversight of the Project, by performing tasks including design and construction management services, project controls, contract administration, cost estimating services, and field inspection; and

WHEREAS, on December 19, 2017, by Resolution No. 17-0321, the Commission awarded this PMSS Contract to PGH Wong & Partners JV, a joint venture then consisting of PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc., for the Project in the not-to-exceed amount of $3,250,000 for one year of services; and

WHEREAS, on September 1, 2018, administrative Modification No. 1 adjusted the overhead rates; and

WHEREAS, on February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 in an amount of $8,250,000 for the second year of services through March 12, 2020; and

WHEREAS, on October 18, 2019, administrative Modification No. 3 adjusted the billing labor rates; and

WHEREAS, on November 5, 2019, by Resolution No. 19-0273, the Commission approved Modification No. 4 increasing the Contract amount by $9,000,000 for a new Contract amount not to exceed $17,250,000, extending the term of the Contract through June 30, 2022, and directing Staff to seek approval of the Board of Supervisors (BOS) for Modification No. 4; and

WHEREAS, Staff neither executed nor sought BOS approval of Modification No. 4 because, after Commission adoption of Resolution No. 19-0273, Staff learned joint venture member CFWright Consulting, LLC had resigned from the joint venture PGH Wong & Partners JV, and therefore, Staff did not seek BOS approval of Modification No. 4; and

WHEREAS, on February 18, 2020, by Resolution No. 20-0028, the Commission approved Modification No. 4 to increase the Contract amount by $1,500,000 for a total Contract amount not to exceed $9,750,000, extend the Contract for services through June 30, 2022, and administratively modify the Contract to acknowledge that CFWright Consulting, LLC is no longer a member of the joint venture PGH Wong & Partners JV; and

WHEREAS, this Modification No. 5 increases the Contract amount by $7,500,000 for a new total Contract amount not to exceed $17,250,000 with no change to the contract duration; and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation requirement of 21% for this Contract and PGH Wong & Partners JV has committed to meeting that requirement; now, therefore, be it

RESOLVED, the Commission has reviewed and considered the Final Negative Declaration, and record as a whole, finds that they are adequate for its use as the decision-making body for the approval of Modification No. 5 to Contract No. 10072.41, and incorporates the CEQA findings contained in Resolution No.17-0188 as though set forth in this Resolution; and, be it further

RESOLVED, that the Commission hereby approves Modification No. 5 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project with PGH Wong & Partners JV, a joint venture between PGH Wong and Avila and Associates Consulting Engineers, Inc., in an amount of $7,500,000 for a new Contract amount not to exceed $17,250,000; and, be it further.

RESOLVED, that this Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of Modification No. 5 to this Contract consistent with San Francisco Charter Section 9.118(b) and an authorized not-to-exceed amount equal to the amount of $17,250,000.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of FEB 18 2020

Secretary

San Francisco International Airport

MEMORANDUM
February 18, 2020

20-0028
20-0029
FEB 18 2020

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Eleanor Johns
Hon. Richard J. Guggenhime
Hon. Malcolm Yeung

FROM: Airport Director

SUBJECT: Approval of Modification Nos. 4 and 5 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NOS. 4 AND 5 TO PROFESSIONAL SERVICES CONTRACT NO. 10072.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE COURTYARD 3 CONNECTOR PROJECT WITH PGH WONG & PARTNERS JV, A JOINT VENTURE OF PGH WONG ENGINEERING, INC., AND AVILA AND ASSOCIATES CONSULTING ENGINEERS, INC., TO INCREASE THE CONTRACT AMOUNT BY $9,000,000 FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED $17,250,000, AND TO EXTEND THE CONTRACT FOR SERVICES THROUGH JUNE 30, 2022.

Executive Summary

Through this Contract, PGH Wong & Partners JV, a joint venture of PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc. (PGH Wong & Partners), provides Program Management Support Services (PMSS) for the Courtyard 3 Connector Project (Project) consisting of overall management expertise and oversight, including design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

The addition of scope and duration of the Project's design-build contract created the need for additional PMSS services. Proposed Modification No. 4 increases the Contract amount by $1,500,000 and extends the Contract duration through June 30, 2022. Proposed Modification No. 5 increases the Contract amount by an additional $7,500,000 for a new Contract amount not to exceed $17,250,000 with no additional change to the contract duration. Upon Commission approval, Modification No. 5 requires the approval of the Board of Supervisors (BOS) because it would cause the Contract to exceed $10,000,000.

Background

The Project is constructing a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent building for office space, tenant lease space, passenger amenities, and lounges.

THIS PRINT COVERS CALENDAR ITEM NO. 3

On December 19, 2017, by Resolution No. 17-0321, the Commission awarded this Contract to PGH Wong & Partners JV in a not-to-exceed amount of $3,250,000 for the initial year of services. At that time, the joint venture consisted of three member firms including: PGH Wong Engineering, Inc., CFWright Consulting, LLC, and Avila and Associates Consulting Engineers, Inc.

On February 19, 2019, by Resolution No. 19-0030, the Commission approved Modification No. 2 to increase the Contract not-to-exceed amount to $8,250,000 for the second year of services through March 12, 2020.

Modification Nos. 1 and 3 were administrative modifications that adjusted the labor rates with no change to the Contract amount or duration.

On November 5, 2019, by Resolution No. 19-0273, the Commission approved Contract Modification No. 4 extending the Contract duration and increasing the Contract amount to $17,250,000, which required BOS approval. Prior to seeking BOS approval and executing Modification No. 4, PGH Wong & Partners JV informed the Airport that CFWright Consulting, LLC had resigned from the joint venture. Therefore, Staff did not execute Modification No. 4 as presented to the Commission. Refer to Attachment A – Summary of Commission Actions for this Contract.

Together, Modification Nos. 4 and 5 increase the Contract to the full not-to-exceed amount of $17,250,000 for services through June 30, 2022.

Modification No. 4 to this Contract would increase the Contract amount by $1,500,000 for a new total Contract amount not to exceed $9,750,000, and would increase the Contract duration for services from March 12, 2020 to June 30, 2022. Modification No. 4 will increase the Contract amount to allow the Airport to continue PMSS services while Staff seeks BOS approval of Modification No. 5. Modification No. 4 also administratively modifies the Contract to recognize that CFWright Consulting, LLC is no longer a member of the PGH Wong & Partners joint venture.

Modification No. 5 would increase the Contract amount by an additional $7,500,000, for a new total Contract not-to-exceed amount of $17,250,000 with no additional change to the Contract duration. Pending Commission approval, Staff will seek BOS'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 Contract amount of $17,250,000. If the Commission approves Modification No. 4, Staff will fill in the blank in the proposed Resolution approving Modification No. 5 with the appropriate Resolution number.

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. Staff will evaluate performance 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.

The full not-to-exceed Contract amount of $17,250,000 is equal to the budget for this Contract funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 21% for this Contract. PGH Wong & Partners JV is committed to meeting 28% subconsulting participation requirement for this Contract.

Recommendation

I recommend the Commission approve Modifications Nos. 4 and 5 to Professional Services Contract No. 10072.41, Project Management Support Services for the Courtyard 3 Connector Project to PGH Wong & Partners JV, a joint venture between PGH Wong Engineering, Inc., and Avila and Associates Consulting Engineers, Inc., to increase the Contract amount by a combined total of $9,000,000 for a new Contract not-to-exceed amount of $17,250,000 for services through June 30, 2022.

I also recommend the Commission direct the Commission Secretary to seek Board of Supervisors approval of Modification No. 5 to this Contract consistent with San Francisco Charter Section 9.118(b).

Ivar C. Satero
Airport Director

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

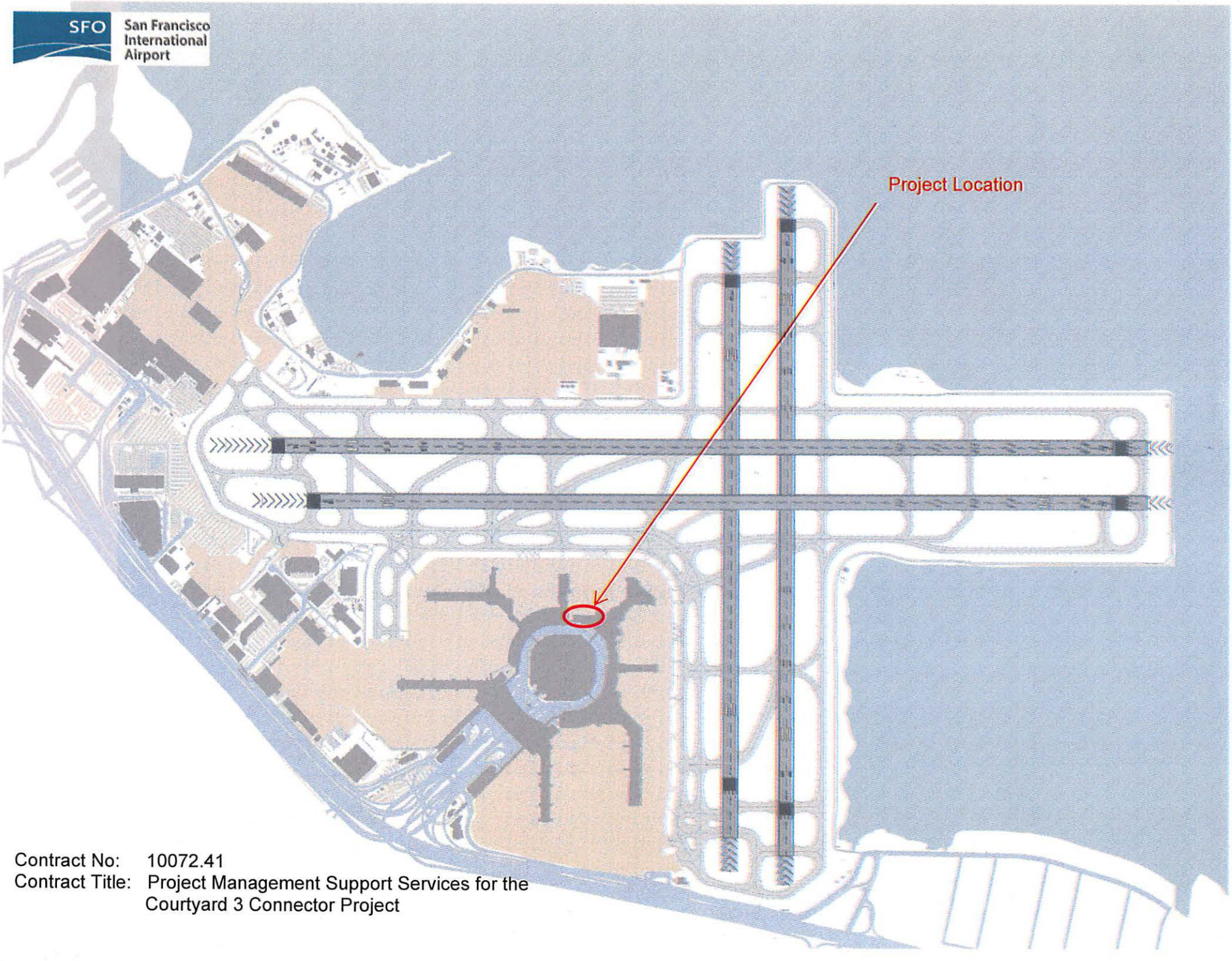
Attachments

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
February 18, 2020

Contract No.: 10072.41 - Project Management Support Services for the Courtyard 3 Connector Project
Consultant: PGH Wong & Partners JV
Modification Nos. 4 and 5

Date	Modification No.	Resolution No.	Description	Scope	Amount
8/15/2017		17-0188	Environmental Review	Adoption of the Final Negative Declaration, adoption of CEQA findings, and determination to proceed with the project.	
12/19/2017	-	17-0321	Award of Contract	Project Management Support Services	$3,250,000
9/1/2019	1	-	Administrative Modification	Amendment of overhead rates	$0
2/19/2019	2	19-0030	Annual Renewal	Annual renewal for the second year of services	$5,000,000
10/18/2019	3	-	Administrative Modification	Amendment of base labor rates	$0
11/5/2019	4	19-0273	Renewal through end of Services	NOT EXECUTED	N/A

Contract As-Modified to Date	**$8,250,000**
Proposed Contract Modification No. 4 Amount	$1,500,000
Proposed Contract Modification No. 5 Amount	$7,500,000
Proposed Modified Contract Amount	**$17,250,000**



Contract No: 10072.41
Contract Title: Project Management Support Services for the Courtyard 3 Connector Project