



MEMORANDUM

December 18, 2012

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: Authorizing Director to Seek Approval from the Board of Supervisors to Allow Purchaser to Exceed Ten Million Dollar Purchasing Limit for Contract No. 8672B, Runway Safety Area Engineered Material Arresting System Material Procurement

DIRECTOR'S RECOMMENDATION: AUTHORIZE REQUEST TO BOARD OF SUPERVISORS TO ALLOW PURCHASER TO EXCEED TEN MILLION DOLLAR PURCHASING LIMIT IN ORDER TO PROCURE ENGINEERED MATERIAL ARRESTING SYSTEM FROM SOLE-SOURCE PROVIDER, ESCO.

Executive Summary

Enclosed for your approval is a proposed resolution to authorize the Director to seek Board of Supervisors approval allowing the Purchaser to exceed its ten million dollar purchasing limit so as to procure an engineered material arresting system (EMAS) from the sole-source provider, Engineered Arresting System Corporation (ESCO), as part of the federal Runway Safety Act (RSA) requirements.

Background

Public Law 109-115 establishes an RSA, requiring airport sponsors to enhance their runway safety in compliance with FAA airport design standards by December 31, 2015. A major component of the enhancements at SFO includes designing and manufacturing an EMAS for both ends of runways 1L-19R and 1R-19L in accordance with the FAA Advisory Circular (AC) 150/5220-22B. The Federal Aviation Administration (FAA) has determined that ESCO is the only approved provider to design and build an EMAS, making ESCO a sole-source provider.

THIS PRINT COVERS CALENDAR ITEM NO. 2

On October 25, 2011, by Resolution 11-0238, the Commission authorized the Director to request the Board of Supervisors to waive competitive bidding requirements and approve a modified indemnification clause for a sole-source contract with ESCO to design an EMAS for San Francisco International Airport. That contract, Contract No. 8672A, was approved by the Board of Supervisors, and has now been completed.

With the design complete, the Airport must enter into a purchase order contract with ESCO to procure the EMAS blocks. This procurement, however, exceeds the Purchaser's authority of \$10,000,000, as it will cost approximately \$40,000,000. The Purchaser must, therefore, obtain Board of Supervisors approval in order to proceed.

After obtaining approval from the Board of Supervisors, Staff will assist the City Purchaser to issue a purchase order to ESCO for a three (3) year term in an amount not-to-exceed \$40,000,000 for manufacturing and delivering the EMAS.

Recommendation

I recommend that the Commission approve the proposed resolution authorizing the Director to seek approval from the San Francisco Board of Supervisors to allow the Purchaser to exceed its purchasing limit in procuring EMAS from ESCO.

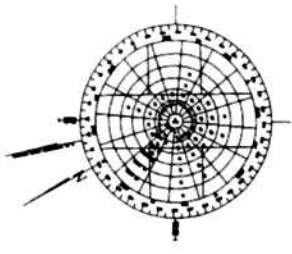


John L. Martin
Airport Director

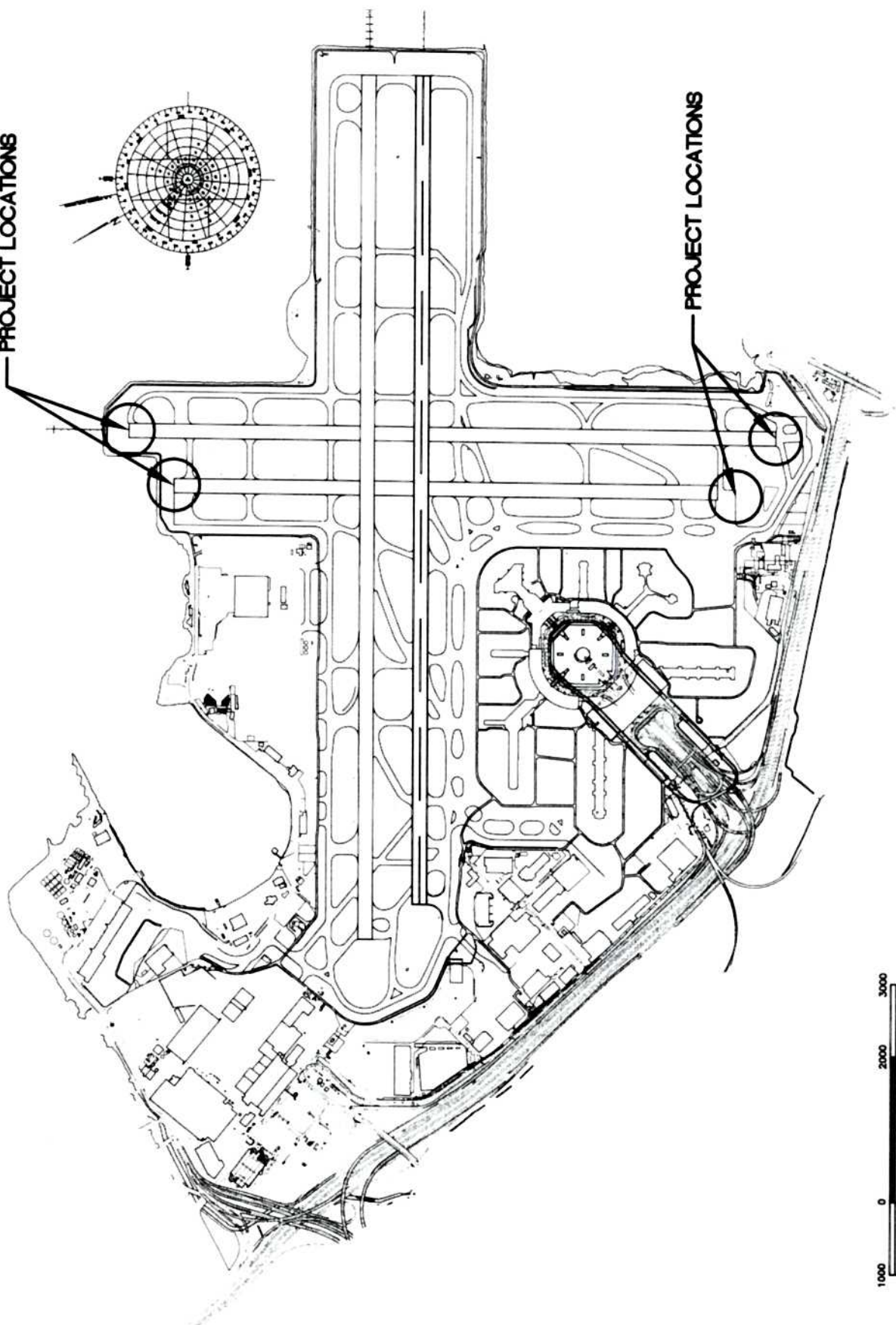
Prepared by: Ivar Satero
Deputy Airport Director
Design and Construction

Attachment

PROJECT LOCATIONS



PROJECT LOCATIONS



Prepared by: Design and Construction
Ivar Satero - Deputy Airport Director
December 2012

SAN FRANCISCO INTERNATIONAL AIRPORT
CITY AND COUNTY OF SAN FRANCISCO
AIRPORT COMMISSION
John L. Martin - Airport Director