



MEMORANDUM

July 23, 2013

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: Modification No. 2 to Contract No. 9048.9, Construction Management Services for the Terminal 3 Improvements Projects

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT, CONTRACT NO. 9048.9, CONSTRUCTION MANAGEMENT SERVICES FOR TERMINAL 3 IMPROVEMENT PROJECTS, WITH URS/ECS, A JOINT VENTURE, IN AN AMOUNT NOT TO EXCEED \$1,200,000, FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$5,584,000 AND TO EXTEND THE DURATION OF CONTACT 9048.9 BY SIX MONTHS TO FEBRUARY 28, 2014.

Executive Summary

On April 1, 2011, Airport staff issued a request for proposal (RFP) to provide construction management services for Terminal 3 Improvement Projects to the seven "pool list" firms established by the Commission on April 20, 2010, under Resolution No. 10-0157.

On June 30, 2011, by Resolution No. 11-0145, the Commission awarded the professional services agreement, Contract No. 9048.9, Construction Management Services for Terminal 3 Improvement Projects, to URS/ECS, a Joint Venture (Consultant), in an amount not to exceed \$2,221,000 for the first year of services.

On July 17, 2012, by Resolution No. 12-0164, the Commission amended Contract No. 9048.9 for Construction Management Services for the Terminal 3 Improvement Projects, with Consultant in an amount not to exceed \$2,163,000 for the second year of services.

Transmitted herewith for your approval, is a proposed Resolution authorizing Modification No. 2 to Contract No. 9048.9, to provide for a renewal of six (6) months of services for a contract extension to February 28, 2014 and to increase the not-to-exceed amount by \$1,200,000 for a new total contract amount not to exceed \$5,584,000.

Background

On June 30, 2011, by Resolution No. 11-0145, the Commission awarded a construction management contract to URS/ECS, a Joint Venture to provide construction management services for the proposed \$25 million Terminal 3 improvements project for the expansion of the existing checkpoint in Module 3 (Mod 3) and a building expansion of approximately 10,000 SF. The contract included services to develop a Request for Qualifications and Request for Proposal (RFQ/RFP) "bridging document" for the procurement of a design-builder team, as well as full construction management (CM) services during implementation.

THIS PRINT COVERS CALENDAR ITEM NO. 4

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE MAYOR	LARRY MAZZOLA PRESIDENT	LINDA S. CRAYTON VICE PRESIDENT	ELEANOR JOHNS	RICHARD J. GUGGENHIME	PETER A. STERN	JOHN L. MARTIN AIRPORT DIRECTOR
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Based on the results of the Programming and Planning Study and Report, further analysis of the existing infrastructure, and a review of program requirements with Airport and Airline Stakeholders, it was determined that re-scoping of the Terminal 3 project was required. Specifically, the Airport re-visioned the Terminal 3 project to meet the standard set in Terminal 2, to provide for a renewed facility with a 40-year useful life, including seismic upgrade, and to provide for sufficient capacity to meet the anticipated passenger forecast demand by year 2025. As a result, the total project budget was increased to \$208 million.

As a result of the expanded scope of work, additional CM services are required, both to provide for the proper oversight of the larger project, as well as to accommodate the longer schedule for construction. Staff is forecasting a final cost for construction management services of \$7,750,000, with a total duration of 30 months.

The Consultant's prior services have not met expectations, and Staff has requested that the Consultant restructure the team to address performance issues. The Consultant has made staffing changes to address the Airport's concerns. Therefore, Staff and Consultant have reached an agreement on scope, staffing, and fee for the next six months instead of one year. Staff is recommending only a six month renewal of the contract to more closely evaluate the effectiveness of the revised staffing. Before the end of the proposed new renewal period, Staff will report back to the Commission on performance, and recommend whether or not to continue to extend the contract further. For the 6-month renewal, Staff proposes to increase the contract by an amount not to exceed \$1,200,000 based on providing appropriate staffing levels through February 2014.

The Project Management/Construction Management Team will continue to be comprised of both Consultant staff and Airport staff. The Airport is providing project managers and construction inspectors. The Consultant is providing a construction manager/resident engineer, design manager, MEP coordinator, office engineering and administrative staff, and other specialty construction management services as required.

The City's Contract Monitoring Division (CMD) approved an 18% LBE subconsultant participation goal for this contract. The Consultant is currently achieving 15% LBE participation, but is committed to meeting the approved goal.

Recommendation

Based on the above, I recommend that the Commission approve this Modification No. 2 to the professional services agreement, Contract No. 9048.9, Construction Management Services for Terminal 3 Improvement Projects, increasing the not-to-exceed amount by \$1,200,000, for a new total contract amount not to exceed \$5,584,000, and renewing the contract for a period of six (6) months of services, for a contract time extension to February 28, 2014.

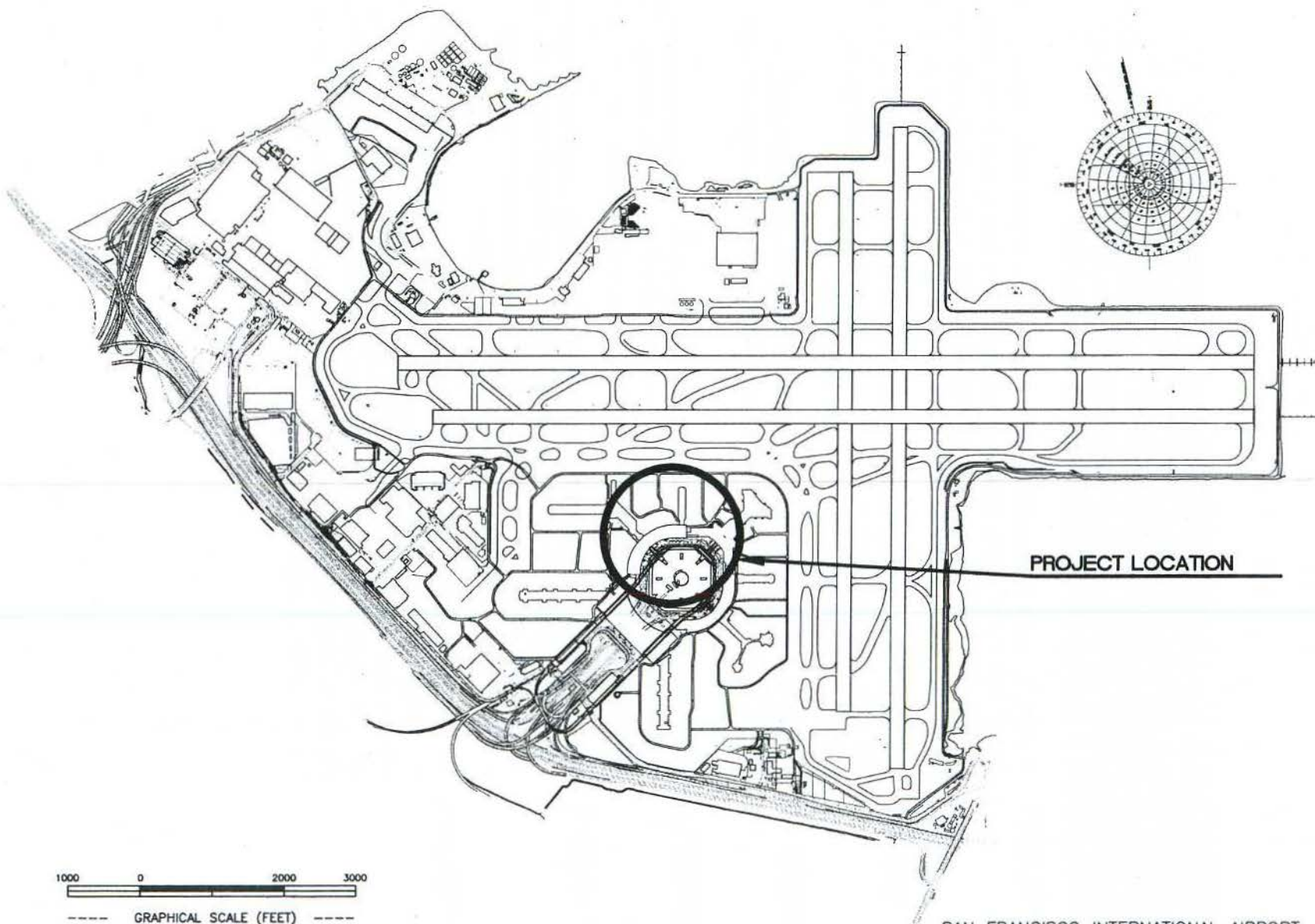


John L. Martin
Airport Director

Prepared by: Ivar Satero
Deputy Airport Director
Airport Development & Technology

Attachments

AIRPORT CONTRACT No. 9048.9
TERMINAL 3 IMPROVEMENTS PROJECTS



Prepared by: Airport Development and Technology Division
Ivar Satero - Deputy Airport Director
July 2013

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

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 13 0158

**MODIFICATION NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT,
CONTRACT NO. 9048.9, CONSTRUCTION MANAGEMENT SERVICES FOR
TERMINAL 3 IMPROVEMENT PROJECTS, WITH URS/ECS, A JOINT VENTURE, IN
AN AMOUNT NOT TO EXCEED \$1,200,000 AND WITH A RENEWAL PERIOD OF 6
MONTHS FOR A TIME EXTENSION TO FEBRUARY 28, 2014.**

- WHEREAS, on June 30, 2011, by Resolution No. 11-0145, the Commission awarded Contract No. 9048.9, Construction Management Services for Terminal 3 Improvement Projects, to URS/ECS, a Joint Venture (Consultant), in an amount not to exceed \$2,221,000 for the first year of services, from August 2011 to August 2012; and
- WHEREAS, on July 17, 2012, by Resolution No. 12-0164, the Commission amended Contract No. 9048.9 for an amount not to exceed \$2,163,000 for the second year of services, from August 2012 to August 2013; and
- WHEREAS, Consultant has not provided these services to the satisfaction of the Commission, but has made recent staffing changes to address the concerns of the commission; and
- WHEREAS, Staff proposes to monitor the effectiveness of the recent staffing changes in response to the Commission's concerns over performance for the next 6 months to ensure the Consultant is able to meet the Commission's expectations; and
- WHEREAS, Staff and Consultant have reached an agreement regarding scope, staffing and fee, and Staff proposes to increase the not-to-exceed amount by \$1,200,000 for a new total contract amount not to exceed \$5,584,000 and to renew services for six (6) months through to February 28, 2014; now, therefore be it
- RESOLVED, that the Commission authorizes Modification No. 2 to the professional services agreement, Contract No. 9048.9, Construction Management Services for Terminal 3 Improvement Projects, with URS/ECS, a Joint Venture, increasing the amount not to exceed by \$1,200,000, for a new total contract amount not to exceed \$5,584,000 and renewing the contract period for six (6) months, providing for a time extension through to February 28, 2014.

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

JUL 23 2013


Secretary