

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 19-0180

**APPROVE MODIFICATION NO. 1 TO CONTRACT NO. 50030.01 TO OPERATE, MAINTAIN AND REPAIR AIRPORT-OWNED BAGGAGE HANDLING SYSTEMS AND PASSENGER BOARDING BRIDGES IN THE DOMESTIC TERMINALS WITH VANDERLANDE INDUSTRIES INC., TO EXERCISE THE FIRST OF TWO 1-YEAR OPTIONS TO EXTEND THE TERM THROUGH SEPTEMBER 30, 2020, AND TO INCREASE THE CONTRACT AMOUNT BY \$4,396,875 FOR A NEW NOT-TO-EXCEED CONTRACT AMOUNT OF \$9,793,875.**

WHEREAS, on July 19, 2016, under Resolution No. 16-0206, and amended on August 9, 2016, by Resolution No. 16-0222, the Commission awarded Contract No. 50030.01 to Vanderlande Industries, Inc.; and

WHEREAS, on July 22, 2019, the Airport opened nine new gates in Terminal 1, Boarding Area B and will open nine additional gates to Terminal 1, Boarding Area B in March 2020, which will increase the number of passenger boarding bridges to be maintained under this Contract; and

WHEREAS, as a result of a determination from the Director of the Office of Labor Standards Enforcement, the Contractor has been directed to adjust prevailing wage rates and job classifications; and

WHEREAS, the Airport desires to exercise the first of two 1-year options to extend the term of this Agreement through September 30, 2020, and to increase the contract amount by \$4,396,875, for a new not-to-exceed contract amount of \$9,793,875; now, therefore, be it

RESOLVED, that this Commission hereby approves Modification No. 1 to Contract No. 50030.01 to operate, maintain and repair Airport-owned baggage handling systems and passenger boarding bridges in the Domestic Terminals with Vanderlande Industries, Inc., to exercise the first of two, 1-year options to extend the term of this Agreement through September 30, 2020, and to increase the contract amount by \$4,396,875, for a new not-to-exceed contract amount of \$9,793,875.

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

**AUG 27 2019**

  
Secretary



San Francisco International Airport

**MEMORANDUM**

August 27, 2019

19-0180

AUG 27 2019

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Malcolm Yeung

FROM: Airport Director

SUBJECT: Modification No. 1 to Professional Services Contract No. 50030.01 to Operate, Maintain and Repair Airport-Owned Baggage Handling Systems and Passenger Boarding Bridges in the Domestic Terminals with Vanderlande Industries, Inc.

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 1 TO CONTRACT NO. 50030.01 TO OPERATE, MAINTAIN AND REPAIR AIRPORT-OWNED BAGGAGE HANDLING SYSTEMS AND PASSENGER BOARDING BRIDGES IN THE DOMESTIC TERMINALS WITH VANDERLANDE INDUSTRIES, INC. TO EXERCISE THE FIRST OF TWO, 1-YEAR OPTIONS TO EXTEND THE TERM THROUGH SEPTEMBER 30, 2020, AND TO INCREASE THE CONTRACT AMOUNT BY \$4,396,875 FOR A NEW NOT-TO-EXCEED CONTRACT AMOUNT OF \$9,793,875.

**Executive Summary**

Commission approval is requested for Modification No. 1 to Contract No. 50030.01 with Vanderlande Industries, Inc. (Vanderlande) to operate, maintain and repair Airport-owned Baggage Handling Systems (BHS) and Passenger Boarding Bridges (PBB) in the Domestic Terminals. Modification No. 1 would exercise the first of two, 1-year options to extend the term to September 30, 2020 and increase the contract amount by \$4,396,875, for a new not-to-exceed contract amount of \$9,793,875.

**Background**

The Airport owns four BHS and 40 PBB in the Domestic Terminals. The majority of these systems operate under permits to the airlines, which are responsible for operations and maintenance. Two of the BHS and three of the PBB, located at designated common use gates are currently operated, maintained, and repaired by Vanderlande through this contract, which also includes on-call services to systems maintained and operated by the airlines. After October 1, 2019, Vanderlande will assume maintenance responsibilities for additional PBB as new equipment is brought into service as part of the activation of new facilities in Terminal 1, Boarding Area B and also an anticipated increase in common use gates in Boarding Areas C and D as a result of Airline moves.

THIS PRINT COVERS CALENDAR ITEM NO. 1

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

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

On July 19, 2016, by Resolution No. 16-0206, and amended on August 9, 2016, by Resolution No. 16-0222, the Commission awarded Contract No. 50030.01 to operate, maintain and repair passenger boarding bridges and baggage handling systems in the domestic terminals to Vanderlande Industries, Inc. the highest scoring proposer.

On July 22, 2019, the Airport activated additional facilities as part of Terminal 1 and Boarding Area B projects, and additional new gates in Terminal 1 will open in March 2020, adding a total of 18 PBB to be maintained under Contract No. 50030.01. This contract extension will also cover any potential additional common use gates in Boarding Areas C and D resulting from Airline relocations. Further, as a result of a determination from the Director of the Office of Labor Standards Enforcement, the Contractor has been directed to adjust prevailing wage rates and job classifications which are reflected in this extension.

Vanderlande has met operations and maintenance requirements during the initial 3-year period. At this time, Staff requests to exercise the first of two, 1-year options to continue services for the current BHS and include additional Airport-owned PBB to the service.

### **Recommendation**

I recommend the Commission approve Modification No.1 to Contract No. 50030.01 01 to operate, maintain, and repair Airport-owned Baggage Handling Systems and Passenger Boarding Bridges in the Domestic Terminals with Vanderlande Industries Inc, to exercise the first of two, 1-year options to extend the term of the contract to September 30, 2020 and to increase the contract amount by \$4,396,875, for a new not-to-exceed contract amount of \$9,793,875.



Ivar C. Satero  
Airport Director

Prepared by: Jeff Littlefield  
Chief Operating Officer

Attachment