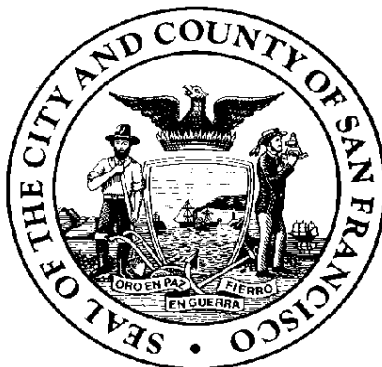


SAN FRANCISCO AIRPORT COMMISSION



MINUTES

February 21, 2012

9:00 A.M.

**Room 400 - City Hall
#1 Dr. Carlton B. Goodlett Place
(400 Van Ness Avenue)
City and County of San Francisco**

EDWIN M. LEE, MAYOR

COMMISSIONERS

LARRY MAZZOLA

President

LINDA S. CRAYTON

Vice President

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

JOHN L. MARTIN

Airport Director

**SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128**

Minutes of the Airport Commission Meeting of
February 21, 2012

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AIRPORT COMMISSION MEETING MINUTES
February 21, 2012

A. CALL TO ORDER:

The regular meeting of the Airport Commission was called to order at 9:00 AM in Room 400, City Hall, San Francisco, CA.

* * *

B. ROLL CALL:

Present: Hon. Larry Mazzola, President
Hon. Eleanor Johns
Hon. Richard J. Guggenheimer
Hon. Peter A. Stern

Hon. Linda S. Crayton, Vice President arrived at 9:15 AM.

* * *

C. ADOPTION OF MINUTES:

The minutes of the special meeting of January 31, 2012 were adopted unanimously.

No. 12-0028

* * *

D. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Johns said that she has raised the issue of the composition of panels over the years. Today's calendar includes an RFP regarding parking. That panel consisted of three or four members ... I think there were three Airport employees and one outside person. I have the feeling, and I discussed this over the years, even in my days in the Mayor's Office, that I think we need to have more objectivity, especially when there is an incumbent in the mix. I don't know how we do that, or what can be done and it's not just an Airport issue, it's a City-wide issue. I wonder if there could be some input from the City Attorney's office. I've discussed this with City Attorney Herrera in the past so it's not a new issue but one that comes up again and again. I've also discussed it with Director Martin, so it's something that I would like to raise.

Commissioner Mazzola asked Commissioner Johns if it should be two and two instead of three and one.

Commissioner Johns replied that she doesn't know how many it should be or whether it should be all outsiders, but I'm curious to know if this is an issue in other departments. I don't know how expensive it is to get outsiders all the time. I suppose there are some benefits from having an insider but I don't know that it should be three and one.

Commissioner Guggenime said it would be helpful, since I don't know what goes into the picking of the panel, is to ask Tryg, or John, or the staff to put together a little description ...here's what we consider when we select a panel, here's how many people have historically been involved, perhaps compare with other departments if its relevant at all. I would just like to understand.

Commissioner Johns said that she didn't understand either.

Commissioner Mazzola said that he would like to know how other departments pick their panels.

Commissioner Johns added that it's a city-wide issue. It's just a thought.

Commissioner Mazzola suggested that we find out how the PUC and DPW pick their panels. We can then discuss it further and perhaps satisfy some concerns.

Mr. Tryg McCoy, COO replied that we'll be more than happy to that. We'll take a look at what other Commissions do, how and why we come up with the panels that we do, and report back to the Commission.

* * *

E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item No. 1 was moved by Commissioner Guggenime and seconded by Commissioner Stern. The vote to approve was unanimous.

1. Proposed Fiscal Year 2012/13 and Fiscal Year 2013/14 Operating Budget

No. 12-0029 Resolution approving proposed Airport Commission \$805.7 million Operating Budget for Fiscal Year 2012/13 and \$841.3 million for Fiscal Year 2013/14.

Mr. Leo Fermin, Deputy Director Business and Finance said that in the prior two years we submitted a two year Operating Budget. However, next year the City will not require us to resubmit the second year so long as adjustments to the second year are within 5% of the submitted budget.

Our proposed budget for FY 2012/13 is \$805.7 million, an increase of \$20.5 million or 2.6%. For the second year, FY 2013/14, there's a 4.4% increase to \$841.3 million which is \$35.5 million overall.

The increases are primarily in several categories. In Salaries and Fringe Benefits we are planning for the end of furlough days for most employees. These furlough days negotiated by the City in 2007 pushed salaries down by 4.62% and they will now be reinstated. Further, we are proposing to add 10 new positions next year and three new positions the following year. Also, we are now fully annualizing the 24 positions added last year. We are also projecting an increase in the employer contribution to the retirement plan. Our current contribution rate is about 18% and the City has instructed us to budget in the range of 18.13% to 24.85%,

depending on the position. We're also budgeting for a 10% increase in healthcare costs.

Certain professional service costs are also increasing. In total, we have provided for an increase of \$1.5 million for a number of contracts. Of this, \$800,000 is for increased parking shuttle bus service to Lot D for the public parking customers, and an increase in the budget for maintenance costs for the parking shuttle by \$300,000. Also, in Agenda Item 3, the New Parking Management contract's first year is about \$101,000 more than this current year's budget. The remainder of the increase is for various work such as enhanced credit card security, technical help desk support, information systems development and Medical Clinic costs.

Finally, debt services is increasing because of the scheduled ramp up overtime for the Master Plan bonds, plus the debt service for Terminal 2. When we sold the Master Plan bonds, we structured the debt service such that the debt service was lower in the earlier years and then increasing in the later years. This was so we could match the debt service for the growing enplanements and growing revenues overtime.

Commissioner Johna noted the amount for services from other departments and asked why it had gone up so much.

Mr. Fermin replied that we've kept it to a 0.1% increase. That's for the electricity costs that are billed to us by the PUC and a portion of that electricity cost we in turn bill our tenants for their usage so it sort of comes back in revenues as well.

Commissioner Mazzola asked why the City does not require us to come back. What led them to make this decision not to review the second year.

Mr. Fermin replied this is a new initiative that they're applying to all enterprise funds so it applies not just to the Airport, but to the PUC and the Port of San Francisco. I believe its an effort to streamline the City budget process.

Commissioner Mazzola asked if we don't go back regardless of whether it's high or low, as long as its within the 5%.

Mr. Fermin replied that he believed that we do not return as long as we don't go 5% higher. If it's 5% lower, I believe we don't have to go back to the City.

Commissioner Mazzola said that it's not 5% on either side, it's just 5% higher.

Item No. 2 was moved by Commissioner Johns and seconded by Commissioner Guggenhime. The vote to approve was unanimous.

2. Approval of the Airport's Five-Year Capital Plan and Ten-Year Capital Plan for FY 2012/13 to FY 2021/22

No. 12-0030

Resolution approving the Airport's \$763.7 million Five-Year Capital Plan and \$1.9 billion Ten-Year

Capital Plan for FY 2012/13 to FY 2021/22, and authorizing the Airport to seek \$395.6 million in a capital supplemental appropriation for debt and annual appropriations of \$77.9 million in FY2012/13 and \$74.9 million in FY 2013/14.

Mr. Fermin said that last year the Five-Year and Ten-Year Capital Plans totaled \$620 million and \$973 million respectively. Today we are requesting a revision to \$763.7 million and \$1.9 billion respectively. We have focused on the Five-Year Capital planning horizon with our airlines. The 10-year horizon is required by the City's Capital planning process. The Five-Year Capital Plan includes 60 projects. Significant projects include the Runway Safety Area program (\$214.2 million), the Terminal 3 Boarding Area E Redevelopment program (\$115.9 million), the new Air Traffic Control Tower and Integrated Facilities (\$79.9 million) plus \$33.5 million for the Integrated Facilities, the Baggage System Upgrades (\$70.9 million), the Terminal 3 Checkpoint Reconfiguration program (\$45.7 million), and the West Field Cargo Redevelopment project (\$30.9 million). We estimate that this Five-Year Capital Plan work will generate about 4,000 jobs, and the Ten-Year Plan about 11,900 jobs. The Five-Year Capital Plan will require appropriations of \$395.6 million in bond proceeds, and \$77.9 million and \$74.9 million for grant monies in the next two years.

Item No. 3 was moved by Commissioner Crayton and seconded by Commissioner Guggenhime. The vote to approve was unanimous.

3. Award of the Parking Management Contract - New South Parking-California \$95,969,983 for a Five-Year Term

No. 12-0031 Resolution awarding Contract No. 9121 to New South Parking-California, for the management and operation of the Airport's Public and Employee Parking in an amount not to exceed \$95,969,983 for a five-year term, effective July 1, 2012.

Mr. Fermin said that three proposals were received for this contract on December 12th, and on January 21st the Commission approved New South Parking - California (NSP) as the highest rated proposer and authorized staff to commence contract negotiations with New South Parking. The four member panel (two Airport employees and two from outside the Airport) reviewed the three proposals. NSP is a partnership between Central Parking Systems, which owns 70% of the partnership, and Global Parking System, a federally certified Airport Concessions Disadvantaged Business Enterprise or ACDBE which owns 30% of the partnership. In turn, this partnership is subcontracting the management and operations of the employee parking garage and lots to Gentle Parking, LLC, a certified local business enterprise in San Francisco. The subcontract for employee parking accounts for approximately 6% of the guaranteed maximum price. For the first year of this five year contract, which starts July 1, 2012 the guaranteed maximum price is \$18,076,385, which is about \$101,000 higher than this current fiscal year's budget of \$17,975,000. The contract has controls on

cost such as a specified guaranteed maximum price for each specific year of the contract, however, if needed for any increase in the scope of services the Commission can approve any increase in the GMP. The management fee is fixed for each contract year with no escalation. Indirect labor costs are limited to no more than 65% of direct labor costs, and finally, individual line item costs are tracked on a line item basis at about 62 different line items. To ensure a high level of customer service, the contract also has controls addressing customer service levels such as a mandatory customer service training for all employees every year, use of mystery shoppers to check the condition of facilities and staff service, and minimum acceptable janitorial service standards stipulated for each parking facility.

Mr. John Newman on behalf of NSP said that with him this today are Jason Finch of Central Parking, your General Manager of SF Parking Operations, Ronnie Burns of Global Parking, the 30% ACDBE Joint Venture Partner, and William Ortiz-Cartajena of Gentle Parking, our new LBE Local Business Enterprise participant for the Employee Parking. The team is honored to be selected. We were ready, willing and able to complete the contract at the last hearing, we did so promptly and we're ready to proceed. Thank you for your consideration.

Item No 4 was moved by Commissioner Guggenhime and seconded by Commissioner Crayton. The vote to approve was unanimous.

4. Adoption of CEQA Findings and Award of Contract No. 3590C - RSA South Field Drainage Improvement - Disney Construction - \$12,914,114

No. 12-0032	Resolution adopting CEQA findings for the RSA program and Award of Contract No. 3590C, RSA South Field Drainage Improvement, to the lowest responsive, responsible Bidder, Disney Construction, in the amount of \$12,914,114.
No. 12-0033	

Ms. Jean Caramatti, Airport Commission Secretary, explained that the item before the Commission contained one resolution adopting the CEQA findings and awarding the contract. There are now two resolutions before the Commission ... one resolution adopts the CEQA findings and the other awards the contract.

Mr. Ivar Satero, Deputy Director, Design and Construction said that this agenda item is the first construction contract of the Airport Runway Safety Area (RSA) Program, and recommends that the Commission adopt the CEQA findings related to the entire RSA program, as well as award this contract to Disney Construction in the amount of \$12.9 million.

It is a major program for the Airport ... \$214 million ... and is unique in that it is being designed almost entirely by Airport staff. The Design Team consists of Jim Chiu, Program Manager, Tiffany Yip and Ellen Alberto are Designers, and Chris McManus is our Design Lead. They're working very hard on this program. Also, exceptional work is being done by John Bergener and his Planning staff, Audrey Park and Nixon Lam, to get to the CEQA findings in a positive and timely

way for us.

Regarding the CEQA findings, the City's Planning Department determined through the issuance of the Final Mitigated Negative Declaration, that the RSA Program could not have a significant impact on the environment, with the application of the mitigation measures that were attached to this package as part of Exhibit A. The contract is the first construction contract award in support of the program, and therefore will be subject to these measures to ensure the protection of the cultural and paleontological resources, air quality, biological resources, hydrology and water quality, and hazardous materials.

Along with the mitigation measures, although not required, Staff is recommending that the Commission adopt two of the three additional protection measures, including I-TR-1 related to traffic control during construction, and I-AQ-2, which is related to the additional fugitive dust emission reduction.

In regards to the work under this contract, the scope of the work involves relocating and improving the existing storm drainage system in the south field area, and this will prepare the site for the configuration of the RSA's at the south end of the I-19 runways.

The Airport received nine bids on this contract with very competitive pricing. A bid protest was received by Proven Management to Disney's bid, however, with the assistance of the City Attorney's Office and thorough Staff review, we determined that the protest was without merit and therefore Disney is determined to be the lowest responsive and responsible bidder, with a bid of \$12.9 million.

Disney has committed to achieving 30% SBE subcontractor participation, in comparison to the Airport's best efforts goal of 14%.

Commissioner Crayton noted that the Engineer's Estimate is \$17,480,000, or nearly \$18,000,000 and the lowest bid was \$12.9 million. We have some reliable construction companies that we dealt with before that are coming in near the Engineer's estimate. I'm curious how Disney Construction can do this at this low rate. It's almost as if they low balled their bid to get the contract and then we're going to get a lot of bid overruns in order to make this happen. Does it give rise to concern when the Engineer's estimate and the bid amount are so far apart?

Mr. Satero replied that it does. We did a thorough bid analysis and looked at every bid item and compared the bidders and they were all over the map. We had high bids from some companies, some particular bid items, low bids, so there wasn't really consistency in the bids, in the bid item. We also met with Disney's management and owner to assure ourselves that they are confident with their bid and they can perform the work under the bid amount. They've assured us that they are very satisfied with their \$12.9 bid and don't anticipate any problems. We've also done a bit of checking on Disney. We haven't worked with Disney before. They're a Burlingame based company. Although the company is new to the Airport, the people in the company are not. Two of their key personnel have worked at the Airport under other companies. Disney Construction has significant civil experience ... they built the Devil's Slide bypass bridge, a major construction

project. We're very satisfied with the qualifications of the personnel and the firm and we think their bid is good.

Commissioner Crayton asked if they have done a contract like this before.

Mr. Satero replied they've done pavement projects before and their people have done airfield projects. This is their work ... pump stations and underground piping.

Commissioner Crayton asked what is the major component that differentiates their bid from the other bids. I believe the cost analysis will show that it's the steel or something that's causing them to bid lower than the others. I'm really concerned as to what it would be.

Mr. Satero asked Project Manager Chris McManus to comment. Chris, are there a couple bid items that had a major discrepancy in the cost proposed that caused them to be low?

Mr. McManus said that the bid items that Disney came in lower on were mostly due to the excavation and underground work. As Ivar mentioned, this is work that they generally do. So their excavation, their shoring and their pipe installation and storm drain pump station construction work was lower than most of the other contractors, so I think that's where most of their cost savings were.

Commissioner Crayton asked if that didn't raise concern because those costs should be similar somewhere and they are very important parts of the project.

Mr. McManus said that is work they do as a company; they don't sub it out so they can control their cost. They don't have to rely on a subcontractor.

Commissioner Mazzola asked if they are prevailing wage contractors. I have never heard of them.

Mr. Satero said they are subject to prevailing wage. Certainly we will have to follow the City's requirements.

Commissioner Mazzola asked if they know that.

Mr. Satero responded that they know. I think they self perform that work so they're not paying mark-up. I think their self perform work was \$1.2 million, or possibly a larger number.

Commissioner Mazzola asked if that is the difference of \$5 million from our Engineer's.

Mr. Satero replied that's some of it, that's some of it. You know we just received bids last week on the second contract of the RSAs and we're seeing a very similar pattern and so we're going to go back and look at our Engineer's estimates, we may have been too conservative in our estimates, we got very favorable bids on the next project for the RSAs program as well so we'll look at that, but we're very

confident with Disney and their bid. We think it's a good bid.

Commissioner Johns said that we've seen these Engineer estimate discrepancies in the past and I think Ivar said that he had in place a new program that helped shore up the discrepancies so that the Engineer's estimate was a bit closer to the bid process. It seems to me this is the first one in a while that's this broad. Is there any reason for that?

Mr. Satero said that we did a process of estimate validation and double checked and a triple checked. Perhaps it was a conservative estimate but we did our due diligence with outside estimating support. I think there's so much competition out there. Just the grouping in the \$14 million range, maybe we're too conservative on our estimates, even though we're seeing improvement.

Commissioner Johns said that was my point. There's so many in the \$14 million range. The difference with Disney and the rest is \$1.3 million, but there is still a discrepancy between all the groups of 14's and the 17's.

Mr. Satero said it does cause us to look at what's going on there. But then there are some big estimates at \$18.7 and \$20.5, but I understand what you're saying with the grouping.

Commissioner Mazzola noted that the protest claimed unsafe construction history and asked what that meant.

Mr. Satero replied that the claim was a concern to us as well. Apparently they have had a safe record for the last three years. Four years ago, in 2007/08 time frame they had a job that was finishing up and at the very tail end of the job they had a high occurrence of workers comp claims and it was at a time when economic conditions were getting worse so there is concern about all of those claims that came in a very short duration at the very end of a contract and so, I don't know there's no evidence or proof of anything but there's just this feeling that you know something happened at the end of a contract and it doesn't seem to be a fair reflection of the safety of that company. It's what caused their rating to jump up. It was a very short time frame and on a single contract.

Commissioner Mazzola said these discrepancies that far apart ... almost 40% or 35%. When they get that far apart you've got to help us here. I don't feel comfortable voting for something that's that far off. Our Engineer's say it costs this, and somebody comes in and bids something lower.

Commissioner Guggenlime asked Commissioner Mazzola that you've got three bids within \$1.5 million of each other and if you don't sub it out ...

Commissioner Mazzola said you can't say that. You can't say \$5 million, okay it's passed. Good luck with the project.

Item No. 5 was moved by Commissioner Crayton and seconded by Commissioner Guggenlime. The vote to approve was unanimous.

5. Modification No. 1 to Contract No. 8974.9 - Construction Management Services for the Terminal 3, Boarding Area E Refurbishment Project - PGH Wong Engineering Inc. - \$3,465,750

No. 12-034 Resolution authorizing Modification No. 1 to the Professional Services Agreement, Contract 8974.9, Construction Management Services for the Terminal 3, Boarding Area E Refurbishment Project, with PGH Wong Engineering, Inc., in an amount not-to-exceed \$3,465,750, and to extend the duration of Contract 8974.9 to June 30, 2015.

Mr. Satero reminded the Commission that we re-solicited the Boarding Area E project. After the successful opening of Terminal 2, we determined that Terminal 2 would be the standard for future terminal renovations. As a result, the Boarding Area E project took a significant turn and caused the termination for convenience of the design build contract and the re-issuance of a new design build contract. Due to the change in the character of the project we require these services to support the new scope of work and the extended contract duration.

PGH Wong provides CM services that support the Boarding Area E project. We are modifying their contract to continue these services and to provide for CM services throughout the duration of the larger Boarding Area E project. We've been very satisfied with the PGH Wong services to date. Also on-going is the Terminal 3 Checkpoint Project. We've integrated the PGH Wong CM team with the URS CM team and created a consolidated organization to ensure that the Boarding E project and the Terminal 3 project schedules are all properly planned and coordinated and that the team acts as a single team in delivering the Terminal 3 and Boarding E improvements. We have negotiated the staffing, fee, and budget for the services through to completion in the amount of \$3,465,750.

Commissioner Johns said my only concern is that the original contract was \$1,700,000 and we're now authorizing \$3,400,000, but we're not going out to bid.

Mr. Satero replied that it's not. We looked at what had changed scope wise and looked at the original RFP, and whether it contemplated the scope of work that is required for the larger project, and it does. None of the services have changed. It's solely a reflection of the size of construction project.

Commissioner Johns said that the dollar amount dictates perhaps who's going to get involved in these projects. When I did the math it struck me it's quite a bit more than what we had originally approved.

Mr. Satero said that he understood.

Commissioner Crayton added that it didn't go out to bid because of the company, from what I'm reading. The original contract was terminated with Hensel Phelps ... and they don't do design build, is that it?

Mr. Satero said that we terminated their contract which was the original design

build contract under the much smaller project. That was context for you to understand the CM is in support of that bigger design build project.

Commissioner Crayton said okay so you decided to give it to this one company as result of

Mr. Satero apologized for not setting the stage properly. We selected PGH Wong through a selection process for the Boarding Area E project. They were off the pool list of CM Consultants. I've gone to the pool list and given everyone an opportunity on this project, and they were selected from the seven firms on the pool list originally and determined to be most qualified. We also set the standard that every firm on that pool list would get at least one award before a team got a second award. The solicitation was restricted to the seven firms in the pool and we are modifying that contract that was originally a competitive solicitation to the CM pool list.

Commissioner Guggenhime said that the concern is, as I remember it from my days on the Parking Authority, that somebody gets the bid and then returns next year to say that they're losing money. They might not have gotten the contract if they made a reasonable bid the first time; they got it because they were low. The concern is that we accept the bid and all of a sudden they want to change the price because they can't make it work.

Commissioner Johns said her concern is that this is a greater scope of work, but it's a large scope of work in terms of dollars.

Mr. Satero said that it's not a competitive bid situation. This is not a situation where they proposed a low price and now we're subject to negotiating a higher price. They were selected strictly on qualifications. There was no cost evaluation in their selection. It was a negotiated amount. All the billing rates are the same billing rates. The people are the people. It's a longer duration, but we've added additional people.

Commissioner Johns assumed that it's because they're in the pool.

Mr. Satero replied yes. ,

Commissioner Crayton said and if there was a dollar amount on the pool?

Mr. Satero replied no. It's all based on the scope of work that goes to the firms on the pool list.

* * *

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The Consent Calendar, Item Nos. 6 through 12, was moved by Commissioner Crayton and seconded by Commissioner Stern. The vote to approve was unanimous. Item No. 13 was removed from the calendar without discussion.

6. Award of Trade Bid Package Set No. 1 to Contract 8970 - Closed Circuit

Television Advanced Surveillance Program - Siemens Industry, Inc. - \$732,556

No. 12-0035 Resolution awarding Trade Bid Package Set No. 1 to Contract 8970, Closed Circuit Television Advanced Surveillance Program to Siemens Industry, Inc., in the amount of \$732,556.

7. Modification No. 24 with SFO Shuttle Bus Company, Inc. Effective January 1, 2012 through November 30, 2012 - \$8,000,000

No. 12-0036 Resolution approving Modification #24 with SFO Shuttle Bus Company, Inc. to exercise the fifth of five one-year options effective January 1, 2012 through November 30, 2012 in the amount of \$8,000,000.

8. Authorization to Issue a Request for Proposal - Professional Services for Contract No. 9185.3, Airport-Wide Baggage Handling System and Passenger Boarding Bridge Improvements Design and Integration

No. 12-0037 Resolution authorizing the Director to issue a Request for Proposal (RFP) for professional services for Contract No. 9185.3, Airport-Wide Baggage Handling System and Passenger Boarding Bridge Improvements Design and Integration.

9. Authorization to Issue a Request for Qualifications to Establish a Pool of Qualified Contractors to Provide International Strategic Marketing Alliance Services

No. 12-0038 Resolution authorizing staff to issue a Request for Qualifications (RFQ) to establish a pool of qualified contractors to provide International Strategic Marketing Alliance Services for varied scopes of work for overseas locations in order to increase International passenger and cargo traffic and Airport revenues.

10. Modification No. 2 to Contract No. 8465B - Superbay Hangar Fire Protection Improvements, Phase B - Schembri Construction - \$180,000

No. 12-0039 Resolution approving Modification No. 2 to Contract No. 8465B, Superbay Hangar Fire Protection Improvements, Phase B, with Schembri Construction in an amount not to exceed \$180,000 for a new total not-to-exceed contract amount of \$1,979,848, to provide for additional budget and a time extension to replace additional components of the fire protection

system.

11. Modification 8 to the Aircraft Noise Management System Contract No. 8319 Exercise the Last One-Year Option for Maintenance Services - Bruel and Kjaer EMS, Inc. - \$278,000

No. 12-0040 Resolution approving Modification No. 8 to the Aircraft Noise Management System Contract with Bruel and Kjaer EMS, Inc. (formerly known as Lochard Corporation) to exercise the last one-year option for Maintenance Services, retroactive to July 1, 2011, and increase the dollar amount by \$278,000 for a new total contract not-to-exceed amount of \$4,369,313.

12. Approve Software Maintenance Agreement with Intergraph Corp. - \$150,000

No. 12-0041 Resolution approving Software Maintenance Agreement with Intergraph Corporation to provide Help Desk service for the Communications Center's Computer Aided Dispatch (CAD) System for Fiscal Year 2011/12 in an amount not-to-exceed \$150,000.

Item No. 13 was removed from the calendar without discussion.

13. Assignment of Two Leases from XpressSpa S.F. International, LLC to XpressSpa Holdings, LLC

Two (2) Resolutions assigning Airport Spa Lease No. 06-0242 and Terminal 2 Spa Lease No. 10-0041 from XpressSpa S.F. International, LLC to XpressSpa Holdings, LLC.

* * *

G. NEW BUSINESS

This is the "Public Comment" section of the calendar. Individuals may address the Commission on any topic within the jurisdiction of the Airport Commission for a period of up to three (3) minutes. Please fill out a "Request to Speak" form located on the table next to the speaker's microphone and submit it to the Commission Secretary.

There were no requests to speak from the public.

Mr. McCoy commented that we heard you loud and clear about the Engineer's estimate ... the high in this one and maybe low on others. We will go back and carefully take a look at the Engineer's estimate, how we come up with it, we'll look at the spreadsheets

and the Engineer's estimate line by line, where we were off. We'll do a careful study and get back to you about that.

Commissioner Guggenhime said that it's really a confidence issue. I understand that there can be differences. When I first came on the Commission, the Engineer was all over the lot and that makes me nervous because we want to be able to rely on the Engineer to help us.

* * *

H. CORRESPONDENCE:

There were no requests to speak from the public.

* * *

I. CLOSED SESSION:

The Airport Commission did not go into closed session.

There are no planned agenda items for a Closed Session for the current meeting.

In the event of any urgent matter requiring immediate action which has come to the attention of the Airport Commission after the agenda was issued and which is an item appropriately addressed in Closed Session, the Airport Commission may discuss and vote whether to conduct a Closed Session under Brown Act Sections 54954.2(b)(2) and 54954.5 and Sunshine Ordinance Section 67.11.

If the Airport Commission enters Closed Session under such circumstances, the Airport Commission will discuss and vote whether to disclose action taken or discussions held in Closed Session under Brown Act Section 54957.1 and Sunshine Ordinance Section 67.12.

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J. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:40 AM.

Jean Caramatti
Commission Secretary