

SAN FRANCISCO AIRPORT COMMISSION



MINUTES

Tuesday, March 3, 2020

9:00 A.M.

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

LONDON N. BREED, MAYOR

**COMMISSIONERS
LARRY MAZZOLA
President
ELEANOR JOHNS
RICHARD J. GUGGENHIME
MALCOLM YEUNG**

**IVAR C. SATERO
Airport Director**

**C. CORINA MONZÓN
Commission Secretary**

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

Minutes of the Airport Commission Meeting of
Tuesday, March 3, 2020

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Minutes of the Airport Commission Meeting of
Tuesday, March 3, 2020

A. CALL TO ORDER:

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

B. ROLL CALL:

Present: Hon. Larry Mazzola, President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Malcolm Yeung

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of February 18, 2020 were adopted unanimously upon a motion by Commissioner Johns and a second by Commissioner Guggenlime.

No. 20-0033. Regular meeting of February 18, 2020.

D. DIRECTOR'S REPORT (Discussion Only):

Airport Director Ivar Satero gave an update on the following items:

Airfield Queue Management Work with NASA: The Airport experiences airfield congestion and extended taxi times because of gate availability and airline schedules. If there are 30 aircraft that have waited more than 30 minutes for a gate every day on average, 80% of those are because the aircraft aren't flying to the schedule. Staff are seeing an increasing trend of wait times and more congestion on the airfield. Staff are initiating a program around queue management. During the Runway Safety Area (RSA) program, Staff had implemented technology to manage the queue of aircraft. Aircraft didn't leave the gate until it could take off without waiting in a line. It's a safety initiative and operation efficiency objective. Staff are working with NASA and seeing great results. The first steps are the development of a baseline and to look at contributing factors. The next step is developing strategies that better manage congestion, like working with the airlines on their schedules, block times and push-back processes, as well as technology similar to what was done with RSAs. This is the initial part of the program. It will evolve as part of the broader effort to reduce airfield congestion

Commissioner Guggenlime asked for clarification about planes that come in early if planes won't leave the gate until there's room to take off. **Director Satero** said that is part of the broader baselining. Staff are finding that there needs to be discussion with the airlines on their schedules because there are persistent flights that arrive early. Staff really need to do metric data driven analysis of all the movement on the field and work on strategies. **Commissioner Johns** asked how it is being managed now. **Director Satero**

responded that airlines give calls for push-backs to Tower Control/FAA. They are expected to perform on schedule, but it doesn't always happen due to various circumstances. **Commissioner Johns** asked for more information on the push-back process. **Director Satero** responded that there are three parts to it. First, there are ramp towers on the international terminal. Ramp control, meaning close into the gates, are controlled by the ramp towers, and they coordinate with the main tower. The Tower has two parts - ground control, which coordinates movement of aircraft from the terminal to the active taxiway, and tower control, which controls the departure of the aircraft. **Commissioner Johns** asked if SFO is the only major airport that doesn't have a management system. **Director Satero** responded that there hasn't been a lot of work done nationally as an industry and believes SFO is leading in this effort. **Commissioner Johns** asked about the timeline to get this in place. **Director Satero** responded that it will likely take 18 months to two years due to study and coordination with the airlines. **Commissioner Johns** inquired about interim measures before the entire program is in place. **Director Satero** responded interim measures may include looking at the flights that are outliers and persistently off-schedule. Every day there are 25-30 aircraft waiting longer than 30 minutes for a gate. **Commissioner Guggenheimer** stated his concept down the road is you don't know where you are going to land. If San Francisco is backed up, they can go to Oakland and bus passengers over. He asked if this is likely to happen that they will use San Jose, Oakland, or San Francisco as a regional base. **Director Satero** responded that, in 1999, SFO was the worst-delayed airport in the United States and certain business models didn't work with that level of delay. For example, Southwest left for Oakland Airport. However, they had to return in order to compete with Virgin America. The level of delay could cause airlines to make different business decisions. You will see better utilization of San Jose and Oakland as that happens.

City College Relocation Update: The Airport offers a two-year Airframe and Power Plant (A&P) curriculum and technician certification program through City College. A&P certification allows students to become mechanics repairing aircraft. It's on approximately three acres of airport property, which is part of the Airport Development Plan. Two years ago, Staff initiated relocation of City College and saw an opportunity to work with United, which has become a strong partner. Staff intend to accommodate the program within United's maintenance facility. This keeps the A&P coursework live, and there is a strong need for this type of expertise. It also provides students with internships with United, which they do not currently have, and ultimately after two years, a full-time job. The Airport will likely have to extend City College's current lease to allow time for buildout of the new facility, but Staff are making progress and are close to a solution.

President Mazzola asked if it would be like an apprenticeship. **Director Satero** responded that students go to four classes, and each class occurs two-to-three days a week. He was unsure if the internship is paid and will provide more information.

Coronavirus Disease 2019 (COVID-19): Mayor London N. Breed issued a local state of emergency to free up city resources and prepare for reimbursement of costs involved. All City staff, including Airport staff, are on-call as the need arises for certain professionals in addressing the issues surrounding Coronavirus. The City has also received onsite, in-city testing kits so there will be a one-day turnaround of testing. The Airport, specifically, has ramped up cleaning procedures, particularly high touch points like the International

Terminal restrooms and the Customs area. Staff are adding additional hand sanitizer stations and preparing messaging consistent with the Centers for Disease Control and Prevention.

Commissioner Guggenhime asked if any airlines have unilaterally decided to restrict ill passengers. **Director Satero** said he was not aware of any such restrictions. **Commissioner Johns** commented she's seen many of the hand sanitizing machines empty. She asked if there are any issues supplying the hand sanitizer machines. **Director Satero** responded that the Airport has adequate equipment and liquid. **Commissioner Yeung** commented that he is very supportive of the Mayor's declaration to access resources at all levels of government. He is aware there may be some impact to productivity, which he is starting to see in the private sector, including his organization. He is glad that the Airport is continuing to prepare with proactive steps, and he would like continued updates. **Director Satero** agreed and added that several Airport staff have responded to support the efforts.

There were no further questions from the Commissioners and no public comment.

E. ITEMS INITIATED BY COMMISSIONERS (Discussion Only):

There were no items initiated by Commissioners.

F. ACTION ITEMS RELATED TO ADMINISTRATION, OPERATIONS & MAINTENANCE

Item No. 1 was approved unanimously by a motion by Commissioner Johns and a second by Commissioner Guggenhime.

**1. Approval of Phase C2 to Contract No. 10071.76, Design-Build Services for the Terminal 3 West Modernization Project
Turner Construction Company
\$78,000,000**

No. 20-0034. Resolution approving Phase C2 to Contract No. 10071.76, Design-Build Services for the Terminal 3 West Modernization Project, with Turner Construction Company, to increase the Contract not-to-exceed amount by \$78,000,000 for a new Contract not-to-exceed amount of \$230,500,000 with no change to the Contract duration, and authorizing a corresponding contingency amount.

Claudia Luquín, Terminal 3 and International Terminal Program Manager presented on the item for approval of Phase C2 for the contract with Turner Construction Company for the Terminal 3 West Modernization Project. This approval will increase the contract capacity by \$78 million for a new contract capacity amount of \$230.5 million with no change to the contract duration.

The project extends the useful life of the existing Terminal 3 building to meet current code requirements and enhance overall passenger experience in the west side of Terminal 3. This Phase C2 will increase the Contract amount to add design services, increase the allowance for enabling activities, and add Trade Packages 5 through 9.

These Trade Packages provide for airfield site work such as underground utility location, soils assessment and an emergency generator fuel tank. Additionally, it includes a new remote resolution room to support automated screening lanes and core trade subcontractor mechanical, plumbing, electrical and fire suppression work.

A five-month delay is forecasted due to the delay to the completion of the adjacent Courtyard 3 Connector project. The forecasted substantial completion date is June 2023. The Contract forecast is \$917.8 million which is above the Contract budget of \$899.5 million. The forecasted overage is a result of the anticipated delay due to the Courtyard 3 Connector project. The team is evaluating strategies to mitigate the project delay and cost impacts and will return to the Commission with an update. The LBE goals for this contract are 15% for design services and 13% for construction services. Turner is committed to meeting these goals.

There were no questions from the Commissioners.

Item No. 2 was approved unanimously by a motion by Commissioner Johns and a second by Commissioner Yeung.

**2. Approval of Phase C5 to Contract No. 10072.66, Design-Build Services for the Courtyard 3 Connector Project
Hensel Phelps Construction Company
\$38,605,467**

No. 20-0035. Resolution approving Phase C5 to Contract No. 10072.66, Design-Build Services for the Courtyard 3 Connector Project, with Hensel Phelps Construction Company, to increase the Contract amount by \$38,605,467 for a new Contract amount not to exceed \$151,725,103, include additional scope, extend the Contract duration to 1,374 consecutive calendar days, and provide a corresponding increase in the contingency amount.

Claudia Luquín, Terminal 3 and International Terminal Program Manager presented on the item for approval of Phase C5 for the contract with Hensel Phelps Construction Company. This approval will increase the contract amount by \$38.6 million for a new contract amount of \$151.7 million and extends the contract by 159 days.

The Courtyard 3 Connector Project will build a new pre-security and post-security connector between Terminal 2 and Terminal 3, as well as an adjacent six-level office building for office space, a new Airport Communications and Security Operations center, tenant lease space, passenger amenities and lounges.

This Phase C5 approval will increase the contract amount to add Trade Package Set Number 8 into the Contract. The trade packages include core trade subcontractors for Fire Protection, Mechanical, Plumbing and Electrical work.

The Contract budget, including contingency, has increased by \$17 million to accommodate the revised scope of work associated with the Interim Communications and Security Operations Center and Special Systems Room. The revised budget fits within the overall budget for the Ascent Program Phase 1 under the Airport's Capital Improvement Plan. The Contract forecast is \$266.2 million which is just under the revised Contract budget of \$266.3 million. The project is planned to be substantially complete on December 29, 2021. The LBE goals for this contract are 15% for design services and 20% for construction services. Hensel Phelps is committed to meeting these goals.

There were no questions from the Commissioners.

Item No. 3 was approved unanimously by a motion by Commissioner Johns and a second by Commissioner Yeung.

3. Authorization to Reject All Proposals from Request for Proposals for Contract No. 50222, and Issue RFP for Contract No. 50240, Operations, Maintenance, Repairs and On-Call Service for Airport-owned Baggage Handling System and Passenger Boarding Bridges

No. 20-0036. Resolution authorizing the rejection of all proposals from Request for Proposals for Contract No 50222, Operations, Maintenance, Repairs and On-Call Services for Airport-owned Passenger Boarding Bridges, and issuing RFP for Contract No. 50240, Operations, Maintenance, Repairs and On-Call Services for Airport-owned Baggage Handling Systems and Passenger Boarding Bridges, and entering into negotiations with the top proposer.

Eva Cheong, Managing Director of Airport Services presented on the item for approval to reject all proposals for Request for Proposals (RFP) Contract No. 50222, which was intended for the operations, maintenance, repairs and on-call service of Airport-owned Passenger Boarding Bridges (PBB), and to issue an RFP for Contract No. 50240 for the operations, maintenance, repairs and on-call service of both Airport-owned passenger boarding bridges and baggage handling systems (BHS) in the domestic terminals.

In December 2019, the Commission approved a resolution to issue an RFP for maintaining Airport-owned PBB separately from the BHS. Staff had calculated that, with the opening of new gates in Boarding Area B, maintaining between 12-27 bridges could be better serviced under a separate, more specialized contract. Unfortunately, the Airport only received one proposal by the deadline of February 7.

As a result of this process, Staff now seek Commission approval to reject that proposal and to issue an RFP for services that will include all operations and maintenance of the Terminal 2 BHS, part of Terminal 3 BHS, all PBB in Boarding Area B and all common use PBB in the domestic terminals.

This work is currently held under a contract with Vanderlande Industries that is set to expire on September 30, 2020. The successful proposer will be required to provide 24/7/365 on-site coverage for the operation, maintenance and repairs of select Airport-owned BHS and PBB, as well as on-call services for any issue that may arise for all Airport-owned systems. The contract term will be for three years with two 2-year options to extend. Staff will return to the Commission to seek approval to award the contract.

Commissioner Yeung asked if there are any regulatory prohibitions from only having one bid. Is a minimum number of bids required? **Sheryl Bregman, General Counsel** responded that there is no requirement, but it is advantageous to have more than one. **Commissioner Yeung** asked if it's typical practice to make sure there is more than one bid, which **Ms. Bregman** confirmed. **Commissioner Yeung** asked if there were reasons for receiving only one bid. **Ms. Cheong** responded that the administrative costs were too high for the number of employees to maintain those bridges. The Airport was not at the threshold that would meet their terms for a separate contract. **Commissioner Guggenhime** asked if the Airport is combining two separate contracts. **Ms. Cheong** responded that the contract as it is today is for both services. There are only four-to-five jet bridges, so Staff thought they could do a specialized contract since the work is different. However, administrative costs involved in managing that group of employees were prohibitive. There will be two separate sections of this RFP where there will be specialists in both areas. **Commissioner Guggenhime** asked if there could be a separate company conducting one aspect of the work. **Ms. Cheong** responded that it wouldn't be a separate company but separate employees with different specializations under that company's name. **Commissioner Johns** asked if there was any opposition to rejecting the RFP. **Ms. Cheong** said there were none and that the one company that proposed is based on the east coast and doesn't have any operations at any west coast airports. **Commissioner Johns** asked if Staff feel that it would have a better operation with the new RFP. **Ms. Cheong** responded that the feedback has been that a combined management staff that can manage both parts of the operations would make it more advantageous and attractive to companies to bid on.

There were no further questions from the Commissioners.

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS

The Consent Calendar, Item Nos. 4 through 5, was approved unanimously upon a motion by Commissioner Guggenhime and a second by Commissioner Yeung.

4. **Award of Contract No. 11073.76, Construction Services for the Ramp Glare and Lighting Reduction Project**
Huey Construction Management Co., Inc.
\$592,300

No. 20-0037. Resolution awarding Contract No. 11073.76, Construction Services for the Ramp Glare and Lighting Reduction Project, to Huey Construction Management Co., Inc., in the amount of \$592,300 with a Contract duration of 180 consecutive calendar days, and with a corresponding amount in contingency authorization.

5. Approval of Modification No. 4 to Professional Services Contract No. 8465C.41, Project Management Support Services for the Superbay Hangar Fire Suppression System Replacement Project
C M Pros
\$532,475

No. 20-0038. Resolution approving Modification No. 4 to Professional Services Contract No. 8465C.41, Project Management Support Services for the Superbay Hangar Fire Suppression System Replacement Project, with C M Pros to increase the Contract amount by \$532,475 for a new Contract not-to-exceed amount of \$3,510,000 with no change in the Contract duration.

There were no questions from the Commissioners.

H. NEW BUSINESS:

There was no Public Comment.

I. CORRESPONDENCE:

There was no discussion by the Commission.

J. CLOSED SESSION:

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

K. ADJOURNMENT:

There being no further calendared business before the Commission, the meeting adjourned at 9:26 A.M.

(Original signed by: C. Corina Monzón)
C. Corina Monzón
Airport Commission Secretary