

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** William F. Sherry, A.A.E.

**SUBJECT:** SEE BELOW

**DATE:** June 3, 2009

Approved

Date

6/8/09

**SUBJECT: CONSULTANT AGREEMENTS TO SUPPORT SUSTAINABILITY  
AND ENVIRONMENTAL COMPLIANCE SERVICES AT THE AIRPORT**

**COUNCIL DISTRICT:** Citywide

## RECOMMENDATION

Adopt a resolution authorizing the City Manager to:

- (a) Negotiate and execute a Master Services Agreement with URS Corporation for sustainability and environmental compliance consultant services at Norman. Y. Mineta San José International Airport, from the date of execution to June 30, 2013, in an amount not to exceed (NTE) five hundred thousand dollars (\$500,000);
- (b) Negotiate and execute a Master Services Agreement with CDM Incorporated for sustainability and environmental compliance consultant services at the Airport, from the date of execution to June 30, 2013, in an amount NTE five hundred thousand dollars (\$500,000).

## OUTCOME

Approval of the recommendation will provide consultant resources and expertise to enable the Airport to ensure environmental compliance and implement long term sustainability measures to achieve the Mayor's Green Vision Goals and to create a program for managing applicable federal and state environmental and sustainability mandates.

## BACKGROUND

Growing awareness and focus on environmental issues is creating an increasing impact on the aviation industry. Airport staff is committed to a proactive approach to this critical business element. Towards that end, staff recommends a comprehensive review of applicable federal, state and industry mandates, and development of a strategy, including policies and procedures, to ensure compliance and create a sustainable system for tracking and managing environmental issues as they arise at the Airport.

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The City does not have staff on hand with sufficient expertise and flexibility in their work load to devote the time and resources necessary to investigate the new requirements and develop appropriate programs.

### ANALYSIS

The Airport issued a Request for Qualifications (RFQ) in March 2009 to hire a consultant firm to ensure compliance and to implement sustainability goals at the Airport. The Airport received 19 Statements of Qualifications (SOQ). The selection process followed the City's Qualifications Based Consultant Selection Policy and the Local Business and Small Business Preference Ordinance. A screening panel consisting of Airport staff, Environmental Services staff and the Environmental Manager for the San Francisco Airport, interviewed the top five firms on May 12, 2009. The board scored the SOQs in accordance with the selection criteria contained in the RFQ: 1) qualifications, 2) expertise, 3) experience and 4) approach to the project. Board members' scores were combined and averaged and the firms were ranked. The top five firms were invited to interview. The board members' interview scores were combined and averaged and added to the SOQ scores to rank the firms.

The top five firms interviewed were ranked as follows:

1	Camp Dressler McKee (CDM)
2	URS Corporation (URS)
3	Environmental Resources Management
4	Science Applications International Corporation
5	Haley & Aldrich

Consultant services will be provided through two Master Services Agreements, with specific services authorized by separate task order as required. These services will include a review of applicable federal, state and industry requirements, including AB32, the Global Warming Solutions Act of 2006, greenhouse gas reduction goals in SB375 and the Airports Council International (ACI) Environmental Goals. Staff intends that the products of these services will include, but not be limited to:

- Environmental compliance and plan development;
- Development of an Environmental Management System (EMS);
- Development of a Green House Gas Inventory and Climate Action Plan.

The Airport is recommending authorization of master services agreements with the two highest-ranked firms, CDM and URS. Staff recommends this dual award to take advantage of competitive pricing for services, and to ensure consultant staffing availability and expertise will meet the Airport's complex needs for the project. Having two firms under contract will ensure that consulting expertise can be obtained in a timely manner, and the City will have more flexibility to manage costs and ensure acquisition of appropriate expertise. No more than \$500,000 in total Task Orders will be issued. Staff will be responsible to monitor and maintain

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expenditures within the budget. The City has previously employed this dual-award strategy for the Airport's Program Management Services; it has proved effective in meeting these objectives, and staff has successfully balanced expenditures between the contracts to ensure that the City does not exceed the total NTE compensation for the contracted services.

### **EVALUATION AND FOLLOW-UP**

Staff is confident, based on the RFQ process and the volume of responses received, that the rates negotiated within the CDM and URS agreements are reflective of current market economics. Staff anticipates no follow-up action will be required.

### **POLICY ALTERNATIVES**

*Alternative #: Use City staff to accomplish this scope of work.*

**Pros:** Increased work options for current staff.

**Cons:** Existing City staff does not possess the expertise or workload capacity to undertake the scope of work.

**Reasons for not recommending:** Reliance solely on City resources could jeopardize the Airport's ability to address and maintain increasing environmental and sustainability mandates and goals. The City may face regulatory penalties and fines and may miss opportunities for savings on insurance premiums, CO2 reductions and associated costs.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The above criteria do not apply to the recommended action. This memo will be posted on the City's website for the June 23, 2009 Council Agenda.

### **COORDINATION**

This memo has been coordinated with City Attorney's Office and the City Manager's Budget Office.

**FISCAL/POLICY ALIGNMENT**

This agreement will provide the Airport with tools to meet the City's environmental directives including the Mayor's Green Vision, the U.S. Conference of Mayors Climate Protection Agreement, and the Urban Accords.

**COST SUMMARY/IMPLICATIONS**

Funding for this agreement is included in the Airport's 2009-2010 Proposed Capital Budget, which is also anticipated to be approved by City Council on this day, and does not impact the General Fund.

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Project Delivery	\$500,000
Total Project Costs	\$500,000

2. COST ELEMENTS OF AGREEMENT/CONTRACT:

Professional Services	Per Task Order
Reimbursable expenses	Per Task Order
Labor rates	Under Negotiation
<b>TOTAL AGREEMENT/CONTRACT AMOUNT</b>	<b>\$500,000.00</b>

3. SOURCE OF FUNDING: 527 – Airport Renewal and Replacement Fund

4. FISCAL IMPACT: No impact to the General Fund.

**BUDGET REFERENCE**

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	2009-10 Proposed Budget (Page)*	Last Budget Action (Date, Ord. No.)
<b><u>Remaining Project Costs</u></b>							
<b><u>Remaining Funding Available</u></b>							
527	6005	Environmental Audit and Plans		\$300,000	\$300,000		
<b><u>Total Funding for Projects</u></b>				\$300,000			

\*Services performed under this agreement will be authorized by Task Order. An appropriation is not required for execution of the Master Agreement, but is required for each Task Order

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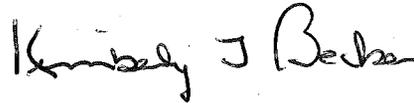
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authorized for this agreement. This amount is recommended for rebudget into 2009-2010 as part of the Recommended Amendments to the 2009-2010 Proposed Operating and Capital Budget Managers Budget Addendum. The 2009-2010 Capital Budget and implementing appropriation ordinance are expected to be approved by the City Council on June 23, 2009.

**CEQA**

Resolution Nos. 67380 and 71451, PP 09-126.



for

WILLIAM F. SHERRY, A.A.E.  
Director of Aviation

Please direct questions to William Sherry, Director of Aviation, at (408) 501-7669.