

SAN FRANCISCO AIRPORT COMMISSION



MINUTES

January 19, 2016

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
January 19, 2016

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AIRPORT COMMISSION MEETING MINUTES
January 19, 2016

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.

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B. ROLL CALL:

Present: Hon. Larry Mazzola, President
Hon. Linda S. Crayton, V.P. arrived at 9:10 AM
during discussion of Item No. 2
Hon. Eleanor Johns
Hon. Richard J. Guggenhime

Absent: Hon. Peter A. Stern

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C. ADOPTION OF MINUTES:

The minutes of the Special Meeting of December 17, 2015 and Regular Meeting of January 5, 2016 were adopted unanimously.

No. 16-0007

* * *

D. SPECIAL ITEMS:

Item No. 1 was moved by Commissioner Johns seconded by Commissioner Guggenhimee to approve was unanimous.

1. Retirement Resolution for Mr. Amir Koleini

No. 16-0008 Resolution thanking Amir Koleini for 30 years of service to SFO and the CCSF, and to offer best wishes for a long and fruitful retirement.

Mr. John Martin, Airport Director said that Amir is retiring after 30 years of service with the City, including 23 with the Airport ... 23 years as Principal Architect, and heading the Architectural Section, building it into one of the very best Architectural Departments at an airport in the country. He was also one of the first members of the Design Review Committee, raising the design standards for Airport facilities and tenant facilities. He's recognized as being a true gentleman, and that promotes outstanding relationships with all of our tenants, with everyone in the airport community, with employees, and he delivers exceptional performance and exceptional commitment. We couldn't ask for a better manager to head our Architectural Section than Amir. So, I thank Amir for the Airport overall, but as a personal friend of Amir, I thank him for his outstanding service and want to especially thank him for being willing to continue to serve on the Design Review Committee in his retirement.

Commissioner Mazzola congratulated Mr. Koleini on his retirement.

Mr. Amir Koleini ... thank you John, for your kind words. If I have done anything worth recognition by the Commission it's because of the incredible and outstanding leadership of our Director. And because of a innovative vision, constant encouragement and timely directives I have received from my managers, Ivar Satero and Geoff Neumayr. Yes, it's indeed 30 years and there hasn't been a single day that I didn't want to come to work at SFO. And to do what I really love to do the most and for the organization that supported me, transforming what began as a job into a passion and a sense of belonging. When I began working here, the construction of Boarding Area B was almost completed. That's how long ago it was. As a matter of fact, some of the words have completely different meaning, words such as mouse, ram, cloud. A lot has changed and it's both a privilege and an honor to have been involved in those changes. Together, collectively, we have seen amazing things happen. Vision was created, goals were structured, and things that started as ideas came into reality. Today, other organizations are trying to understand the magic elements in SFO's leadership, culture, and management that produce such an unusually positive, inspiring and powerful environment that so deeply inspire, guides, innovates, engages, and satisfies its employees. Thank you John for your constant warmth and encouragement, but mostly for your sincerity and trust. And thank you for all your hand written notes of appreciation. I will keep everyone of them and cherish those notes as long as I live. Thank you Ivar for constantly challenging and pushing all of us to have the same objective, to strive for the best, we are one team, exceptional project outcome, and Reaching For Number 1 strategies. I'd also like to extend my warmest regards and thanks to Geoff Neumayr, whose true commitment, innovative approach, and professionalism have raised the bar in design and construction and helped me and others understand the power of partnering, stakeholder engagement, and design build process in such an extraordinary educational way. Thank you, Geoff. Thank you for the privilege to be part of your team. A team which achieves success by working together, argue together, share our thoughts and hopes together, and not always in agreement, but always together. And finally, thank you, the members of Senior Staff and Management Staff for so generously sharing your thoughts and your expertise with me so I can do my job better. Thank you.

Commissioner Mazzola ... thank you for your service.

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- E. ITEMS INITIATED BY COMMISSIONERS:
There were no items initiated by Commissioners.

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- F. ACTION ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:
Item No. 2 was moved by Commissioner Guggenime and seconded by Commissioner Crayton. The vote to approve was unanimous.

2. Award of Contract No. 8768.66 - Design-Build Services for the Airport Hotel

Project - Webcor Construction LP dba Webcor Builders - \$14,829,493

No. 16-0009 Resolution awarding Contract No. 8768.66, Design-Build Services for the Airport Hotel Project, to Webcor Construction LP dba Webcor Builders in an initial amount of \$14,829,493 with an initial contract duration of 240 days, and with a corresponding amount in contingency authorization.

This activity is within the scope of the San Francisco International Airport Master Plan Program approved by the Airport Commission on November 3, 1992. The Master Plan EIR prepared for the Master Plan Program, including addenda thereto, adequately described this activity and its potential environmental effects for the purposes of CEQA.

Mr. Geoff Neumayr, Deputy Director, Design & Construction said this proposed resolution awards the Design Build Services Contract for the Airport Hotel to Webcor Builders in an initial amount of \$14.8 million and an initial duration of 240 calendar days. The architect team partnered with Webcor as a joint venture of Hornberger + Worstell and ED2 International. This design build team comes with a great deal of experience. Webcor Builders has been responsible for the construction of the Intercontinental Hotel and the W Hotel in San Francisco, as well as the Omni in San Francisco, and LA Live Ritz Carlton and J.W. Marriott. Hornberger & Worstel Architects have designed hotels here in San Francisco such as the Intercontinental Hotel and the W, as well as the Omni in San Diego, and the Ritz Carlton in Lake Tahoe.

This contract will provide for design and construction services for a new 350 room hotel located on the old Hilton site. The Airport Hotel project will also include meeting spaces, ballrooms, dining room facilities, upscale retail shops and a health club. This new hotel will be served by the Airport AirTrain system.

Six proposals were received in response to this request for proposals and qualifications. Staff reviewed all six proposals and determined that all of the proposals met the minimum qualifications. A six member selection panel was convened to review and score the written proposals. The panel consisted of a Project Manager from the San Francisco Department of Public Works familiar with alternative project delivery, two Airport staff members, a local San Francisco architect, and a representative from Grand Hyatt, as well as a Project Management Consultant. The four highest ranked proposers were invited to an oral interview. The oral interviews were scored by the same selection panel that scored the written proposals. The price proposals were then combined and the oral interview scores and final ranking were established, and the Webcor team was determined to be the highest ranking team. Staff has negotiated the scope of services along with the contract terms and conditions of this contract and recommends award of this design build contract to Webcor Builders in an initial amount that includes a lump sum of programming services, a lump sum for design management of design build services, and an allowance for pre-construction

activities to support the programming efforts. At completion of the programming phase staff will return to the Commission with a recommendation to award the full value of the contract as an estimated guaranteed maximum price. Staff will periodically update the Commission on the contract budget and forecast and identify any significant cost variances along with recommended mitigation measures. The forecasted total value of this contract is \$173 million and a total duration of 1,226 days. The City's Contract Monitoring Division has approved a 20% local business enterprise sub-consultant goal for design services. Webcor has committed 28% at the sub consultant design level and 16% at the joint venture level, for a total combined LBE commitment for design services of 36%, which is significantly higher than the LBE participation goal of 20% established by CMD. CMD has also established a 25% local business participation for construction services and Webcor has committed to meeting this goal.

Commissioner Johns ... what is our projected date of completion?

Mr. Neumayr ... it will be in the second quarter of 2018.

Commissioner Crayton ... since Webcor is doing several projects with the Airport, are we certain of their ability to follow through on our time lines? I think this is their fourth or fifth award.

Mr. Neumayr said this would be the third award here at the Airport. They are a joint venture partner on Boarding Area B, which is a major project with Austin Commercial who is the biggest part of that joint venture. They do have the Administrative Campus which is approximately a \$72 million project, and the Hotel. Both of those projects are, in my opinion, well within what Webcor can do.

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

3. Award Contract 9034.66 - Design-Build Services for Demolition of the Terminal 2 Air Traffic Control Tower Project - Turner Construction Company - \$9,900,549

No. 16-0010 Resolution awarding Contract No. 9034.66, Design-Build Services for the Demolition of the Terminal 2 Air Traffic Control Tower Project, to Turner Construction Co. in an initial amount of \$9,900,549 with an initial contract duration of six months, and with a corresponding amount in contingency authorization.

Demolition of the Terminal 2 Air Traffic Control Tower Project is an activity within the scope for the San Francisco International Airport Master Plan Program approved by the Airport Commission on November 3, 1992. The Master Plan EIR prepared for the Master Plan Program, including addenda thereto, adequately described this activity and its

potential environmental effects for the purposes of CEQA.

Contract 9034.66 also includes design-build services for the Terminal 2 Aircraft Parking Enhancement Project. This action constitutes the Approval Action for the Terminal 2 Aircraft Parking Enhancement Project pursuant to Section 31.4(h) of the San Francisco Administrative Code.

Mr. Neumayr said this proposed resolution provides for the authorization to award the design build contract for the demolition of the Terminal 2 Air Traffic Control Tower to Turner Construction in an initial amount of \$9.9 million with an initial duration of six months. The architect team partnered with Turner is a joint venture of Woods Bagat and AE3. This contract will provide the design and construction services for the demolition of the existing Control Tower and the upper floors in Terminal 2 as well as the reconstruction of the third and possibly fourth floors. The contract will also include the addition of a 15th gate at Boarding Area D within Terminal 2.

Two proposals were received. A three member selection panel was convened and both firms were invited to the interview. Both proposers were interviewed and scored by the selection panel that reviewed the written proposals. The price proposals were then combined with the oral interview scores and a final ranking was established. The Turner Construction team was determined to be the highest ranking proposer. Staff has negotiated the scope of services for programming services, management fees, and pre-construction services to support the programming phase. At the completion of the programming phase, we will return to the Commission with an estimated guaranteed maximum price. If there are any variances in that forecast at any point in time, we will return to the Commission. The forecast total value of this contract is \$53 million with a total duration of a little over 1,100 days. The City's Contract Monitoring Division has approved a 24% local business sub-consultant goal for design on this project. Turner has committed to a 50% LBE total participation for design, which includes the JV partner at the prime level which is, again, significantly higher than the 20% established by CMD. CMD has also established a 25% goal for sub-consultant participation at the construction level.

Commissioner Johns ... can you explain Calendar Item No. 7 that relates to the Demolition of the T2 Air Traffic Control Tower, The Allen Group, \$1.5 million.

Mr. Neumayr ... Design Build Services is in front of you now. The other services are for Program Management Support to assist Airport staff in the management of the Design Build contract. They are two separate contracts, but the same project.

Commissioner Crayton said I'm very pleased to tell you that I read the article in the newspaper regarding my concerns and I'm very satisfied. I just wanted to let you know that I read this. Could you remind me who the LBE is here?

Mr. Neumayr ... it's AE3, an LBE firm with offices in San Francisco and Oakland.

Item No. 4 was moved by Commissioner Crayton and seconded by Commissioner Guggenlime. The vote was 3 to 1, with Commissioner Mazzola casting the dissenting vote.

4. Authorization to Issue a Request for Proposals for Shared-Ride Service

No. 16-0011 Resolution authorizing the Airport Director to issue a Request for Proposals and to accept proposals from qualified companies for up to three providers to operate shared-ride van services between San Francisco International Airport and all Bay Area locations.

Mr. Jeff Littlefield, Deputy Director, Operations & Security, said we are requesting authorization to issue an RFP and accept proposals for three qualified companies to provide shared ride van service between SFO and all Bay Area locations. As you are aware, advances in technology have transformed the commercial ground transportation business over the past few years and our customers have likewise changed the way they travel in and out of SFO. With passenger volumes continuing to increase, now at 50 million passengers per year, we're facing significant challenges with roadway and curbside congestion. The increased volumes are extremely difficult to manage. In addition, our legacy shared ride van permit based system must be realigned to meet new customer expectations and to support SFO's commercial ground transportation needs. The current permit based system allows seven individual operators to use three zones at each Terminal. These zones occupy 18% of the available curb space, but shared ride van services account for only 3% of customers using ground transportation at the SFO. Given these circumstances, staff recommends transitioning from the current permit and zone model, which has been in place for decades, to a competitively bid method where we would select three firms. Each would be required to serve the entire Bay Area from the Airport. This model is recommended and supported by an independent Leigh Fisher study performed back in 2013. It's consistent with models at other like size airports, and is considered an industry best practice. The competitive selection process would encourage retention of existing drivers who meet standards for safe operations and have knowledge of the region resulting in much improved operations overall and customer service experience as well. I recommend authorizing staff to issue an RFP and accept proposals. We will return to this Commission at a later date to award agreements with the three successful proposers.

Commissioner Crayton ... I'm assuming that the three competitors are people that are already doing business with the Airport at this particular time.

Mr. Littlefield said they may or may not be. We have an RFP.

Commissioner Crayton ... but they would have experience through having done this previously.

Mr. Littlefield replied yes, we would absolutely require experience. We would require that they have models for reservations, all the technology that supports

current customer demands.

Commissioner Crayton ... in light of this in terms of the Ubers and the Lyfts and all of the other rides that go into our long term transportation plan for the Airport, and eliminating the blockage with all of the vans for passengers coming in and out. You're saying that they'll be able to use their cell phone getting off the plane to locate the driver waiting for them when they get to the curb.

Mr. Littlefield replied yes, we built a lot of that into the RFP, and we also think that we'll be able to provide additional curb space by decreasing the number of companies overall. It will make for a better customer experience overall.

Commissioner Crayton ... I think it's an excellent idea.

Commissioner Mazzola ... how many companies presently provide this service?

Mr. Littlefield replied that there are seven left that exist today.

Commissioner Johns ... seven total?

Commissioner Mazzola ... and you'll go down to three after this?

Mr. Littlefield said we'll go down to three. Some of the folks who work for those companies will either be absorbed into the three companies from this RFP, or they'll still be able to do charter service which is down in the Courtyard. We'll build some of that into the RFP.

Commissioner Mazzola ... is there a chance of putting the other four companies out of business? If we only accept three, do the other four have to fold up their tents?

Mr. Littlefield ... not necessarily. We think there's opportunity in this RFP for the successful proposers to absorb a number of the folks that work for the existing seven companies.

Commissioner Johns ... did you reach out to the current companies before this RFP went on the calendar?

Mr. Littlefield ... we did notify them that we were going to ask for authorization for this RFP today. There are all aware of it.

Commissioner Johns asked and they're all aware?

Mr. Littlefield replied they are.

Commissioner Johns ... do we have any speakers?

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

5. Award of Thirteen (13) International Terminal Food and Beverage Concession Leases

Thirteen (13) Resolutions awarding the International Terminal Food and Beverage Concession Leases.

No. 16-0012	Lease No. 1: Casual Sit-Down and Quick Serve - Andale Management Group, Inc.
No. 16-0013	Lease No. 2: Casual Sit-Down - High Flying Foods SFO, LLC
No. 16-0014	Lease No. 3: Sit-Down, Marketplace and Casual Sit-down - Tastes On The Fly, San Francisco, LLC
No. 16-0015	Lease No. 4: Quick Serve - Mum Fresh San Francisco, Inc.
No. 16-0016	Lease No. 5: Quick Serve - Tomokazu Japanese Cuisine (SFO), Inc.
No. 16-0017	Lease No. 7: Casual Sit-Down - SSP America, Inc.
No. 16-0018	Lease No. 8: Quick Serve - Joe & The Juice SFO LLC
No. 16-0019	Lease No. 9: Asian Quick Serve - Stix Holdings, LLC
No. 16-0020	Lease No. 10: Coffee Quick Serve - Midfield Concession Enterprises, Inc.
No. 16-0021	Lease No. 11: Asian Quick Serve - Bayport Concessions, LLC
No. 16-0022	Lease No. 12: Casual Dining Bar & Quick Serve - A&M Restaurants, LLC
No. 16-0023	Lease No. 13: Two Coffee Quick Serves - Host International, Inc.
No. 16-0024	Lease No. 14: Quick Serve - SSP America, Inc.

Ms. Cheryl Nashir, Director, Revenue Development and Management said eight months ago you authorized issuance of an RFP for the International Terminal Food and Beverage Program. The current restaurants have been in place since late 2000 so the opportunity to change them all out gives us a chance to take a giant leap forward with the customer service experience and also to grow our revenues dramatically. Today, we're recommending award of 13 leases in the International Terminal. The RFP was issued in August and on November 18 we received 94 proposals. Three proposals were disqualified, one for not meeting the minimum qualifications, and two because the proposer twice, and incorrectly, submitted two proposals for single lease, which was not authorized in the RFP.

A five member Blue Ribbon Panel was seated to review, score, and develop recommendations for award. The panel consisted of four local business people and one from out of town who travel frequently. They were thought to be good judges of what a world class airport experience might be. Their backgrounds are from the design, finance, food and beverage, and marketing industries. This independent panel deliberated and scored the proposals based on the evaluation criteria, and their recommendations form our recommendations for award. The choices are as follows:

Lease No. 1 - Andale Management Group who will bring us Valencia Street Station and 24th and Mission Taco houses, two concepts developed specifically for the Airport and inspired by those streets in the City.

Lease No. 2 - High Flying Foods who will bring us Gott's Roadside, a Ferry Building favorite formally known as Taylor's Refresher.

Lease No. 3 - Tastes on the Fly will operate the Napa Farms Market, a beloved concept in Terminal 2 that was developed exclusively for SFO. Attached to Napa Farms Market will be a Mustards Grill. There is a third restaurant under this lease, pre-security called the Samovar Tea Lounge. An inspired choice given our demographic and the restaurant's location right next to SFMOMA.

Lease No. 4 - Mum Fresh San Francisco, Inc. will operate their concept MUMFRESH, a Vietnamese eatery. We're really excited about this brand new tenant to the Airport. They're from Rohnert Park, CA.

Lease No. 5 - Tomokazu, the incumbent for this space, but widely popular and we're excited to have them remain in our program.

Lease No. 6 - Was removed from the competition. The space was needed for an airline use after we had started our RFP process.

Lease No. 7 - SSP. Although this is a large international company, they formed a 40% local joint venture and they've licensed the concept 1300 on Fillmore which we are thrilled to bring to the Airport.

Lease No. 8 - Joe & The Juice, a very hip coffee and juice bar from Copenhagen, Denmark. They have over 100 locations in Europe and Iceland and they're expanding into the U.S., Australia, and Asia. We will be their second U.S. location, the first being in New York.

Lease No. 9 and 10 - Pick Up Stix with their concept Pick Up Stix, an Asian quick serve and Midfield Concessions Enterprises, with their concept called the Roasting Plant. The panel was particularly keen on this concept because it has some entertainment value to it. You choose your coffee beans, they're flash roasted and they fly through a tube in front of you into a brewer and within 60 seconds you have your own customized cup of coffee. They call this coffee theatre.

Lease No. 11 - Bayport Concessions who will operate the Airport's second Koi Palace Express.

Lease No. 12 - Covers two locations pre-security and the recommendation is to award Adam Light, a local business man and former manager of some of the busiest restaurants at the Airport. His homegrown concepts are Potrero Grill and Taps and Tapas. We love it when an employee becomes an owner at the Airport. This is a real success for us.

Lease No. 13 - HMS Host with Starbucks. This is for two pre-security locations in the Arrivals area.

Lease No. 14 - SSP for a Wendy's. National branded food plays a small but important role in our program. There are some members that the traveling public who want it, evidenced by the lines at Burger King all day. It also offers a value priced option for employees at the Airport.

Among these 13 leases, seven are operated by Bay Area businesses and two others include 40% local ownership. Only one firm is recommended for award of two leases. Fourteen of the 17 restaurant concepts will be new to SFO. I sat through the Blue Ribbon Panel deliberations and they were very enthusiastic about their work, and it was a lot of work to go through 91 proposals. They paid a lot of attention not only to the individual proposals, but also to the program holistically to

ensure that the concepts chosen offer a broad selection and a complimentary selection of options.

The lease terms are seven years with three one-year options for the pre-security locations and 10 years plus two one-year options for post security. Rent is the greater of a minimum annual guarantee or percentage rent. Current sales for the International Terminal Food & Beverage program are \$41.6 million annually. During the first full year of this new program, sales are forecast to be \$60.5 million. As for local business, \$44 million of that of \$60.5 million will go to local owners. Revenue to the Airport is expected to increase from \$4.3 to \$6.3 million.

We've not received any protests for this process. As a standard, many proposers have asked us for the score sheets and debriefings. We've already begun this with them in the spirit of coaching because we have a lot more opportunity coming up. Terminal 3 will be leased later this Spring, and Terminal 1 next year, so we're busy working with proposers to get them ready for the next leasing rounds.

Commissioner Crayton ... First of all, I want to tell you that you did an excellent job. I'm very happy to see the Airport moving forward. I looked at the report that the Director sent to us regarding the diversity, which to me is a step forward for us. This is the most aggressive since I've been on the Commission. I think that we are moving forward with that and looking at people who are going to be absolutely wonderful. I can't wait until they all take place. This is the kind of business that we need to be doing and I want you to continue in this effort. These are some of the things that we have been looking forward. We are a world class airport. San Francisco, of course, is the best and John Martin wants to retire but, that's another thing. We'll deal with that some other year.

I could see your excitement when you stood up to give this report because I know you were looking at me with trepidation. I need you to know I read everything and I was pleased. I want you to know, on behalf of the Commission and our President, that you have made a valued effort to turn every stone there was. I know your people went to the Bayview and everywhere looking for people because they called me and told me. Supervisors came to me and said do you know so and so in the Bayview is going to do this, and this person and that person, and so it is really exciting. Other people approached me saying they want to be part of this process. I know that you went far and wide with your efforts. Thank you.

Ms. Nashir ... thank you.

Commissioner Johns ... can you tell me about Lease No. 4? Do they have experience in the restaurant business?

Ms. Nashir replied they sure do. They have a couple of restaurants. They're from Rohnert Park and this is the second time they've proposed at SFO. We've been up to see them and they've been in to see us three or four times. They've worked very hard to understand how to do business at the Airport, so this is one that we're very excited about because they're new and will be entering into a new business.

Ms. Catherine Do ... I'm one of the partners of Mum Fresh and today we want to

thank you for the opportunity ... the Commissioners and the Revenue Development and Management department who are helping us through this process. It's been intimidating but wonderful at the same time, a learning experience in figuring out what the Airport needs and what we can provide for the Airport. I want to mention that as first generation immigrants, as a woman minority business owner, I am really, really grateful for the opportunity and for everyone here to be rooting for the underdog, as Matthew says. Thank you so much.

Mr. Francis So ... I'm representing Tomokazu. I want to thank you and the Blue Ribbon Panel for selecting us again and the Board for approving us. With 20 years operating restaurants, I'm sure we're going to put in 110% on this new lease. Thank you very much.

Mr. Glenn Meyers ... I'm the owner and founder of High Flying Foods. My wife and I started 16 years ago, and child too, We literally worked the restaurant in the International Terminal under Willie Brown. You have done a phenomenal job, you have really built us and helped our company and my family employ more of my family members, so I want to thank you very much. We're honored to bring Gott's Roadside, a San Francisco legend. It's been around since 1949 in the Ferry Building, up in Napa, Sonoma. And just to let you know that we support our employees, we're fully unionized. We also got an endorsement from Mike Casey before he had left. We're very excited and I want to thank you all for bringing a very diverse, dynamic slice of San Francisco. As we all travel throughout the United States, there's no better airport than San Francisco's Airport and definitely no better food & beverage programs. Thank you.

Ms. Monetta White ... David and I are husband and wife team and we represent 1300 on Fillmore. We're super excited for this opportunity and I want to thank you all. As a native San Franciscan to be able to represent our cuisine and our culture at the Airport for travelers around the world to experience really shows the diversity in this world class city. I just want to thank you and the staff who did the outreach. We didn't know this was an opportunity for us, and that outreach was really done very well by the staff, so I want to thank them as well.

Mr. David White ... as Monetta's husband, I'm just here to support her.

Ms. Bianca Placencia ... I'm representing Bayport Concessions, Lease No. 11 with Koi Palace Express. We're very excited to bring the second Koi Palace Express. As was pointed out, we're a world class Airport which firmly believes in the long term experience at SFO. We look forward to continuing to do business. We thank the Commission and Mr. Martin as well for the opportunity. Thank you.

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G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The Consent Calendar, Item Nos. 6 through 15, was moved by Commissioner Crayton and seconded by Commissioner Guggenheimer. The vote to approve was unanimous.

6. Amendment of Prior Bond Sale Resolution Nos. 10-0304, 10-0307 and 11-0209 to Confirm Authorization to Sell up to \$1,420,555,000 Aggregate Principal Amount of

Previously Authorized San Francisco International Airport Second Series Revenue Refunding Bonds

No. 16-0025 Resolution approving an Amendment of prior bond sale Resolution Nos. 10-0304, 10-0307 and 11-0209, to confirm authorization to sell up to \$1,420,555,000 aggregate principal amount of previously authorized San Francisco International Airport second series revenue refunding bonds.

7. Project Management Support Services for the Demolition of Terminal 2 Air Traffic Control Tower Project - The Allen Group, LLC - \$1,500,000

No. 16-0026 Resolution awarding Professional Services Contract No. 9034.41, Project Management Support Services for the Demolition of Terminal 2 Air Traffic Control Tower Project, to The Allen Group, LLC in an amount not to exceed \$1,500,000 for the first year of services. This contract also includes Project Management Support Services for the Terminal 2 Aircraft Parking Enhancement Project.

8. Award Professional Services Contract 50081 to Ricondo & Associates, Inc. to Provide As-Needed National Environmental Policy Act (NEPA) Planning Services - \$1,700,000

No. 16-0027 Resolution awarding a professional services contract to Ricondo & Associates, Inc. to provide as-needed NEPA planning services in a total contract amount not to exceed \$1,700,000 for a five-year term.

9. Determination to Proceed with, and Authorization to Call for Bids for Contract No. 10610.61, Construction Services for the Information, Technology, and Telecommunications and Accounting Work Area Renovations Project

No. 16-0028 Resolution determining to proceed with, and approving the scope, budget, and schedule for Contract 10610.61, Construction Services for the ITT and Accounting Work Area Renovations Project, and authorizing the Director to call for bids.

This action constitutes the Approval Action for the Information, Technology, and Telecommunications and Accounting Area Renovations Project pursuant to Section 31.4(h) of the San Francisco Administrative Code.

Commissioner Crayton ... can you give me a better scope of what your asking for.

Mr. Neumayr ... this is to help facilitate upgrades of the Accounting and ITT space. They have grown significantly over the past year. Their staff was originally put into a space that was designed and constructed during the Terminal 2 project, which was the 2010 period timeframe. They've about doubled their staff since that time because of technology. We need help to facilitate data movement, additional partitions, and those types of things in their space so that they can function over the next couple of years, prior to moving into the new Administration Campus building. But right now there was just no space out there. This also includes putting out a trailer complex with conference rooms. We are literally out of space in Building 575.

Commissioner Crayton said so am I hearing just a space issue or an issue for people to put the technology?

Mr. Neumayr ... this contract deals with the infrastructure. It's moving walls and redefining partitions. Right now the spaces are not effectively utilized so this will be for power, data, new tiles, those type of things to upgrade the space, so that it can be more user friendly and more adapted to the needs of ITT.

Commissioner Crayton ... so I'm hearing then that the current provider will be the one that you're going to be using, correct? In terms of the technology and the data spaces.

Mr. Neumayr ... yes. When I said ITT, that's actually our technology department at the Airport. They will actually do it themselves. We're providing the infrastructure and we have staff that will make the connections on their computers and those types of things inside the space.

10. Modification No. 1 to Contract 9000 - General Services Contract for Solid Waste Management Services - So. San Francisco Scavenger Company, Inc. - \$500,000

No. 16-0029 Resolution approving Modification No. 1 to Contract No. 9000, General Services Contract for Solid Waste Management Services, with So. San Francisco Scavenger Company, Inc., to extend the duration of the contract two months and increase the contract amount not to exceed \$500,000, for a new contract amount not to exceed \$6,742,733 for services through June 30, 2016.

Commissioner Johns ... I have question on Items 10 and 11, the Solid Waste Management contract. Can you give us more details? I see that it's just extending it for two months and then I assume we're going out for a new RFP ... correct?

Mr. Neumayr replied yes. It's a time extension so we can incorporate our Net Zero Waste goals into the contract and make that adjustment so that it aligns with our strategic plan. We're looking to get a couple more months extension of the

existing ones so we can get there. It also helps to align this with our Fiscal Year. .

Commissioner Johns said that in the past we've talked about where the sorting operation would be and whether we're going to be doing more sorting at the Airport or whether it's still going to all be dumped in one and sorted later. I just wonder if in our next RFP the process is going to be any different.

Ms. Julian Potter, Chief Administration & Policy Officer replied yes Commissioner, given that the Mayor has the Zero Waste proposal in 2020. We are looking at this new RFP and we're going to have certain reports that they have to do. We're going to work with them on the sorting to make sure that we can document how we are getting to zero waste. It might take some changes on our side of the house in terms of collection and the containers down in the courtyards, but also on the collector's side documentation so that we know that we can hit that goal.

Commissioner Johns ... my concern is that I recall that the last time we went through this we only had one proposer who could handle it because they were the ones that could sort off-site and because we didn't have a plan in place for on-site sorting. Am I correct?

Mr. Martin said Recology also went down the road on this. I don't know if they submitted a proposal or not, but they were in the mix.

Commissioner Crayton ... did they?

Ms. Potter ... I don't remember.

Mr. Martin ... they were interested but I don't think ...

Ms. Potter ... we have had calls on this. I think we are going to have more than one proposer. We also have, although I don't know if it's been approved by the Commission, an RFP that's gone out to look at how we are going to get this to zero waste. That's part of our Strategic Plan ... is there a need for on-site sorting?

Commissioner Johns ... so the two month delay is enough to get this done before we put out the new RFP?

Mr. Neumayr and Ms. Potter ... we're very comfortable with that.

11. Authorization to Issue a Request for Proposals for Contract 50073 - Solid Waste Management Services

No. 16-0030

Resolution authorizing the Director to issue a RFP and conduct negotiations with the highest ranked proposer for Contract No. 50073, Solid Waste Management Services, for a five year duration.

12. Authorization to Issue a Request for Qualifications/Proposals for Professional

Services Contract No. 9350.41, Project Management Support Services for the Revenue Enhancement and Customer Hospitality (REACH) Program

No. 16-0031 Resolution authorizing the Director to issue a RFQ/P for Professional Services Contract 9350.41, Project Management Support Services for the REACH Program.

13. Modification No. 1 to Contract No. 9354 - Taxiway Z1 Blast Deflector Project Oliver De Silva, Inc., DBA Gallagher & Burk, Inc. - \$100,000

No. 16-0032 Resolution approving Modification No. 1 to Contract No. 9354 Taxiway Z1 Blast Deflector Project to Oliver De Silva, Inc., DBA Gallagher & Burk, Inc., to extend the duration of the contract 80 days to Mar. 31, 2016 and increase the Type 1 contingency by an amount not to exceed \$100,000 for a new contingency amount not to exceed \$320,725.

14. Amendment No. 1 to Terminal 1 Boarding Area C Retail Lease No. 09-0093 with Hudson News Company

No. 16-0033 Resolution approving Amendment No. 1 to Terminal 1 Boarding Area C Retail Lease No. 09-0093 with Hudson News Company and directing the Commission Secretary to forward Amendment No. 1 to the Board of Supervisors for approval.

15. Approve Early Termination of the Boarding Area B Casual Dining and Bar Lease No. 05-0075 with Legends Bar of San Francisco, LLC, and Reimbursement of Unamortized Construction Costs

No. 16-0034 Resolution approving the early termination of the Boarding Area B Casual Dining and Bar Lease No. 05-0075 with Legends Bar of San Francisco, LLC, and reimbursing unamortized construction costs.

* * *

H. PUBLIC HEARING:

The Public Hearing was convened at 9:45 AM and concluded at 9:50 AM, there being no further public comment. Item No. 16 was moved by Commissioner Crayton and seconded by Commissioner Guggenhime. The vote to approve was unanimous.

16. Public Hearing to Receive Comments on Proposed Revisions to the Airport's Quality Standards Program and Vote on Adoption of the Proposed Revisions

No. 16-0035 Hearing to receive comments on the Proposed Revisions to the Airport's Quality Standards Program and vote to approve the resolution adopting the

proposed revisions.

Mr. Pedro Mendez, IAM 1414 said I am part of the SFO Labor Coalition with the San Mateo Labor Council. I just want to thank the staff for working with all the unions involved in the projects. They're all professionals and I'm glad that we're all working with them and these living documents. And thank you to John Martin to allow us to create the documents. First we started with the QSP. I think it changed part of my life when we started this document. I thank you and I thank this staff. It was really a pleasure working with you guys. Thank you.

Mr. Norm Tenn, SEIU Local 1021. We represent the public sector workers. I'm also a member of the Airport Labor Coalition and as you probably know, I'm not Shelley Kessler. Unfortunately, Shelley is ill today and could not make it and of course, no one can speak for Shelley the way she does. With that said, this is from me. As one the members of the Airport Labor Coalition, I really appreciate the strives that we've all made on both sides, the professionalism that I saw. Although there are still some issues that are still outstanding, we also understand that this is a living document and that things are going to be moving on as years go forward. We're also looking forward to working with the Airport to improve on it for the health, safety, and security for all. That means passengers and anyone who works up there. On a personal note, I want to say thank you very much to John. As Pedro said, you were the guy. I also want to say that there was also another person who we met with regularly and I saw the professionalism. He was truly a listener. We listened and he wanted to understand. He got it, he didn't agree with the Labor Coalition all the time. I want to recognize Ivar. We look forward to working with Ivar in the near future even more. Thank you.

Mr. Martin ... if I could mention that Shelley called me this morning and expressed her regret that she couldn't be here to thank the staff and thank the Commission for their support in moving this forward.

* * *

I. NEW BUSINESS:

Discussion only. 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 two (2) 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.

* * *

J. CORRESPONDENCE:

There was no discussion by the Commission.

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K. 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 (California Government Code Sections 54954.2(b)(2) and 54954.5) and Sunshine Ordinance (San Francisco Administrative Code 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 the Brown Act (California Government Code Section 54957.1) and Sunshine Ordinance (San Francisco Administrative Code Section 67.12).

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L. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:50 AM.

(Original signed by: Jean Caramatti)

Jean Caramatti
Commission Secretary