



SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
STAFF REPORT

Item No.
16

Meeting Date: **JULY 12, 2012**

Subject:

Approve and Authorize the President/CEO to Exercise the Option to Extend the Term of the Agreement with David Brush Consulting for Program Management Consultation Services to December 31, 2015, and Amend the Agreement to Add Consulting Services for the Rental Car Center, and Increase the Maximum Compensation Level

Recommendation:

Adopt Resolution No. 2012-0082, approving and authorizing the President/CEO to exercise the option to extend the term of the Agreement with David Brush Consulting to December 31, 2015, and amend the Agreement to: (1) add program management consultation services for construction of the Rental Car Center to the Agreement's scope of work; and (2) increase the Agreement's maximum compensation by Five Hundred Ninety-eight Thousand, Seventy-five Dollars (\$598,075) to Two Million, Seventeen Thousand, Seven Hundred Dollars (\$2,017,700).

Background/Justification:

David Brush has unique experience and expertise in advising and assisting airports with large-scale, complex construction projects. In 2010, the San Diego County Regional Airport Authority ("Authority") entered into an Agreement with David Brush Consulting, a sole proprietorship, ("Agreement") to provide executive-level, program management consulting services for San Diego International Airport's ("SDIA's") Terminal Development Program ("TDP"). The term of the Agreement commenced on August 25, 2010, and is to expire on December 31, 2013. The Agreement provides the Authority the option to extend the term of the Agreement for an additional two (2) year period to December 31, 2015. The Agreement's Maximum Compensation provision capped the total compensation over the term of the Agreement at One Million, Four Hundred Nineteen Thousand, Six Hundred Twenty-five Dollars (\$1,419,625).

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The Authority plans to begin construction of the Rental Car Center ("Center") in FY 2013. The Center is a key feature of the Authority's development of SDIA's "North Side." Successful completion of the Center will bring increased operational efficiencies to the airport, provide significant environmental benefits, reduce curbside traffic congestion, and benefit the Authority's long-term finances. Additionally, it is critical that the project meet the timeline for a summer 2015 opening date. The Center is a complex building with features specific to rental car operations and program oversight requires experience with such centers and related projects. To ensure quality and timely execution of the Center, the Authority requires the same caliber of program management services that have guided the TDP construction project.

The consulting services provided by Mr. Brush are clearly cost-effective because his expertise, counsel and program direction continue to be critical in keeping the Authority's TDP on schedule and within budget. Mr. Brush's past experience with rental car centers adds value as the Authority develops design and programming concepts. In addition, because Mr. Brush has participated as a part of the Authority's leadership team for the past two years, he is familiar with and well-versed in the Authority's policies, processes and procedures. He has also been involved in the Strategic Engagement effort and understands the Authority's strategies and priorities.

The scope of work in the current Agreement does not allow for the use of Mr. Brush's services to provide program direction for the construction of the Center. Amending the Agreement's scope of work to include program management services for construction of the Center will engage one of the industry's highest-caliber program management leaders to provide timely, on-budget and cost effective construction of the Center. Exercising the option to extend the Agreement's term to December 31, 2015, will ensure the experience and expertise of David Brush are available to the Authority during the design and the construction phases of the Center, as well as during the completion of the TDP. Increasing the Agreement's Maximum Compensation by Five Hundred Ninety-eight Thousand, Seventy-five Dollars (\$598,075) to Two Million, Seventeen Thousand, Seven Hundred Dollars (\$2,017,700) will provide funds for the expanded scope of work and for the extra two years of service.

Fiscal Impact:

Funds for the requested \$598,075 increase to this contract are included in the San Diego County Regional Airport Authority Board ("Board") approved FY2013-2017 Capital Improvement Program. The funding source is Customer Facility Charges.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

- A. This Board action, as an administration action, is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Pub. Res. Code §21065.

- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act, Pub. Res. Code Section 30106.

Equal Opportunity Program:

Not applicable.

Prepared by:

BRYAN ENARSON
VICE PRESIDENT, DEVELOPMENT

Revised 7/10/12
RESOLUTION NO. 2012-0082

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXERCISE THE OPTION TO EXTEND THE TERM OF THE AGREEMENT WITH DAVID BRUSH CONSULTING TO DECEMBER 31, 2015, AND AMEND THE AGREEMENT TO: (1) ADD PROGRAM MANAGEMENT CONSULTATION SERVICES FOR CONSTRUCTION OF THE RENTAL CAR CENTER TO THE AGREEMENT'S SCOPE OF WORK; AND (2) INCREASE THE MAXIMUM COMPENSATION BY FIVE HUNDRED NINETY-EIGHT THOUSAND, SEVENTY-FIVE DOLLARS (\$598,075) TO TWO MILLION, SEVENTEEN THOUSAND, SEVEN HUNDRED DOLLARS (\$2,017,700)

WHEREAS, the San Diego County Regional Airport Authority ("Authority") entered into an Agreement with David Brush Consulting, a sole proprietorship, ("Agreement") to provide executive-level program management consulting services for the San Diego International Airport's ("Airport's") Terminal Development Program ("TDP"); and

WHEREAS, the term of the Agreement commenced on August 25, 2010, and is to expire on December 31, 2013; and

WHEREAS, the Agreement provides the Authority with an option to extend the term of the Agreement for two (2) years to December 31, 2015; and

WHEREAS, the consulting services provided by David Brush continue to be critical in keeping the Authority's TDP on schedule and within budget; and

WHEREAS, David Brush has demonstrated unique leadership and management skills that have contributed greatly to the current success of the Authority's TDP/Green Build Program; and

WHEREAS, such unique leadership and management skills at this high level, providing executive-level program management consulting services, are limited to only a few individuals in the country; and

WHEREAS, the Authority and the rental car companies serving San Diego International Airport are committed to developing and constructing a consolidated rental car center (Rental Car Center) to be located on the north side of the Airport with an estimated cost of more than \$264 million; and

WHEREAS, the Rental Car Center as a project is a complicated project requiring the expertise and services of an executive-level program management consultant of the level of David Brush; and

WHEREAS, the rental car industry is a unique group with varying requirements creating substantial facilitation challenges in executing a project of this size and complexity; and

WHEREAS, David Brush's strong inter-personal and team building skills have greatly enhanced the working relationship between the Authority and its two Joint Venture Partners and significantly improved the working environment for both Authority staff and program management consultants; and

WHEREAS, the combination of these unique skills in one person will be critical to the successful execution of the Rental Car Center; and

WHEREAS, David Brush will be mentoring Authority staff in the correct and effective way to manage major construction projects; and

WHEREAS, David Brush is well versed in Authority policies, procedures, and the Authority's Strategic Initiatives; and

WHEREAS, the Authority intends to begin construction of a Rental Car Center in Fiscal Year 2013 and to complete construction prior to December 2015; and

WHEREAS, successful completion of the construction will provide environmental benefits, increase operational efficiency, and provide financial benefits to the Airport; and

WHEREAS, successful completion of construction requires the same high-caliber, executive-level, program management consulting services that David Brush has been providing for the TDP project; and

WHEREAS, amending the Agreement to include consulting services for the Rental Car Center's construction to the scope of work of the Agreement will capture and retain David Brush's expertise and familiarity with the unique features of the Airport, take advantage of his familiarity with the Authority's organizational structure, and bring his exceptional experience and expertise in construction and management of airport car rental facilities to bear on the successful and efficient completion of the project; and

WHEREAS, the Authority, by exercising the option to extend the term of the Agreement to December 31, 2015, will provide for the continued availability of David Brush's consulting services through the completion of both the TDP and the Center; and

WHEREAS, extending the term of the Agreement will also require amending certain provisions of "Exhibit B" of the Agreement to provide for the expanded scope of work and the additional two (2) calendar years of service where such changes include amending the compensation table in "Exhibit B" to read as follows:

Year	Full Day (8 hours or more)	Partial Days (Less than 8 hours On- or off-site)
2010	\$1,950	\$200/hour
2011	\$2,025	\$205/hour
2012	\$2,100	\$210/hour
2013	\$2,175	\$215/hour
2014	\$2,250	\$220/hour
2015	\$2,325	\$225/hour

WHEREAS, adding consulting services for the Rental Car Center to the scope of work of the Agreement and exercising the option to add two (2) years to the term of the Agreement requires increasing the Maximum Compensation section of "Exhibit B" to the Agreement by Five Hundred Ninety-eight Thousand, Seventy-five Dollars (\$598,075) for a revised total Maximum Compensation amount of Two Million, Seventeen Thousand, Seven Hundred Dollars (\$2,017,700); and

WHEREAS, expanding the scope of work in the Agreement with David Brush to include consulting services pertaining to the Rental Car Center is cost efficient, comports with the spirit of the sole source contracting policies of the Board, is supported by the findings of the Board, and promotes the efficient use of a talented and expert consultant; and

WHEREAS, exercising the option to extend the term of the Agreement to December 31, 2015, and amending the Agreement to: (1) add consulting services for the Car Rental Facility to the scope of work; (2) amend "Exhibit B" of the Agreement to provide for the increased term of the Agreement, (3) expand the scope of work, and (4) increase the maximum compensation to Two Million, Seventeen Thousand, Seven Hundred Dollars (\$2,017,700) are in the best interests of the Authority.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby incorporates the above recitals in this Resolution; and

BE IT FURTHER RESOLVED that the Board hereby authorizes the President/CEO to exercise the option to extend the David Brush Agreement for two (2) years to December 31, 2015; and

BE IT FURTHER RESOLVED that the Board hereby authorizes the President/CEO to take all necessary and appropriate actions to amend the David Brush Agreement to add consulting services for the Rental Car Center to the scope of work, to amend "Exhibit B" of the Agreement to provide for a lengthened term, to expand the scope of work, and to increase the total maximum compensation to Two Million, Seventeen Thousand, Seven Hundred Dollars (\$2,017,700); and

BE IT FURTHER RESOLVED that the Board FINDS that this Board action is not a "project" as defined by the California Environmental Quality Act (CEQA), Cal. Pub. Res. Code §21065; and is not a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a special meeting this 12th day of July, 2012, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

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