

FILE NO. 011563

RESOLUTION NO. **868-01**

[SFPUC Program Management Services Contract with the San Francisco Water Alliance]

Resolution approving, retroactively, the second year renewal (FY 2001-2002) of the Public Utilities Commission Program Management Services Contract with the San Francisco Water Alliance; releasing \$3,000,000 of the Program Management Office funds.

WHEREAS, The Program Management Services Contract, CS-524, is an integral part of the SFPUC Capital Improvement Program; and

WHEREAS, The Program Management Services professional services contract was approved by the San Francisco Board of Supervisors on August 28, 2000, for four years with a provision to renew the contract term annually; and

WHEREAS, The Program Management Services Contract must be approved by the San Francisco Board of Supervisors every year and certified by the City Controller; and

WHEREAS, A significant portion of the Fiscal year 2001-2002 funds for the Program Management Office have been put in reserve by the Board of Supervisors; and

WHEREAS, HRC contracting goals of 32% MBE and 11% WBE participation have been established for the second year and approved for this agreement by the HRC Contract Compliance Officer assigned to the SFPUC, and committed to by the San Francisco Water Alliance; and

WHEREAS, The San Francisco Water Alliance has met or exceeded the performance measures set for the first year; and

WHEREAS, HRC has confirmed that the San Francisco Water Alliance is in compliance with Chapter 12B Equal Benefits Requirement; now, therefore, be it

1 RESOLVED, That this Board of Supervisors hereby approves, retroactively, the second
2 year renewal of the four-year professional service agreement with the San Francisco Water
3 Alliance to provide Program Management Services, for an amount not to exceed \$14 million,
4 for the SFPUC Capital Improvement Program, and, be it

5 FURTHER RESOLVED, That the Board of Supervisors urges the Public Utilities
6 Commission to amend the contract with the Water Alliance to include specific performance
7 measures, and, be it

8 FURTHER RESOLVED, That the Board of Supervisors urges that future audits by the
9 Controller of the Water Alliance contract include detailed reviews, on a sample basis, of the
10 Alliance's performance on specific task orders; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors urges the Public Utilities
12 Commission to amend the contract with the Water Alliance so that payment of the incentive
13 fee be subject to Public Utilities Commission and Board approval; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors urges the Public Utilities
15 Commission to amend the contract with the Water Alliance to amend the incentive fee goals
16 for Contract Year 2 to include specifically a quantifiable objective for timely completion of
17 Public Utilities Commission approved task orders; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors urges that the Controller's
19 annual audits of Water Alliance contract costs and performance specifically verify the claimed
20 overall program savings due specifically to the efforts of the Water Alliance, and be it

21 FURTHER RESOLVED, That the Board of Supervisors urges that the audit of
22 overhead fees by the Bechtel Corporation be rejected by the Public Utilities Commission, and
23 that a separate, independent audit be prepared by an auditor selected by the Controller, and
24 that the Water Alliance reimburse the City in full for the cost of such an audit; and, be it
25

1 FURTHER RESOLVED, That the Board of Supervisors urges the Public Utilities
2 Commission to explore, with the Department of Human Resources, methods for streamlining
3 the hiring process for engineers and technical staff, and that the Public Utilities Commission
4 report back to the Finance Committee on a monthly basis on the status of these efforts; and,
5 be it

6 FURTHER RESOLVED, That the Board of Supervisors requests that the Public Utilities
7 Commission forward to the Finance Committee, in writing, a summary of the Public Utilities
8 Commission's actions in response to this Resolution; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors hereby releases \$3,000,000 of
10 the Program Management Office funds put in reserve for the fiscal year 2001-2002.

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

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Date Passed:

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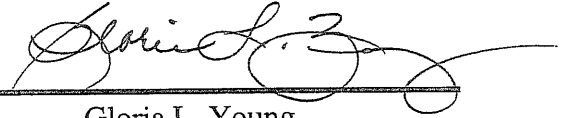
November 5, 2001 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Daly, Hall, Leno, Maxwell, McGoldrick, Newsom, Peskin,
Sandoval, Yee

Noes: 1 - Gonzalez

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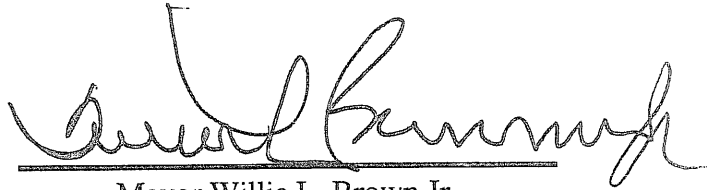
I hereby certify that the foregoing Resolution was ADOPTED on November 5, 2001 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

NOV 16 2001

Date Approved



Mayor Willie L. Brown Jr.

