

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Modification No. 2

This Modification is made this 1st day of January 2025, in the City and County of San Francisco, State of California, by and between: PGH Wong/The Allen Group Joint Venture, a joint venture between PGH Wong Engineering, Inc. and The Allen Group, LLC, 50 Osgood Place, Suite 320, San Francisco, CA 94133 (the “Contractor”) and the City and County of San Francisco, a municipal corporation (the “City”), acting by and through its Airport Commission (the “Commission”).

Recitals

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the “Airport” or “SFO”) for Project Management Support Services for the West Field Garage 675 Project; and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On November 21, 2023, by Resolution No. 23-0268, the Commission awarded this Agreement to the Contractor for an original term of one (1) year and a not-to-exceed amount of \$3,000,000; and
- D. On April 1, 2024, City and Contractor administratively modified the Agreement to update standard contractual clauses and update overhead rates through Modification No. 1; and
- E. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount, extend the term of the Agreement, and direct the Commission Secretary to seek Board of Supervisors approval; and
- F. On September 17, 2024, by Resolution No. 24-0205, the Commission approved Modification No. 2, increasing the contract amount by \$14,000,000 for a new total contract amount not to exceed \$17,000,000, extending the term of the Agreement for services through January 25, 2029, and directing the Commission Secretary to seek Board of Supervisors approval of Modification No. 2 consistent with San Francisco Charter Section 9.118(b); and
- G. On (DATE), by Resolution No. (BOS RESO #), the Board of Supervisors approved this Modification No. 2 under San Francisco Charter Section 9.118(b), authorizing an increase to the contract amount of \$14,000,000 for a new total not-to-exceed amount of \$17,000,000; and
- H. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 46560 -22/23 on July 17, 2023; and
- I. Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement.

NOW, THEREFORE, Contractor and the City agree as follows:

1. **Article 1.1 Agreement** is replaced as follows:

1.1 “Agreement” means the contract document dated January 1, 2024, and Modification No.1 dated April 1, 2024, including all attached appendices and all applicable city ordinances and “Mandatory City Requirements,” which are specifically incorporated by reference into the Agreement.

2. **Article 2.1 Term** is hereby amended to indicate that the term commenced on **January 26, 2024**, and will expire on **January 25, 2029**, unless earlier terminated as otherwise provided in this Agreement.

3. **Article 3. Financial Matters, 3.3. Compensation, Section 3.3.1 Calculation of Charges** is hereby amended to increase the total compensation payable by Fourteen Million Dollars (**\$14,000,000**) for a new total not-to-exceed amount of Seventeen Million Dollars (**\$17,000,000**).

4. **Paragraph 3.1 of Appendix B, Calculation of Charges**, is replaced in its entirety with the following:

3.1 Direct Labor Rates and Direct Labor Rate Adjustments

- a. Salaried personnel shall be paid a maximum of 40 hours per week with no overtime. Salaried personnel assigned to multiple projects shall be paid on a pro-rata share of a 40-hour week. Contractor shall provide copies of signed timecards or other verifiable time records showing all assigned projects and the shared calculation.
- b. The approved direct labor rate ranges stated in Paragraph 3.5 below shall be in effect for the duration of the Agreement unless modified at the Airport’s sole discretion. Any changes to the direct labor rate ranges must be approved by the Airport and included in a written modification to the Agreement.
- c. Contractor shall request direct labor rate adjustments in accordance with the following procedures:
 - i. At the written request of Contractor, the Airport may approve an adjustment to the direct labor rates for individual staff who have been actively providing services under the Agreement for a minimum of one (1) year.
 - ii. If approved by the Airport, the annual rate adjustment will be based on the December increase in the Consumer Price Index (CPI) for the preceding twelve (12) months for the San Francisco Bay Area as published by the U.S. Department of Labor, Bureau of Labor Statistics, under the title of: “All Urban Consumers – San Francisco-Oakland-Hayward, California.” This December-based CPI will be used for optional annual rate adjustments for the entire calendar year.
 - iii. The Airport will analyze requests for rate adjustments to determine if the requested adjustment(s) will cause any individual staff direct labor rates to exceed the approved direct labor rate range for their respective classification. Should any of the new rate(s) exceed the approved direct labor rate range(s), and if the rate adjustment is approved by the Airport, the Airport will modify the Agreement. These new rates will be effective upon certification of the contract modification.
 - iv. If all new rates fall within the approved direct labor rate ranges, the new rates will be effective upon receipt of written approval from the Airport Project Manager.

d. No other adjustments will be allowed unless the adjustment is made to meet the requirements of prevailing or minimum wage legislative mandates.

5. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

6. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	CONTRACTOR
By: _____ Ivar C. Satero, Airport Director	_____ Authorized Signature
Attest:	_____ Printed Name
By _____ Kantrice Ogletree, Secretary Airport Commission	_____ Title
Resolution No:	_____ Authorized Signature
Adopted on:	_____ Printed Name
Approved as to Form:	_____ Title
David Chiu City Attorney	PGH Wong/The Allen Group Joint Venture 50 Osgood Place, Suite 320 San Francisco, CA 94133 415-538-1830
By _____ Daniel A. Edington, Deputy City Attorney	City Supplier Number: 0000053122 Federal Employer ID Number: 93-3779006