

1 [Agreement Amendment - Arcadis U.S. Inc - Biosolids Digester Facilities Construction
2 Management Staff Augmentation Services - Not to Exceed \$68,500,000]

3 **Resolution approving and authorizing the General Manager of the San Francisco Public
4 Utilities Commission to execute Amendment No. 1 to Contract No. PRO.0068, Biosolids
5 Digester Facilities Construction Management Staff Augmentation Services, with
6 Arcadis U.S. Inc., increasing the contract amount by \$26,500,000 for a total not to
7 exceed contract amount of \$68,500,000, and increasing the contract duration by three
8 years and nine months for a new total contract duration of 10 years and nine months,
9 for the period of August 28, 2018, through May 27, 2029, to reflect the current schedule
10 and budget for the Biosolids Digester Facilities Project, and to ensure continued
11 qualified and experienced construction management support through the completion
12 of the new biosolids digester facilities, pursuant to Section 9.118 of the Charter.**

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14 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) has undertaken
15 the Biosolids Digester Facilities Project (BDFP) to address aging infrastructure at the
16 Southeast Water Pollution Control Plant and to replace existing digesters and biosolids
17 handling facilities that use outdated technology and are at the end of their useful life span. By
18 this project, the SFPUC seeks to maintain long-term regulatory compliance and system
19 reliability; and

20 WHEREAS, In light of the large scope and the complexity of the BDFP, it is necessary
21 to maintain the services of a qualified Construction Management firm to provide specialized
22 construction management services to augment SFPUC staff; and

23 WHEREAS, On January 24, 2018, the SFPUC advertised a Request for Proposals
24 (RFP) for Contract No. PRO.0068, Biosolids Digester Facilities Construction Management

1 Staff Augmentation Services, seeking to hire a construction management firm to provide
2 supervision support for the project; and

3 WHEREAS, The SFPUC and Contract Monitoring Division, upon reviewing the scores,
4 determined that Arcadis U.S. Inc., was the highest-ranking firm based on the established
5 scoring criteria; and

6 WHEREAS, On May 8, 2018, by Resolution No. 18-0078, the SFPUC Commission
7 awarded Contract No. PRO.0068, Biosolids Digester Facilities Construction Management
8 Staff Augmentation Services to Arcadis U.S. Inc. for an amount not to exceed \$42,000,000,
9 with a duration of seven years, subject to Board of Supervisors approval pursuant to Charter
10 Section 9.118; and

11 WHEREAS, On June 26, 2018, by Resolution No. 205-18, this Board of Supervisors
12 authorized the General Manager of the SFPUC to execute Professional Services Agreement
13 No. PR0.0068, Biosolids Digester Facilities Construction Management Staff Augmentation
14 Services, with Arcadis U.S., Inc., to provide construction management staff augmentation
15 services for the Biosolids Digester Facilities Project, for an amount not to exceed
16 \$42,000,000, with a duration of seven years, pursuant to Charter, Section 9.118; and

17 WHEREAS, Construction on the BDGP project began in 2019 and is now well
18 underway at nearly 65% completion, final construction completion is anticipated in summer
19 2028 with project closeout in 2029; and

20 WHEREAS, Due to the overall size and complexity of the BDGP, the current project
21 schedule is longer than what was anticipated when the Request for Proposals for PRO.0068
22 contract was advertised in 2018; and

23 WHEREAS, The SFPUC requires the continued services of this qualified construction
24 management firm under Contract No. PRO.0068 for the duration of construction to
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1 supplement SFPUC Construction Management Bureau staff to monitor construction budget,
2 schedule, and scope, to provide quality assurance inspection and construction document
3 control for the BDFP project; and

4 WHEREAS, Approval of proposed Amendment No.1 would increase the contract
5 amount by \$26,500,000, and extend the contract duration by three years and nine months,
6 increasing the total not-to-exceed contract amount to \$68,500,000 and extending the contract
7 duration to 10 years and nine months; and

8 WHEREAS, Amendment No. 1 will ensure continued qualified and experienced
9 construction management support through the remaining BDFP construction work, and
10 through upcoming facility functional testing, start-up and commissioning; and

11 WHEREAS, This increase in contract amount and duration are included and are
12 consistent with the current project budget, scope, and schedule in the Commission-adopted
13 Fiscal Year 2025-2034, 10-Year Capital and Financial Plans; and

14 WHEREAS, The Contract Monitoring Division established a 20% Local Business
15 Enterprise subconsultant participation requirement on this project and Arcadis U.S. Inc.
16 committed to Local Business Enterprise subconsultant participation of 20.33%; and

17 WHEREAS, Funds for this Amendment No. 1 are available from Project No. 10015796,
18 BDFP; and

19 WHEREAS, On May 13, 2025, by Resolution No. 25-0071, the SFPUC Commission
20 approved Amendment No. 1 to Contract No. PRO.0068, Biosolids Digester Facilities
21 Construction Management Staff Augmentation Services with Arcadis U.S. Inc., increasing the
22 contract amount by \$26,500,000 for a total not-to-exceed contract amount of \$68,500,000 and
23 increasing the contract duration by three years and nine months for a new total contract
24 duration of 10 years and nine months, to reflect the current schedule and budget for the BDFP

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1 and to ensure continued construction management support through the completion of the
2 biosolids digester facilities, subject to the Board of Supervisors approval pursuant to Charter,
3 Section 9.118; and

4 WHEREAS, Charter, Section 9.118(b) requires Board of Supervisors' approval by
5 Resolution of any contract which, when entered into, extends over 10 years, and of any
6 contract which, when entered into, costs the City \$10,000,000 or more; and

7 WHEREAS, The proposed Amendment No. 1 contained in File No. 250578 is
8 substantially in final form, with all material terms and conditions included, and only remains to
9 be executed by all parties upon approval of this Resolution; now, therefore, be it

10 RESOLVED, That the Board of Supervisors hereby approves Amendment No. 1 in
11 substantially the form contained in File No. 250578; and, be it;

12 FURTHER RESOLVED, That this Board of Supervisors hereby authorizes the General
13 Manager of the SFPUC to execute Amendment No. 1 Contract No. PRO.0068, Biosolids
14 Digester Facilities Construction Management Staff Augmentation Services with Arcadis U.S.
15 Inc., increasing the contract amount by \$26,500,000 for a total not-to-exceed contract amount
16 of \$68,500,000 and increasing the contract duration by three years and nine months for a new
17 total contract duration of 10 years and nine months; and, be it

18 FURTHER RESOLVED, That, within 30 days of the parties fully executing Amendment
19 No.1 to Contract No. PRO.0068, the SFPUC shall provide a signed copy of the Amendment to
20 the Clerk of the Board for inclusion into the official file.

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