

1 [Agreement Amendment - CPM/CM Pros JV- PRO.0140A - Construction Management
2 Services for the East Bay Region - Not to Exceed \$34,000,000]

3 **Resolution approving and authorizing the General Manager of the San Francisco Public
4 Utilities Commission to execute Amendment No. 1 to Professional Services Agreement
5 PRO.0140A, Construction Management Services for the East Bay Region, with CPM/CM
6 Pros Joint Venture, increasing the not to exceed amount by \$25,000,000 for a total not
7 to exceed amount of \$34,000,000; and increasing the contract duration by two years
8 from June 3, 2028 for a total contract duration of nine years, starting June 4, 2021,
9 through June 3, 2030, pursuant to Charter, Section 9.118.**

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11 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) requires
12 specialized services and short-term staff augmentation to adequately staff and ensure the
13 successful completion of numerous overlapping construction projects planned under the 10-
14 Year Water Enterprise Capital Improvement Program and the remainder of the Water System
15 Improvement Program (WSIP); and

16 WHEREAS, The services include construction management, specialized inspection,
17 and special expertise in managing and inspecting the construction of improvements to the
18 water treatment plant, pump stations, pipelines, and related improvements for the Sunol
19 Valley Water Treatment Plant Ozonation project, Sunol Valley Water Treatment Plant Short
20 Term Improvements project, and the Alameda Creek Recapture project; and

21 WHEREAS, On December 8, 2020, by Resolution No. 20-0237, the SFPUC awarded
22 Contract No. PRO.0140A, Construction Management Services for the East Bay Region
23 (Contract), to CPM/CM Pros Joint Venture (JV), with an amount not to exceed \$9,000,000 and
24 a duration of seven years; and

1 WHEREAS, When staff originally developed the scope and budget for Contract
2 No. PRO.0140.A, the Sunol Valley Water Treatment Plant Ozonation project was in the early
3 planning stages; and

4 WHEREAS, The original project budget and schedule were based on planning
5 Technical Memorandums and an Alternative Analysis Report and at that time, the estimate for
6 construction was \$85,000,000 with a two-and-a-half-year duration with a start date of
7 November 2022; and

8 WHEREAS, During the planning and design phases, scope additions and revisions
9 were made to help meet project goals and aid in the future operation and maintenance of the
10 facility. The revisions implemented during the planning and design phases increased the
11 project construction estimate to \$183,000,000 and a duration to four years and three months;
12 and

13 WHEREAS, The resources needed to successfully manage the construction of the
14 project has increased significantly since the PRO.0140.A award; and

15 WHEREAS, The additional construction management services to fully support the
16 contract include staffing for two additional years, additional discipline-specific inspections due
17 to expanded construction scope, safety compliance oversight, and an Assistant Resident
18 Engineer position and the two-year shift in the construction start date also resulted in
19 increased costs due to escalation; and

20 WHEREAS, The Sunol Valley Water Treatment Plant Short Term Improvement project
21 was also in the early planning stages when PRO.0140.A was awarded and experienced
22 scope changes and additions due to a reprioritization of needs at the treatment plant; and

23 WHEREAS, When Contract PRO.0140.A was awarded, the estimated construction
24 cost was \$33,000,000 with a contract duration of 18 months and an estimated construction
25 start date in January 2023; and

1 WHEREAS, During the design phase, the construction estimate increased to a range
2 between \$45,000,000 to \$50,000,000 with a contract duration of 42 months; and

3 WHEREAS, The contract was advertised on November 31, 2024, five bids were
4 received on January 16, 2025, and the estimated construction start date in June 2025; the
5 resources needed to successfully manage the project have increased since the time of
6 PRO.0140.A award; and

7 WHEREAS, The additional construction management services to fully support the
8 contract include staffing for an additional two years over the original duration and discipline-
9 specific inspections and the two-and-a-half-year shift in construction start date also
10 contributed to increased costs due to escalation; and

11 WHEREAS, Additional tasks were added to the scope of the contract to support the
12 SVWTP Ozonation project and the SVWTP Short Term Improvements project. These tasks
13 were SVWTP Ozonation Pre-NTP Services, SVWTP Ozonation 95% Design Review, and
14 SVWTP Constructability Analyses, totaling \$675,000; and

15 WHEREAS, Due to the increased scope and duration of these projects, the SFPUC is
16 seeking approval of the proposed amendment, increasing the contract amount by
17 \$25,000,000, and extending the contract duration by two years for CPM/CM Pros JV, to
18 provide the ongoing construction management services needed to successfully complete the
19 projects; and

20 WHEREAS, The work under Contract No. PRO.0140.A is within the scope of the
21 project authorized under the Final EIR and Addendum; and

22 WHEREAS, The Contract Monitoring Division established a 15% Local Business
23 Enterprise (LBE) subcontracting requirement for this contract and the contractor remains
24 committed to 17% LBE subcontractor participation in conformance with its bid submittal; and

1 WHEREAS, On February 11, 2025, by Resolution No. 25-0028, the SFPUC approved
2 Amendment No. 1 to Contract No. PRO.0140A Construction Management Services for the
3 East Bay Region, with CPM/CM Pros JV, increasing the contract not to exceed amount by
4 \$25,000,000 and increasing the contract duration by two years, for a total contract not to
5 exceed amount of \$34,000,000 and a total contract duration of nine years, pursuant to Charter
6 Section 9.118; and

7 WHEREAS, Funds are available from the Water Enterprise 10-Year Capital
8 Improvements Program Funded Project No. 10033123, Sunol Valley Water Treatment Plant
9 Ozonation Project, Project No. 10015064 and Sunol Valley Water Treatment Plant Short Term
10 Improvements Project; now, therefore, be it

11 RESOLVED, That this Board of Supervisors hereby approves and authorizes the
12 General Manager of the SFPUC to execute Amendment No. 1 to Professional Services
13 Agreement No. PRO.0140A, Construction Management Services for the East Bay Region,
14 with CPM/CM Pros JV, increasing the contract not-to-exceed amount by \$25,000,000 and
15 increasing the contract duration by two years, for a total contract not to exceed amount of
16 \$34,000,000 and a total contract duration of nine years, starting June 4, 2021 through June 3,
17 2030, to provide continued and additional construction management, construction inspection,
18 special inspection, materials testing, project controls, and safety oversight services for the
19 Sunol Valley Water Treatment Plant Ozonation Project, and the Sunol Valley Water Treatment
20 Plant Short Term Improvements Project, pursuant to Charter, Section 9.118; and, be it

21 FURTHER RESOLVED, That, within 30 days of the parties fully executing Modification
22 No.1 to Contract No. PRO.0140A, the SFPUC shall provide a copy of the amendment to the
23 Clerk of the Board for inclusion into the official file.

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