

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

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

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

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

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

22           WHEREAS, The Sunol Valley Water Treatment Plant Short Term Improvement project  
23 was also in the early planning stages when PRO.0140.A was awarded and experienced  
24 scope changes and additions due to a reprioritization of needs at the treatment plant; and  
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1           WHEREAS, When Contract PRO.0140.A was awarded, the estimated construction  
2 cost was \$33,000,000 with a contract duration of 18 months and an estimated construction  
3 start date in January 2023; and

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

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

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

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

18           WHEREAS, Due to the increased scope and duration of these projects, the SFPUC is  
19 seeking approval of the proposed amendment, increasing the contract amount by  
20 \$25,000,000, and extending the contract duration by two years for CPM/CM Pros JV, to  
21 provide the ongoing construction management services needed to successfully complete the  
22 projects; and

23           WHEREAS, The work under Contract No. PRO.0140.A is within the scope of the  
24 project authorized under the Final EIR and Addendum; and  
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1           WHEREAS, The Contract Monitoring Division established a 15% Local Business  
2 Enterprise (LBE) subcontracting requirement for this contract and the contractor remains  
3 committed to 17% LBE subcontractor participation in conformance with its bid submittal; and

4           WHEREAS, On February 11, 2025, by Resolution No. 25-0028, the SFPUC approved  
5 Amendment No. 1 to Contract No. PRO.0140A Construction Management Services for the  
6 East Bay Region, with CPM/CM Pros JV, increasing the contract not to exceed amount by  
7 \$25,000,000 and increasing the contract duration by two years, for a total contract not to  
8 exceed amount of \$34,000,000 and a total contract duration of nine years, pursuant to Charter  
9 Section 9.118; and

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

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

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

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