

File No. 190015

Committee Item No. 11

Board Item No. 11

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date February 13, 2019

Board of Supervisors Meeting

Date February 26, 2019

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Appoint Commission Resolution</u> |
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Completed by: Linda Wong

Date February 8, 2019

Completed by: Linda Wong

Date February 20, 2019

1 [Airport Professional Services Agreement Modification - PGH Wong Engineering, Inc. -  
2 AirTrain Extension and Improvements Program - Not to Exceed \$16,325,000]

3 **Resolution approving Modification No. 4 to Contract No. 10504.41, Project Management**  
4 **Support Services for the AirTrain Extension and Improvements Program, with PGH**  
5 **Wong Engineering, Inc. to extend the term by 555 calendar days, from April 25, 2019,**  
6 **through October 31, 2020; and to increase the Contract amount by \$6,333,000 for a total**  
7 **not to exceed amount of \$16,325,000 pursuant to Charter, Section 9.118(b).**

8  
9 WHEREAS, The AirTrain Extension and Improvements Program ("Program") provides  
10 for the construction of an elevated concrete guideway extension and two new AirTrain  
11 Stations to serve Long Term Parking Lot DD and the new Airport Hotel; the Program also  
12 supports the design, installation, testing, and commissioning of new AirTrain operations, train  
13 control systems, and purchase of three new AirTrain cars; and

14 WHEREAS, On September 1, 2015, by Resolution No. 15-0168, the Commission  
15 awarded Contract No. 10504.41, Project Management Support Services for the AirTrain  
16 Extension and Improvements Program ("Contract"), to PGH Wong Engineering, Inc., in the not  
17 to exceed amount of \$4,292,000 and a term of one year for initial services; and

18 WHEREAS, The Contract scope of work includes project and construction  
19 management services, design oversight, project controls, contract administration, cost  
20 estimating services, and field inspection for the Program; and

21 WHEREAS, On March 29, 2016, the Commission awarded a design-build contract to  
22 Bombardier Transportation (Holdings) USA, Inc. to design and construct extensions of  
23 existing electronics and train control systems for the AirTrain Automated People Mover  
24 system and to purchase additional cars; this design-build contract is currently forecasted to be  
25 \$57,445,504 at completion; and

1           WHEREAS, On June 1, 2016, the Commission awarded a design-build contract for the  
2 Program to Skanska Constructors to provide design and construction of a new long term  
3 parking lot station and the elevated guideway extension to this new station and design and  
4 construction of a new station at the future Airport hotel; this design-build contract is currently  
5 forecasted to be \$155,460,105 at completion; and

6           WHEREAS, On February 21, 2017, by Resolution No. 17-0028, the Commission  
7 approved Modification No. 1 to the Contract, increasing the Contract not to exceed amount to  
8 \$7,792,000 for services through February 25, 2018; and

9           WHEREAS, On February 20, 2018, by Resolution No. 18-0046, the Commission  
10 approved Modification No. 2 to the Contract, increasing the Contract not to exceed amount to  
11 \$9,992,000 for services through February 25, 2019; and

12           WHEREAS, On November 20, 2018, by Resolution No. 18-0381, the Commission  
13 approved Modification No. 3 to extend the Contract for two months of services through April  
14 25, 2019 with no change to the Contract amount; and

15           WHEREAS, Also on November 20, 2018, by Resolution No. 18-0371, the Commission  
16 approved Modification No. 4 to increase the Contract not to exceed amount to \$16,325,000 for  
17 services through October 31, 2020; and

18           WHEREAS, Charter, Section 9.118(b) provides that agreements entered into by a  
19 department, board, or commission requiring anticipated expenditures of ten million dollars or  
20 more, shall be subject to approval by the Board of Supervisors by resolution; now, therefore,  
21 be it

22           RESOLVED, That the Board of Supervisors hereby approves Modification No. 4 to  
23 Airport Contract No. 10504.41, Project Management Support Services for the AirTrain  
24 Extension and Improvements Program, with PGH Wong Engineering, Inc., in an amount of  
25 \$6,333,000 for a total Contract not to exceed amount of \$16,325,000; a copy of Modification

1 No. 4 is contained in Board of Supervisors' File No. 190015 along with the contract and all  
2 previously executed modifications; and, be it

3           FURTHER RESOLVED, That within thirty (30) days of Modification No. 4 being fully  
4 executed by all parties, the Commission shall provide a copy to the Clerk of the Board for  
5 inclusion in the official file.

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**Item 11**  
**File 19-0015**

**Department:**  
San Francisco International Airport (Airport)

### EXECUTIVE SUMMARY

#### Legislative Objectives

- The proposed resolution would approve the fourth modification to the existing contract between the Airport and PGH Wong Engineering, Inc. for the AirTrain Extension and Improvement Program project management support services to (1) extend the contract end date by one-year and six months from April 25, 2019 through October 31, 2020 and (2) increase the contract amount by \$6,333,000 for a total not to exceed amount of \$16,325,000.

#### Key Points

- The Airport commission awarded the contract to PGH Wong Engineering Inc. (PGH Wong) in September 2015 to provide project management services for the AirTrain Extension and Improvements Program, a program that included the construction of an elevated concrete guideway extension and two new AirTrain Stations to serve Long Term Parking Lot DD and the new Airport Hotel. PGH Wong was chosen through a competitive bid process in which two firms responded to a request for proposals. The scope of PGH Wong's work includes project and construction management services, design management oversight, project controls, contract administration, cost estimating services, and field inspection for the program as a whole.
- The contract has been modified three times, increasing the value of the contract, extending the time frame of the contract, and adjusting the calculation of charges. According to the Airport, the increase in the contract was necessitated by construction delays, due to delays in obtaining an encroachment permit, work restrictions to avoid impacting airline flight paths, utility conflicts, telecommunications relocations, delays in procuring subcontractors, delays in environmental assessments, and scope changes. According to the Airport, these delays were outside of the control of PGH Wong. The Airport does not anticipate further modifications to the contract with PGH Wong.

#### Fiscal Impact

- Of the \$6.3 million increase in the contract budget, \$4.1 million is allocated to PGH Wong for project management services (69 percent of project management and associated services) and \$1.8 million is allocated to Local Business Enterprises for associated services (31 percent of project management and associated services). The balance is allocated to other direct costs.
- The contract is funded by Airport Revenue Bond Proceeds under the Airport's Capital Improvement Plan.

#### Recommendation

- Approve the proposed resolution.

**MANDATE STATEMENT**

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

**BACKGROUND**

In September 2015, the Airport Commission awarded contract 10504.41 to PGH Wong Engineering Inc. (PGH Wong) to provide project management services for the AirTrain Extension and Improvements Program, a program that included the construction of an elevated concrete guideway extension and two new AirTrain Stations to serve Long Term Parking Lot DD and the new Airport Hotel. PGH Wong was chosen through a competitive bid process in which two firms responded to a request for proposals; PGH Wong received higher application and interview scores and they were awarded a contract for one year term for initial services in the not-to-exceed amount of \$4,292,000. The contract was certified on February 24, 2016, so the term lasted until February 23, 2017.

The scope of their work includes project and construction management services, design management oversight, project controls, contract administration, cost estimating services, and field inspection for the program as a whole. At the time the contract was executed, staff estimated that the total contract for PGH Wong would last 44 months (approximately 3 years and 8 months) to approximately October 2019 and cost \$13,132,000 in total. The Airport Commission approved the contract for one year, with subsequent modifications, in order to monitor the performance of PGH Wong in providing project management services to the AirTrain Extension program. Because the contract was less than \$10 million and 10 years, the contract was not subject to Board of Supervisors approval.

Since 2015, three modifications to the original contract have been made. The first modification was made as of February 21, 2017; the modification extended the contract for one year, increased the not-to-exceed amount by \$3.5 million for a total amount of \$7,792,000, and amended the calculation of charges to include new position classifications. The second modification was made on February 20, 2018. This modification extended the contract by another year, increased the not-to-exceed amount by \$2.2 million for a total amount of \$9,992,000, and the calculation of charges was amended. The third modification, made on November 20, 2018 extended the contract through April 2019.

The Airport has two design-build contracts to construct improvements associated with the AirTrain Extension and Improvement Program: (1) Bombardier Transportation (Holdings) USA, Inc., awarded a design-build contract in March 2016 to design and construct extensions of existing electronics and train control systems and purchase additional cars, and (2) Skanska Constructors, awarded a design build contract in June 2016 to provide design and construction of a new long-term parking lot station and the elevated guideway extension to this new station,

and design and construction of a new station at the future Airport hotel.<sup>1</sup> PGH Wong Engineering provides project management support services under the subject contract for the construction and improvements associated with the AirTrain Extension and Improvement Program by these two design-build contractors.

### DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve the fourth modification to the existing contract between the Airport and PGH Wong Engineering, Inc. for the AirTrain Extension and Improvement Program project management support services to (1) extend the contract end date by one-year and six months from April 25, 2019 through October 31, 2020 and (2) increase the contract amount by \$6,333,000 for a total not to exceed amount of \$16,325,000.

The increase and extension account for additional services to support the delays experience by the AirTrain Program. Originally the project was expected to be completed in October 2019; however the new project completion deadline is October 2020. Olga Perez, the Director of Planning, Design, and Construction at the Airport, reports that conditions that contributed to the delay included:

- i) Longer review times and coordination in obtaining an encroachment permit from Caltrans to begin storm drain relocation work;
- ii) Additional working restrictions on the specialized pile driving rigs and crane equipment to avoid impacting the airline flight paths;
- iii) Multiple utility conflicts not identified in as-builts/potholing that were encountered during utility relocations and foundation excavations;
- iv) Delays to telecommunications relocations and cutover to maintain existing tenant services;
- v) Procurement delays of subcontractors;
- vi) Additional scope associated with supporting the new Long Term Parking Garage 2 site work.
- vii) A five month delay in the completion of the Environmental Assessment for both Lot DD and Guideway construction.

Ms. Perez states that these delays were outside of the control of PGH Wong. The scope of the project will remain the same, however, project costs are expected to increase due to the delays. According to Ms. Perez, the Airport does not anticipate further modifications to the contract with PGH Wong.

### FISCAL IMPACT

The proposed resolution would increase the existing not-to-exceed contract amount with PGH Wong Engineering, Inc. by \$6,333,000 from \$9,992,000 to \$16,325,000 for project management

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<sup>1</sup> Administrative Code Section 6.61 defines the process for soliciting, awarding, and approving design-build contracts. Under the Administrative Code, the department head may award the design-build contract following a competitive solicitation without further Board of Supervisors approval.

support services for the AirTrain Extension and Improvement Program. The breakdown of costs is as follows:

**Table 1: Project Budget under Modification No. 4**

|   | Amendment Budget | Percent |
|---|------------------|---------|
| <u>PGH Wong</u>                                   |                  |         |
| Project management                                | \$4,123,710      | 69%     |
| <u>LBE Subcontractors</u>                         |                  |         |
| Laboratory services and materials testing         | 900,274          |         |
| Document control and administrative staff support | 283,178          |         |
| Construction management support services staff    | 354,000          |         |
| Quality inspection                                | 208,125          |         |
| Construction and project management staff         | <u>98,134</u>    |         |
| Subtotal  | 1,843,711        | 31%     |
| Project management and associated services        | \$5,967,421      | 100%    |
| Other direct costs                                | 365,580          |         |
| <b>Total</b>                                      | <b>6,333,000</b> |         |

The contract between the Airport and PGH Wong requires 19 percent Local Business Enterprise (LBE) participation. Under the proposed contract amendment, PGH Wong will provide project management services, and LBE subcontractors provide associated services, as noted in Table 1 above.

As of December 2018, The Airport has paid PGH Wong \$9,535,769, \$456,231 less than the not to exceed amount of \$9,992,000. The contract is funded by Airport Revenue Bond Proceeds under the Airport's Capital Improvement Plan.

## RECOMMENDATION

Approve the proposed resolution.



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

Modification No. 4

Contract No. 10504.41  
Project Management Support Services for  
AirTrain Extension and Improvements Program

THIS MODIFICATION (this "Modification") is made as of November 20, 2018, in San Francisco, California, by and between **PGH Wong Engineering, Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Agreement to the Contractor for one (1) year of service in a not-to-exceed amount of \$4,292,000; and
- C. On February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 to increase the contract amount and extend the term of the Agreement. Appendix B, Calculation of Charges, was also amended to add a new position classification through Modification No. 1; and
- D. On February 20, 2018, by Resolution No. 18-0046, the Commission approved Modification No. 2 to increase the contract amount and extend the term of the Agreement. Appendix B, Calculation of Charges, was also amended to delete and replace the Billing Rates through Modification No. 2; and
- E. On November 20, 2018, by Resolution No. 18-0381, the Commission approved Modification No. 3 to extend the term of the Agreement. A standard contractual clause was updated and Appendix B, Calculation of Charges, was also amended to delete and replace the Billing Rates through Modification No. 3; and
- F. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount and extend the term of the Agreement; and
- G. On November 20, 2018, by Resolution No. 18-0371, the Commission approved this Modification No. 4 to increase the contract amount by \$6,333,000 for a new not-to-exceed amount of \$16,325,000 and to extend the term of the Agreement for services through October 31, 2020; and
- H. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors approved this Modification under San Francisco Charter Section 9.118; and
- I. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 46544-14/15 on December 4, 2017; and

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

1. **Definitions.** The following definitions shall apply to this Modification:

a. **Agreement.** The term "Agreement" shall mean the Agreement dated September 1, 2015 between Contractor and City, as amended by the:

|                     |                              |
|---------------------|------------------------------|
| Modification No. 1, | dated February 21, 2017,     |
| Modification No. 2, | dated February 20, 2018, and |
| Modification No. 3, | dated November 20, 2018.     |

b. **Other Terms.** Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.

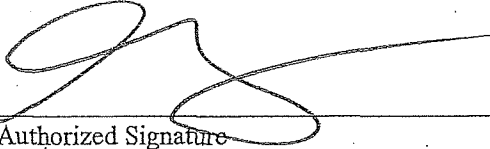
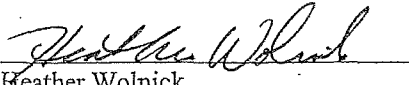
2. **Section 2. Term of the Agreement** is hereby amended to extend the term of the contract for a new ending date of **October 31, 2020**.

3. **Section 5. Compensation** is hereby amended to increase the total compensation payable by an amount not-to-exceed **Six Million Three Hundred Thirty-Three Thousand Dollars (\$6,333,000)** for a new total not-to-exceed amount of **Sixteen Million Three Hundred Twenty-Five Thousand Dollars (\$16,325,000)**.

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

5. **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.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| CITY<br>AIRPORT COMMISSION<br>CITY AND COUNTY OF<br>SAN FRANCISCO  | CONTRACTOR  |
|--|---|
| By: _____<br>Ivar C. Satero, Airport Director  | <br>_____<br>Authorized Signature   |
| Attest:  | Clifford S. M. Wong<br>President<br>PGH Wong Engineering, Inc.<br>182 – 2 <sup>nd</sup> Street, Suite 500<br>San Francisco, California 94105-3801<br>415-566-0800 |
| By _____<br>C. Corina Monzón, Secretary<br>Airport Commission  | City Supplier ID: 0000003148  |
| Resolution No: 18-0371   | Federal Employer ID Number: 94-4404132  |
| Adopted on: November 20, 2018  |   |
| Approved as to Form:<br><br>Dennis J. Herrera<br>City Attorney   |   |
| By <br>_____<br>Heather Wolnick<br>Deputy City Attorney |   |

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

**Agreement between the City and County of San Francisco and**

**PGH Wong Engineering, Inc.**

**Contract No. 10504.41  
Program Management Support Services  
For  
AirTrain Extension and Improvements Program**

This Agreement is made this 1st day of September, 2015, in the City and County of San Francisco, State of California, by and between: PGH Wong Engineering, Inc., 182 - 2<sup>nd</sup> Street, Suite 500, San Francisco, California 94105-3801 (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. The Commission wishes to engage the Contractor to provide Program Management Support Services for AirTrain Extension and Improvements Program for the San Francisco International Airport (the "Airport" or "SFO"); and,
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On April 24, 2015, the Commission issued a Request for Proposals ("RFP") and as a result of the selection process prescribed in the RFP and upon the recommendation of the Airport Director, the Commission determined that the Contractor was the qualified proposer receiving the highest evaluation score; and
- D. On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Agreement to the Contractor; and
- E. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 46544-14/15 on June 15, 2015; and
- F. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, the parties agree as follows:

**Terms and Conditions**

**1. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation.** This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation under this Agreement shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

**2. Term of the Agreement.** Subject to Section 1, the term of this Agreement shall be forty-four months starting the first day after contract certification.

**3. Effective Date of Agreement.** This Agreement shall become effective when the Controller has certified to the availability of funds and Contractor has been notified in writing.

**4. Services Contractor Agrees to Perform.** The Contractor agrees to perform the services provided for in Appendix A, "Services to be Provided by Contractor," attached hereto and incorporated by reference as though fully set forth in this Agreement. If Appendix A includes as-needed services, such services shall be requested by City through the issuance of a written task order signed by City and Contractor, which task order shall be made a part of and incorporated into the Agreement as though fully set forth in this Agreement without the need for a formal amendment to the Agreement. The task order shall include a description of the as-needed services, the deliverables, schedule for performance, cost, and method and timing of payment.

**5. Compensation.** Compensation shall be made in monthly payments on or before the last day of each month for work, as set forth in Section 4 of this Agreement, that the Airport Director, in his or her sole discretion, concludes has been performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed **Four Million Two Hundred Ninety-Two Thousand Dollars (\$4,292,000)**. Any compensation increases, including services beyond the first twelve (12) months of this Agreement, shall require the approval of the Airport Commission. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth in this Agreement. No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Airport Commission as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall City be liable for interest or late charges for any late payments.

**6. Guaranteed Maximum Costs.** The City's obligation under this Agreement shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Commodities or Services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of the City are not authorized to offer or

promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

**7. Payment; Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller, and must include a unique invoice number. All amounts paid by City to Contractor shall be subject to audit by City. Payment shall be made by City to Contractor at the address specified in the section entitled "Notices to the Parties."

**8. Submitting False Claims; Monetary Penalties.** Pursuant to San Francisco Administrative Code §§6.80-6.83, any contractor, subcontractor, supplier, consultant or subconsultant who submits a false claim shall be liable to the City for the statutory penalties set forth in those sections. A contractor, subcontractor, supplier, consultant or subconsultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

**9. Disallowance. NOT APPLICABLE**

**10. Taxes**

10.1 Payment of any taxes, including possessory interest taxes and California sales and use taxes, levied upon or as a result of this Agreement, or the services delivered pursuant hereto, shall be the obligation of Contractor.

10.2 Contractor recognizes and understands that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

10.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest;

10.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

10.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code section 64, as amended from

time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

10.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

**11. Payment Does Not Imply Acceptance of Work.** The granting of any payment by City, or the receipt thereof by Contractor, shall in no way lessen the liability of Contractor to replace unsatisfactory work, equipment, or materials, although the unsatisfactory character of such work, equipment or materials may not have been apparent or detected at the time such payment was made. Materials, equipment, components, or workmanship that does not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay.

**12. Qualified Personnel.** Work under this Agreement shall be performed only by competent personnel under the supervision of and in the employment of Contractor. Contractor will comply with City's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at City's request, and must be supervised by Contractor. Contractor shall commit adequate resources to complete the project within the project schedule specified in this Agreement.

**13. Responsibility for Equipment.** City shall not be responsible for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or by any of its employees, even though such equipment be furnished, rented or loaned to Contractor by City.

**14. Independent Contractor; Payment of Taxes and Other Expenses**

**14.1 Independent Contractor.** Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five (5) business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate

remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

**14.2 Payment of Taxes and Other Expenses.** Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to the preceding two paragraphs shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorney's fees, arising from this section.

## **15. Insurance**

**15.1** Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor, or each of Contractor's Joint Venture Partners, must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

15.1.1 Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

15.1.2 Commercial General Liability Insurance with limits not less than \$2,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

15.1.3 Commercial Automobile Liability Insurance with limits not less than \$2,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

15.1.4 Professional liability insurance, applicable to Contractor's profession, with limits not less than \$2,000,000 each claim with respect to negligent acts, errors or omissions in connection with professional services to be provided under this Agreement. If the Contractor is a Joint Venture, each member of the Joint Venture must maintain individual Professional Liability insurance and each policy must include 'Joint Venture' coverage but only for the liability arising out of the professional services performed by the Joint Venture member. The Contractor may be asked to provide all applicable policies for verification of coverage.

**15.2** Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

15.2.1 Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees. If the Contractor is a Joint Venture, each Joint Venture Partner's policies must be endorsed to include each other Joint Venture partner AND the Joint Venture as additional insureds.



15.2.2 That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

15.3 All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in the Section entitled "Notices to the Parties."

15.4 Should any of the required insurance be provided under a claims-made form, Contractor or the Joint Venture Partners shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

15.5 Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

15.6 Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

15.7 The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors and each Joint Venture Partner.

15.8 If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

16. **Indemnification.** Contractor shall indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims for injury to or death of a person, including employees of Contractor or loss of or damage to property, arising directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City. In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which

obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by City, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

**17. Incidental and Consequential Damages.** Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

**18. Liability of City.** CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 5 (COMPENSATION) OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

**19. Liquidated Damages. NOT APPLICABLE**

**20. Default; Remedies**

20.1 Each of the following shall constitute an event of default ("Event of Default") under this Agreement:

20.1.1 Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

- |   |                                       |
|---|---------------------------------------|
| 8. Submitting False Claims; Monetary Penalties.     | 37. Drug-Free Workplace Policy        |
| 10. Taxes   | 53. Compliance with Laws              |
| 15. Insurance                                       | 55. Supervision of Minors             |
| 24. Proprietary or Confidential Information of City | 57. Protection of Private Information |
| 30. Assignment                                      |                                       |

20.1.2 Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten (10) days after written notice of an Event of Default from City to Contractor.

20.1.3 Contractor (a) is generally not paying its debts as they become due, (b) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (c) makes an assignment for the benefit of its creditors, (d) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property or (e) takes action for the purpose of any of the foregoing.

20.1.4 A court or government authority enters an order (a) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (b) constituting an order for relief or approving a petition for relief or

reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (c) ordering the dissolution, winding-up or liquidation of Contractor.

20.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

20.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available under this Agreement or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

## 21. Termination for Convenience

21.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

21.2 Upon receipt of the notice, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions shall include, without limitation:

21.2.1 Halting the performance of all services and other work under this Agreement on the date(s) and in the manner specified by City.

21.2.2 Not placing any further orders or subcontracts for materials, services, equipment or other items.

21.2.3 Terminating all existing orders and subcontracts.

21.2.4 At City's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. Upon such assignment, City shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

21.2.5 Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.

21.2.6 Completing performance of any services or work that City designates to be completed prior to the date of termination specified by City.

21.2.7 Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.

21.3 Within 30 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

21.3.1 The reasonable cost to Contractor, without profit, for all services and other work City directed Contractor to perform prior to the specified termination date, for which services or work City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for services or other work. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

21.3.2 A reasonable allowance for profit on the cost of the services and other work described in the immediately preceding subsection (1), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all services and other work under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.

21.3.3 The reasonable cost to Contractor of handling material or equipment returned to the vendor, delivered to the City or otherwise disposed of as directed by the City.

21.3.4 A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to City, and any other appropriate credits to City against the cost of the services or other work.

21.4 In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically enumerated and described in the immediately preceding subsection (21.3). Such non-recoverable costs include, but are not limited to, anticipated profits on this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under such subsection (21.3).

21.5 In arriving at the amount due to Contractor under this Section, City may deduct: (1) all payments previously made by City for work or other services covered by Contractor's final invoice; (2) any claim which City may have against Contractor in connection with this Agreement; (3) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection (21.4); and (4) in instances in which, in the opinion of the City, the cost of any service or other work performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected services or other work, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced services or other work in compliance with the requirements of this Agreement.

21.6 City's payment obligation under this Section shall survive termination of this Agreement.

**22. Rights and Duties upon Termination or Expiration.** This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement:

- |   |   |
|---|---|
| 8. Submitting False Claims                    | 24. Proprietary or Confidential Information of City |
| 9. Disallowance                               | 26. Ownership of Results                            |
| 10. Taxes                                     | 27. Works for Hire                                  |
| 11. Payment does not Imply Acceptance of Work | 28. Audit and Inspection of Records                 |
| 13. Responsibility for Equipment              | 48. Modification of Agreement.                      |

reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (c) ordering the dissolution, winding-up or liquidation of Contractor.

20.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

20.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available under this Agreement or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

## **21. Termination for Convenience**

21.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

21.2 Upon receipt of the notice, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions shall include, without limitation:

21.2.1 Halting the performance of all services and other work under this Agreement on the date(s) and in the manner specified by City.

21.2.2 Not placing any further orders or subcontracts for materials, services, equipment or other items.

21.2.3 Terminating all existing orders and subcontracts.

21.2.4 At City's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. Upon such assignment, City shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

21.2.5 Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.

21.2.6 Completing performance of any services or work that City designates to be completed prior to the date of termination specified by City.

21.2.7 Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.

21.3 Within 30 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

21.3.1 The reasonable cost to Contractor, without profit, for all services and other work City directed Contractor to perform prior to the specified termination date, for which services or work City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for services or other work. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

21.3.2 A reasonable allowance for profit on the cost of the services and other work described in the immediately preceding subsection (1), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all services and other work under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.

21.3.3 The reasonable cost to Contractor of handling material or equipment returned to the vendor, delivered to the City or otherwise disposed of as directed by the City.

21.3.4 A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to City, and any other appropriate credits to City against the cost of the services or other work.

21.4 In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically enumerated and described in the immediately preceding subsection (21.3). Such non-recoverable costs include, but are not limited to, anticipated profits on this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under such subsection (21.3).

21.5 In arriving at the amount due to Contractor under this Section, City may deduct: (1) all payments previously made by City for work or other services covered by Contractor's final invoice; (2) any claim which City may have against Contractor in connection with this Agreement; (3) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection (21.4); and (4) in instances in which, in the opinion of the City, the cost of any service or other work performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected services or other work, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced services or other work in compliance with the requirements of this Agreement.

21.6 City's payment obligation under this Section shall survive termination of this Agreement.

**22. Rights and Duties upon Termination or Expiration.** This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement:

- |   |   |
|---|---|
| 8. Submitting False Claims                    | 24. Proprietary or Confidential Information of City |
| 9. Disallowance                               | 26. Ownership of Results                            |
| 10. Taxes                                     | 27. Works for Hire                                  |
| 11. Payment does not Imply Acceptance of Work | 28. Audit and Inspection of Records                 |
| 13. Responsibility for Equipment              | 48. Modification of Agreement.                      |

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|---|---|
| 14. Independent Contractor; Payment of Taxes and Other Expenses | 49. Administrative Remedy for Agreement Interpretation. |
| 15. Insurance   | 50. Agreement Made in California; Venue                 |
| 16. Indemnification   | 51. Construction  |
| 17. Incidental and Consequential Damages                        | 52. Entire Agreement                                    |
| 18. Liability of City   | 56. Severability  |
|   | 57. Protection of Private Information                   |

Subject to the immediately preceding sentence, upon termination of this Agreement prior to expiration of the term specified in Section 2, this Agreement shall terminate and be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City. This subsection shall survive termination of this Agreement.

**23. Conflict of Interest.** Through its execution of this Agreement, Contractor acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

**24. Proprietary or Confidential Information of City.** Contractor understands and agrees that, in the performance or contemplation of the work or services under this Agreement, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

**25. Notices to the Parties.** Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To City: Tony Breslin  
 Airport Project Manager  
 Design & Construction  
 San Francisco International Airport  
 P.O. Box 8097  
 San Francisco, California 94128  
 Email: [tony.breslin@flysfo.com](mailto:tony.breslin@flysfo.com)  
 FAX: 650-821-7799

To Contractor: Steven Kyauk  
 Project Manager  
 PGH Wong Engineering, Inc.  
 182 - 2<sup>nd</sup> Street, Suite 500  
 San Francisco, California 94105-3801  
 Email: [skyauk@pghwong.com](mailto:skyauk@pghwong.com)

FAX: 415-566-6030

Either party may change the address to which notice is to be sent by giving written notice thereof to the other party. If e-mail notification is used, the sender must specify a Receipt notice. Any notice of default must be sent by registered mail.

**26. Ownership of Results.** Any interest of Contractor or its Subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors in connection with services to be performed under this Agreement, shall become the property of and will be transmitted to City. However, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

**27. Works for Hire.** If, in connection with services performed under this Agreement, Contractor or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of the City. If it is ever determined that any works created by Contractor or its subcontractors under this Agreement are not works for hire under U.S. law, Contractor hereby assigns all copyrights to such works to the City, and agrees to provide any material and execute any documents necessary to effectuate such assignment. With the approval of the City, Contractor may retain and use copies of such works for reference and as documentation of its experience and capabilities.

**28. Audit and Inspection of Records.** Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon City by this Section.

**29. Subcontracting.** Contractor is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is first approved by City in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made in violation of this provision shall confer no rights on any party and shall be null and void.

**30. Assignment.** The services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations under this Agreement may be assigned or delegated by the Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement.

**31. Non-Waiver of Rights.** The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

**32. Consideration of Criminal History in Hiring and Employment Decisions.**



32.1 Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at [www.sfgov.org/olse/fco](http://www.sfgov.org/olse/fco). A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

32.2 The requirements of Chapter 12T shall only apply to the Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, and shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, whose employment is or would be in whole or in substantial part physically located in the City and County of San Francisco, which excludes Airport property.

32.2.1 Applicants or employees who would be or are performing work in furtherance of this Agreement may be required to be screened by the U.S. Department of Homeland Security for security badging. A rejection by the U.S. Department of Homeland Security of an applicant's or employee's security badging application, and the resulting inability of the Contractor to hire the applicant or assign the employee to perform services under this Agreement, shall not be considered an Adverse Action under Chapter 12T.

32.3 Contractor shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

32.4 Contractor or Subcontractor shall not inquire about, require disclosure of, or if such information is received, base an Adverse Action on an applicant's or potential applicant for employment or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

32.5 Contractor or Subcontractor shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection 32.4, above. Contractor or Subcontractor shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

32.6 Contractor or Subcontractor shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment to be performed under this Agreement, that the Contractor or Subcontractor will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

32.7 Contractor and Subcontractors shall post the notice prepared by the Office of Labor Standards Enforcement (OLSE), available on OLSE's website, in a conspicuous place at every workplace, job site,

or other location under the Contractor or Subcontractor's control at which work is being done or will be done in furtherance of the performance of this Agreement. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the workplace, job site, or other location at which it is posted.

32.8 Contractor understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

### **33. Local Business Enterprise Utilization; Liquidated Damages**

**33.1 The LBE Ordinance.** Contractor shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of Contractor's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

### **33.2 Compliance and Enforcement**

**33.2.1 Enforcement.** If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Agreement, or 10% of the total amount of this Agreement, or \$1,000, whichever is greatest. The Director of the City's Contract Monitoring Division ("CMD") or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of CMD") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of CMD will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17. By entering into this Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the CMD shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City. Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of CMD or the Controller upon request.

**33.2.2 Subcontracting Goals.** The LBE subcontracting participation goal for this contract is **nineteen percent (19%)**. Contractor shall fulfill the subcontracting commitment made in its bid or proposal. Each invoice submitted to City for payment under this Agreement shall also be uploaded to the City's LBEUTS. Contractor is also required to enter subcontractor payment information and payment

confirmation information into LBEUTS for each payment request. Failure to provide the required information for each invoice or payment request shall entitle City to withhold 20% of the amount of that invoice until the information is entered and the invoice uploaded into LBEUTS by Contractor. For more information regarding LBEUTS and training sessions, please go to <http://www.sfgov.org/LBEUTS>. Contractor shall not participate in any back contracting to the Contractor or lower-tier subcontractors, as defined in the LBE Ordinance, for any purpose inconsistent with the provisions of the LBE Ordinance, its implementing rules and regulations, or this Section.

**33.2.3 Subcontract Language Requirements.** Contractor shall incorporate the LBE Ordinance into each subcontract made in the fulfillment of Contractor's obligations under this Agreement and require each subcontractor to agree and comply with provisions of the ordinance applicable to subcontractors. Contractor shall include in all subcontracts with LBEs made in fulfillment of Contractor's obligations under this Agreement, a provision requiring Contractor to compensate any LBE subcontractor for damages for breach of contract or liquidated damages equal to 5% of the subcontract amount, whichever is greater, if Contractor does not fulfill its commitment to use the LBE subcontractor as specified in the bid or proposal, unless Contractor received advance approval from the Director of CMD and contract awarding authority to substitute subcontractors or to otherwise modify the commitments in the bid or proposal. Such provisions shall also state that it is enforceable in a court of competent jurisdiction. Subcontracts shall require the subcontractor to a) log into LBEUTS and confirm receipt of each payment from Contractor, b) maintain records necessary for monitoring each subcontractor's compliance with the LBE Ordinance for a period of three years following termination of this contract, and c) make such records available for audit and inspection by the Director of CMD or the Controller upon request.

**33.2.4 Payment of Subcontractors.** Contractor shall pay its subcontractors within three working days after receiving payment from the City unless Contractor notifies the Director of CMD in writing within ten (10) working days prior to receiving payment from the City that there is a bona fide dispute between Contractor and its subcontractor and the Director waives the three-day payment requirement, in which case Contractor may withhold the disputed amount but shall pay the undisputed amount. Contractor further agrees, within ten (10) working days following receipt of payment from the City, to file the CMD Payment Affidavit with the Controller, under penalty of perjury, that the Contractor has paid all subcontractors. The affidavit shall provide the names and addresses of all subcontractors and the amount paid to each. Failure to provide such affidavit may subject Contractor to enforcement procedure under Administrative Code §14B.17.

**33.3 LBEUTS.** The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of payment information into the Local Business Enterprise Utilization Tracking System (LBEUTS), a secure web-based tracking system. CMD will use the submitted information to monitor compliance with the 14B LBE Ordinance. If Contractor fails to upload the invoice or enter required information into LBEUTS and such failure is not explained to CMD's satisfaction, Controller may withhold 20% of the payment due pursuant to the invoice until Contractor enters the information into LBEUTS.

#### **34. Nondiscrimination; Penalties**

**34.1 Contractor Shall Not Discriminate.** In the performance of this Agreement, Contractor agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender

identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

**34.2 Subcontracts.** Contractor shall incorporate by reference in all subcontracts the provisions of §§12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

**34.3 Nondiscrimination in Benefits.** Contractor does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

**34.4 Condition to Contract.** As a condition to this Agreement, Contractor shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Contract Monitoring Division.

**34.5 Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth in this Agreement. Contractor shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to §§12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

**35. MacBride Principles—Northern Ireland.** Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Contractor acknowledges and agrees that he or she has read and understood this section.

**36. Tropical Hardwood and Virgin Redwood Ban.** Pursuant to §804(b) of the San Francisco Environment Code, the City and County of San Francisco urges contractors not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

**37. Drug-Free Workplace Policy.** Contractor acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a

controlled substance is prohibited on City premises. Contractor agrees that any violation of this prohibition by Contractor, its employees, agents or assigns will be deemed a material breach of this Agreement.

**38. Resource Conservation.** Chapter 5 of the San Francisco Environment Code ("Resource Conservation") is incorporated in this Agreement by reference. Failure by Contractor to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

**39. Compliance with Americans with Disabilities Act.** Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

**40. Sunshine Ordinance.** In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

**41. Public Access to Meetings and Records.** If the Contractor receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, Contractor shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Contractor agrees to open its meetings and records to the public in the manner set forth in §§12L.4 and 12L.5 of the Administrative Code. Contractor further agrees to make-good faith efforts to promote community membership on its Board of Directors in the manner set forth in §12L.6 of the Administrative Code. The Contractor acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Contractor further acknowledges that such material breach of the Agreement shall be grounds for the City to terminate and/or not renew the Agreement, partially or in its entirety.

**42. Limitations on Contributions.** Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief

financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

#### **43. Requiring Minimum Compensation for Covered Employees**

43.1 Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Sections 12P.5 and 12P.5.1 of Chapter 12P are incorporated in this Agreement by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

43.2 The MCO requires Contractor to pay Contractor's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Contractor is obligated to keep informed of the then-current requirements. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Contractor's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Contractor.

43.3 Contractor shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within ninety (90) days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

43.4 Contractor shall maintain employee and payroll records as required by the MCO. If Contractor fails to do so, it shall be presumed that the Contractor paid no more than the minimum wage required under State law.

43.5 The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor.

43.6 Contractor's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Contractor fails to comply with these requirements. Contractor agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Contractor's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

43.7 Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including

liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

43.8 Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

43.9 If Contractor is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Contractor later enters into an agreement or agreements that cause contractor to exceed that amount in a fiscal year, Contractor shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Contractor and this department to exceed \$25,000 in the fiscal year.

#### **44. Requiring Health Benefits for Covered Employees.**

44.1 Contractor agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of section 12Q.5.1 of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth in this Agreement. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

44.2 For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

44.3 Notwithstanding the above, if the Contractor is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

44.4 Contractor's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Contractor if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

44.5 Any Subcontract entered into by Contractor shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Contractor shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Contractor shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set

forth in this Section against Contractor based on the Subcontractor's failure to comply, provided that City has first provided Contractor with notice and an opportunity to obtain a cure of the violation.

44.6 Contractor shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Contractor's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

44.7 Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

44.8 Contractor shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

44.9 Contractor shall keep itself informed of the current requirements of the HCAO.

44.10 Contractor shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

44.11 Contractor shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten (10) business days to respond.

44.12 Contractor shall allow City to inspect Contractor's job sites and have access to Contractor's employees in order to monitor and determine compliance with HCAO.

44.13 City may conduct random audits of Contractor to ascertain its compliance with HCAO. Contractor agrees to cooperate with City when it conducts such audits.

44.14 If Contractor is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Contractor later enters into an agreement or agreements that cause Contractor's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Contractor and the City to be equal to or greater than \$75,000 in the fiscal year.

**45. First Source Hiring Program.** This Section incorporates the requirements of the First Source Hiring Program pursuant to San Francisco Administrative Code Chapter 83 (entitled "First Source Hiring Program"). Contractor agrees to participate and comply with the provisions of the First Source Hiring Program. As part of the Contractor's Agreement with the City, the Contractor shall incorporate provisions of the First Source Hiring Program into any Joint Venture Partnership and shall require subcontractors to do the same. The Mayor's Office of Economic and Workforce Development is the Contractor's main contact for the First Source Hiring Program. For more information regarding First Source Hiring Program, please go to: <http://www.workforcedevelopmentsf.org/>.

**45.1 Definitions.** The provisions of Chapter 83 of the San Francisco Administrative Code apply to this Agreement. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided in this



Agreement. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

45.1.1 Entry Level Position: Any non-managerial position that requires either: (a) no education above a high school diploma or certified equivalency; or (b) less than two years training or specific preparation; and (c) shall include temporary positions and paid internships.

45.1.2 Trainee: A economically disadvantaged worker identified by the First Source Hiring Program as having the appropriate training, employment background and skill set for an available Entry Level Position specified by the Contractor.

**45.2 First Source Hiring Goals.**

45.2.1 Over the life of the Agreement, the Contractor shall make good faith efforts to hire a minimum number of Trainees referred by the First Source Hiring Program to fulfill available Entry Level Positions based on the Contractor Fee Schedule below:

| Contractor Fee Schedule   | Minimum Number of Trainees to be Hired (over the life of the contract) |
|---|--|
| \$0 – \$499,999   | 0  |
| \$500,000 – \$899,999   | 1  |
| \$900,000 – \$1,999,999   | 2  |
| \$2,000,000 – \$4,999,999   | 3  |
| \$5,000,000 – \$7,999,999   | 4  |
| \$8,000,000 – \$10,999,999  | 5  |
| \$11,000,000 – \$13,999,999   | 6  |
| (> = \$14M, for each additional \$3 million in Contractor fees, add one additional Trainee) |  |

45.2.2 Contractor may decline to hire a Trainee if the Contractor considers the Trainee in good faith and deems the Trainee is not qualified. The final decision to hire a Trainee shall be made by the Contractor.

45.2.3 The Contractor shall hire the Trainee on a full-time basis for at least 12 months or on part-time basis for 24 months.

45.2.4 Trainees must be obtained through the First Source Hiring Program and the Contractor must consider all Trainees fairly and equally and comply with the non-discrimination provisions pursuant to local, state and federal laws. No existing employee may count toward the total number of Trainees hired.

**45.3 Procedures.**

45.3.1 Within 30 days of award of contract, the Contractor will email the First Source Hiring Administrator and schedule to meet with staff from the First Source Hiring Program. At the meeting, the Contractor will provide information on Entry Level Positions, number of Trainees to be hired, job description, start date and rate of pay. If the Contractor cannot quantify the numbers of Trainees to be hired, the Contractor must still meet with the First Source Hiring Program and present a workforce plan of good faith efforts towards the First Source Hiring Goals.

45.3.2 Contractors are required to notify the First Source Hiring Program of all available Entry Level Positions.

45.3.3 Contractor will designate a representative to monitor all employment related activity and be the main contact for the First Source Hiring Program.

45.3.4 Contractor will maintain documentation and records supporting good faith efforts toward the First Source Hiring Program.

**45.4 As-Needed Contracts.** Contractors awarded As-Needed contracts shall follow the provisions of the First Source Hiring Program. However, the First Source Hiring Goals will not be based on each individual Contract Service Order (CSO) but rather from the total number of CSOs issued to the Contractor. Since a Contractor does not know when or how many CSOs will be issued, the Contractor shall hire Trainees only if the increase in CSOs creates entry-level employment opportunities.

**45.5 Noncompliance.** Failure to meet the criteria of the First Source Hiring Program does not impute bad faith but rather will trigger a review for compliance. If the City deems a Contractor is noncompliant and acted in bad faith towards the First Source Hiring Program, then the City may withhold progress payments and assess liquidated damages as defined in San Francisco Administrative Code Chapter 83.

**46. Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, Contractor may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Agreement. Contractor agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated in this Agreement by this reference. In the event Contractor violates the provisions of this section, the City may, in addition to any other rights or remedies available under this Agreement, (i) terminate this Agreement, and (ii) prohibit Contractor from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider Contractor's use of profit as a violation of this section.

**47. Preservative-treated Wood Containing Arsenic.** Contractor may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Contractor may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Contractor from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

**48. Modification of Agreement.** This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement. Contractor shall cooperate with Department to submit to the Director of CMD any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

**49. Administrative Remedy for Agreement Interpretation.**

**49.1 Negotiation; Alternative Dispute Resolution.** The parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement by negotiation. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. If agreed by both parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. Neither party will be entitled to legal fees or costs for matters resolved under this section.

**49.2 Government Code Claims.** No suit for money or damages may be brought against the City until a written claim therefor has been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the Government Code Claim requirements set forth in Administrative Code Chapter 10 and Government Code Section 900, et seq.

**50. Agreement Made in California; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

**51. Construction.** All paragraph captions are for reference only and shall not be considered in construing this Agreement.

**52. Entire Agreement.** This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This contract may be modified only as provided in Section 48, "Modification of Agreement."

**53. Compliance with Laws.** Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

**54. Services Provided by Attorneys.** Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. No invoices for services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

**55. Supervision of Minors. NOT APPLICABLE**

**56. Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

**57. Protection of Private Information.** Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated in this Agreement as if fully set forth. Contractor agrees that any failure of Contractor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract.

In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Contractor.

**58. Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

**59. Food Service Waste Reduction Requirements.** Contractor agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated in this Agreement by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Contractor agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply with this provision.

**60. Slavery Era Disclosure. NOT APPLICABLE**

**61. Cooperative Drafting.** This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

**62. Dispute Resolution Procedure. NOT APPLICABLE**

**63. Airport Intellectual Property.** Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

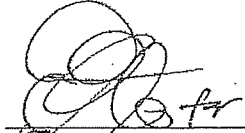
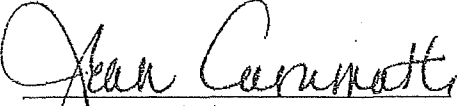

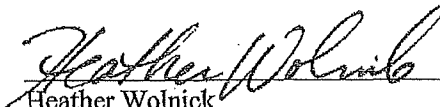
**64. Labor Peace / Card Check Rule.** Without limiting the generality of other provisions in this Agreement requiring Contractor to comply with all Airport Rules, Contractor shall comply with the Airport's Labor Peace / Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "Labor Peace / Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check Rule, Contractor shall, among other actions: (a) Enter into a Labor Peace/Card Check Rule Agreement with any Labor Organization which requests such an agreement and which has registered with the Airport Director or his / her designee, within thirty (30) days after Labor Peace/Card Check Rule Agreement has been requested; (b) Not less than thirty (30) days prior to the modification of this Agreement, Contractor shall provide notice by mail to any Labor Organization or federation of labor organizations which have registered with the Airport Director or his / her designee (registered labor organization"), that Contractor

is seeking to modify or extend this Agreement; (c) Upon issuing any request for proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract, Contractor shall provide notice to all registered Labor Organizations that Contractor is seeking to enter into such Subcontract; and (d) Contractor shall include in any subcontract with a Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If Airport Director determines that Contractor violated the Labor Peace/Card Check Rule, Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to him / her.

**65. Federal Non-Discrimination Provisions.** Contractor for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that Contractor shall maintain and operate the Airport facilities and services in compliance with all requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964, as said regulations may be amended. Contractor, for itself, its personal representatives, successors in interest, and assigns, agrees that Contractor in its operation at and use of San Francisco International Airport, covenants that (1) no person on the grounds of race, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over, or under the Airport and the furnishing of services thereon, no person on the grounds of race, color, national origin or sex shall be excluded from participation or denied the benefits of, or otherwise be subject to discrimination, (3) that Contractor shall use all City premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A – Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. These Regulations are incorporated as though fully set forth in this Agreement. Contractor agrees to include the above statements in any subsequent contract that it enters into with subcontractors and cause those agreements to similarly include the statements, and cause those businesses to include the statements in further agreements.

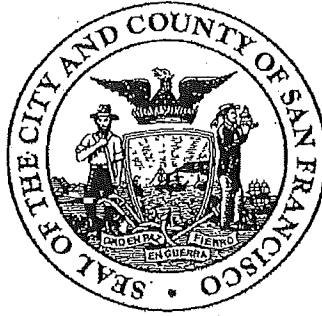
Failure by the contractor to comply with the requirements of this section is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Airport deems appropriate.

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

| CITY   | CONTRACTOR   |
|--|--|
| AIRPORT COMMISSION<br>CITY AND COUNTY OF<br>SAN FRANCISCO  |  |
| By: <br>John L. Martin, Airport Director                | By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.  |
| Attest:  | I have read and understood paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles. |
| By: <br>Jean Caramatti, Secretary<br>Airport Commission | <br>Authorized Signature   |
| Resolution No: 15-0168   | Clifford S. M. Wong<br>President   |
| Adopted on: September 1, 2015  | PGH Wong Engineering, Inc.<br>182 - 2 <sup>nd</sup> Street, Suite 500  |
| Approved as to Form:   | San Francisco, California 94105-3801<br>415-566-0800   |
| Dennis J. Herrera<br>City Attorney   | 14532<br>City Vendor Number  |
| By: <br>Heather Wolnick<br>Deputy City Attorney       | 94-4404132<br>Federal Employer ID Number   |

## Appendices

- A: Services to be provided by Contractor
- B: Calculation of Charges
- C: Strategic Plan
- D: Partnering Requirements



## APPENDIX A SERVICES TO BE PROVIDED

This Appendix A attached to, and incorporated by reference in the Agreement made on September 1, 2015 between the City and County of San Francisco, acting by and through its Airport Commission ("Commission"), and PGH Wong Engineering, Inc. ("Contractor") to provide Program Management Support Services ("PMSS") for AirTrain Extension and Improvements Program for the San Francisco International Airport ("Airport").

Under the direction of the Airport Project Manager, the Contractor shall provide project and construction management support for the AirTrain Extension and Improvements Program ("Program") throughout its lifecycle including: project coordination; design coordination; peer review; assistance in obtaining encroachment or other permits from outside Municipalities and agencies; management of the Program Stakeholder Engagement Process (SEP); oversight of the Design-Builder ("DB"); construction management, including quality assurance oversight, building code compliance, safety oversight; and Program controls, scheduling, budgeting, estimating, document control, and preparation of progress reports. The contractor will also be required to coordinate Program activities with other Airport projects, including the Hotel project, Plot 2 Aircraft Parking Reconfiguration and South McDonnell Road Realignment project, and Long Term Parking Garage #2 project.

The following description of services is as comprehensive as possible at the outset of the Program. Because individual services may be added and/or deleted as the Program progresses, it is not possible to present a complete list of services that could be finally assigned to the Contractor. Tasks listed herein within a particular section may be required at any time throughout the Program. During the Program, all work to be performed by Contractor will either be included in a scope of work similar to this document or in mutually-agreed-upon, contract modifications.

### I. PROGRAM DESCRIPTION

- A. SFO is extending the existing AirTrain people mover system, building two new stations, installing operating system equipment in the new facilities and structures, and upgrading and installing a new system wide train control system. The Program will require careful coordination and scheduling with many ongoing or future Airport projects and will require approvals from outside agencies and municipalities. The Contractor will be responsible to provide all services in conjunction with coordination and communication within the Program and with the other projects, outside agencies, and municipalities. The Program projects will be delivered under one design-build contract, including:



1. **Guideway Extension:** The current AirTrain system "blue line" ends north of the Terminal area at the existing Rental Car Center. SFO will be extending the blue line approximately one-half mile further to Lot DD. Lot DD is the location of the existing Long Term Parking Garage, existing surface parking lot, United Airlines employee parking, the Cell Phone Lot (public waiting area), and limousine and ground transportation vehicle staging areas. The Guideway Extension design will include all systems components required by Bombardier Transit Corporation ("Bombardier") of Horsham, Pennsylvania, the current AirTrain system Operator, and include a guideway and structure necessary to accommodate a four-car train station.
  2. **Long Term Parking (LTP) Station:** The LTP Station will be designed and constructed for dual four-car train operations. The LTP Station platform and vertical circulation must bring patrons towards their destinations from AirTrain platform height. The LTP Station must be activated before the opening of the LTP Garage #2, but sooner, if possible, at the ground level, to provide AirTrain convenience for all Long Term Parking customers.
  3. **Airport Hotel Station:** The Airport Hotel Station will be designed and constructed for dual four-car train operations on the existing AirTrain guideway adjacent to the Airport Hotel site. Incorporated into the existing guideway design is a train level area for a center platform, and a Hotel bridge level platform to begin escalator and elevator ascents to the AirTrain platform level. The Hotel Station must be activated before the opening of the Airport Hotel.
  4. **Operating System:** The existing AirTrain Operating system was supplied by Bombardier. Bombardier will also supply this Program's AirTrain equipment and electronics; track bed components; and station components to the station door lines. The procurement method for obtaining new Bombardier design work, construction work, and equipment purchasing has not been finalized. The Contractor is expected to assist the Airport Project Manager with developing and negotiating Bombardier scope and work.
  5. **New Train Control System (TCS):** The existing AirTrain train control system was activated in 2003 and uses a Radiax cable laid in the guideway bed which, from the AirTrain Maintenance Facility, transmits signals to AirTrain vehicles via "shoes" located beneath all AirTrain vehicles. This system will be replaced AirTrain system-wide by a "line-of-sight" system using transmitters and repeaters to be placed system-wide on all current red line and current and future blue line routes. AirTrain vehicles will be retrofitted with vehicle transponders/receivers to receive operating instructions.
- B. **Environmental Clearances:** Environmental review pursuant to the California Environmental Quality Act (CEQA) has been completed for the AirTrain extension and new AirTrain stations. Extension of the AirTrain system and construction of the new station at SFO Lot DD are part of the Multi-Modal Transportation Center project evaluated in a Negative Declaration issued by the San Francisco Planning Department (File No. 98.768E) on November 21, 1998, as amended on January 26, 1999, and which has been and is being implemented over time. The new AirTrain station at the Hotel site was evaluated in an Addendum to the Final Environmental Impact Report for the Airport's Master Plan. The Addendum was issued by the Planning Department (File No. 86.638E) on February 5, 2014, and the Airport Commission has authorized the implementation of both the Hotel and the new AirTrain stations. The Contractor will evaluate and double-check all environmental requirements to ensure compliance is valid and current.

## II. OVERALL PROGRAM MANAGEMENT SERVICES:

### A. PROGRAM COORDINATION AND COMMUNICATION

The Program requires a great deal of focused coordination and communication within the Program team and across multiple project teams and with stakeholders and other government and utility entities. The Contractor shall, at a minimum, provide the following Program coordination and communication services:

1. In all Program phases, assist Airport staff with Program coordination, communication and development efforts with Airport Operations, AirTrain Operations, Airport Engineering staff, Airlines, project site lessees and occupants, agencies (Federal, State, County, Local, & PG&E), Stakeholder Engagement Process (SEP) and other stakeholders, as required and directed by the Airport. The Contractor and DB are expected to coordinate all planned Work with all agencies in time to obtain all necessary permissions, construction permits, encroachment permits, easements, and regulatory compliance clearances.
2. The Contractor is responsible to provide all services in conjunction with coordination and communication of all Program work, including design and construction, with all ongoing Airport activities that may be impacted by the Program activities, including the Airport Hotel, Plot 2 Aircraft Parking Reconfiguration and South McDonnell Road Realignment, and Long LTP Garage #2 projects.
3. The Contractor will manage and oversee Program design efforts and see that the AirTrain station and guideway designers coordinate all design work with Bombardier. Likewise, the PMSS will coordinate all Program design efforts with Airport Planning, the LTP Garage #2 project team, the Airport Hotel project team, other PMSS teams and other design build teams. Coordination and integration of these designs is critical to the success of these projects and the coordination and integration is the responsibility of the Contractor.
4. The Contractor will work collaboratively with Airport Operations and Parking Management, and the LTP Garage #2 PMSS and DB teams, to design and facilitate an overall plan to phase construction of both projects while maintaining parking and staging operations.
5. The Contractor will take the lead in coordinating design efforts with the Airport Hotel project team. Both project teams will be required to coordinate and communicate all train level work with AirTrain Management.
6. The Airport Hotel Station, Airport Hotel project and South McDonnell Road Realignment projects will all be located in the same vicinity. The Contractor will work collaboratively with Airport Traffic Engineering and the project teams to develop and implement plans for constructing and staging all three construction projects.
7. The Contractor will manage coordination of finishes and other Operating System components between the DB, Bombardier, and the Airport stakeholders. The procurement method for obtaining new Bombardier design work, construction work, and equipment purchasing has not been finalized. The Contractor is expected to assist the Airport Project Manager with developing and negotiating Bombardier scope and work.

8. The Contractor will manage the coordination for scheduling all necessary system and vehicle work with AirTrain Management, SFO Duty Managers, SFO Traffic Engineers, and SFO Parking Management necessary for system-wide train control system upgrades. The Contractor will take the lead with Bombardier and the DB to develop a schedule and work plan to install all line-of-sight components throughout the existing AirTrain system. Bombardier will take the lead to schedule work for renovating Bombardier rolling stock (people mover cars) for the conversion to line-of-sight people mover car controls.
9. The Contractor shall coordinate, lead, and document appropriate weekly Program meetings throughout each phase of the Program lifecycle.
10. The Contractor shall assist Airport staff with identifying and coordinating Airport and tenant utility infrastructure documentation.
11. The Contractor shall assist Airport staff with any security systems and equipment coordination.
12. The Contractor shall assist Airport staff with maintaining landside security, phasing, environmental compliance and permitting issues, off-hours work, utility connections/cutovers and associated activities.
13. The Contractor shall coordinate any hazardous material survey, reporting and abatements work to ensure Airport compliance with appropriate entities.
14. The Contractor shall coordinate any site survey work to ensure the DB's compliance with Program requirements.
15. The Contractor shall coordinate any site geotechnical and sub-surface investigation work to ensure DB's compliance with Program requirements.
16. The Contractor shall coordinate, oversee, and review the DB's work to ensure that the Program is implemented under, and compatible with, the Airport Development Plan (ADP) through the Airport's Bureau of Planning & Environmental Affairs
17. The Contractor shall assist Airport staff with the San Francisco Arts Commission Civic Design Review and Arts Enrichment processes, as appropriate to the size and scope of this Program.

## **B. PROGRAM CONTROLS AND REPORTING**

The Contractor shall, at a minimum, provide Program controls and reporting services, as follows:

1. Contractor shall provide real time data input into the Airport's Project Management Control System -- Oracle Unifier. These inputs will be used to report on the progress of the Program including information on the DB and subcontractor work; percentage of completion of the work; current estimates; forecasted contract growth; subcontract buyouts; updated monthly schedules including projected time to complete and estimated cost to complete the work; digital progress photographs; logs for Requests for Information, submittals and shop drawings; pending and approved change orders; meetings minutes; and other Program metrics as requested by the Airport.

2. Utilize systems that are compatible with current Airport project control software. These include, but are not to be limited to:
  - 2.1 Primavera P6 EPPM (scheduling)
  - 2.2 Oracle Unifier (cost and project management)
  - 2.3 CIP Planner (project financial planning)
  - 2.4 OpenText eDocs (document control)
  - 2.5 Turner E.Docs (close-out documentation)
  - 2.6 Microsoft Outlook (email)
  - 2.7 AutoCAD
  - 2.8 Revit
3. Diligently perform data entry into the project control system to ensure that real-time data is readily available. The Contractor shall perform quality control to reduce input error, thus enhancing consistency and accuracy in the reporting of all information.
4. Provide an environment that allows designers and builders to uniformly exchange information relating to Program budgets, costs, estimates, risk, and schedule using the Stakeholder Engagement Process (SEP) to maintain transparency between interfacing with adjoining projects.
5. Review progress pay requests for accuracy and recommend approval. The Contractor shall prepare all supporting documentation for progress pay requests, including but not limited to, certified payroll tracking forms. All payment documentation shall utilize Airport standard templates.
6. Produce reports and deliverables that meet Airport requirements. Reports and deliverables shall be in electronic format to the greatest extent possible; however, at the request of the Airport, hard copy color duplicates shall also be made available. The reports and deliverables shall include, but are not limited to, the following:
  - 6.1 A written monthly progress report to the Airport on services provided to the Airport under the Agreement in a format consistent with the Airport reporting process. The Contractor will report on its progress and any problems in performing the work of which the Contractor becomes aware.
  - 6.2 Program cost and budget reports as part of the required monthly report in a format determined by the Airport to include total Program budget amounts, total Program cost to date, earned value estimates, trends and forecasts. Reports shall include costs and payments to the DB, and Airport cost and expenses.
  - 6.3 Update schedule by monitoring progress in relationship to the existing baseline schedules for the Program. Prepare detailed monthly schedule reports and schedule trend reports. Provide schedule recovery recommendations on a monthly basis and anticipated schedule phases.
  - 6.4 Monthly cash flow and trend reports and additional reports as may be requested by the Airport.

- 6.5 Report on all potential and anticipated Program risks and issues. Provide cost recovery recommendations on a monthly basis.
- 6.6 Report on quality assurance and quality control processes and how these are being engaged on a monthly basis.
- 6.7 As requested, the Contractor shall prepare other reports so that varying levels of details can be communicated to different management levels within the Airport organization as well as to the Public. Contractor shall provide reports monthly, quarterly, annually, or at other frequencies to be determined by the Airport.
- 6.8 A Monthly safety report.
- 7. The Contractor will evaluate and double-check all environmental requirements to ensure compliance is valid and current.
- 8. Assist with the establishment, implementation, and modification of Program administrative procedures.
- 9. Implement and support an Action Item system to track key Program activities.
- 10. Develop, monitor and maintain a Program Risk Register to identify, track and respond to Program risk.

### C. PROGRAM SCHEDULING SERVICES

The Contractor shall be prepared to support Program scheduling and analyses in the following manner:

- 1. Compile and validate applicable schedules from Airport staff, DB, and other agencies to prepare a Level 1 or Contract Master Schedule for the Program. The Level 1 schedule will follow a work breakdown structure as directed by the Airport and shall include, at a minimum, the following activities: duration and timing for permitting, timing to conduct programming, design, solicit proposers, solicit trade bid packages, complete construction, testing and commissioning and closeout of the Program.
- 2. Review, report, verify, and validate Level 1, 2 and 3 Program schedules, as well as a two-week look ahead, prepared by the Design-Builder.
  - 2.1 The Level 1, or Contract Master Schedule, is a summary level schedule that establishes key completion objectives for the Program. At a minimum, it defines the overall period of performance, shows major milestones, including contractual milestones, deliveries, and other major Program phases. It may also show milestones that interface with Airport Hotel and LTP Garage #2 projects and any other projects or adjoining projects.
  - 2.2 The Level 2, or Intermediate Schedule, should contain a detailed reflection of the activities that must be accomplished to achieve Level 1 schedule objectives. In addition, a Level 2 schedule shall include, but is not limited to, contractually required deliveries of critical long lead items, hardware, software, and performance requirements.

- 2.3 The Level 3, or Detailed Schedule, contains a detailed set of activities that must be accomplished to achieve Level 2 schedule objectives. This schedule should contain enough detail for the Airport Project Manager to plan, direct, and monitor the completion of work and to reliably calculate the Program's critical path. The Level 3 schedule shall reflect the Contractor's review and monitoring of construction schedules and the coordination of those schedules with other Airport projects, either planned or ongoing.
3. Identify and analyze dependencies, controls, and interfaces among external projects including utility projects and/or roadway/traffic reconfiguration projects; and/or with other Airport operational activities, and perform alternative analysis project sequence to optimize Program implementation within the Level 3 schedule.
4. Develop, review, update, and monitor Program schedules to the required management level during all Program phases as directed by the Airport Project Manager.

#### **D. PROGRAM BUDGET AND ESTIMATING SERVICES**

The Contractor shall support Airport financial analyses by performing the following:

1. Prepare and review Program hard and soft cost budget estimates, resulting in the establishment of the Program baseline budget. The estimates shall follow a Work Breakdown Structure consistent with Airport requirements.
2. Analyze financial consequences of design alternatives, alternatives resulting from value engineering reviews of design and construction techniques, and costs due to site and schedule constraints.
3. Provide Program level cost and trend management services.
4. Provide a wide range of cost estimates, including pre-construction, concept, budgetary, design, construction, and engineer's estimates.
5. Utilize the cost management system provided by the Airport.
6. Establish, review, and support Airport staff in making appropriate budgetary contingencies and reviewing Program risks.
7. Provide budget and funding report services, documenting sources of funds and cash flow projections for the Program.
8. Develop and maintain procedures to forecast Program costs and advise the Airport on corrective actions if forecasted budgets are to be exceeded.
9. Prepare and review life cycle costs including operations and maintenance costs.
10. Prepare and review cost benefit analysis.
11. Reconcile the Program scope with appropriated budgets.

12. Prepare preliminary estimates of construction costs and times of completion for the Program.

**E. DOCUMENT CONTROL SERVICES**

The Contractor shall provide, but not be limited to, the following document control services:

1. Use Airport's document control system and tools for the Program and provide training.
2. Maintain all the Program documentation in an integrated, accessible electronic format with a hard copy stored in a retrievable system as directed by the Airport.
3. Maintain status logs of Program documents such as design activities and status, requests for information, submittals, substitution requests, etc.
4. Develop and maintain systems for the efficient distribution of Program documents to Design-Builders, external agencies, City departments, and other stakeholders as directed.

**F. AIRPORT STRATEGIC PLAN**

The Contractor shall assist in the advancement of the Mission, Vision, Overall Goals, and Core Values in the Airport Strategic Plan, which is incorporated as the following link to this document: <https://sfoconnect.com/sites/default/files/strategicplan.pdf>.

**G. REVENUE ENHANCEMENT AND CUSTOMER HOSPITALITY (REACH)**

San Francisco International Airport (SFO) is proud of the development of the Principles of Revenue Enhancement and Customer Hospitality program, REACH. Contractor shall provide support to Airport staff and the design team for the incorporation of REACH principles and goals into the procurement and bid documents for the Program.

The Contractor shall:

1. Demonstrate a full understanding of the Principles of REACH and how it applies to the Program.
2. Incorporate REACH principles throughout the Tasks.
3. Review the Program construction documents and construction site for consistency with the applicable REACH principles and goals set for the Program.
4. The Principles of REACH can be found at <http://www.flysfo.com/business-at-sfo>.

**H. PARTNERING GUIDELINES**

The Contractor shall participate in and provide for formal Partnering facilitation. See Appendix D of this Agreement.

**I. STAKEHOLDER ENGAGEMENT PROCESS (SEP) MANAGEMENT**

The Contractor shall provide for, coordinate, participate in, and document the Stakeholder Engagement Process (SEP) throughout the Program lifecycle.

1. Manage the overall SEP for the Program. This includes assigning SEP leaders where Airport staff is not available and provide administrative and documentation support, including the preparation and distribution of meeting minutes.
2. Oversee refinement of the Program requirements narrative as appropriate and with concurrence from the Airport Project Manager, and oversee inclusion of requirements into Design-Builder construction documents.
3. Utilize the SEP to prepare for all start-up and activation activities.

## **II. PROGRAM-LEVEL MANAGEMENT SUPPORT SERVICES:**

### **A. PRE-PROGRAMMING PHASE**

The intent of the Pre-Programming Phase is to review and validate existing Program information and schematic plans, if available. As part of the Pre-Programming Phase, the Contractor shall:

1. Review and validate existing Program information.
2. Develop preliminary Program schedules in coordination with all components of the Program and all other affected Airport activities and stakeholders.
3. Provide a Rough Order of Magnitude Cost Model for the Program and develop strategies to ensure meeting the Program budget.
4. Investigate and, if necessary, prepare a list of Program permits and requirements pertaining to environmental quality, including, but not limited to Air Quality, Water Quality, and the California Environmental Quality Act (CEQA). The Contractor shall ensure proper permits are obtained and facilitate adherence to all applicable requirements.

### **B. PROGRAMMING PHASE**

The intent of the Programming Phase is to provide clarity and agreement on the Program scope, cost and schedule between all members of the Program team and to provide an approved Basis of Design. Programming shall commence at the completion of the Pre-Programming Phase and the procurement of the DB. As part of the Programming Phase, the Contractor shall provide, but not be limited to, the following services:

1. If necessary, assist the Airport in procuring the DB.
2. If necessary, assist the Airport in procuring and negotiating the sole-source Bombardier Operating System, Train Control System, and design assistance contract work.
3. Provide oversight, coordination, and review of the Program procurement documents and coordinate with the appropriate Airport staff in all aspects of Program programming.



4. Schedule, manage, and facilitate the SEP, and DB to define the Program scope and formulate the Basis of Design. Thoroughly document and distribute meeting discussions and verify completion of action items.
5. Coordinate and development efforts with Caltrans, County of San Mateo, PG&E, and the Cities of South San Francisco, Burlingame, and Millbrae with DB contractor applying for, paying for, and receiving any necessary encroachment permits or fees to carry out work. The DB will obtain and pay for all fees and permits necessary.
6. Ensure information is accurately assembled by the Design-Builder in a comprehensive narrative report to be used as the Basis of Design, which shall include, but is not limited to:
  - 6.1 Program Description:
    - 6.1.1 A comprehensive narrative of the scope of work and programming requirements for the Program. Requirements shall incorporate input from the SEP, which will be coordinated by the Contractor and led by the Design-Builder.
    - 6.1.2 Conceptual design drawings incorporating efficient Program site layout.
  - 6.2 Provide oversight and coordination of the DB in generating Program design criteria and standards. Criteria shall incorporate Airport and other regulatory standards as well as input from the SEP. Design criteria shall include but is not limited to:
    - 6.2.1 Identification of preliminary architectural, engineering, security and special systems for the Program.
    - 6.2.2 Compilation of architectural, engineering, security and special systems specification outlines based on conceptual design. The outline specifications shall include minimum performance criteria and standards and preferred manufacturers.
    - 6.2.3 Identification of preliminary building code classifications, accessibility, egress requirements, and life safety requirements.
    - 6.2.4 Identification of sustainability requirements and in conformance with the Airport sustainability Principles, Goals, Outcomes, and Guidelines.
    - 6.2.5 Preliminary schedules and cost models based on the proposed Basis of Design.
7. Reconcile the Program with the Airport's budget. Advise the Airport if the Program and budget are not in compliance and recommend potential solutions.
8. Prepare reports, exhibits, and presentation materials to adequately convey the Program as requested by the Airport Project Manager.
9. Identify, analyze and conform to the requirements of governmental and private authorities having jurisdiction to approve the design of the Program and participate in consultations with such authorities.

10. Confirm and coordinate with the DB, identification, analysis and development of strategies for resolution of any right-of-way (ROW) issues/conflicts involving Local/Regional/State/Federal governmental and private agencies having jurisdiction on areas of, and/or that may have impact on, the Program, and participate in consultations with such agencies.
11. At the end of the Programming Phase, provide a staffing plan for PMSS for each phase of the remainder of the Program and an anticipated cost for the remainder of the Program.
12. Provide oversight and review of proposed design fees and construction fees.

### C. DESIGN PHASE

The Design Phase commences upon the completion and approval of Programming. As part of the Design Phase, the Contractor shall:

1. Coordinate and document SEP and design review input.
2. Provide management, administration and oversight of Airport issued design-build contract.
3. The Contractor will oversee, encourage, and motivate DB design staff to apply the Airport's Principles of REACH guidelines, which outline the design considerations involved in improving the Airport guest experience.
4. Provide design management and coordination with the Airport Hotel project. Design of the Airport Hotel Station is expected to require more hospitality level finishes at the platform level, when transitioning from the platform level to the hotel bridge level, and at the hotel bridge level. Oversight of Airport Hotel Station design and budget is a top priority.
5. Provide design management and coordination with the LTP Garage #2 project and with Airport Planning for the new Rental Car Center in Lot DD under consideration. Design of the LTP Station will need to accommodate all planning and known design for LTP Garage #2 and the future Rental Car Center.
6. Provide third-party, peer, and quality assurance reviews of design deliverables and construction documents produced by the DB and verify that all design review comments are incorporated. Further, the Contractor shall ensure that the DB implements the standards and Basis of Design developed in the SEP.
7. Coordinate and facilitate additional SEP meetings to resolve design issues that do not conform to the Basis of Design developed during the Programming Phase.
8. Provide design oversight, monitor design progress and deliverables, and recommend corrective action when required.
9. Coordinate proposed design elements and phasing in conjunction with all components of the Program and all other affected Airport activities and stakeholders.
10. Provide reviews and verification that the Airport's sustainability requirements are being incorporated.

11. Coordinate with the Airport's sustainability Commissioning Authority and DB to verify that the Commissioning Plan is being implemented and that any outstanding commission items are implemented.
12. Provide oversight, coordination, and review of the DB in all aspects of the Sustainable building practices:
  - 12.1 Review DB's Design proposals, whole building and product Life Cycle Assessments, Building Energy Efficiency Design proposals, modeled energy calculations, and proposed LEED certification proposals and provide a comparative analysis of each sustainability element.
  - 12.2 Review the building product information as provided by the DB that includes Life Cycle Assessments (LCA), Life Cycle Costs (LCCA), Environmental Product Declarations (EPD), and Health Product Declarations (HPD). Provide a comparison of the data to assist the Airport in evaluating the sustainability performance of each product.
  - 12.3 Review the DB's Design Development and Construction Documents phase documents and their accompanying renewable energy generation and building monitoring and controls technology proposals and provide a comparative analysis for those proposals.
  - 12.4 Review the DB's Construction Documents and confirm compliance with the sustainability requirements and codes, and confirm that the sustainability elements are sufficiently documented such that the documents will allow for compliance monitoring during the construction phase. Prepare a list of non-conforming items and back check the documents until resolution is achieved.
  - 12.5 Review and monitor the DB's LEED certification process
  - 12.6 Monitor the Sustainability Commissioning process.

#### **D. CONSTRUCTION PHASE**

In addition to the overall Program management services, the Contractor will act as the construction manager for all construction activities. As part of the Construction Phase, the Contractor shall:

1. Provide procurement support, management, administration and oversight of Program construction contract(s). The Airport anticipates procuring a design-build contract.
2. Provide construction management and coordination with the Airport Hotel project, Coordinate work on the Hotel AirTrain platform level where active AirTrain operations will be necessary during construction. Provide coordination with the Airport Hotel project's scope and realignment of South McDonnell Road scope.
3. Provide construction management and coordination with the LTP Garage #2 project and with Airport Planning for the new Rental Car Center in Lot DD under consideration. Shared lay-

down areas, accommodation of temporary long term parking structures, changes to public circulation paths, etc. will be required and need coordination.

4. Provide assistance in obtaining all necessary permits or encroachment permits for DB for working or detouring traffic in properties controlled or owned by the State of California (Caltrans), Burlingame, Millbrae, San Bruno, or South San Francisco, or easements controlled by PG&E.
5. Provide construction management and coordination with new Train Control System (TCS). This "line-of-site" system requires transmitters and repeaters being placed system wide (all current red line and current and future blue line routes), with AirTrain vehicles being retrofit with vehicle transponders/receivers to receive operating instructions. Coordinate scheduling all necessary system and vehicle work with AirTrain Management, SFO Duty Managers, SFO Traffic Engineers, and SFO Parking Management will be necessary and expected for performing system wide controls upgrades.
6. Perform as the construction manager during the entire Program lifecycle. At a minimum, the Contractor shall provide the following construction management services:
  - 6.1 Establish a job specific safety program with the DB and provide competent safety professional(s) to enforce jobsite safety.
  - 6.2 Review construction documents for constructability, impact to Airport operations, and consistency with the Program schedule.
  - 6.3 Review construction work and phasing plans and make recommendations to minimize disruption to Airport operations.
  - 6.4 Ensure construction activities/shutdowns/closures are properly coordinated with, and approved by, Airport Operations, Duty Managers, and all affected parties.
  - 6.5 Participate in trade subcontract procurement processes as applicable.
  - 6.6 Review and/or prepare construction quality assurance/quality control plans.
  - 6.7 Provide technical, full-time, on-site observation and inspection of the progress and quality of the construction work including quality assurance and code compliance oversight and specialty inspections. (Note: During the construction phase, the Contractor may need to integrate, within its technical support staff, Airport/City staff to provide on-site observation of the work, depending upon availability of Airport/City personnel.)
  - 6.8 Ensure that the dB has scheduled all formal code inspections with the Airport's Building Inspection and Code Enforcement (BICE) Division once a pre-inspection has been performed with the DB. Prior to the formal BICE inspection, the pre-inspection shall confirm that all contract and code requirements are satisfied for the specific inspection being requested. In addition, the pre-inspection will verify that any ancillary or otherwise supporting work activities associated with the specific inspection meets contract and code requirements. Take all necessary measures to ensure the dB corrects all non-conforming or otherwise deficient work discovered at any level of inspection.

- 6.9 Provide special inspections as required.
- 6.10 Monitor environmental inspection for DB's compliance with environmental regulations.
- 6.11 Examine materials and equipment being incorporated into the work to verify that they are supported by approved submittals, handled, stored, and installed properly.
- 6.12 Prepare inspector's daily reports and engineer's reports for submission to the Airport.
- 6.13 Manage and review the submission of samples, shop drawings, Operation & Maintenance (O&M) manuals, and other submittals between DB for contract and code compliance. The Contractor shall maintain a log of all submittals.
- 6.14 Identify problems encountered in accomplishing the construction work and recommend appropriate action to the Airport in order to resolve problems with a minimum effect on the timely completion of the Program.
- 6.15 Provide all testing, including specialty testing, as required by the California Building Code and by Airport Commission. The Contractor shall coordinate and/or procure the services of certified testing laboratories to assure that the proper number and type of tests are being performed in a timely manner. The Airport building official has the authority to require additional testing based on final code requirements and interpretation.
- 6.16 Maintain a log of any requests for information and manage responses for approval by the Airport Project Manager and/or the DB's Architect-of-Record and Engineer-of-Record.
- 6.17 Review progress pay requests for accuracy and recommend approval. The Contractor shall prepare all supporting documentation for progress pay requests, including but not limited to, certified payroll tracking forms. All payment documentation shall utilize Airport standard templates.
- 6.18 Review DB reports, as-built drawings, and other construction documentation and ensure information is appropriately captured in Airport's record keeping system.
- 6.19 Coordinate job site meetings and prepare meeting minutes. The Contractor shall review and communicate information presented to Airport managers and all attendees.
- 6.20 Monitor and assist Airport with compliance of all contract terms and conditions including, but not limited to, Contract Monitoring Division (CMD) requirements, certified payroll, labor standards, drug policy, security requirements, site cleanliness, and safety.
- 6.21 Administer the evaluation and negotiation of change orders, prepare and process change orders and contract modifications for Airport approval, and maintain a change log. All change documentation shall utilize Airport standard templates.

6.22 Review building contractor's submittals, RFIs and Change Orders for conformance with Program sustainability and LEED requirements.

6.23 Review and monitor the Design-Builder's LEED certification process.

6.24 Coordinate with the Airport's sustainability Commissioning Authority, the Design-Builder and the Airport to verify that the Sustainability Commissioning Plan is being implemented and that any outstanding commissioning items are implemented.

#### **E. ACTIVATION PHASE**

The building activation process is intended to ensure that all requirements and performance criteria are identified early in the design process, are managed throughout the Program, and are successfully implemented. Activation includes physical testing of the facility and hands-on training of personnel who will use, operate and maintain the facility and its systems. As part of the Activation Phase, the Contractor shall:

1. Assemble the Activation SEP teams to facilitate and coordinate the activation activities prior to the completion of construction.
2. Through the SEP, develop and schedule an Activation Plan, including Simulation Plans as required.
3. Manage activation activities and prepare written status reports. Status reports shall verify that the facility and all of its systems and assemblies are constructed, installed, tested, operated and maintained to meet the Program's requirements.
4. Coordinate the various entities required to successfully implement the Activation Plan including representatives from the Airport, airlines, SEP, and DB, etc.
5. Coordinate activation of station projects at two different opening times. The Airport Hotel Station must be activated before the opening of the Airport Hotel, and the LTP Station must be activated before the opening of the LTP Garage #2, but as soon as possible, at the ground level, to provide AirTrain convenience for all long term parking customers.
6. Coordinate activation of Line of Sight Train Control System.

#### **F. COMMISSIONING PHASE**

Commissioning is the process of verifying and documenting that a building and all its systems and assemblies are planned, designed, installed, tested, operated, and maintained to meet the airport's Program requirements. This process uses planning, documentation, and verification of testing to review and oversee the activities of the DB. Commissioning services will start in Programming and will continue through Closeout.

This Program requires two forms of commissioning:

1. Airport Commissioning of the building systems

2. Sustainability Commissioning in accordance with the LEED v4 requirements for Building Commissioning (Cx) and Building Envelope Commissioning (BECx), as required,

As part of the Commissioning Phase, the Contractor shall:

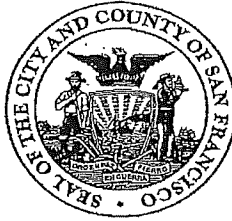
1. Coordinate with the Airport's sustainability Commissioning Authority, the DB and the Airport to verify that the Commission Authority's Commissioning Plan is being implemented and that any outstanding commissioning items are implemented.
2. Coordinate and conduct final inspections prior to Program acceptance, and administer acceptance procedures and tests for each phase of the Program.
3. Review and report on progress of the DB regarding testing procedures and documentation as identified in the Master Test Plan as it pertains to technology infrastructure.
4. Coordinate and conduct final inspections at all new facilities and work areas of the Program to ensure the work meets all Program/contract requirements for commissioning.
5. Review and report on progress of training for operation and maintenance of new systems as required by the Airport and/or individual Program specifications.
6. Provide support for move-in from existing facilities to the newly constructed facilities, as required.

#### **G. CLOSEOUT PHASE**

Closeout will commence at the completion of Activation and Commissioning. As part of the Closeout Phase, the Contractor shall:

1. Support closeout activities for all associated Program contracts including but not limited to: ensuring compliance is adhered through contract closeout. All procedures and documentation shall utilize Airport standards for the closeout process.
2. Confirm that the Design-Builder has completed any LEED certification requirements if available; and has submitted a sustainability reports needed by the Airport.
3. Review the completed Program and confirm that the Program has met the sustainability code mandatory and "voluntary" requirements, and the SFO expanded requirements.
4. Support dispute and/or claim resolution analysis and reconciliation efforts.

**END OF APPENDIX A**



## Appendix B Calculation of Charges

This is Appendix B attached to, and incorporated by reference in the Agreement made on September 1, 2015 between the City and County of San Francisco, acting by and through its Airport Commission (Commission), and PGH Wong Engineering, Inc. (Contractor) providing for Project Management Support Services for the AirTrain Extension and Improvements Program at the San Francisco International Airport.

### 1. GENERAL

- 1.1 Compensation for complete and satisfactory performance of the services detailed in Appendix A of this Agreement is set forth in paragraph 5 "Compensation" of the Agreement.
- 1.2 No charges shall be incurred under this Agreement nor shall any payments become due to the Contractor until reports, services, or both required under this Agreement are received from the Contractor and approved by the Commission as being in accordance with this Agreement. In no event shall the Commission be liable for interest or late charges for any late payments.
- 1.3 Compensation for work performed under this Agreement will be on a time and materials basis. Such compensation shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with the Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).
- 1.4 A lump sum allowance in the amount of Five Hundred Twenty-Five Thousand Dollars (\$525,000) for mobilization costs has been included in the not-to-exceed amount of Four Million Two Hundred Ninety-two Thousand Dollars (\$4,292,000).

### 2. METHOD OF PAYMENT

- 2.1 Unless approved otherwise by the Commission, the Contractor's services shall be invoiced on a monthly basis and payment will be made within thirty (30) days of receipt of an acceptable invoice with satisfactory backup documentation, approved by the Airport Project Manager. As used herein, the term "invoice" shall include the Contractor's bill or written request for payment under this Agreement for services performed. All invoices shall be made in writing.
- 2.2 The Contractor shall invoice for the Work performed in conformance with procedures approved by the Commission.
  - 2.2.1 Such invoices shall segregate current costs from previously invoiced costs.
  - 2.2.2 Costs for individual labor shall be segregated by task and subtasks, if any.



- 2.2.3 Notwithstanding the above, in no case shall the Contractor invoice include costs which Airport has disallowed or otherwise indicated that it will not recognize.
- 2.2.4 For professional services contracts, if applicable, each invoice shall clearly distinguish Contractor staff that is invoiced at the home office rate versus the field office rate. See paragraph D below for rate definitions.
- 2.3 Such invoices shall be as a minimum, (i) mechanically accurate, (ii) substantially vouchered and properly supported and (iii) in compliance with generally accepted accounting principles.
- 2.4 The Contractor shall also certify, for each invoice, that (i) the hourly rates for direct labor, whether for Contractor or its subcontractor(s), to be reimbursed under this Agreement are not in excess of the actual hourly rates in effect for the Contractor or subcontractor employees engaged in the performance of services under this Agreement at that time, and (ii) that such hourly rates are in conformance with the Agreement.
- 2.5 The fee for Contractor and any of its subcontractors shall be billed monthly on direct labor for services provided in the current invoice at the percentage described in paragraph E below.
- 2.6 The Airport's Project Manager reserves the right to withhold payment(s) otherwise due the Contractor in the event of the Contractor's material non-compliance with any of the provisions of this Agreement, including, but not limited to, the requirements imposed upon the Contractor in Article 15, Insurance, and Article 16, Indemnification. The Airport shall provide notice of withholding, and may continue the withholding until the Contractor has provided evidence of compliance which is acceptable to the Airport.
- 2.7 All invoices shall be made in writing and delivered or mailed to the Airport as follows:

By US mail: Tony Breslin  
 Airport Project Manager  
 Design & Construction  
 San Francisco International Airport  
 P.O. Box 8097  
 San Francisco, CA 94128

By Personal Delivery  
 or Express Mail: Tony Breslin  
 Airport Project Manager  
 Design & Construction  
 San Francisco International Airport  
 710 N. McDonnell Road, 2<sup>nd</sup> Floor  
 San Francisco, CA 94128

**3. DIRECT SALARY RATE AND DIRECT SALARY RATE ADJUSTMENT**

- 3.1 Salaried personnel shall be paid on 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. Signed time cards shall be provided showing all assigned Projects and the shared calculation.

3.2 The approved fully burdened billing rates stated in the Agreement shall remain in effect for the first year of contract services. As, at the option of the Airport, this is a multi-year contract, the Airport may approve an annual adjustment to the hourly labor rates effective July 1st, based on applying to the direct labor rates an increase in the Consumer Price Index 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: "Services Less Rent or Shelter – All Urban Consumers – San Francisco/Oakland/San Jose, California" or on an increase in the wages of comparable classifications as reflected in the collective bargaining agreements between the City and County of San Francisco and the labor organization representing those classifications, whichever is lower. Such adjustment is subject to prior written approval by the Airport and in no event will exceed the lower of the above specified indices unless the proposed adjustment is made pursuant to other specific terms of this contract or is necessary to meet the requirements of prevailing or minimum wage legislative mandates.

**4. OVERHEAD RATES**

4.1 Billing rates shall be used for compensation under this Agreement. Billing rates shall be the product of approved direct base hourly billing rates, the approved overhead rates, and the approved Fee. The Billing rates are set forth in paragraph 6 below.

4.2 The home office indirect cost rate shall be used when staff works in an office provided by the Contractor. The field office indirect cost rate shall be used when staff is assigned full time to an office provided by the Commission. To qualify for the field office indirect cost rate the Commission shall provide office spaces, utilities, telephone service, internet access and computers for the team.

4.3 A current certified reviewed financial audit report of the overhead cost rate for home and/or field office rates shall be provided to the Commission for review and approval prior any modifications to the overhead rates.

**5. FEE**

The Fee for Contractor's work effort, including any subcontractor work at any tier, shall be ten percent (10%) of direct labor of the Contractor and any subcontractors at any tier. There shall be no additional fee or overhead markup on indirect costs or on the work of first and lower tier subcontractors.

The Prime Contractor or Joint Venture will be allowed a two percent (2%) mark-up on first tier subcontractor invoices.

**6. BILLING RATES**

The following approved Billing Rates are fully burdened (including overhead and Fee):

| Position / Classification              | Fully Burdened Billing Rate/Hour (Note 1) |       |              |       |
|--|---|-------|--------------|-------|
|  | Home Office                               |       | Field Office |       |
|  | Low                                       | High  | Low          | High  |
| <b>Key Positions</b>                   |   |       |              |       |
| Project Manager / Construction Manager | \$220                                     | \$257 | \$198        | \$233 |

|   |       |       |       |       |
|---|-------|-------|-------|-------|
| Project Controls Manager                    | \$150 | \$215 | \$135 | \$194 |
| Resident Engineer                           | \$180 | \$229 | \$162 | \$207 |
| Deputy Resident Engineer                    | \$140 | \$180 | \$125 | \$165 |
| Right of Way & Permitting Coordination Lead | \$150 | \$229 | \$135 | \$207 |
| Programming/Design Oversight Manager        | \$195 | \$229 | \$175 | \$207 |
| AirTrain Activation Manager                 | \$195 | \$229 | \$175 | \$207 |
| Train Operating System / Train Control Lead | \$195 | \$229 | \$175 | \$207 |
| SEP Coordinator / Manager                   | \$135 | \$229 | \$122 | \$207 |
| Program Coordination Manager                | \$150 | \$180 | \$135 | \$165 |
| QA/QC / Code Compliance / Safety Lead       | \$140 | \$172 | \$125 | \$155 |
|   |       |       |       |       |
| <b>Technical Support Positions</b>          |       |       |       |       |
| Senior Scheduler                            | \$165 | \$215 | \$150 | \$194 |
| Scheduler                                   | \$138 | \$179 | \$124 | \$161 |
| Senior Cost Estimator                       | \$152 | \$215 | \$137 | \$194 |
| Cost Estimator                              | \$110 | \$179 | \$99  | \$161 |
| Field Engineer                              | \$110 | \$143 | \$99  | \$129 |
| Office Engineer                             | \$80  | \$129 | \$75  | \$116 |
| Special Inspector                           | \$77  | \$165 | \$70  | \$149 |
| Senior Inspector                            | \$124 | \$165 | \$112 | \$149 |
| QA Inspector                                | \$77  | \$138 | \$70  | \$124 |
| System Verification & Validation Support    | \$195 | \$229 | \$175 | \$207 |
| Testing / Activation Technical Support      | \$77  | \$165 | \$70  | \$149 |
| Constructability Reviewer                   | \$110 | \$220 | \$99  | \$198 |
| Environmental Technical Support             | \$124 | \$179 | \$112 | \$161 |
| Geotechnical Technical Support              | \$96  | \$187 | \$86  | \$170 |
| Lab / Material Testing Technician           | \$66  | \$122 | \$66  | \$122 |
| Surveying Chief                             | \$165 | \$198 | \$149 | \$180 |
| Surveying Technicians                       | \$77  | \$124 | \$70  | \$112 |
| Document Control Manager                    | \$110 | \$138 | \$99  | \$124 |
| Document Control / Administrative Assistant | \$55  | \$124 | \$49  | \$112 |
| FSH Trainee                                 | \$55  | \$88  | \$49  | \$79  |
| Partnering Coordination                     | \$82  | \$138 | \$75  | \$124 |

## 7. OTHER DIRECT COST (ODC)

7.1 Unless authorized by the Airport, the Airport will not reimburse the Contractor for the costs of contractor meals, business travel and accommodations, this includes specialists that are based out of town and not assigned to the jobsite office. Travel and per diem expenses for the project team's management, jobsite personnel, or staff that commute to or from other offices or residences is not allowed. The Airport will not reimburse the Contractor for deliveries, and fax, long distance, and cellular telephone charges. Regional (remote) executive's travel expenses to visit the local job office are not reimbursable and part-time jobsite personnel who are shared with other out-of-town clients are not reimbursed for travel expenses. When authorized, travel expenses shall be in accordance with the City & County of San Francisco Travel Guidelines.

7.2 Any ODC expenses in excess of \$500 shall be pre-approved by the Airport Project Manager.

**END OF APPENDIX B**



**APPENDIX C**

Strategic Plan – link: <https://sfoconnect.com/sites/default/files/strategicplan.pdf>

**APPENDIX D  
PARTNERING REQUIREMENTS**

**PART 1 - GENERAL****1.1 PARTNERING LEVEL**

A. This Project shall incorporate the required partnering elements for **Partnering Level 4**.

| Level | Estimated Construction Amount | Complexity   | Political Significance  | Relationships  |
|-------|-------------------------------|--|---|--|
| 5     | \$200 million +               | Highly technical and complex design & construction               | High visibility/oversight; significant strategic project            | New project relationships; high potential for conflict (strained relationship, previous litigation, or high probability of claims) |
| 4     | \$50 - \$200 million          | High complexity – schedule constraints, uncommon materials, etc. | Probable  | New contractors or CM, new subs  |
| 3     | \$20 - \$50 million           | Increased complexity   | Likely, depending on the location and other project characteristics | Established relationships; new CM, subs, or other key stakeholders   |
| 2     | \$5 - \$20 million            | Moderate complexity  | Unlikely, unless in a place of importance                           | Established relationships; new subs, new stakeholders  |
| 1     | \$100,000 - \$5 million       | Standard complexity  | Unlikely, unless in a place of importance                           | Established relationships; new subs, new stakeholders  |

**1.2 SUMMARY**

- A. This Section specifies the requirements for establishing a collaborative partnering process. The partnering process will assist the City and Contractor to develop a collaborative environment so that communication, coordination, and cooperation are the norm, and to encourage resolution of conflicts at the lowest responsible management level.
- B. The partnering process is not intended to have any legal significance or to be construed as denoting a legal relationship of agency, partnership, or joint venture between the City and Contractor.
- C. This Section does not supersede or modify any other provisions of the Contract, nor does it reduce or change the respective rights and duties of the City and Contractor under the Contract, nor supersede contractual procedures for the resolution of disputes.

**1.3 PURPOSE/GOALS**

- A. The goals of project partnering are to:
1. Use early and regular communication with involved parties;
  2. Establish and maintain a relationship of shared trust, equity and commitment;
  3. Identify, quantify, and support attainment of mutual goals;

4. Develop strategies for using risk management concepts and identify potential project efficiencies;
5. Implement timely communication and decision-making;
6. Resolve potential problems at the lowest possible level to avoid negative impacts;
7. Hold periodic partnering workshops throughout the life of the contract to maintain the benefits of a partnered relationship;
8. Establish periodic joint evaluations of the partnering process and attainment of mutual goals.

#### 1.4 DEFINITIONS

- A. Unless specifically defined in this Section 01 31 33, all terms have the same meaning as defined in Section 00 72 00, General Conditions.
- B. **Stakeholders:** Any person or entity that has a stake in the outcome of a construction project. Examples include the end users, neighbors, vendors, special interest groups, those who must maintain the facility, those providing funding, and those who own one or more of the systems.
- C. **Project Team:** Key members from the City and Contractor organizations responsible for the management, implementation, and execution of the Project, and will participate in the partnering process.

### PART 2 - PARTNERING PROCESS

#### 2.1 SELECTION OF A FACILITATOR

- A. An Internal Facilitator or a Professional Neutral Facilitator shall be retained for projects with a Partnering Level of 1 through 3. A Professional Neutral Facilitator must be retained for projects with a Partnering Level of 4 or 5. The City and Contractor shall meet as soon as practicable after award of Contract to work cooperatively and in good faith to select a Facilitator.
- B. An Internal Facilitator is a trained employee or representative of the City who provides partnering facilitation services.
- C. A Professional Neutral Facilitator must have the following qualifications:
  1. The Facilitator shall be trained in the recognized principles of partnering;
  2. The Facilitator shall have at least three (3) years' experience in partnering facilitation with a demonstrated track record, including public sector construction for a city or other municipal agency;
  3. The Facilitator shall have a skill set that may include construction management, negotiations, labor-management mediation, and/or human relations; and
  4. The Facilitator must be in the business of providing partnering services for construction projects.
- D. Within thirty (30) days of NTP, Contractor and the selected Professional Neutral Facilitator shall execute an agreement that establishes a budget for fees and expenses of

the Facilitator, workshop site costs, if any, and the describe the Facilitator's role for the Project consistent with the requirements of this Section. The scope of the Facilitator's role is for descriptive purposes only and is not a guarantee for payment as the scope of work will be revised as needed throughout the Project. The agreement shall be terminable at will.

- E. The Facilitator shall be evaluated by the Project Team: (1) at the end of the Kick-off Partnering Workshop; and (2) at the Project close-out partnering session.
- F. In the event that either Contractor or the City is not satisfied by the services provided by the Facilitator, a new mutually acceptable Facilitator shall be chosen in a reasonable amount of time in the same manner pursuant to Subparagraph A above, and a new agreement shall be executed by Contractor and the new Professional Neutral Facilitator pursuant to Subparagraph D above.

## 2.2 PARTNERING ELEMENTS

- A. All Partnering Levels require the following elements:
  - 1. **Executive Sponsorship.** Commitment to and support of the partnering process from the senior most levels of the City and Contractor organizations.
  - 2. **Collaborative Partnering.** A structured and scalable process made up of elements that develop and grow a culture (value system) of trust among the parties of a construction contract. Together, the combination of elements including the Partnering Charter, Executive Sponsorship, partnering workshops, an accountability tool for the Project Team (Scorecards), and the Facilitator create a collaborative atmosphere on each project.
  - 3. **Facilitator.** Depending on the Project's Partnering Level, the City and Contractor shall retain either an Internal Facilitator or a Professional Neutral Facilitator according to the process listed in subparagraph 2.1 above to lead workshops.
  - 4. **Partnering Charter and/or mission statement.** The City and Contractor shall create a Partnering Charter that is the guiding focus for the Project Team. It documents the team's vision and commitment to work openly and cooperatively together toward mutual success during the life of the Project. The Partnering Charter helps to maintain accountability and clarity of agreements made and allows for broader communication of the team's distinct goals and partnering process. At a minimum, the Partnering Charter must include the following elements:
    - (a) Mutual goals, including core project goals and may also include project-specific goals and mutually-supported individual goals. The required core project goals relate to project schedule, budget, quality, and safety.
    - (b) Partnering maintenance and close-out plan, including partnering session attendees and frequency of workshops.
    - (c) Dispute resolution plan that includes an Escalation Resolution Ladder.
    - (d) Team commitment statement and signatures.
  - 5. **Partnering Workshops.** At a minimum, the following two workshops are required:
    - (a) **Kick-off Partnering Workshop.** Within 45 days of NTP, the City and Contractor shall meet for the Kick-off Partnering Workshop; determine the workshop site and duration, and other administrative details. At the Kick-off Partnering Workshop, the City, Contractor, and Facilitator shall meet to



mutually develop a strategy for a successful partnering process and to develop their Partnering Charter.

- (b) **Close-out Partnering Workshop.** Prior to final closeout, the City and Contractor shall schedule the Close-out Partnering Workshop. At the Close-Out Partnering Workshop, the City, Contractor, and Facilitator, shall meet to discuss lessons learned throughout the Project, focus on ensuring continued collaboration and cooperation through the end of the Project, and to discuss requirements for the close-out process. At the conclusion of the workshop, a summary of the lessons learned should be prepared to be distributed to the Project Team. The City and Contractor shall also evaluate the Facilitator.

The Project Team may participate in additional workshops during the life of the Project as they agree is necessary and appropriate. Each workshop is a formalized meeting focused on developing a collaborative culture among the Project Team. The Project Team will use these workshops to set Project goals, define Project commitments, attend joint training sessions, and perform other tasks.

- 6. **Multi-tiered Partnering (Core Team – Executive – Stakeholder).** The Partnering Team will divide into smaller groups and convene multiple workshops including a Core Team Workshop, an Executive Workshop, and a Stakeholder Workshop.

- (a) **Core Team Workshop.** The Core Team is made up of Project Team members who are a part of the Project for its duration, including the following (not in order of hierarchy):

| City:   | Contractor:   |
|---|---|
| Resident Engineer   | Building Superintendent   |
| Project Manager   | Project Executive   |
| Construction Manager  | Jobsite Supervisor  |
| Engineer, Architect   | Project Engineer  |
| Division Manager  | Subcontractors  |
| Construction Engineer   | Key suppliers   |
| Inspectors  | Senior Management (e.g. Area Manager, Operations Manager, VP, President, Owner) |
| Client Department representative  |   |
| Critical third parties: stakeholders, other agencies, utilities, etc., or anyone who could potentially stop or delay the project. |   |

- (b) **Executive Workshop.** The senior leaders of the City and Contractor may form a Project Board of Directors. The Project Board of Directors is charged with steering the project to success.
- (c) **Stakeholder Workshop.** As the Project progresses, various systems and processes will be the focus. The Stakeholder Workshop is a meeting of the key stakeholder groups, made up of Stakeholders that are involved in the current focus of the systems or processes.
- (d) **Special Task Forces.** The Project Team may task a subset of its members to work on a particular issue or opportunity for the good of the overall project.

7. **Escalation Resolution Ladder.** The City and Contractor shall mutually develop an Escalation Resolution Ladder, which is a stepped process that formalizes the negotiation between the Parties. The intent of this ladder is to provide a process that elevates issues up the chain of command between the Parties. The objective is to resolve issues at the lowest practical level and to not allow individual project issues to disrupt project momentum. When an issue is escalated one level, it is expected that a special meeting focusing on the negotiated settlement for that issue will be called with the goal of settling as quickly as possible.

Sample Escalation Resolution Ladder:

| Level | Awarding City Department       | Contractor              | Time to Elevate |
|-------|--------------------------------|-------------------------|-----------------|
| I     | Inspector or Resident Engineer | Foreman/ Superintendent | 1 day           |
| II    | Project Manager                | Project Manager         | 1 week          |
| III   | Program Manager                | Area Manager            | 1 week          |
| IV    | Division Manager               | Operations Manager      | 2 weeks         |
| V     | Deputy Department Director     | Owner; President        | 2 weeks         |

8. **Project Scorecards.** The City and Contractor shall participate in periodic partnering evaluation surveys to measure progress on mutual goals and short-term key issues as they arise. Project Scorecards are an accountability tool that allows the City and the Contractor to measure how well they are doing at following through on commitments made to one another. Typically the Project Scorecards are confidential surveys prepared and submitted to the Project Team by the Facilitator. The Facilitator typically then compiles the responses into a report which is then sent out to the Project Team for review.

B. **Level 1 Projects** require all of the following elements:

1. Kickoff Workshop
2. Partnering Workshops:
  - Executive Board Workshops – As Needed
  - Stakeholder Workshops – As Needed
  - Core Team Workshops – As Needed
3. Close-Out Workshop
4. No Project Scorecards are required. The City and Contractor may agree to participate in partnering evaluation surveys.

C. **Level 2 Projects** require all of the following elements:

1. Kickoff Workshop
2. Partnering Workshops:
  - Core Team Workshops – As Needed
  - Executive Board Workshops – As Needed

- Stakeholder Workshops – As Needed
3. Close-Out Workshop
  4. Two Project Scorecards are required. The City and Contractor may agree to participate in more regular partnering evaluation surveys.
- D. **Level 3 Projects** require all of the following elements:
1. Kickoff Workshop
  2. Partnering Workshops:
    - Core Team Workshops – Quarterly. Additional workshops may be led by the Professional Neutral Facilitator, and Internal Facilitator, or may be self-directed by the Project Team.
    - Executive Board Workshops – As Needed
    - Stakeholder Workshops – As Needed
  3. Close-Out Workshop
  4. Quarterly Project Scorecards are required. The City and Contractor may agree to participate in more regular partnering evaluation surveys. Monthly Project Scorecards are recommended.
- E. **Level 4 Projects** require all of the following elements:
1. Kickoff Workshop
  2. Partnering Workshops:
    - Core Team Workshops – Quarterly. Additional workshops may be led by the Professional Neutral Facilitator, and Internal Facilitator, or may be self-directed by the Project Team.
    - Executive Board Workshops – Quarterly
    - Stakeholder Workshops – Quarterly
  3. Close-Out Workshop
  4. Quarterly Project Scorecards are required. The City and Contractor may agree to participate in more regular partnering evaluation surveys. Monthly Project Scorecards are recommended.
- F. **Level 5 Projects** require all of the following elements:
1. Kickoff Workshop
  2. Partnering Workshops:
    - Core Team Workshops – Monthly. Additional workshops may be led by the Professional Neutral Facilitator, and Internal Facilitator, or may be self-directed by the Project Team.
    - Executive Board Workshops – Quarterly
    - Stakeholder Workshops – Quarterly

3. Close-Out Workshop
4. Monthly Project Scorecards are required.

### 2.3 COSTS

- A. The fees and expenses of the Internal Facilitator, if any, shall be paid by the City.
- B. The fees and expenses of the Professional Neutral Facilitator, if any, and workshop site costs, if any, shall be shared equally by the City and the Contractor as set forth in the Third Party Agreement.
- C. The Contractor shall pay the invoices of the Facilitator and/or workshop site costs after approval by both parties. Upon receipt of satisfactory evidence of payment of the invoices of the Facilitator by Contractor, the City will then reimburse the Contractor for such invoices from a fixed cash allowance included as an item in the Bid Prices. No mark-up, overhead or other fees shall be added to the partnering costs. If the total cost of the partnering is greater than the allowance amount, the Contract Sum shall be adjusted by Change Order and Contract Modification.
- D. With the exception of the Facilitators fees and workshop site costs described in subparagraph A above, all costs associated with the Partnering workshops and sessions, partnering evaluation surveys, or partnering skills trainings are deemed to be included in the Bid Price(s).

END OF DOCUMENT

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

First Modification

Contract No. 10504.41  
Project Management Support Services for  
AirTrain Extension and Improvements Program

THIS MODIFICATION (this "Modification") is made as of February 21, 2017, in San Francisco, California, by and between **PGH Wong Engineering, Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission or the Commission's designated agent, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Agreement to the Contractor for one (1) year and a not-to-exceed amount of \$4,292,000; and
- C. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount, extend contract duration, and amend Appendix B, Calculation of Charges; and
- D. On February 21, 2017, by Resolution No. 17-0028, the Commission approved this Modification to the Contractor for one (1) year and a not-to-exceed amount of \$3,500,000; and
- E. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 46544-14/15 on June 15, 2015; and

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

- 1. **Definitions.** The following definitions shall apply to this Modification:
  - a. **Agreement.** The term "Agreement" shall mean the Agreement dated September 1, 2015 between Contractor and City.
  - b. **Other Terms.** Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.
- 2. **Section 2. Term of the Agreement** is hereby amended to extend the term of the contract for one (1) year for a new ending date of February 25, 2018.
- 3. **Section 5. Compensation** is hereby amended to increase the total compensation payable by an amount not to exceed **Three Million Five Hundred Thousand Dollars (\$3,500,000)** for a new total not to exceed amount of **Seven Million Seven Hundred Ninety-Two Thousand Dollars (\$7,792,000)**.

4. **Appendix B, Calculation of Charges**, is hereby amended as follows:

**Paragraph 6, Billing Rates**, is hereby amended to include the following position classifications:

**6. BILLING RATES**

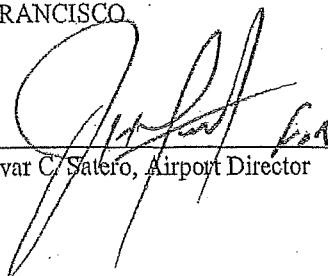
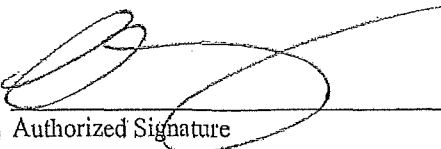
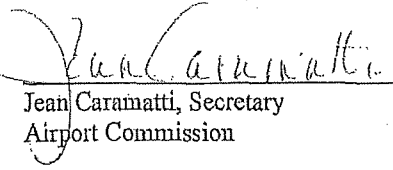
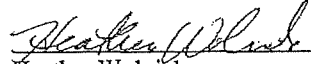
The following approved Billing Rates are fully burdened (including overhead and Fee):

| Position / Classification | Fully Burdened Billing Rate/Hour |       |              |       |
|---------------------------|----------------------------------|-------|--------------|-------|
|                           | Home Office                      |       | Field Office |       |
|                           | Low                              | High  | Low          | High  |
| <b>Key Positions</b>      |                                  |       |              |       |
| Program Manager           | \$257                            | \$257 | \$246        | \$246 |

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.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| CITY  | CONTRACTOR  |
|---|---|
| AIRPORT COMMISSION<br>CITY AND COUNTY OF<br>SAN FRANCISCO   |   |
| By: <br>CA Ivar C. Salero, Airport Director                            | <br>Authorized Signature  |
| Attest:<br><br>By: <br>Jean Caramatti, Secretary<br>Airport Commission | Clifford S. M. Wong<br>President<br>PGH Wong Engineering, Inc.<br>182 - 2 <sup>nd</sup> Street, Suite 500<br>San Francisco, California 94105-3801<br>415-566-0800 |
| Resolution No: 17-0028<br><br>Adopted on: February 21, 2017   | <u>14532</u><br>City Vendor Number<br><br><u>94-4404132</u><br>Federal Employer ID Number   |
| Approved as to Form:<br><br>Dennis J. Herrera<br>City Attorney  |   |
| By: <br>Heather Wolnick<br>Deputy City Attorney                      |   |

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

Modification No. 2

Contract No. 10504.41  
Project Management Support Services for  
AirTrain Extension and Improvements Program

THIS MODIFICATION (this "Modification") is made as of February 20, 2018, in San Francisco, California, by and between PGH Wong Engineering, Inc. ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "Commission."

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Agreement to the Contractor for one (1) year and a not-to-exceed amount of \$4,292,000; and
- C. On February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 to increase the contract amount, extend the term of the agreement, and amend Appendix B, Calculation of Charges, to add a new position classification; and
- D. 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 amend Appendix B to delete and replace the Billing Rates; and
- E. On February 20, 2018, by Resolution No. 18-0046, the Commission approved this Modification to the Contractor for one (1) year and a not-to-exceed amount of \$2,200,000; and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 46544-14/15 on December 4, 2017; and

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

- 1. **Definitions.** The following definitions shall apply to this Modification:
  - a. **Agreement.** The term "Agreement" shall mean the Agreement dated September 1, 2015 between Contractor and City, as amended by the:  
  
Modification No. 1, dated February 21, 2017.
  - b. **Other Terms.** Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.
- 2. **Section 2. Term of the Agreement** is hereby amended to extend the term of the contract for a new ending date of February 25, 2019.



3. **Section 5. Compensation** is hereby amended to increase the total compensation payable by an amount not to exceed **Two Million Two Hundred Thousand Dollars (\$2,200,000)** for a new total not to exceed amount of **Nine Million Nine Hundred Ninety-Two Thousand Dollars (\$9,992,000)**.

4. **Section 65. Federal Non-Discrimination Provisions** is hereby deleted in its entirety and replaced with the following:

**65. Federal Nondiscrimination Requirements.** During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as "Contractor") agrees as follows:

**65.1 Compliance with Regulations.** Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

**65.2 Nondiscrimination.** Contractor, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR §21.

**65.3 Solicitations for Subcontracts.** Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of Contractor's obligations under this Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

**65.4 Information and Reports.** Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Airport or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Airport or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

**65.5 Sanctions for Noncompliance.** In the event of a contractor's noncompliance with the Non-discrimination provisions of this Agreement, the Airport will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

(a) Withholding payments to the contractor under the contract until the contractor complies; and/or

(b) Cancelling, terminating, or suspending a contract, in whole or in part.

**65.6 Incorporation of Provisions.** Contractor will include the provisions of paragraphs 12.6.1 through 12.6.6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor will take action with respect to any subcontract or procurement as the Airport or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contractor may request the Airport to enter into any litigation to protect the interests of the Airport. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

**65.7 Title VI List of Pertinent Nondiscrimination Acts and Authorities.** During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC §4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended, (42 USC §6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 *et seq.*).

5. **New Section 66. Airport Commission Rules and Regulations** is hereby added to read as follows:

**66. Airport Commission Rules and Regulations.** Contractor agrees to comply with the Airport Commission's Rules and Regulations for the San Francisco International Airport as amended from time to time. A copy of the current Rules and Regulations can be found at: <http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations>.

6. **New Section 67. Federal Fair Labor Standards Act** is hereby added to read as follows:

**67. Federal Fair Labor Standards Act.** This Agreement incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Contractor has full responsibility to monitor compliance to the referenced statute or regulation. Contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

7. **New Section 68. Occupational Safety and Health Act of 1970** is hereby added to read as follows:

**68. Occupational Safety and Health Act of 1970.** This Agreement incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

8. **Appendix B, Calculation of Charges**, is hereby amended as follows:

a. **Paragraph 3.2** is replaced in its entirety with the following:

3.2 The approved fully burdened billing rates stated in this Agreement shall remain in effect for the first year of contract services. As, at the option of the Airport, this is a multi-year contract, the Airport may approve an annual adjustment to the hourly labor rates effective on the anniversary date of this Agreement, based on an increase in the Consumer Price Index 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/San Jose, California." Such adjustment is subject to prior written approval by the Airport and must be included in a written modification to the Agreement before any increase labor rate is incurred, unless the

adjustment is made to meet the requirements of prevailing or minimum wage legislative mandates.

b. Paragraph 6, Billing Rates, is replaced in its entirety with the following:

**6. BILLING RATES**

The following approved billing rates shall be effective from October 2, 2017 to February 25, 2018:

| Position / Classification          | Fully Burdened Billing Rates |          |              |          |
|------------------------------------|------------------------------|----------|--------------|----------|
|                                    | Home Office                  |          | Field Office |          |
|                                    | Low                          | High     | Low          | High     |
| <b>Key Positions</b>               |                              |          |              |          |
| Project Controls Manager           | \$215.00                     | \$221.45 | \$194.00     | \$199.82 |
| Resident Engineer                  | \$229.00                     | \$235.87 | \$207.00     | \$213.21 |
| Deputy Resident Engineer           | \$180.00                     | \$185.40 | \$165.00     | \$169.95 |
| SEP Coordinator / Manager          | \$229.00                     | \$235.87 | \$207.00     | \$213.21 |
| <b>Technical Support Positions</b> |                              |          |              |          |
| Field Engineer                     | \$143.00                     | \$147.29 | \$129.00     | \$132.87 |

The following approved billing rates shall be effective on and after February 26, 2018:

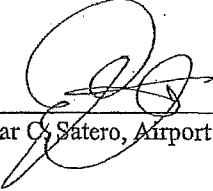
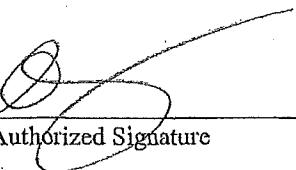
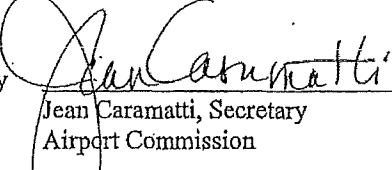
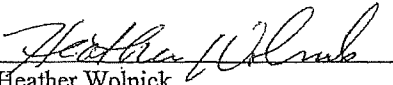
| Position / Classification                   | Fully Burdened Billing Rates |          |              |          |
|---|------------------------------|----------|--------------|----------|
|   | Home Office                  |          | Field Office |          |
|   | Low                          | High     | Low          | High     |
| <b>Key Positions</b>                        |                              |          |              |          |
| Program Manager                             | \$257.00                     | \$264.56 | \$246.00     | \$253.23 |
| Project Manager / Construction Manager      | \$220.00                     | \$272.49 | \$198.00     | \$247.05 |
| Project Controls Manager                    | \$150.00                     | \$227.96 | \$135.00     | \$205.69 |
| Resident Engineer                           | \$180.00                     | \$242.80 | \$162.00     | \$219.48 |
| Deputy Resident Engineer                    | \$140.00                     | \$190.85 | \$125.00     | \$174.95 |
| Right of Way & Permitting Coordination Lead | \$150.00                     | \$242.80 | \$135.00     | \$219.48 |
| Programming / Design Oversight Manager      | \$195.00                     | \$242.80 | \$175.00     | \$219.48 |
| AirTrain Activation Manager                 | \$195.00                     | \$242.80 | \$175.00     | \$219.48 |
| Train Operating System / Train Control Lead | \$195.00                     | \$242.80 | \$175.00     | \$219.48 |
| SEP Coordinator / Manager                   | \$135.00                     | \$242.80 | \$122.00     | \$219.48 |
| Program Coordination Manager                | \$150.00                     | \$190.85 | \$135.00     | \$174.95 |
| QA/QC / Code Compliance / Safety Lead       | \$140.00                     | \$182.37 | \$125.00     | \$164.34 |
| <b>Technical Support Positions</b>          |                              |          |              |          |
| Senior Scheduler                            | \$165.00                     | \$227.96 | \$150.00     | \$205.69 |
| Scheduler                                   | \$138.00                     | \$189.79 | \$124.00     | \$170.71 |
| Senior Cost Estimator                       | \$152.00                     | \$227.96 | \$137.00     | \$205.69 |
| Cost Estimator                              | \$110.00                     | \$189.79 | \$99.00      | \$170.71 |
| Field Engineer                              | \$110.00                     | \$151.62 | \$99.00      | \$136.78 |

|   |          |          |          |          |
|---|----------|----------|----------|----------|
| Office Engineer                             | \$80.00  | \$136.78 | \$75.00  | \$122.99 |
| Special Inspector                           | \$77.00  | \$174.95 | \$70.00  | \$157.98 |
| Senior Inspector                            | \$124.00 | \$174.95 | \$112.00 | \$157.98 |
| QA Inspector                                | \$77.00  | \$146.32 | \$70.00  | \$131.47 |
| System Verification & Validation Support    | \$195.00 | \$242.80 | \$175.00 | \$219.48 |
| Testing / Activation Technical Support      | \$77.00  | \$174.95 | \$70.00  | \$157.98 |
| Constructability Reviewer                   | \$110.00 | \$233.26 | \$99.00  | \$209.94 |
| Environmental Technical Support             | \$124.00 | \$189.79 | \$112.00 | \$170.71 |
| Geotechnical Technical Support              | \$96.00  | \$198.27 | \$86.00  | \$180.25 |
| Lab / Material Testing Technician           | \$66.00  | \$129.35 | \$66.00  | \$129.35 |
| Surveying Chief                             | \$165.00 | \$209.94 | \$149.00 | \$190.85 |
| Surveying Technicians                       | \$77.00  | \$131.47 | \$70.00  | \$118.75 |
| Document Control Manager                    | \$110.00 | \$146.32 | \$99.00  | \$131.47 |
| Document Control / Administrative Assistant | \$55.00  | \$131.47 | \$49.00  | \$118.75 |
| FSH Trainee                                 | \$55.00  | \$93.30  | \$49.00  | \$83.76  |
| Partnering Coordination                     | \$82.00  | \$146.32 | \$75.00  | \$131.47 |

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

10. **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.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| CITY  | CONTRACTOR  |
|---|---|
| AIRPORT COMMISSION<br>CITY AND COUNTY OF<br>SAN FRANCISCO   |   |
| By: <br>Ivar C. Satero, Airport Director                               | <br>Authorized Signature<br>Clifford S. M. Wong<br>President<br>PGH Wong Engineering, Inc.<br>182 - 2 <sup>nd</sup> Street, Suite 500<br>San Francisco, California 94105-3801<br>415-566-0800 |
| Attest:<br><br>By: <br>Jean Caramatti, Secretary<br>Airport Commission | City Supplier ID: 0000003148  |
| Resolution No: 18-0046  | Federal Employer ID Number: 94-4404132  |
| Adopted on: February 20, 2018   |   |
| Approved as to Form:<br><br>Dennis J. Herrera<br>City Attorney  |   |
| By: <br>Heather Wolnick<br>Deputy City Attorney                      |   |

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

Modification No. 3

Contract No. 10504.41  
Project Management Support Services for  
AirTrain Extension and Improvements Program

THIS MODIFICATION (this "Modification") is made as of November 20, 2018, in San Francisco, California, by and between PGH Wong Engineering, Inc. ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "Commission."

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Agreement to the Contractor for one (1) year of service in a not-to-exceed amount of \$4,292,000; and
- C. On February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 to increase the contract amount and extend the term of the Agreement. Appendix B, Calculation of Charges, was also amended to add a new position classification through Modification No. 1; and
- D. On February 20, 2018, by Resolution No. 18-0046, the Commission approved Modification No. 2 to increase the contract amount and extend the term of the Agreement. Appendix B, Calculation of Charges, was also amended to delete and replace the Billing Rates through Modification No. 2; and
- E. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the Agreement, update a standard contractual clause, and update the billing rates; and
- F. On November 20, 2018, by Resolution No. 18-0381, the Commission approved this Modification No. 3 to extend the term of the Agreement for services through April 25, 2019; and
- G. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 46544-14/15 on December 4, 2017; and

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

- 1. **Definitions.** The following definitions shall apply to this Modification:
  - a. **Agreement.** The term "Agreement" shall mean the Agreement dated September 1, 2015 between Contractor and City, as amended by the:

|                     |                              |
|---------------------|------------------------------|
| Modification No. 1, | dated February 21, 2017, and |
| Modification No. 2, | dated February 20, 2018.     |

b. **Other Terms.** Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.

2. **Section 2. Term of the Agreement** is hereby amended to extend the term of the contract for a new ending date of April 25, 2019.

3. **Section 33.3 LBEUTS** is hereby replaced in its entirety with the following:

**Section 33.3 LBE Payment and Utilization Tracking.** Contractor must submit all required payment information using the City's Financial System as required by CMD to enable the City to monitor Contractor's compliance with the LBE subcontracting commitments in this Agreement. Contractor shall pay its LBE subcontractors within three working days after receiving payment from the City, except as otherwise authorized by the LBE Ordinance. The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of all required CMD payment information. Failure to submit all required payment information to the City's Financial System with each payment request may result in the Controller withholding 20% of the payment due pursuant to that invoice until the required payment information is provided. Following City's payment of an invoice, Contractor has ten calendar days to acknowledge using the City's Financial System that all subcontractors have been paid. Self-Service Training for suppliers is located at this link: <https://sfcitypartner.sfgov.org/Training/TrainingGuide>.

4. **Appendix B, Calculation of Charges**, is hereby amended as follows:

a. **Paragraph 6, Billing Rates**, is deleted in its entirety and replaced with the following:

**6. BILLING RATES**

The following approved billing rates shall be effective on and after February 26, 2019:

| Position / Classification                   | Fully Burdened Billing Rates |          |              |          |
|---|------------------------------|----------|--------------|----------|
|   | Home Office                  |          | Field Office |          |
|   | Low                          | High     | Low          | High     |
| <b>Key Positions</b>                        |                              |          |              |          |
| Program Manager                             | \$257.00                     | \$272.20 | \$246.00     | \$260.83 |
| Project Manager / Construction Manager      | \$220.00                     | \$280.66 | \$198.00     | \$254.47 |
| Project Controls Manager                    | \$150.00                     | \$234.80 | \$135.00     | \$211.86 |
| Resident Engineer                           | \$180.00                     | \$250.09 | \$162.00     | \$226.07 |
| Deputy Resident Engineer                    | \$140.00                     | \$196.57 | \$125.00     | \$180.19 |
| Right of Way & Permitting Coordination Lead | \$150.00                     | \$250.09 | \$135.00     | \$226.07 |
| Programming / Design Oversight Manager      | \$195.00                     | \$250.09 | \$175.00     | \$226.07 |
| AirTrain Activation Manager                 | \$195.00                     | \$250.09 | \$175.00     | \$226.07 |
| Train Operating System / Train Control Lead | \$195.00                     | \$250.09 | \$175.00     | \$226.07 |
| SEP Coordinator / Manager                   | \$135.00                     | \$250.09 | \$122.00     | \$226.07 |
| Program Coordination Manager                | \$150.00                     | \$196.57 | \$135.00     | \$180.19 |
| QA/QC / Code Compliance / Safety Lead       | \$140.00                     | \$187.84 | \$125.00     | \$169.27 |
| <b>Technical Support Positions</b>          |                              |          |              |          |
| Senior Scheduler                            | \$165.00                     | \$234.80 | \$150.00     | \$211.86 |
| Scheduler                                   | \$138.00                     | \$195.49 | \$124.00     | \$175.83 |
| Senior Cost Estimator                       | \$152.00                     | \$234.80 | \$137.00     | \$211.86 |

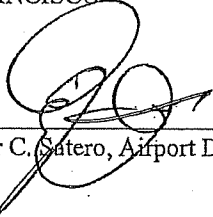
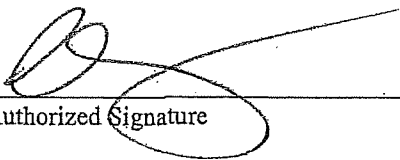
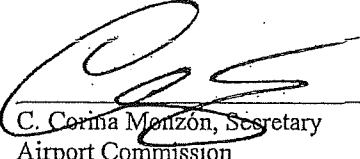
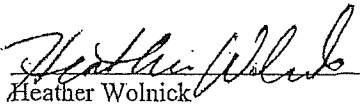


|   |          |          |          |          |
|---|----------|----------|----------|----------|
| Cost Estimator                              | \$110.00 | \$195.49 | \$99.00  | \$175.83 |
| Field Engineer                              | \$110.00 | \$156.17 | \$99.00  | \$140.88 |
| Office Engineer                             | \$80.00  | \$140.88 | \$75.00  | \$126.68 |
| Special Inspector                           | \$77.00  | \$180.19 | \$70.00  | \$162.72 |
| Senior Inspector                            | \$124.00 | \$180.19 | \$112.00 | \$162.72 |
| QA Inspector                                | \$77.00  | \$150.71 | \$70.00  | \$135.42 |
| System Verification & Validation Support    | \$195.00 | \$250.09 | \$175.00 | \$226.07 |
| Testing / Activation Technical Support      | \$77.00  | \$180.19 | \$70.00  | \$162.72 |
| Constructability Reviewer                   | \$110.00 | \$240.26 | \$99.00  | \$216.24 |
| Environmental Technical Support             | \$124.00 | \$195.49 | \$112.00 | \$175.83 |
| Geotechnical Technical Support              | \$96.00  | \$204.21 | \$86.00  | \$185.66 |
| Lab / Material Testing Technician           | \$66.00  | \$133.23 | \$66.00  | \$133.23 |
| Surveying Chief                             | \$165.00 | \$216.24 | \$149.00 | \$196.57 |
| Surveying Technicians                       | \$77.00  | \$135.42 | \$70.00  | \$122.31 |
| Document Control Manager                    | \$110.00 | \$150.71 | \$99.00  | \$135.42 |
| Document Control / Administrative Assistant | \$55.00  | \$135.42 | \$49.00  | \$122.31 |
| FSH Trainee                                 | \$55.00  | \$96.10  | \$49.00  | \$86.27  |
| Partnering Coordination                     | \$82.00  | \$150.71 | \$75.00  | \$135.42 |

5. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification, except for the Billing Rates, which are effective on and after February 26, 2019.

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.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

| CITY  | CONTRACTOR  |
|---|---|
| AIRPORT COMMISSION<br>CITY AND COUNTY OF<br>SAN FRANCISCO   |   |
| By: <br>Ivar C. Satero, Airport Director                                 | Authorized Signature<br>  |
| Attest:<br><br>By: <br>C. Corina Monzón, Secretary<br>Airport Commission | Clifford S. M. Wong<br>President<br>PGH Wong Engineering, Inc.<br>182 - 2 <sup>nd</sup> Street, Suite 500<br>San Francisco, California 94105-3801<br>415-566-0800<br><br>City Supplier ID: 0000003148 |
| Resolution No: 18-0381  |   |
| Adopted on: November 20, 2018   | Federal Employer ID Number: 94-4404132  |
| Approved as to Form:<br><br>Dennis J. Herrera<br>City Attorney  |   |
| By: <br>Heather Wolnick<br>Deputy City Attorney                        |   |

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO.

15-0168

**AWARD OF PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, TO PGH WONG ENGINEERING, INC. IN AN AMOUNT NOT TO EXCEED \$4,292,000 FOR THE FIRST YEAR OF SERVICES**

WHEREAS, this Program, as envisioned, includes the design and construction of two projects: (1) additional elevated guideway extending the existing AirTrain system to Long Term Parking Lot DD and new four-car station at Lot DD, and (2) a new four-car station at the Airport Hotel; as well as system-wide upgrades to existing AirTrain operations and control systems; and

WHEREAS, the Project Management Support Services (PMSS) Consultant will provide overall management expertise and oversight of the Program. The scope of work for this Contract will include design and construction management services, project controls, contract administration, cost estimating services and field inspection; and

WHEREAS, extension of the AirTrain system and construction of the new station at Long Term Parking Lot DD, part of the Multi-Modal Transportation Center (MMC) project evaluated in the Negative Declaration issued by the San Francisco Planning Department on November 21, 1998 (as amended January 26, 1999) and adopted by the Commission, have been authorized to proceed and California Environmental Quality Act (CEQA) findings, incorporated herein by this reference as though fully set forth, adopted by the Commission on July 22, 2014 pursuant to Resolution No 14-0147; and

WHEREAS, the new AirTrain station at the Airport Hotel site has been reviewed in an Addendum to the Final Program Environmental Impact Report for the Airport's Master Plan, issued by the Planning Department on February 5, 2014, and the Airport Commission has authorized the implementation of this new AirTrain station and adopted CEQA findings, incorporated herein by this reference as though fully set forth, by Resolution No. 14-0095, adopted May 19, 2014; and

WHEREAS, on March 3, 2015, by Resolution No. 15-0052, the Commission authorized the Director to issue a Request for Qualifications/Proposals (RFQ/RFP) for PMSS for the AirTrain Extension and Improvements Program and to negotiate with the highest-ranked proposer; and

WHEREAS, on April 24, 2015, Staff issued a RFQ/RFP for Professional Services Contract No. 10504.41, PMSS for the AirTrain Extension and Improvements Program; and

AIRPORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION NO. **15-0168**

WHEREAS, on June 2, 2015, the Airport received two proposals in response to the RFQ/RFP; and

WHEREAS, the Airport convened a three-member Selection Panel that thoroughly reviewed the responsive proposals, interviewed the firms and key personnel, and determined that PGH Wong Engineering, Inc. was the highest-ranked proposer; and

WHEREAS, Staff negotiated the scope of services, contract terms and conditions, and fee with PGH Wong Engineering, Inc. for this Contract. The agreed upon initial contract amount for the first year of services for PGH Wong Engineering, Inc. is \$4,292,000; and

WHEREAS, since the AirTrain Project will be a multi-year, phased project, with the new extension, two new stations, three new AirTrain cars, and operations and control systems work estimated to cost \$185,000,000, Staff estimates that the total contract amount for PGH Wong Engineering, Inc. will be \$13,132,000 with a total contract duration of 44 months; and

WHEREAS, since the contract is anticipated to exceed \$10,000,000, Board of Supervisors' approval is required by San Francisco Charter Section 9.118(b); and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise sub-consultant participation goal of 19% for this Contract and PGH Wong Engineering, Inc. has committed to meeting that goal; now, therefore, be it

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RESOLVED, that the Commission hereby awards Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program to PGH Wong Engineering, Inc. in an amount not to exceed \$4,292,000 for the first year of services; and, be it further

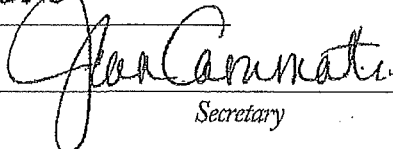
RESOLVED, that this Commission directs the Commission Secretary to seek Board of Supervisors approval for Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program to PGH Wong Engineering, Inc. in conformance with San Francisco Charter Section 9.118(b).

Page 2 of 2

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*  
*at its meeting of* \_\_\_\_\_

SEP 01 2015

322

  
Secretary



San Francisco International Airport

**MEMORANDUM**

September 1, 2015

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Award of Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program

DIRECTOR'S RECOMMENDATION: AWARD PROFESSIONAL SERVICES CONTRACT NO: 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, TO PGH WONG ENGINEERING, INC. IN AN AMOUNT NOT TO EXCEED \$4,292,000 FOR THE FIRST YEAR OF SERVICES

**Executive Summary**

Transmitted herewith for your approval is a proposed Resolution awarding Professional Services Contract No. 10504.41, Project Management Support Services (PMSS) for the AirTrain Extension and Improvements Program, to PGH Wong Engineering, Inc. in an amount not to exceed \$4,292,000 for the first year of services.

The AirTrain Extension and Improvements Program (Program) will provide for the construction of two projects: (1) an elevated concrete guideway extension and station to serve Lot DD, and (2) a station to serve the new Airport Hotel. The Program will also support the design, installation, testing, and commissioning of related AirTrain operations and train controls systems work. The estimated total value of the new guideway extension, new stations, three new AirTrain cars, and operations and train controls systems work is \$185,000,000.

The PMSS Consultant (Consultant) will provide overall management expertise and oversight of the Program. The scope of work for this Contract will include design and construction management services, project controls, contract administration, cost estimating services and field inspection.

**Background**

The existing AirTrain people-mover system was planned and built between 1994 and 2003. The system serves all Airport terminals, parking garages, the BART station, West Field Road, and the Rental Car Center. With the existing Long Term Parking Garage in Lot DD filling to capacity at peak times, and with the planned start of the design and construction of the Long Term Parking Garage No. 2, it is now prudent to implement the AirTrain Extension to Lot DD.

THIS PRINT COVERS CALENDAR ITEM NO. 1

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE MAYOR    LARRY MAZZOLA PRESIDENT    LINDA S. CRAYTON VICE PRESIDENT    ELEANOR JOHNS    RICHARD J. GUGGENHIME    PETER A. STERN    JOHN L. MARTIN AIRPORT DIRECTOR

The Program, as envisioned, would include the design and construction of two projects: (1) additional elevated guideway extending the existing AirTrain system to Long Term Parking Lot DD and a new four-car station at Lot DD; and (2) a new four-car station at the new Airport Hotel. The Program will also include design and installation of new components and appurtenances required to guide, energize, and control AirTrain cars on the new guideway and at the new stations.

Environmental review pursuant to the California Environmental Quality Act (CEQA) has been completed for the AirTrain extension and new AirTrain stations. Extension of the AirTrain system and construction of the new station at Long Term Parking Lot DD are part of the Multi-Modal Transportation Center (MMC) project evaluated in a Negative Declaration issued by the San Francisco Planning Department (File No. 98.768E) on November 21, 1998, as amended January 26, 1999. The Commission determined to proceed with the AirTrain extension and new station at Lot DD by Resolution No. 14-0147, adopted July 22, 2014. The new AirTrain station at the hotel site was evaluated in an Addendum to the Final Program Environmental Impact Report for the Airport's Master Plan. The Addendum was issued by the Planning Department (File No. 86.638E) on February 5, 2014. The Commission authorized the implementation of both the hotel and the new AirTrain station by Resolution No. 14-0095, adopted May 19, 2014.

On March 3, 2015, by Resolution No. 15-0052, the Commission authorized the Director to issue a Request for Qualifications/Proposals (RFQ/RFP) for Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, and to negotiate with the highest-ranked proposer.

On June 2, 2015, the Airport received two proposals. One of the two proposers was a Joint-Venture with a Local Business Enterprise (LBE) firm.

The Airport convened a three-member selection panel, consisting of rail transit and project management professionals from the San Francisco Municipal Transportation Agency, Airport, and the project management industry, to review and score the proposals in accordance with the criteria stated in the RFQ/RFP. The RFQ/RFP stated that up to three highest-ranking proposers would be invited for interviews with the Selection Panel. On July 14, 2015, the Selection Panel interviewed the two proposers, including key personnel, and thoroughly appraised their qualifications. Based on the results of the proposals and interviews, the final rankings are as follows:

|  | Evaluation Score<br>(500 max.) | LBE Rating<br>Bonus | Final Score |
|--|--------------------------------|---------------------|-------------|
| 1. PGH Wong Engineering, Inc.              | 447                            | 0.0%                | 447         |
| 2. Cooper Puga Management/ABA<br>Global JV | 352                            | 7.5%                | 378.40      |

Staff negotiated the scope of services, contract terms and conditions, and fee with PGH Wong Engineering, Inc. for this Contract. The agreed upon initial not-to-exceed contract amount for one year of services for PGH Wong Engineering, Inc. is \$4,292,000. Since the Program will be a multi-year, phased program, Staff estimates that the total contract amount for PGH Wong

Engineering, Inc. will be \$13,132,000 with a total contract duration of 44 months. The estimated cost of Program construction work and upgrades to operations and train controls systems to be managed by these professional services is \$185,000,000.

The contract will be renewed each year based on PGH Wong Engineering, Inc.'s performance. Since the contract is anticipated to exceed \$10,000,000, pending Commission authorization, the Airport will request the Board of Supervisors' approval as required by San Francisco Charter Section 9.118(b).

The Contract Monitoring Division (CMD) reviewed the RFQ/RFP documentation, proposals and scoring, and has determined that the selection process is in compliance with Chapter 14B requirements. CMD has approved 19% LBE sub-consultant participation goal for this Contract. PGH Wong Engineering, Inc. has committed to meeting this goal.

### Recommendation

Based on the above, I recommend that the Commission award Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, to PGH Wong Engineering, Inc. in an amount not to exceed \$4,292,000 for the first year of services.



John L. Martin  
Airport Director

Prepared by: Geoffrey W. Neumayr  
Deputy Airport Director  
Design & Construction

Attachment

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0028

**APPROVAL OF MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM IN AN AMOUNT OF \$3,500,000 WITH A NEW CONTRACT AMOUNT OF \$7,792,000 FOR SERVICES THROUGH FEBRUARY 25, 2018**

WHEREAS, on September 1, 2015 by Resolution No. 15-0168, the Commission awarded a contract to PGH Wong Engineering, Inc. for Project Management Support Services for the AirTrain Extension and Improvements Program in amount of \$4,292,000 for services through February 25, 2017; and

WHEREAS, services to the end of the contract are anticipated through October 7, 2019 with a forecast cost of \$14,375,000; and

WHEREAS, this Modification No. 1 is an increase of \$3,500,000 for a new contract amount of \$7,792,000 for an additional year of services through February 25, 2018; and

WHEREAS, Staff and PGH Wong Engineering, Inc. have reached agreement on scope, staffing and fee for the one additional year of service; and

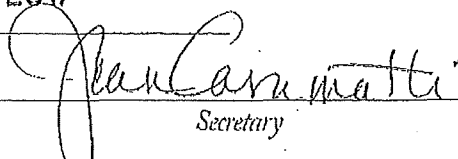
WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise sub-consultant participation requirement of 19% for this Contract and PGH Wong Engineering, Inc. is committed to meeting that requirement; now, therefore, be it

RESOLVED; that the Commission hereby approves Modification No. 1 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program with PGH Wong Engineering, Inc. in an amount of \$3,500,000 for a new contract amount of \$7,792,000 for services through February 25, 2018.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*

at its meeting of FEB 21 2017

\_\_\_\_\_

  
Secretary





**Background**

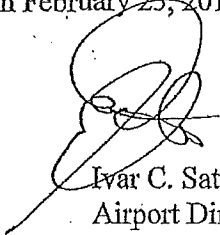
On September 1, 2015, the Commission awarded a contract to PGH Wong Engineering, Inc., for Project Management Support Services in an amount of \$4,292,000 for the first year of services through February 25, 2017. The total estimated contract value is \$14,375,000 for 44 months.

Modification No. 1 is for the second year of services. The Consultant will provide final design review, construction management, and inspection services. The Consultant will also provide design review, trade-bid package review, and design and construction coordination with Airport Hotel, the Plot 2 Aircraft Parking Reconfiguration and South McDonnell Road Realignment, and Long Term Parking Garage #2 Projects, and with multiple SFO Divisions, Caltrans, San Mateo County, and PG&E. Staff and PGH Wong Engineering, Inc. have reached agreement on scope, staffing and fee for the second year of services.

The City's Contract Monitoring Division has approved a 19% Local Business Enterprise sub-consultant participation requirement for this Contract and PGH Wong Engineering, Inc. has committed to meeting this requirement.

**Recommendation**

Based on the above, I recommend that the Commission approve Modification No. 1 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program with PGH Wong Engineering, Inc., in an amount of \$3,500,000 for a new contract amount of \$7,792,000 and a new contract duration of 24 months for services through February 25, 2018.



Ivar C. Satero  
Airport Director

Prepared by: Geoffrey W. Neumayr  
Chief Development Officer  
Planning, Design & Construction

Attachments

AIRPORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION NO. 18-0046

**APPROVAL OF MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, IN AN AMOUNT OF \$2,200,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$9,992,000 FOR SERVICES THROUGH FEBRUARY 25, 2019**

WHEREAS, the AirTrain Extension and Improvements Program provides for the construction of an elevated concrete guideway extension and AirTrain station to serve Lot DD, and an AirTrain station to serve the new Airport Hotel. The Program also supports the design, installation, testing, and commissioning of new AirTrain operations and train controls systems, and purchase of three new AirTrain cars; and

WHEREAS, on September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Contract to PGH Wong Engineering, Inc. for Project Management Support Services for the Program in a not-to-exceed amount of \$4,292,000 for the first year of services; and

WHEREAS, on February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 to increase the Contract not-to-exceed amount to \$7,792,000 and extend the Contract duration through February 25, 2018; and

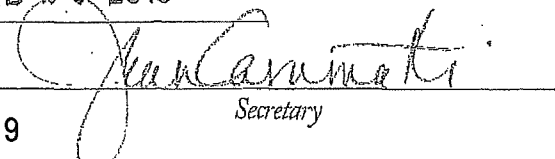
WHEREAS, this Modification No. 2 increases the Contract not-to-exceed amount by \$2,200,000 for the third year of services; and

WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise sub-consultant participation requirement of 19% for this Contract and PGH Wong Engineering, Inc. is committed to meeting that requirement; now, therefore, be it

RESOLVED, that the Commission hereby approves Modification No. 2 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, with PGH Wong Engineering, Inc. in an amount of \$2,200,000 for a new Contract not-to-exceed amount of \$9,992,000 for services through February 25, 2019.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission  
at its meeting of*

FEB 20 2018

  
Secretary



San Francisco International Airport

**MEMORANDUM**

February 20, 2018

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of Modification No. 2 (Annual Renewal) to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, WITH PGH WONG ENGINEERING, INC., IN AN AMOUNT OF \$2,200,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$9,992,000 FOR SERVICES THROUGH FEBRUARY 25, 2019.

**Executive Summary**

Transmitted herewith for your approval is a proposed Resolution approving Modification No. 2 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program (Program), with PGH Wong Engineering, Inc., in an amount of \$2,200,000 for a new Contract not-to-exceed amount of \$9,992,000 for services through February 25, 2019.

The Program provides for the construction of an elevated concrete guideway extension and AirTrain station to serve Lot DD, and an AirTrain station to serve the new Airport Hotel. The Program also supports the design, installation, testing, and commissioning of new AirTrain operations and train controls systems and the purchase of three new AirTrain cars.

This Contract provides Project Management Support Services for the Program. The Consultant is providing overall management expertise and oversight of the Program, including design and construction management services, project controls, contract administration, cost estimating services and field inspection.

This is the annual renewal of the Contract and this Modification No. 2 provides for the third year of project management support services for the Program.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO THIS PRINT COVERS CALENDAR ITEM NO. 12  
MARK FARRELL LARRY MAZZOLA LINDA S. CRAYTON ELEANOR JOHNS RICHARD J. GUGGENHIME PETER A. STERN IVAR C. SATERO  
MAYOR PRESIDENT VICE PRESIDENT AIRPORT DIRECTOR

**Background**

On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Contract to PGH Wong Engineering, Inc. in an amount of \$4,292,000 for the first year of services.

On February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 in an amount of \$3,500,000 for the second year of services through February 25, 2018.

This Modification No. 2 is for the third year of services. The Consultant will continue to provide final design review, construction management, and inspection services. The Consultant will also provide design review, trade-bid package review, and design and construction coordination with adjacent projects, and stakeholders. Staff and PGH Wong Engineering, Inc. have reached agreement on scope, staffing, and fee for the third year of services.

The original budget for this Contract was \$14,375,000 with an anticipated duration of 44 months through October 2019. However, extended services are needed because of a 5-month delay in obtaining an environmental assessment approval under the National Environmental Protection Act (NEPA). This approval, now obtained, was required before construction work could begin on the AirTrain extension to Lot DD. The revised estimated Contract budget is \$15,175,000 for services through March 2020.

The City's Contract Monitoring Division approved a 19% Local Business Enterprise sub-consultant participation requirement for this Contract and PGH Wong Engineering, Inc. is committed to meeting this requirement.

**Recommendation**

Based on the above, I recommend that the Commission approve Modification No. 2 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, with PGH Wong Engineering, Inc., in an amount of \$2,200,000 for a new Contract not-to-exceed amount of \$9,992,000 for services through February 25, 2019.



Ivar C. Satero  
Airport Director

Prepared by: Geoffrey W. Neumayr  
Chief Development Officer  
Planning, Design & Construction

Attachments

**ATTACHMENT A**  
**SUMMARY OF COMMISSION ACTIONS**

February 20, 2018

Contract No. 10504.41 - Project Management Support Services for the for the AirTrain Extension and Improvements Program  
 PMSS Consultant: PGH Wong Engineering, Inc.  
 Modification No. 2

| Date      | Modification No. | Resolution No. | Description                 | Scope   | Amount      |
|-----------|------------------|----------------|-----------------------------|---|-------------|
| 9/1/2015  | -                | 15-0168        | Award of Contract           | Project Management Support Services   | \$4,292,000 |
| 2/21/2017 | 1                | 17-0028        | Increase to Contract Amount | Continue to provide Project Management Support Services to support AirTrain Program programming, design, and pre-construction phases and increase duration for an additional 12 months. | \$3,500,000 |
|           |                  |                |                             |   |             |
|           |                  |                |                             |   |             |

**Contract Amount As-Modified to Date: \$7,792,000**  
**Proposed Contract Modification No. 2 Amount: \$2,200,000**  
**Proposed Modified Contract Amount: \$9,992,000**

332

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 18-0371

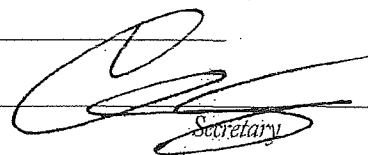
**APPROVAL OF MODIFICATION NO. 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, WITH PGH WONG ENGINEERING, INC. INCREASING THE CONTRACT BY \$6,333,000 FOR A NEW CONTRACT NOT-TO-EXCEED AMOUNT OF \$16,325,000 FOR SERVICES THROUGH OCTOBER 31, 2020.**

- WHEREAS, the AirTrain Extension and Improvements Program provides for the construction of an elevated concrete guideway extension and AirTrain station to serve Lot DD, and an AirTrain station to serve the new Airport Hotel. The Program also supports the design, installation, testing, and commissioning of new AirTrain operations and train controls systems and purchase of three new AirTrain cars; and
- WHEREAS, on September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Contract to PGH Wong Engineering, Inc. for Project Management Support Services for the Program in the not-to-exceed amount of \$4,292,000 for the initial year of services through February 25, 2017; and
- WHEREAS, on February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 in an amount of \$3,500,000 for the second year of services through February 25, 2018; and
- WHEREAS, on February 20, 2018, by Resolution No. 18-0046, the Commission approved Modification No. 2 in an amount of \$2,200,000 for the third year of services through February 25, 2019; and
- WHEREAS, on November 20, 2018, by Resolution No. 18-0381, the Commission approved Modification No. 3 extending the Contract duration for two months of services through April 25, 2019; and
- WHEREAS, this Modification No. 4 increases the Contract amount by \$6,333,000 for a new Contract not-to-exceed amount of \$16,325,000 for services through October 31, 2020; and
- WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise sub-consultant participation requirement of 19% for this Contract and PGH Wong Engineering, Inc. is committed to meeting that requirement; now, therefore, be it
- RESOLVED, that the Commission hereby approves Modification No. 4 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, with PGH Wong Engineering, Inc. in an amount of \$6,333,000 for a new Contract not-to-exceed amount of \$16,325,000 and increasing the contract duration by 555 calendar days for services through October 31, 2020; and, be it further
- RESOLVED, that the Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of this Modification consistent with San Francisco Charter Section 9.118(b).

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*

*at its meeting of*

NOV 20 2018

  
Secretary



San Francisco International Airport

MEMORANDUM

November 20, 2018

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of Modification Nos. 3 and 4 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NOS. 3 AND 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, WITH PGH WONG ENGINEERING, INC., TO INCREASE THE CONTRACT AMOUNT BY \$6,333,000 FOR A NEW TOTAL CONTRACT NOT-TO-EXCEED AMOUNT OF \$16,325,000 AND TO EXTEND THE CONTRACT DURATION FOR SERVICES THROUGH OCTOBER 31, 2020.

Executive Summary

Transmitted herewith for your approval are two proposed Resolutions approving Modification Nos. 3 and 4 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, with PGH Wong Engineering, Inc. Modification No. 3 increases the Contract duration by 2 months. Modification No. 4 increases the Contract amount by \$6,333,000 for a new total Contract not-to-exceed amount of \$16,325,000 and extends the total Contract duration for services through October 31, 2020. If the Commission approves Modification No. 3, the blank in the proposed Resolution approving Modification No. 4 will be filled in with the Resolution number.

Together these Modifications would increase the Contract to the full not-to-exceed amount and duration. Because Modification No. 4 would cause the Contract to exceed \$10,000,000, Modification No. 4 requires approval by the Board of Supervisors. Modification No. 3 will extend the Contract duration to accommodate the time required for Board of Supervisors approval.

The AirTrain Extension and Improvements Program (Program) provides for the construction of an elevated concrete guideway extension and AirTrain station to serve Lot DD, and an AirTrain station to serve the new Airport Hotel. The Program also supports the design, installation, testing, and commissioning of new AirTrain operations and train controls systems and purchase of three new AirTrain cars.

This Contract provides project management support services for the Program, including design and construction management services, project controls, contract administration, cost estimating services and field inspection.

THIS PRINT COVERS CALENDAR ITEM NO. 5

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MAYOR    LARRY MAZZOLA PRESIDENT    LINDA S. CRAYTON VICE PRESIDENT    ELEANOR JOHNS    RICHARD J. GUGGENHIME    PETER A. STERN    IVAR C. SATERO AIRPORT DIRECTOR



**Background**

On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Contract to PGH Wong Engineering, Inc., in a not-to-exceed amount of \$4,292,000 for the first year of services through February 25, 2017. At the time of award, the total contract forecast was \$16,325,000 with a forecasted contract duration of four years and eight months.

On February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 in an amount of \$3,500,000 for the second year of services through February 25, 2018.

On February 20, 2018, by Resolution No. 18-0046, the Commission approved Modification No. 2 in an amount of \$2,200,000 for the third year of services through February 25, 2019.

Together, Modification Nos. 3 and 4 increase the Contract to the full not-to-exceed amount of \$16,325,000 for four years and eight months of services.

Modification No. 3 increases the contract duration by 59 calendar days from February 25, 2019 to April 25, 2019 to allow services to continue prior to approval by the Board of Supervisors.

Modification No. 4 would increase the Contract to the full not-to-exceed amount of \$16,325,000 and extend the Contract to the full duration of services through October 31, 2020. Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Program. Staff will report to the Commission bi-annually on the performance of this consultant team through off-calendar memoranda. Performance will be evaluated based on retention of key personnel and the proficiency of the team to provide program management support services to assist in the delivery of the Program on budget and on schedule.

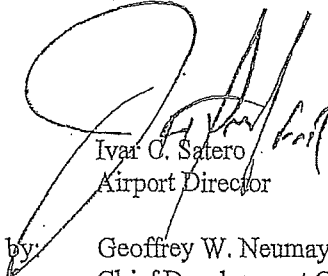
Since Modification No. 4 would cause the Contract to exceed \$10 million, pending Commission approval, Staff will seek Board of Supervisors' approval as required by the San Francisco Charter Section 9.118(b).

The full not-to-exceed Contract amount equals the budget amount for this Contract and is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division approved a 19% Local Business Enterprise sub-consultant participation requirement for this Contract and PGH Wong Engineering, Inc. is committed to meeting this requirement.

**Recommendation**

I recommend that the Commission approve Modification Nos. 3 and 4 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program with PGH Wong Engineering, Inc., to increase the Contract amount by \$6,333,000 for a new Contract not-to-exceed amount of \$16,325,000 and to extend the Contract duration for services through October 31, 2020.



Ivar C. Satero  
Airport Director

Prepared by: Geoffrey W. Neumayr  
Chief Development Officer  
Planning, Design & Construction

Attachments

**ATTACHMENT A**  
**SUMMARY OF COMMISSION ACTIONS**  
November 20, 2018

Contract No. 10504.41 - Project Management Support Services for the for the AirTrain Extension and Improvements Program  
PGH Wong Engineering, Inc.  
Modification No. 3 and No. 4

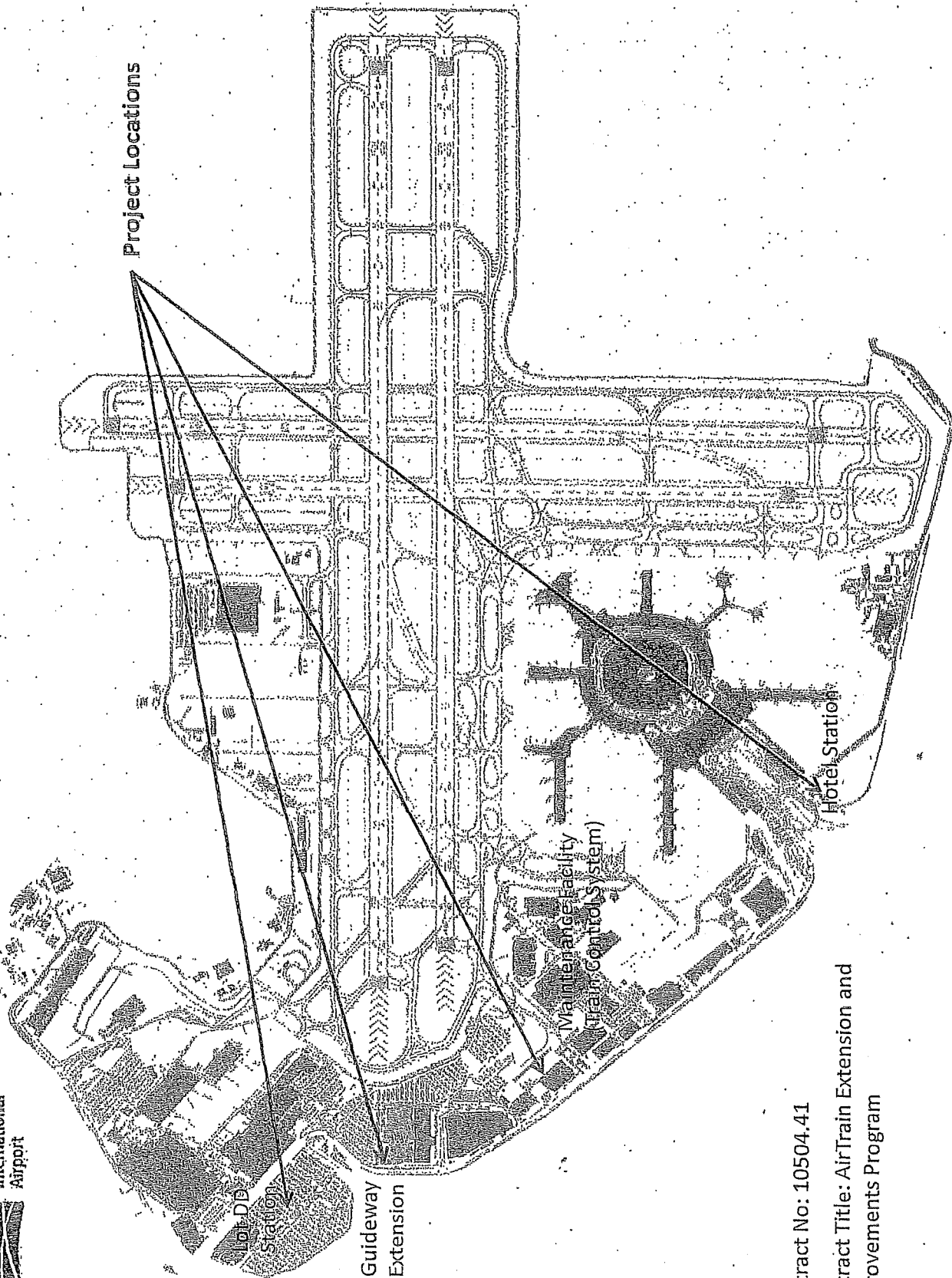
936

| Date      | Modification No. | Resolution No. | Description             | Scope                               | Amount      |
|-----------|------------------|----------------|-------------------------|-------------------------------------|-------------|
| 9/1/2015  | -                | 15-0168        | Award of Contract       | Project Management Support Services | \$4,292,000 |
| 2/21/2017 | 1                | 17-0028        | Second Year of Services | Project Management Support Services | \$3,500,000 |
| 2/20/2018 | 2                | 18-0046        | Third Year of Services  | Project Management Support Services | \$2,200,000 |
|           |                  |                |                         |                                     |             |
|           |                  |                |                         |                                     |             |

**Contract Amount As-Modified to Date:**      **\$9,992,000**  
Proposed Contract Modification No.3 Amount:      \$0  
Proposed Contract Modification No.4 Amount:      \$6,333,000  
**Proposed Modified Contract Amount:**      **\$16,325,000**



San Francisco  
International  
Airport



Contract No: 10504.41

Contract Title: AirTrain Extension and  
Improvements Program

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 18-0381

**APPROVAL OF MODIFICATION NO. 3 TO PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, WITH PGH WONG ENGINEERING, INC. EXTENDING SERVICES FOR TWO MONTHS THROUGH APRIL 25, 2019 WITH NO CHANGE TO THE CONTRACT AMOUNT.**

WHEREAS, the AirTrain Extension and Improvements Program provides for the construction of an elevated concrete guideway extension and AirTrain station to serve Lot DD, and an AirTrain station to serve the new Airport Hotel. The Program also supports the design, installation, testing, and commissioning of new AirTrain operations and train controls systems and purchase of three new AirTrain cars; and

WHEREAS, on September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Contract to PGH Wong Engineering, Inc. for Project Management Support Services for the Program in the not-to-exceed amount of \$4,292,000 for the initial year of services through February 25, 2017; and

WHEREAS, on February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 in an amount of \$3,500,000 for the second year of services through February 25, 2018; and

WHEREAS, on February 20, 2018, by Resolution No. 18-0046, the Commission approved Modification No. 2 in an amount of \$2,200,000 for the third year of services through February 25, 2019; and

WHEREAS, this Modification No. 3 extends the Contract duration for two months of services to April 25, 2019 with no change to the Contract amount; and

WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise sub-consultant participation requirement of 19% for this Contract and PGH Wong Engineering, Inc. is committed to meeting that requirement; now, therefore, be it

RESOLVED, that the Commission hereby approves Modification No. 3 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, with PGH Wong Engineering, Inc. for additional two months of services through April 25, 2019 with no change to the Contract amount.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*

NOV 20 2018

at its meeting of \_\_\_\_\_



San Francisco International Airport

MEMORANDUM  
November 20, 2018

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of Modification Nos. 3 and 4 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NOS. 3 AND 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10504.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE AIRTRAIN EXTENSION AND IMPROVEMENTS PROGRAM, WITH PGH WONG ENGINEERING, INC., TO INCREASE THE CONTRACT AMOUNT BY \$6,333,000 FOR A NEW TOTAL CONTRACT NOT-TO-EXCEED AMOUNT OF \$16,325,000 AND TO EXTEND THE CONTRACT DURATION FOR SERVICES THROUGH OCTOBER 31, 2020.

Executive Summary

Transmitted herewith for your approval are two proposed Resolutions approving Modification Nos. 3 and 4 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program, with PGH Wong Engineering, Inc. Modification No. 3 increases the Contract duration by 2 months. Modification No. 4 increases the Contract amount by \$6,333,000 for a new total Contract not-to-exceed amount of \$16,325,000 and extends the total Contract duration for services through October 31, 2020. If the Commission approves Modification No. 3, the blank in the proposed Resolution approving Modification No. 4 will be filled in with the Resolution number.

Together these Modifications would increase the Contract to the full not-to-exceed amount and duration. Because Modification No. 4 would cause the Contract to exceed \$10,000,000, Modification No. 4 requires approval by the Board of Supervisors. Modification No. 3 will extend the Contract duration to accommodate the time required for Board of Supervisors approval.

The AirTrain Extension and Improvements Program (Program) provides for the construction of an elevated concrete guideway extension and AirTrain station to serve Lot DD, and an AirTrain station to serve the new Airport Hotel. The Program also supports the design, installation, testing, and commissioning of new AirTrain operations and train controls systems and purchase of three new AirTrain cars.

This Contract provides project management support services for the Program, including design and construction management services, project controls, contract administration, cost estimating services and field inspection.

THIS PRINT COVERS CALENDAR ITEM NO. 5

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MAYOR    LARRY MAZZOLA PRESIDENT    LINDA S. CRAYTON VICE PRESIDENT    ELEANOR JOHNS    RICHARD J. GUGGENHIME    PETER A. STERN    IVAR C. SATERO AIRPORT DIRECTOR

**Background**

On September 1, 2015, by Resolution No. 15-0168, the Commission awarded this Contract to PGH Wong Engineering, Inc., in a not-to-exceed amount of \$4,292,000 for the first year of services through February 25, 2017. At the time of award, the total contract forecast was \$16,325,000 with a forecasted contract duration of four years and eight months.

On February 21, 2017, by Resolution No. 17-0028, the Commission approved Modification No. 1 in an amount of \$3,500,000 for the second year of services through February 25, 2018.

On February 20, 2018, by Resolution No. 18-0046, the Commission approved Modification No. 2 in an amount of \$2,200,000 for the third year of services through February 25, 2019.

Together, Modification Nos. 3 and 4 increase the Contract to the full not-to-exceed amount of \$16,325,000 for four years and eight months of services.

Modification No. 3 increases the contract duration by 59 calendar days from February 25, 2019 to April 25, 2019 to allow services to continue prior to approval by the Board of Supervisors.

Modification No. 4 would increase the Contract to the full not-to-exceed amount of \$16,325,000 and extend the Contract to the full duration of services through October 31, 2020. Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Program. Staff will report to the Commission bi-annually on the performance of this consultant team through off-calendar memoranda. Performance will be evaluated based on retention of key personnel and the proficiency of the team to provide program management support services to assist in the delivery of the Program on budget and on schedule.

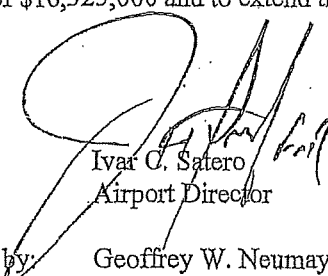
Since Modification No. 4 would cause the Contract to exceed \$10 million, pending Commission approval, Staff will seek Board of Supervisors' approval as required by the San Francisco Charter Section 9.118(b).

The full not-to-exceed Contract amount equals the budget amount for this Contract and is funded from the Ascent Program -- Phase 1 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division approved a 19% Local Business Enterprise sub-consultant participation requirement for this Contract and PGH Wong Engineering, Inc. is committed to meeting this requirement.

**Recommendation**

I recommend that the Commission approve Modification Nos. 3 and 4 to Professional Services Contract No. 10504.41, Project Management Support Services for the AirTrain Extension and Improvements Program with PGH Wong Engineering, Inc., to increase the Contract amount by \$6,333,000 for a new Contract not-to-exceed amount of \$16,325,000 and to extend the Contract duration for services through October 31, 2020.



Ivar C. Satero  
Airport Director

Prepared by: Geoffrey W. Neumayr  
Chief Development Officer  
Planning, Design & Construction

Attachments

**ATTACHMENT A**  
**SUMMARY OF COMMISSION ACTIONS**

November 20, 2018

Contract No. 10504.41 - Project Management Support Services for the for the AirTrain Extension and Improvements Program  
 PGH Wong Engineering, Inc.  
 Modification No. 3 and No. 4

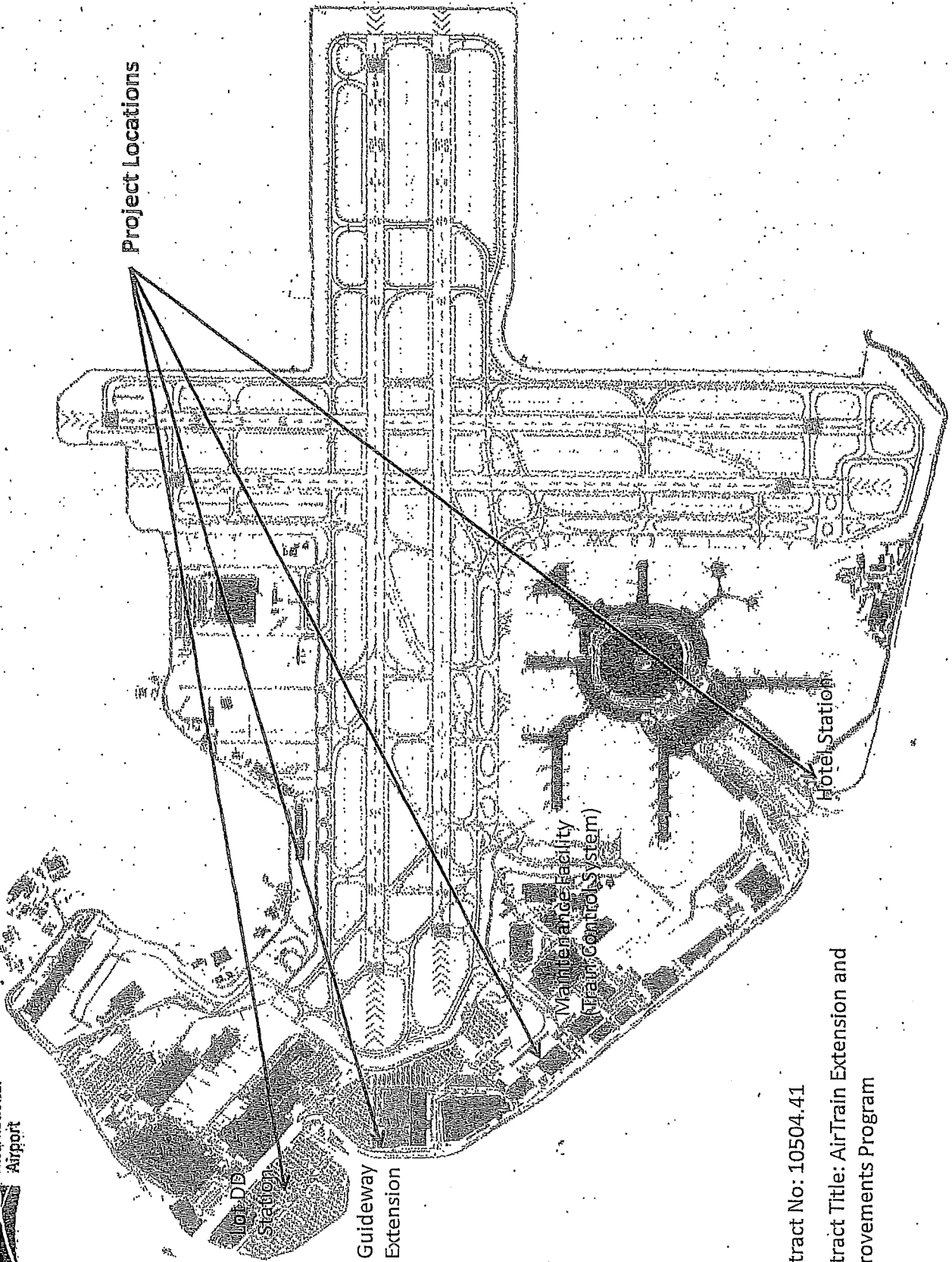
| Date      | Modification No. | Resolution No. | Description             | Scope                               | Amount      |
|-----------|------------------|----------------|-------------------------|-------------------------------------|-------------|
| 9/1/2015  | -                | 15-0168        | Award of Contract       | Project Management Support Services | \$4,292,000 |
| 2/21/2017 | 1                | 17-0028        | Second Year of Services | Project Management Support Services | \$3,500,000 |
| 2/20/2018 | 2                | 18-0046        | Third Year of Services  | Project Management Support Services | \$2,200,000 |
|           |                  |                |                         |                                     |             |
|           |                  |                |                         |                                     |             |

341

**Contract Amount As-Modified to Date:**      **\$9,992,000**  
 Proposed Contract Modification No.3 Amount:      \$0  
 Proposed Contract Modification No.4 Amount:      \$6,333,000  
**Proposed Modified Contract Amount:**      **\$16,325,000**



San Francisco  
International  
Airport



Contract No: 10504.41

Contract Title: Air Train Extension and  
Improvements Program





San Francisco International Airport

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2018 DEC 24 PM 12:38  
BY AK

December 14, 2018

**Ms. Angela Calvillo**  
Clerk of the Board  
Board of Supervisors  
City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689

**Subject: Contract Modification No. 4 – PGH Wong Engineering, Inc. – Project Management Support Services for the AirTrain Extension and Improvements Program – Not-to-Exceed \$16,325,000**

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding to the Board of Supervisors a proposed Resolution approving modification of a contract between the City and County of San Francisco, by and through its Airport Commission (“Commission”), and PGH Wong Engineering, Inc., for Project Management Support Services. This contract was originally estimated to be over \$10 million and exceeded the threshold stated in Section 9.118 with Modification No. 4. This is the first time we are seeking the Board of Supervisors’ approval for this contract.

The Commission awarded this contract by Resolution No. 15-0168 on September 1, 2015 to PGH Wong Engineering, Inc.; approved Modification No. 1 by Resolution No. 17-0028 on February 21, 2017; approved Modification No. 2 by Resolution No. 18-0046 on February 20, 2018; and approved Modification No. 3 by Resolution No. 18-0381 on November 20, 2018.

By Resolution No. 18-0371, dated November 20, 2018; the Commission approved Modification No. 4 to this contract. The Commission authorized a not-to-exceed amount of \$16,325,000 for services through October 31, 2020.

One (1) set of the following documents are enclosed for review:

- Proposed Board of Supervisors Resolution (two copies attached);
- Adopted Airport Commission Resolution No. 15-0168;
- Memorandum recommending Resolution No. 15-0168;
- Adopted Airport Commission Resolution No. 17-0028;
- Memorandum recommending Resolution No. 17-0028;
- Adopted Airport Commission Resolution No. 18-0046;
- Memorandum recommending Resolution No. 18-0046;
- Adopted Airport Commission Resolution No. 18-0381;
- Memorandum recommending Resolution No. 18-0381;
- Adopted Airport Commission Resolution No. 18-0371;
- Memorandum recommending Resolution No. 18-0371;
- Form SFEC-126 for the Board of Supervisors;
- Form SFEC-126 for Mayor Breed;
- Copy of Airport Contract No. 10504.41 with PGH Wong Engineering, Inc. for Project Management Support Services;
- Certified Modification No. 1;
- Certified Modification No. 2;
- Certified Modification No. 3; and

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

|                          |                            |                                    |               |                       |                |                                    |
|--------------------------|----------------------------|------------------------------------|---------------|-----------------------|----------------|------------------------------------|
| LONDON N. BREED<br>MAYOR | LARRY MAZZOLA<br>PRESIDENT | LINDA S. CRAYTON<br>VICE PRESIDENT | ELEANOR JOHNS | RICHARD J. GUGGENHIME | PETER A. STERN | IVAR C. SATERO<br>AIRPORT DIRECTOR |
|--------------------------|----------------------------|------------------------------------|---------------|-----------------------|----------------|------------------------------------|

• Modification No. 4

Please contact Cathy Widener, Airport Governmental Affairs Manager, at (650) 821-5023 if you have questions or concerns regarding this matter.

Very truly yours,



*C. Corina Monzón*  
Commission Secretary

Enclosures

Cc: Cathy Widener  
Tony Breslin  
Olga Perez  
Katarina Sy

**FORM SFEC-126:  
NOTIFICATION OF CONTRACT APPROVAL  
(S.F. Campaign and Governmental Conduct Code § 1.126)**

|   |  |
|---|--|
| <b>City Elective Officer Information</b> <i>(Please print clearly.)</i> |  |
| Name of City elective officer(s):<br>Members, Board of Supervisors      | City elective office(s) held:<br>Members, Board of Supervisors |

|  |
|--|
| <b>Contractor Information</b> <i>(Please print clearly.)</i> |
| Name of contractor:<br><b>PGH Wong Engineering, Inc.</b>     |

*Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.*

**PGH Wong Engineering, Inc.**

(1) Members of the contractor's board of directors;

N/A

(2) The contractor's chief executive officer, chief financial officer and chief operating officer;

Chief Executive Officer: Peter Wong, P.E.  
Chief Financial Officer: Peter Wong, P.E.  
Chief Operating Officer: Ronald Wong, P.E.

(3) Any person who has an ownership of 20 percent or more in the contractor;

N/A

(4) Any subcontractor listed in the bid or contract;

Apex Testing Laboratories, Inc.  
CFWright Consulting, LLC  
Chaves & Associates  
Cornerstone Transportation Consulting, Inc.  
Dudek & Associates, Inc.  
MCK Americas, Inc.  
Meridian Surveying Engineering, Inc.  
PSC Associates, Inc.  
Turner Engineering, Inc.

(5) Any political committee sponsored or controlled by the contractor

N/A

|  |  |
|--|--|
| Contractor address:<br>PGH Wong Engineering, Inc.: 182 2 <sup>nd</sup> Street Suite 500, San Francisco, CA 94105<br>Apex Testing Laboratories, Inc.: 3450 Third Street, #3E, San Francisco, CA 94124<br>CFWright Consulting, LLC: 1108 Bryant Street, San Francisco, CA 94103<br>Chaves & Associates: 582 Market Street, Suite 1300, San Francisco, CA 94104<br>Cornerstone Transportation Consulting, Inc.: 44 Montgomery Street, Suite 3360, San Francisco, CA 94104<br>Dudek & Associates, Inc.: 44 Montgomery Street, Suite 1560, San Francisco, CA 94104<br>MCK Americas, Inc.: 806 Jamestown Avenue, San Francisco, CA 94124<br>Meridian Surveying Engineering, Inc.: 2958 Van Ness Avenue, San Francisco, CA 94109<br>PSC Associates, Inc.: 1485 Bayshore Boulevard, #104, San Francisco, CA 94124<br>Turner Engineering, Inc.: 2006 Glyndon Avenue, Venice, CA 90291 |  |
|--|--|

|   |  |
|---|--|
| Date that contract was approved:<br><i>(By the SF Board of Supervisors)</i> | Amount of contract:<br><b>Not-to-exceed \$16,325,000</b> |
|---|--|

Describe the nature of the contract that was approved: The contractor will provide project management support services to assist the Airport for the AirTrain Extension and Improvements Program ("Project") in a coordinated and methodical manner. Specific areas of expertise required include: project and construction management services, design oversight, project controls, contract administration, cost estimating services, and field inspection.

Comments: Requesting Board of Supervisors to approve the Professional Services Agreement for Airport Contract 10504.41 – Project Management Support Services for the AirTrain Extension and Improvements Program between PGH Wong Engineering, Inc. and the City and County of San Francisco with a not-to-exceed amount of \$16,325,000 for services through October 31, 2020.

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves: San Francisco Board of Supervisors  
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

| <b>Filer Information</b> <i>(Please print clearly.)</i>                                 |   |
|---|---|
| Name of filer:<br>Angela Calvillo, Clerk of the Board                                   | Contact telephone number:<br>( 415 ) 554-5184 |
| Address:<br>City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102 | E-mail:<br>Board.of.Supervisors@sfgov.org     |

\_\_\_\_\_  
 Signature of City Elective Officer (if submitted by City elective officer)

\_\_\_\_\_  
 Date Signed

\_\_\_\_\_  
 Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

\_\_\_\_\_  
 Date Signed