

**City and County of San Francisco  
Office of Contract Administration  
Purchasing Division**

**First Amendment**

THIS AMENDMENT (this “Amendment”) is made as of January 24, 2023, in San Francisco, California, by and between **Harvey M. Rose Associates LLC** (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

**Recitals**

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the not-to-exceed amount of the contract by **One Million Six Hundred Thousand Dollars (\$1,600,000)** to fund additional performance audit work by request of the Board of Supervisors under the existing Scope of Services and for the current contract term of January 1, 2022 to December 31, 2025; and

WHEREAS, the Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through Request for Proposal (“RFP”) issued on April 14, 2021, in which City selected Contractor as the highest qualified scorer pursuant to the RFP and this modification is consistent therewith; and

WHEREAS, approval for the original Agreement was obtained on March 15, 2021 from the Civil Service Commission under PSC number 41887-20/21 in the amount of **Ten Million Five Hundred Thousand Dollars (\$10,500,000)** for the period commencing January 1, 2022 and ending December 31, 2025; and

WHEREAS, approval for this Amendment was obtained on February 6, 2023 from the Department of Human Resources under PSC number 41887-20/21 in the amount of **Twelve Million One Hundred Thousand Dollars (\$12,100,000)** for the period commencing January 1, 2022 and ending December 31, 2025; and

WHEREAS, the City’s Board of Supervisors approved this Agreement by Resolution 535-21 on December 7, 2021.

WHEREAS, the City’s Board of Supervisors authorized the Clerk of the Board to increase the not-to-exceed amount of this Agreement by **One Million Six Hundred Thousand Dollars (\$1,600,000)** to fund additional performance audit work by request of the Board of Supervisors under the existing Scope of Services and for the current contract term of January 1, 2022 to December 31, 2025 by Motion M23-008 on January 24, 2023.

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

### **Article 1 Definitions**

The following definitions shall apply to this Amendment:

1.1 **Agreement.** The term “Agreement” shall mean the Agreement dated December 15, 2021 between Contractor and City.

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

### **Article 2 Modifications of Scope to the Agreement**

The Agreement is hereby modified as follows:

2.1 **Compensation.** Section 3.3.1 **Calculation of Charges** of the Agreement currently reads as follows:

Contractor shall provide an invoice to the City on a monthly basis for goods delivered and/or Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, “Calculation of Charges.” Compensation shall be made for goods and/or Services identified in the invoice that the City, in his or her sole discretion, concludes has been satisfactorily performed. In no event shall the amount of this Agreement exceed **Ten Million Five Hundred Thousand Dollars (\$10,500,000)**. The breakdown of charges associated with this Agreement appears in Appendix B, “Calculation of Charges.” A portion of payment may be withheld until conclusion of the Agreement if agreed to by both Parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any services covered by this Agreement.

**Such section is hereby amended in its entirety to read as follows:**

Contractor shall provide an invoice to the City on a monthly basis for goods delivered and/or Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B-1, “Calculation of Charges.” Compensation shall be made for goods and/or Services identified in the invoice that the City, in his or her sole discretion, concludes has been satisfactorily performed. In no event shall the amount of this Agreement exceed **Twelve Million One Hundred Thousand Dollars (\$12,100,000)**. The breakdown of charges associated with this Agreement appears in Appendix B-1, “Calculation of Charges.” A portion of payment may be withheld until conclusion of the Agreement if agreed to by both Parties as retainage, described in Appendix B-1. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any services covered by this Agreement.

2.2 **Subcontracting.** Section 4.3.2 of the Agreement currently reads as follows:

City's execution of this Agreement constitutes its approval of the subcontractors listed below.

Rodriguez, Perez, Delgado & Company  
Theresa Feeley Consulting

**Such section is hereby amended in its entirety to read as follows:**

City's execution of this Agreement constitutes its approval of the subcontractors listed below.

Rodriguez, Perez, Delgado & Company  
Theresa Feeley Consulting  
Karl Beitel

2.3 **Appendix B.** Appendix B is hereby replaced in its entirety by Appendix B-1, attached to this Amendment and fully incorporated within the Agreement. To the extent the Agreement refers to Appendix B in any place, the true meaning shall be Appendix B-1, which is a correct and updated version.

**Article 3      Reserved**

**Article 4      Effective Date**

Each of the modifications set forth in Articles 2 and 3 shall be effective on and after the date of this Amendment, January 24, 2023.

**Article 5      Legal Effect**

Except as expressly modified by this Amendment, 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 Amendment as of the date first referenced above.

**CITY**

**CONTRACTOR**

Recommended by:

Harvey M Rose Associates LLC

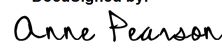
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Angela Calvillo  
Clerk of the Board  
Board of Supervisors

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Dan Goncher  
Principal  
1390 Market Street, Suite 1150  
San Francisco, CA 94102

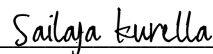
City Supplier Number: 0000019002

Approved as to Form:

David Chiu  
City Attorney

By: DocuSigned by:  
  
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Anne Pearson  
Deputy City Attorney

Approved:

DocuSigned by:  
  
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Sailaja Kurella  
Director of the Office of Contract Administration,  
and Purchaser

## Appendix B-1 Calculation of Charges

From January 1, 2022 to June 30, 2022, the amount of this Agreement shall not exceed \$1,370,283, which includes the base amount of \$1,220,283 and a onetime transfer of \$150,000 from the prior contract ending on December 31, 2021. The transfer from the prior contract is made due to the following reasons: (1) the need for additional hours for budget review in May and June 2022; (2) an audit of affordable housing finances originally scheduled to begin in July 2021 was delayed until November 2021; and (3) to account for two Board recesses in August and December 2021.

For Fiscal Year 2022-23, the amount of this Agreement shall not exceed \$2,979,318, which includes the base amount of \$2,500,000 and \$79,318 for a 3.25% cost-of-living adjustment (COLA) to the FY 2021-22 not-to-exceed amount of \$2,440,567 and \$400,000 for additional audit work by request of the Board of Supervisors.

For FY 2023-24 and thereafter, Contractor may request a cost-of-living adjustment (COLA) in billing rates by November 1 for the next fiscal year. The City, in its sole discretion, shall determine whether to grant the COLA. Any such request shall be no more than the COLA rate agreed between the City and the International Federation of Professional and Technical Engineer Local 21 and shall be approved by the Board of Supervisors during the budget process to be effectuated on July 1 of the fiscal year.

Contractor's hourly rates are as follows:

January 1, 2022 – June 30, 2022

Staff Level	Rate
Principal Analyst	\$201.35
Senior Analyst	\$153.63
Analyst	\$109.82

July 1, 2022 – June 30, 2023

Staff Level	Rate
Principal Analyst	\$212.07
Senior Analyst	\$161.20
Analyst	\$116.16

These hourly rates are all inclusive, meaning that no additional amounts will be charged to the City for expenses, including office expenses, travel, and other expenses required to perform the services described in Appendix A. All fees are charged in arrears, based on actual hours worked during the preceding month.

The City provides Contractor with City email accounts at actual cost, determined by the Department of Technology. It is Contractor's responsibility to notify the City of inactive email accounts to avoid unnecessary charges. Contractor shall subtract the annual email cost from its invoice each fiscal year.

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.

The allocation of staff hours proposed below is for planning purposes only. Actual hours may vary based on Contractor's assessment of the requested services.

January 1, 2022 – June 30, 2022

Staff Level	Proposed Hours
Principal Analyst	2,350
Senior Analyst	2,615
Analyst	4,510
<b>Total</b>	<b>9,475</b>

July 1, 2022 – June 30, 2023

Staff Level	Proposed Hours
Principal Analyst	4,499
Senior Analyst	6,341
Analyst	8,634
<b>Total</b>	<b>19,475</b>

LBE subcontracting participation requirement for this contract is 15%. In no event will payments to the LBE subcontractors drop below the 15% threshold. The LBE participation rates shown below are estimated and provided solely for planning purposes.

Firm	Percentage of LBE Participation
Harvey M Rose Associates LLC	N/A
Rodriguez, Perez, Delgado & Co. LLP	10%
Theresa Feeley Consulting	2%
Karl Beitel	3%
<b>Total</b>	<b>15%</b>