

1 [Year 4 Renewal of SFPUC Program Management Services Contract]

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3 **Resolution retroactively approving the Public Utilities Commission's approval of the**
4 **fourth year renewal of Agreement No. CS-524, Program Management Services, with the**
5 **Water Infrastructure Partners (WIP) to provide program management services for the**
6 **SFPUC Capital Improvement Program, for an amount not to exceed \$11 million; placing**
7 **contract budget authority of \$2,500,000 on reserve; approving the Contract Year 3**
8 **performance fee for an amount not to exceed \$497,000; requiring that the PUC report to**
9 **the Finance and Audits Committee as part of the PUC's annual budget review process.**

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11 WHEREAS, The terms of the contract for San Francisco Public Utilities Commission
12 Agreement No. CS-524, Program Management Services, require an annual approval by the
13 San Francisco Board of Supervisors; and

14 WHEREAS, Amendment No. 2 to the subject contract requires the PUC General
15 Manager to request Board of Supervisors approval for any performance fee payments made
16 to the Contractor; and

17 WHEREAS, The cost of services is not to exceed \$45 million over four years, and not
18 to exceed \$11 million for Year 4 of the contract; and

19 WHEREAS, HRC goals of 30% MBE and 10% WBE participation were established for
20 the first year of the contract. The goals are increased by 2% MBE and 1% WBE for each year
21 of the contract. The HRC goals for Year 4 are established at 36% MBE and 13% WBE. These
22 goals have been approved for this agreement by the HRC Contract Compliance Officer and
23 committed to by the Water Infrastructure Partners; and

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1 WHEREAS, HRC has confirmed that the Water Infrastructure Partners are in
2 compliance with the San Francisco Administrative Code Chapter 12B, Equal Benefits
3 requirement; now, therefore, be it

4 RESOLVED, That the Board hereby retroactively approves renewal of the fourth year
5 of Agreement No. CS-524 Program Management Services, with the WIP to provide program
6 management services for the SFPUC Capital Improvement Program, for an amount not to
7 exceed \$11 million, and approves the Contract Year 3 performance fee for an amount not to
8 exceed \$497,000; and, be it

9 FURTHER RESOLVED, That the PUC will report to the Finance and Audits
10 Committee, as part of the PUC's annual budget review process throughout the term of the
11 PUC's Water System Capital Improvement Program, on (a) the details of all outside
12 contractors being used, including the scope and cost of each contract, and (b) the details of all
13 City Staff working on the program, including their classifications, duties, and salary costs.

14 FURTHER RESOLVED, That \$2,500,000 of Contract Year 4 funds for Project
15 Management Contract Services are placed on reserve pending a PUC report back to the
16 Finance and Audits Committee, by July 30, 2004, as to the status of the expended and
17 unexpended funds under the contract.