

File No. 110052

Committee Item No. 5

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: February 9, 2011

Board of Supervisors Meeting

Date _____

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Budget Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Analyst Report
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ethics Form 126
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form (for hearings)
<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	Contract/Agreement
<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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Completed by: Victor Young

Date: February 4, 2011

Completed by: Victor Young

Date: _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Construction Management Contract - Harry Tracy Water Treatment Plant Long Term
2 Improvements Project - Not to Exceed \$16,000,000]

3 **Resolution authorizing the General Manager of the San Francisco Public Utilities**
4 **Commission to execute Water System Improvement Program-funded Professional**
5 **Service Agreement No. CS-919R, Harry Tracy Water Treatment Plant Long Term**
6 **Improvements Project, Construction Management Services Staff Augmentation, with**
7 **HDR Engineering, Inc, for an amount not to exceed \$16,000,000 with a term of up to 60**
8 **months, pursuant to San Francisco Charter Section 9.118.**

9
10 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) approved the
11 Harry Tracy Water Treatment Plant Long Term Improvements Project (Project) on October 15,
12 2010 by Resolution No. 10-0176, after reviewing the Final Environmental Impact Report
13 (FEIR) that the Planning Commission certified by its Motion No. 18197, and adopted findings
14 pursuant to the California Environmental Quality Act (CEQA), including adoption of a
15 Mitigation Monitoring and Reporting Program (MMRP) and a Statement of Overriding
16 Considerations (Project CEQA Findings); and

17 WHEREAS, This Board of Supervisors, on November 9, 2010, adopted Resolution No.
18 531-10 approving the Project CEQA Findings, which are on file with the Clerk of the Board of
19 Supervisors in File No. 101302, which is hereby declared to be a part of this Resolution as if
20 set forth fully herein; and

21 WHEREAS, The SFPUC determined that it was necessary to procure the services of a
22 qualified Construction Management firm to provide specialized construction management
23 services to supplement SFPUC staff through Agreement No. CS-919R, Harry Tracy Water
24 Treatment Plant Long Term Improvements Project Construction Management Services Staff
25 Augmentation for Project No. CUW36701; and

1 WHEREAS, The request for proposals was advertised on October 13, 2010. The
2 estimated cost of services is up to \$16,000,000, and the duration of the agreement is up to 60
3 months, with services anticipated to begin in February 2011 and end in February 2016; and

4 WHEREAS, An HRC sub-consulting goal of 21.63% LBE participation has been
5 established and approved for this agreement by the HRC Contract Compliance Officer
6 assigned to the SFPUC; and

7 WHEREAS, Funds for this agreement will be available at the time of award of the
8 agreement from the Harry Tracy Water Treatment Plant – Long Term Improvements Project No
9 CUW36701; and

10 WHEREAS, HDR Engineering, Inc was the highest-ranking proposer for CS-919R; and

11 WHEREAS, The SFPUC adopted Resolution No. 11-0010 on January 11, 2011
12 approving the selection of HDR Engineering, Inc, and awarded Agreement No. CS-919R,
13 Construction Management Services Staff Augmentation for the Project, and authorized the
14 General Manager of the SFPUC to execute an agreement, subject to Board of Supervisors'
15 approval pursuant to Charter Section 9.118; now, therefore, be it

16 RESOLVED, That this Board finds that since the FEIR was finalized, there have been
17 no substantial changes in the Project, and no substantial changes in circumstances relating to
18 the Project that would require major revisions to the FEIR due to the involvement of new
19 significant environmental effects or an increase in the severity of previously identified
20 significant impacts, and there is no new information of substantial importance that would
21 change the conclusions set forth in the FEIR; and, be it

22 FURTHER RESOLVED, That this Board of Supervisors hereby approves and
23 authorizes the General Manager of the SFPUC to execute the Water System Improvement
24 Program-funded Agreement No. CS-919R, Harry Tracy Water Treatment Plant Long Term
25 Improvements Project, Construction Management Services Staff Augmentation with HDR

1 Engineering, Inc for an amount not to exceed \$16,000,000, pursuant to Charter Section 9.118,
2 in substantially the form on file with the Clerk of the Board, and in such final form as approved
3 by the General Manager and the City Attorney.
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Item 5
File 11-0052

Department:
Public Utilities Commission (PUC)

EXECUTIVE SUMMARY

Legislative Objective

- The proposed resolution would authorize an agreement between the Public Utilities Commission (PUC) and HDR Engineering, Inc. for HDR Engineering to provide construction management services for the PUC's Harry Tracy Water Treatment Plant (HTWTP) Project (a) for a maximum term of 60 months or five years, from February 25, 2011 through February 24, 2016 and (b) in an amount not to exceed \$16,000,000.

Key Points

- The Harry Tracy Water Treatment Plant (HTWTP) Long Term Improvements Project is one of 86 separate capital improvement projects included in the PUC's Water System Improvement Program (WSIP), which will provide increased water delivery capacity and seismic reliability throughout the Hetch Hetchy water system. The HTWTP treats water pumped from the Peninsula for delivery to customers in Northern San Mateo County and San Francisco. The HTWTP Project will increase the capacity of the HTWTP from 120 million gallons per day to 140 million gallons per day and improve seismic reliability following a major earthquake.
- On April 20, 2010, the Board of Supervisors appropriated \$359,063,409 for the HTWTP Project (File 10-0337). However, the current estimated cost for the HTWTP is \$351,525,000, a reduction of \$7,538,409 or 2.1 percent. According to Ms. Rosiana Angel, Manager of Infrastructure Budgeting and Administrative Services at the PUC, the reduction reflects (a) the completion of the project design, which led to a more accurate estimate of construction requirements, and (b) the timely completion of the environmental review and design activities.
- After a competitive Request for Proposal (RFP) process, the PUC selected HDR Engineering, Inc. to provide construction management services, including specialized staff, for the HTWTP Project during the Project's construction and closeout phases.

Fiscal Impact

- The proposed agreement between the PUC and HDR Engineering, in a not-to-exceed amount of \$16,000,000, would be funded from \$298,408,678 in proceeds, previously appropriated by the Board of Supervisors (File 10-0337), from the sale of Water Revenue Bonds, which were placed on Controller's reserve on November 3, 2010 by the Budget and Finance Committee, pending supporting documentation from the PUC for construction and construction management-related activities (File 10-1297).

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

City Charter Section 9.118 (b) requires any agreement which would result in anticipated expenditures of \$10,000,000 or more by the City and County be approved by the Board of Supervisors.

Background

The Harry Tracy Water Treatment Plant Long Term Improvements Project is one of 86 separate capital improvement projects included in the PUC's Water System Improvement Program (WSIP)¹. The Harry Tracy Water Treatment Plant (HTWTP) treats water pumped from the Peninsula local reservoirs for delivery to customers in Northern San Mateo County and San Francisco. The HTWTP Project will increase the capacity of the HTWTP from 120 million gallons per day to 140 million gallons per day and improve seismic reliability following a major earthquake. According to the WSIP Regional Projects Quarterly Report for the 1st Quarter of FY 2010-2011, the HTWTP Project includes: (a) extensive seismic, hydraulic, and electric upgrades throughout the Plant, (b) five new filters, (c) improvements to the washwater² and sludge handling systems, (d) a new 11 million gallon treated water reservoir, and (e) associated piping and equipment replacement.

In 2009, the PUC discovered the Serra Fault line underneath the proposed HTWTP site, which resulted in the PUC (1) adding further structural reinforcements to the existing facilities, (2) replacing the two existing water reservoirs with a new water reservoir, and (3) including various associated facility improvements. These changes delayed the construction completion date by approximately five months, from December 2014 to April 2015. Ms. Rosiana Angel, Manager of Infrastructure Budgeting and Administrative Services at the PUC, states that the changes resulted in revised HTWTP Project costs from the previous HTWTP Project cost estimate of \$175,760,000 to \$359,063,409, an increase of \$183,303,409 or 104.3 percent.

On April 20, 2010, the Board of Supervisors appropriated \$359,063,409 in total estimated costs for the Harry Tracy Water Treatment Plant Project, including (a) \$54,091,322 in appropriated and unreserved funds, and (b) \$304,972,087 in appropriated and reserved funds (Ordinance 92-10, File 10-0337). Ordinance 92-10 placed the entire appropriation of \$304,972,087 on two separate but overlapping reserves including (a) a Budget and Finance Committee reserve, and (b) a Controller's reserve pending approval of Environmental Impact Reports (EIRs) prepared pursuant to the California Environmental Quality Act (CEQA).

¹ Propositions A and E, which were approved by the San Francisco voters on November 4, 2002, authorized the PUC to issue Wastewater and Water Revenue Bonds to finance the PUC's \$4,585,556,261 Water System Improvement Program, which consists of 86 separate projects designed to provide increased water delivery capacity and seismic reliability throughout the Hetch Hetchy water system. However, the most recent quarterly report published by the PUC on November 3, 2010 (WSIP Regional Projects Quarterly Report for the 1st Quarter of FY 2010-2011) estimates that WSIP will have a total cost of \$4,523,000,000.

² Washwater is the water being used to clean the filters at the Harry Tracy Water Treatment Plant.

On November 3, 2010, the Budget and Finance Committee of the Board of Supervisors (a) released from reserve \$298,408,678 of the \$304,972,087 on Budget and Finance Committee reserve for construction and construction management-related activities and transferred the \$298,408,678 to a Controller's reserve, (b) instructed the Controller to release the amount of funds needed for construction and construction management-related activities of the HTWTP Project upon receiving supporting documentation from the PUC, and (c) instructed the Controller to return any funds remaining on Controller's reserve to the Budget and Finance Committee reserve (File 10-1297). In addition, on November 9, 2010, the Board of Supervisors approved the EIR findings under CEQA (File 10-1302).

As of November 3, 2010, the total estimated HTWTP Project cost has been revised downward by \$7,538,409, from \$359,063,409 to \$351,525,000, as detailed in Table 1 below. The Budget and Legislative Analyst notes that the current estimated Project cost reflects a reduction of \$7,538,409 or 2.1 percent from the revised Project cost of \$359,063,409. Ms. Angel states that this reduction in current Project costs reflects (a) the completion of the project design, which led to a more accurate estimate of construction requirements, and (b) the timely completion of the environmental review and design activities.

**Table 1: Harry Tracy Water Treatment Plant
Long-Term Improvement Estimated Project Costs**

Construction	\$ 278,284,000	
Total Construction Costs		\$ 278,284,000
Project Management	8,786,000	
Planning	4,816,000	
Environment Review	2,422,000	
Design	20,123,000	
Bid and Award	685,000	
Construction Management ³	36,255,000	
Construction Closeout	154,000	
Total Non-Construction Costs		73,241,000
Total Budget		\$ 351,525,000

On April 1, 2010, the PUC issued a Request for Proposal (RFP) for construction management services for the HTWTP Project. However, Ms. Angel states that a protest was received alleging that one of the bidders had access to non-public information regarding the HTWTP Project, and the PUC, in consultation with the City Attorney's Office, re-issued the RFP on October 13, 2010. On November 8, 2010, three firms, HDR Engineering, Inc., URS Corporation, and MWH Constructors, submitted proposals that were evaluated by a PUC selection committee comprised of staff from the PUC, the San Mateo County Department of Public Works, and the East Bay Municipal Utilities District. Table 2 below shows the results of the selection committee's scoring of the three written proposals, oral interviews, and overhead and profit schedules.

³ Ms. Angel states that of the \$36,255,000 for construction management, (a) \$16,000,000 would be allocated to the proposed, subject agreement with HDR Engineering, and (b) the remaining \$20,255,000 would be allocated for the PUC staff for in-house construction management services and engineering support for construction on the HTWTP Project.

Table 2: HTWTP Project Construction Management Services Scoring Matrix

	HDR Engineering, Inc.	URS Corporation	MWH Constructors
Written Proposal (60 Points)	50.650	50.200	49.225
Oral Interview (25 Points)	21.000	16.475	16.850
Overhead and Profit Schedule (15 Points)	13.000	15.000	15.000
Total (100 Points)	84.650	81.675	81.075

As shown in Table 2, above, HDR Engineering received the highest score of 84.650 out of a total score of 100 points. After negotiations between the PUC and HDR Engineering regarding the scope of services, including a 21.63 percent Local Business Enterprise participation goal for this agreement, the PUC is recommending that an agreement for construction management services, the subject of the proposed resolution, in an amount not to exceed \$16,000,000, be awarded to HDR Engineering.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize an agreement between the Public Utilities Commission (PUC) and HDR Engineering, Inc. for HDR Engineering to provide construction management services for the PUC's Harry Tracy Water Treatment Plant (HTWTP) Project (a) for a maximum term of 60 months or five years, from February 25, 2011 through February 24, 2016, and (b) in an amount not to exceed \$16,000,000.

According to Ms. Angel, the proposed agreement period ending on February 24, 2016 exceeds the anticipated project construction completion date of April 2015 to allow (1) for construction management tasks that occur after construction ends (such as verifying the project as-built to specifications, preparation of the close-out report, and the finalization of testing and commissioning, including operation and maintenance manuals) and (2) any delays in construction activities.

Ms. Angel advises that the not-to-exceed amount of \$16,000,000 is the estimated maximum cost of the proposed agreement, and the PUC does not anticipate future modifications to the scope of services or total cost of the proposed agreement. Table 3 below shows the anticipated expenditure plan for the proposed agreement in a not-to-exceed amount of \$16,000,000.

Table 3: Anticipated Expenditures Under the Proposed Agreement between PUC and HDR Engineering

Construction and Closeout Task Descriptions	Construction Phase					Closeout Phase	Total Estimated Expenditures
	Months 1-12	Months 13-24	Months 25-36	Months 37-48	Months 49-54	Months 55-60	
Safety, Compliance Management, Construction Contract Management, Quality Assurance/Quality Control, Project Controls, Environmental Compliance, Outreach, Testing and Start-up, Acceptance, Closeout and Turnover	\$3,300,000	\$3,100,000	\$3,000,000	\$3,000,000	\$1,427,772	\$400,000	\$14,227,772
Other Direct Charges ⁴ and Mark-up Fees	\$400,000	\$400,000	\$400,000	\$400,000	\$147,228	\$25,000	\$1,772,228
Total (60 months)	\$3,700,000	\$3,500,000	\$3,400,000	\$3,400,000	\$1,575,000	\$425,000	\$16,000,000

The attached memorandum from Ms. Angel describes in detail (a) the construction management responsibilities, to be performed by HDR Engineering, (b) the estimated hours for each responsibility, and (c) the range of hourly rates.

Ms. Angel states that the PUC will lead the construction management team, while HDR Engineering will provide specialized staff to augment the construction management services provided by PUC's in-house construction management staff on the HTWTP Project because the expertise and capabilities of the PUC's in-house construction management staff are either not available or not sufficient for the scope and complexity of the construction management services required by the HTWTP Project.

Ms. Angel states that delays in commencing construction of the HTWTP would impact the shutdown and construction schedules of other WSIP projects, as WSIP shutdown schedules contain a series of shutdowns impacting the entire water system. Extensive coordination has been invested to schedule the sequencing of the corresponding shutdowns such that the PUC will be able to maintain quality and safe water delivery to PUC customers. A delay in one project would precipitate a domino effect on other projects, resulting in significant cost and schedule variances to several WSIP projects.

According to Section 21 of the proposed agreement with HDR Engineering, the PUC maintains the right to terminate the agreement at any time, with at least 14 days written notice, without penalty.

FISCAL IMPACT

The proposed agreement between the PUC and HDR Engineering would be funded from \$298,408,678 in proceeds, previously appropriated by the Board of Supervisors (File 10-0337),

⁴ Other Direct Charges include travel costs, equipment rental, and other fee-based services.

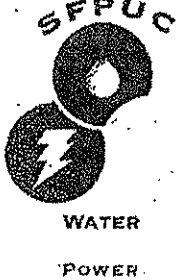
from the sale of Water Revenue Bonds, which were placed on a Controller's Reserve on November 3, 2010, pending supporting documentation from the PUC (File 10-1297). Water Revenue Bonds are funded with revenues received from the PUC's water ratepayers.

In addition, Ms. Angel advises that based on a competitive bid process, on January 28, 2011, the PUC awarded the main construction agreement to Kiewit Infrastructure West totaling \$174,197,000 for construction of the HTWTP Project. Ms. Angel advises that the PUC will request a release of this \$174,197,000, plus a ten percent construction contingency of \$17,419,700, for a total of \$191,616,700, from the Controller's reserve to fund this recently awarded construction agreement. Ms. Angel states that the PUC anticipates awarding several smaller construction agreements in the near future for completion of the HTWTP Project.

Therefore, if the proposed resolution is approved, the PUC will request that the Controller release a total of \$207,616,700 from reserve, including (a) \$16,000,000 for the subject agreement for construction management services with HDR Engineering, and (b) \$191,616,700 for the recently awarded construction agreement with Kiewit Infrastructure West, including the construction contingency. If the total \$207,616,700 is released from Controller's reserve, a remaining balance of \$90,791,978 from the previously reserved \$298,408,678 will remain on Controller's reserve.

RECOMMENDATION

Approve the proposed resolution.



SAN FRANCISCO PUBLIC UTILITIES COMMISSION

Infrastructure Budget and Administrative Services
1155 Market Street, 9th Floor, San Francisco, CA 94103 • Tel (415) 554-1548 • Fax (415) 934-3942



February 2, 2011

Mr. Jonathan Tang
Office of the Budget Analyst
Board of Supervisors
City and County of San Francisco
1390 Market Street, Suite 1025
San Francisco, CA 94102

EDWIN M. LEE
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PRESIDENT

ANSON MORAN
VICE PRESIDENT

ANN MOLLER CAEN
COMMISSIONER

ART TORRES
COMMISSIONER

VINCE COURTNEY
COMMISSIONER

ED HARRINGTON
GENERAL MANAGER

Subject: Detailed Breakdown of CS-919 R - Construction Management Services for the Harry Tracy Water Treatment Plant (HTWTP) Long Term Improvements Project

Dear Mr. Tang:

Below is a detailed breakdown of the spending plan under this Agreement. This spending plan is broken down by twelve month periods for the duration of the Agreement.

The duration of this Agreement is 60 months.

The average billing rate is \$137.23 and the hourly rate ranges from \$62.30 to \$220.00

Table 1 - Anticipated Spending Plan in Dollars

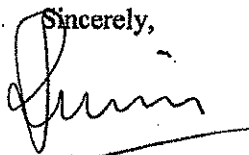
Service Description	Construction Phase					Closeout Phase	Total Construction and Closeout Phase
	Year 1 (12 Months)	Year 2 (12 Months)	Year 3 (12 Months)	Year 4 (12 Months)	Year 5 (6 months)	Year 5 (6 months)	
Safety, Mitigation Monitoring and Resource Planning	\$300,000	\$0	\$0	\$0	\$0	\$0	\$300,000
Construction Contract Administration	\$745,000	\$895,000	\$795,000	\$795,000	\$427,772	\$100,000	\$3,757,772
Construction Quality Assurance	\$1,005,000	\$1,005,000	\$1,005,000	\$1,005,000	\$400,000	\$50,000	\$4,470,000
Construction Contract Management	\$350,000	\$350,000	\$350,000	\$350,000	\$150,000	\$100,000	\$1,650,000
Construction Project Control	\$250,000	\$250,000	\$250,000	\$250,000	\$150,000	\$50,000	\$1,200,000
Construction Environmental Compliance	\$650,000	\$600,000	\$600,000	\$600,000	\$300,000	\$100,000	\$2,850,000
Other Direct Charges & Mark-up Fees	\$400,000	\$400,000	\$400,000	\$400,000	\$147,228	\$25,000	\$1,772,228
Total	\$3,700,000	\$3,500,000	\$3,400,000	\$3,400,000	\$1,575,000	\$425,000	\$16,000,000

Table 2 - Anticipated Spending Plan in Hours

Service Description	Construction Phase					Closeout Phase	Total Construction and Closeout Phase
	Year 1 (12 Months)	Year 2 (12 Months)	Year 3 (12 Months)	Year 4 (12 Months)	Year 5 (6 months)	Year 5 (6 months)	
Safety, Mitigation Monitoring and Resource Planning	2,447	-	-	-	-	-	2,447
Construction Contract Administration	5,802	6,970	6,191	6,191	3,331	779	29,264
Construction Quality Assurance	9,031	9,031	9,031	9,031	3,595	449	40,169
Construction Contract Management	2,325	2,325	2,325	2,325	996	664	10,960
Construction Project Control	1,574	1,574	1,574	1,574	945	315	7,557
Construction Environmental Compliance	5,975	5,515	5,515	5,515	2,758	919	26,197
Total	27,154	25,416	24,637	24,637	11,624	3,126	116,594

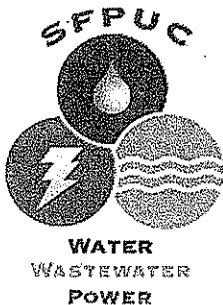
We thank you for your continued support

Sincerely,



Rosiana Angel,
Manager of the Infrastructure Budget and Administrative Services

cc: Husam Masri
CS-919 R File



SAN FRANCISCO PUBLIC UTILITIES COMMISSION

1155 Market St., 11th Floor, San Francisco, CA 94103 • Tel. (415) 554-3155 • Fax (415) 554-3161 • TTY (415) 554.3488



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ED HARRINGTON
GENERAL MANAGER

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Nathan Purkiss, 554-3404
Bart Broome, 554-0706

DATE: 1/13/11

SUBJECT: Resolution authorizing the General Manager of the SFPUC to execute Water System Improvement Program-funded Professional Service Agreement No. CS-919R, Harry Tracy Water Treatment Plant Long Term Improvements Project, Construction Management Services Staff Augmentation, with HDR Engineering, Inc

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2011 JAN 14 AM 10:01
BY HBC

Please find the original and 4 copies of a Board of Supervisors resolution authorizing the General Manager of the SFPUC to execute Water System Improvement Program-funded Professional Service Agreement No. CS-919R, Harry Tracy Water Treatment Plant Long Term Improvements Project, Construction Management Services Staff Augmentation, with HDR Engineering, Inc.

Attached to the resolution are the following supplemental documents:

1. Signed copy of SFPUC Commission resolution, and the SFPUC Agenda Item related to this Board of Supervisors resolution.
2. Copy of the contract signed by the City Attorney
3. Completed Ethics Form SFEC-126

Please contact us if you need any additional information on these items.

Departmental representative to receive a copy of the adopted resolution:

Name: Nathan Purkiss

Phone: 554-3404

Interoffice Mail Address: 1155 Market Street, 11th Floor

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 11-0010

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2011 JAN 14 AM 10:05
BY *[Signature]*

WHEREAS, It is necessary to procure the services of a qualified Construction Management (CM) firm to provide specialized CM services to supplement SFPUC staff, through Agreement No. CS-919R, Harry Tracy Water Treatment Plant – Long Term Improvements Project Construction Management Services Staff Augmentation, and;

WHEREAS, The estimated cost of services is up to \$16,000,000; and

WHEREAS, The Commission has approved the Project, CUW36701 - Harry Tracy Water Treatment Plant – Long Term Improvements Project, and adopted the CEQA Findings, including its Statement of Overriding Considerations, in Resolution 10-0176; and

WHEREAS, The proposal was advertised on October 13, 2010; and

WHEREAS, Services are anticipated to begin in February 2011 and end in February 2016 and the duration of this agreement is five years; and

WHEREAS, SFPUC staff and the Human Rights Commission (HRC) review of the proposals resulted in the establishment of HDR Engineering, Inc. as the best qualified consulting firm; and

WHEREAS, A HRC subcontracting goal of 21.63% Local Business Enterprise (LBE) participation of the total labor value has been established for this contract; and

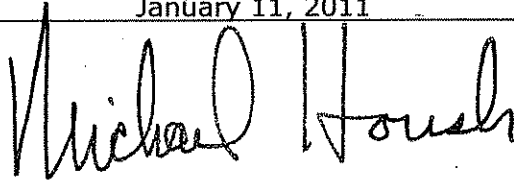
WHEREAS, Failure to reach successful agreement on contract terms and conditions within 30 days of the date of the Commission award may result in award of the contract to the next highest ranked proposer, or re-advertising and re-selecting consultants at the discretion of the City; and

WHEREAS, The firms being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification from HRC may, in the General Manager's sole discretion, result in award of the agreement to the next highest ranked proposer, or re-advertising and re-selecting consultants at the discretion of the City; and

WHEREAS, Funds for various tasks of the agreement will be available from CUW36701 - Harry Tracy Water Treatment Plant – Long Term Improvements Project; now, therefore, be it

RESOLVED, That this Commission hereby approves the selection of HDR Engineering, Inc.; awards Water Enterprise Water System Improvement Program-funded Agreement No. CS-919R, Harry Tracy Water Treatment Plant – Long Term Improvements Project Construction Management Services Staff Augmentation, to provide construction management services; and authorizes the General Manager of the San Francisco Public Utilities Commission to negotiate and execute a professional services agreement with HDR Engineering, Inc., for an amount not-to- exceed \$16,000,000, and with a duration of five years, or, in the event negotiations are not successful or City requirements are not satisfied, to negotiate and execute a professional services agreement with the next highest ranked proposer, subject to the Board of Supervisors approval pursuant to Charter Section 9.118.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ *January 11, 2011*

A handwritten signature in black ink, appearing to read "Michael Housh". The signature is written in a cursive, flowing style. The first name "Michael" is written with a large, looped 'M' and the last name "Housh" is written with a large, looped 'H'.

Secretary, Public Utilities Commission



AGENDA ITEM
Public Utilities Commission
City and County of San Francisco



DEPARTMENT Water Enterprise

AGENDA NO. 15

MEETING DATE January 11, 2011

Professional Services Award: Regular Calendar

Project Manager: Husam Masri

Agreement No. CS-919R Award

Harry Tracy Water Treatment Plant – Long Term Improvements Project
Construction Management Services Staff Augmentation

Summary of Proposed Commission Action:	Approve the selection of HDR Engineering, Inc.; award Water Enterprise, Water System Improvement Program-funded Agreement No. CS-919R, Harry Tracy Water Treatment Plant – Long Term Improvements Project Construction Management Services Staff Augmentation, to provide construction management services; and authorize the General Manager of the San Francisco Public Utilities Commission (SFPUC) to negotiate and execute a professional services agreement with HDR Engineering, Inc., for an amount not-to-exceed \$16,000,000, and with a duration of five years, subject to the Board of Supervisors approval pursuant to Charter Section 9.118.
Background & Description of Scope of Services:	<p>Background:</p> <p>The proposed Harry Tracy Water Treatment Plant (HTWTP) Long-Term Improvements Project has been defined to achieve water quality regulatory compliance, provide delivery reliability for the SFPUC's water customers, as well as contribute to the SFPUC's goal of ensuring service following a major earthquake. The proposed professional services agreement covers the construction management (CM) services of the Project.</p> <p>On October 14, 2010, the Planning Commission reviewed and considered the Final Environmental Impact Report (EIR) and certified the completion of said Final EIR in compliance with the California Environmental Quality Act (CEQA) and CEQA Guidelines in its Motion 18197.</p> <p>On October 15, 2010, the Commission approved the Project and adopted the CEQA Findings, including its Statement of Overriding.</p>

APPROVAL:

DEPARTMENT /
BUREAU

COMMISSION
SECRETARY

ZASQ for
HARLAN KELLY

Mike Housh

FINANCE

GENERAL
MANAGER

Todd L. Rydstrom

Ed Harrington

Contract: CS-919R, Harry Tracy Water Treatment Plant -- Long Term Improvements Project
Construction Management Services Staff Augmentation
Commission Meeting Date: January 11, 2011

Considerations, in Resolution 10-0176.

Description of Scope of Services:

The work under this agreement consists of the following:

- **Pre-construction Phase Services**
 - Review Design Engineer construction schedules
 - Provide constructability review of construction bid documents
 - Provide Bid and Award Phase assistance
 - Provide assistance with permits and rights-of-way
 - Provide construction contract requirements for CM field offices and other project related costs/services
 - Provide resource loaded Task Plan
 - Participate in the Pre-Construction Conference
 - Provide project-specific CM Plan in accordance with WSIP CM Plan
 - Provide other support activities necessary for the award of the construction contract and initiation of the construction work
- **Construction Phase Services**
 - Provide CM services to manage and administer the construction of the project in accordance with the WSIP CM Plan
 - Provide Quality Assurance (QA) services including testing and field investigations
 - Provide Environmental Construction Compliance Monitoring and Support services
 - Assist with the implementation of the Project Labor Agreement (PLA)
 - Assist with SFPUC's public outreach effort during construction
 - Provide Testing and Startup Management services
 - Assist with activities associated with the Acceptance of the Work, Close-out, and Turnover
 - Provide other support services necessary for the management of the construction work

Contract: CS-919R, Harry Tracy Water Treatment Plant – Long Term Improvements Project
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Result of Inaction:	A delay in awarding the CM agreement for the HTWTP Long-Term Improvements Project will impact the scheduled start of construction activities. In addition, such a delay may impact the schedule of critical system shutdowns for the HTWTP Project and other projects and thus may have an impact on the completion of several WSIP projects. Subsequently, the delay of WSIP projects in turn extends the time period required to address the system's existing delivery and seismic vulnerabilities.
Budget & Costs:	Funds: will be available at the time of award of the agreement from CUW36701- Harry Tracy Water Treatment Plant – Long Term Improvements Project. Not-to-Exceed Amount: \$16,000,000
Schedule:	Advertised: April 1, 2010 Re-Advertised: October 13, 2010 Estimated Start Date: February 2011 Estimated End Date: February 2016 Duration: 5 years The latest forecasted completion date for the HTWTP Long-Term Improvements Project is May 2015. Additional time was added to the CM Agreement as contingency in case construction activities are delayed or CM services are needed to resolve a claim.

**Evaluation and
Selection Criteria:**

Minimum Qualifications

- To qualify as a **Prime Proposer or Lead JV Partner**, a Proposer must demonstrate relevant expertise to successfully provide the required positions to perform Construction Management Services needed during all phases of the Project. The Proposer must have successfully completed Construction Management services in a lead role for a complex water treatment plant project, similar to the Harry Tracy Water Treatment Plant – Long Term Improvements Project with a constructed value of \$150 million or more within the past ten (10) years. The project shall include direct experience with modifications of operating water treatment facilities with a capacity over 100 million gallons per day.
- To qualify as a **Non-Leading JV Partner**, a Proposer must have successfully completed Construction Management services in a lead role for a complex water treatment plant project, similar to the Harry Tracy Water Treatment Plant – Long Term Improvements Project with a constructed value of \$100 million or more within the past ten (10) years.
- To qualify as a **Communication/Public Affairs Subconsultant**, the subconsultant must possess the following:
 - A minimum of five (5) years' professional experience managing construction community relations for large and complex construction projects/programs; and
 - Professional experience within the last five (5) years managing community relations associated with construction management of one or more verifiable multi-year project/programs with a value exceeding \$50 million, preferably in water or wastewater infrastructure.
- To qualify as a **Subconsultant** that will provide technical services, the subconsultant(s) must possess the following:
 - A minimum of five (5) years of professional experience in the technical field(s) required under the scope of services for which the Subconsultant is being proposed (e.g., geotechnical services, project controls, environmental inspection and monitoring, surveying, material testing, etc.).
 - If the firm has been in business less than five (5) years, the City may consider relevant experience of a firm's owners, partners, or principal officers if such senior personnel have at least fifteen (15) years' experience in the technical field(s) required under the scope of services for which the Subconsultant is being proposed.
 - In addition, the individuals must have been employed by, or associated with, the firm for a period of at least 2 years prior to the due date for proposals.

Furthermore, minimum qualifications were also listed for each of the requested Construction Management Team positions.

Evaluation and Selection

The evaluation process consisted of three phases: 1) Written Proposal including references; 2) Oral Interview; and 3) Overhead & Profit Schedule. The selection panel consisted of two staff members from SFPUC, one staff member from San Mateo County Department of Public Works, and one staff member from the East Bay Municipal Utilities District. All members have extensive construction and project management experience. The selection panel scored the written response packages, the responses from the references as well as the oral interviews. The scores from the written evaluation, references, oral interview, and fee schedule were combined and tabulated according to the following scoring breakdown:

Written Proposal (including References)	60 Points
Oral Interview	25 Points
Overhead & Profit Schedule	<u>15 Points</u>
Total	100 Points

The written scores were validated by the Human Rights Commission (HRC). The three proposing firms were short listed to continue on with the oral interviews. After the oral interviews, the written scores, along with reference scores and overhead & profit schedule scores were tallied and once again validated by HRC. The scores and initial ranking are as follows.

Final Score Summary:

Firms	Written Proposal Score (60)	Oral Score (25)	Overhead & Profit Schedule Score (15)	Points Subtotal (100)	HRC Bonus or N/A	Total Score
HDR Engineering, Inc	50.650	21.000	13.000	84.650	N/A	84.650
URS Corporation	50.200	16.475	15.000	81.675	N/A	81.675
MWH Constructors	49.225	16.850	15.000	81.075	N/A	81.075

Contract: CS-919R, Harry Tracy Water Treatment Plant - Long Term Improvements Project
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Compliance With Chapter 14B: Local Business Enterprise And Non-Discrimination In Contracting Ordinance:	A Human Rights Commission (HRC) subconsulting goal of 16% Local Business Enterprise (LBE) participation (of the total value of services to be provided) has been established for this agreement. HDR Engineering, Inc has committed to an LBE subcontracting goal of 21.63%.
Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.
Attachments:	1. SFPUC Resolution 2. HRC Memo

City and County of San Francisco



Gavin Newsom
Mayor

Human Rights Commission

Contract Compliance
Dispute Resolution/Fair Housing
Small and Micro Business Enterprise
Lesbian Gay Bisexual Transgender & HIV Discrimination

THERESA SPARKS
Executive Director

MEMORANDUM

Date: December 16, 2010

To: Husam Masri, Project Manager, SFPUC
Bonita McGee, Contracts Administration, SFPUC

From: Andrew Houston, Contract Compliance Officer, HRC

Subject: Award Memo (CS-919R – Harry Tracy Water Treatment Plant-Long Term Construction Management Services)

HRC has reviewed the consultant proposals and supporting documentation for the above referenced project. Based on this review, HRC has determined that:

- **HDR** – The consultant proposal submitted by HDR is materially compliant with the pre-award 14B requirements.
- **URS** – The consultant proposal submitted by URS is materially compliant with the pre-award 14B requirements.
- **MWH** – The consultant proposal submitted by MWH is materially compliant with the pre-award 14B requirements.

Ratings Bonus

The LBE rating bonuses do not apply to this project, either for a single LBE Prime Proposer or for a Joint Venture (JV) with LBE participation because the project amount is in excess of \$10 Million.

Score Sheets and Score Tabulations

HRC has reviewed the score sheets submitted by the panelists and the final score tabulations from SFPUC Principal Contract Analyst Bonita McGee. Based on this information, the final rankings are:

FIRM	RANK
HDR	1
URS	2
MWH	3



25 Van Ness Avenue
Suite 800
San Francisco
California 94102-6033



TEL (415) 252-2500
FAX (415) 431-5764
TDD (415) 252-2550
<http://www.sfhumanrights.org>

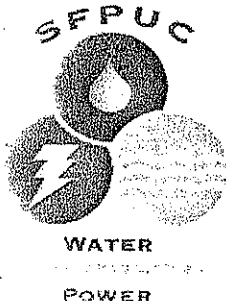


HDR

HDR achieved the highest responsible score. HDR met the 16% LBE subconsulting goal by listing the following LBE firms:

FIRM	SERVICE	LBE Status	LBE
AGS, Inc.	QA Inspector	SF MBE	1.47%
BioMaAS	Environmental	SF WBE	0.58%
APEX Testing Laboratories	QA Special Inspector	SF MBE	0.29%
Coast Range Ecology	Specialty Environmental Monitor	SF OBE	3.99%
Holman & Associates	Specialty Environmental Monitor	SF OBE	0.58%
Joe Hill Consulting Engineers	As-Needed Resource-Document Control	SF OBE	0.00%
Marjorie Dobkin, Ph. D., Inc	As-Needed Resource-History	SF WBE	0.00%
MCK Associates LLC	Administration/Document Control	SF OBE	0.29%
Thier PR	Public Relations Specialist	SF WBE	1.72%
Tree Management Experts	Specialty Environmental Monitor	SF OBE	2.18%
F.E. Jordan Associates	As-Needed Resource-Document Control	SF MBE	0.00%
Lee, Inc.	QA Survey Control	SF WBE	1.60%
Design & Construction Management Services	Estimator, Operations & Process Support-Shutdowns & Risk	SF OBE	6.79%
CM Pros	QA Welding Inspector	SF MBE	2.14%
		Total:	21.63%

Based on the foregoing, HRC has determined that HDR has complied with pre-award HRC 14B requirements and is eligible for award of this contract. Should you have any questions please feel free to contact me at 415-551-4335 or ahouston@sfwater.org.



SAN FRANCISCO PUBLIC UTILITIES COMMISSION



**City and County of San Francisco
San Francisco Public Utilities Commission
1155 Market Street, 11th Floor
San Francisco, California 94103**

Agreement between the City and County of San Francisco and

**HDR Engineering Inc.
CS-919R Construction Management Services - Staff Augmentation
Harry Tracy Water Treatment Plant Long Term Improvements Project**

This Agreement is made this February 25, 2011, in the City and County of San Francisco, State of California, by and between **HDR Engineering Inc. 575 Market Street, Suite 700, San Francisco, CA 94105-2387** hereinafter referred to as "Contractor," and the City and County of San Francisco, a municipal corporation, hereinafter referred to as "City," acting by and through the San Francisco Public Utilities Commission.

Recitals

WHEREAS, the San Francisco Public Utilities Commission ("Department") wishes to retain a consultant for the provision of Construction Management Services staff augmentation for the SFPUC Water System Improvement Program's Harry Tracy Water Treatment Plant Long Term Improvements Project ("HTWTP LONG TERM IMPROVEMENTS"); and,

WHEREAS, a Request for Proposal ("RFP") was issued on October 13, 2010, and City selected Contractor as the highest ranked proposer under the RFP selection process; and

WHEREAS, Contractor represents and warrants that it is qualified to perform the services required by City as set forth under this Agreement; and,

WHEREAS, approval for this Agreement was obtained from the Civil Service Commission by Notice of Action PSC # 4123-01/10 on April 19, 2010; and,

WHEREAS, on January 11, 2011, pursuant to Resolution No. 11-0010, the San Francisco Public Utilities Commission awarded this Agreement, subject to approval by the Board of Supervisors under Charter section 9.118, and authorized the General Manager to execute this Agreement upon Board approval; and,

WHEREAS, approval for this Agreement was obtained from the San Francisco Board of Supervisors by Resolution No. _____ on _____, 2011;

Now, THEREFORE, the parties agree as follows:

Complete copy of
document located in
File No. 110052

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 hereunder 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 sixty (60) months from the effective date as set forth in Section 3, below.

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, "Description of Services," attached hereto and incorporated by reference as though fully set forth herein.

5. Compensation.

Compensation shall be made in monthly payments on or before the thirtieth day of each month for work, as set forth in Section 4 of this Agreement that the General Manager of the Public Utilities Commission in his or her sole discretion, concludes has been adequately performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed Sixteen Million Dollars (\$16,000,000). Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

As part of this contract Task Orders will be prepared in accordance with Appendix A, Section 2. Task Orders will identify a detailed project scope, sub tasks, staffing plan, LBE utilization, schedule, deliverables, budget and costs to complete the task. Each Task Order shall identify the entire amount to which the Contractor shall be entitled to fully perform and deliver to the City all work identified in that Task Order.

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

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Mayor Gavin Newsom; Members, SF Board of Supervisors	City elective office(s) held: Mayor, City and County of San Francisco; Members, SF Board of Supervisors

Contractor Information <i>(Please print clearly.)</i>
Name of contractor: HDR Engineering, Inc.
<i>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.</i>
(See attached page)
Contractor address: 575 Market Street, Suite 700 San Francisco, CA 94105-2387
Date that contract was approved:
Amount of contract: Not to Exceed \$ 16,000,000
Describe the nature of the contract that was approved:
Comments:

This contract was approved by (check applicable):

- ☐ the City elective officer(s) identified on this form (Mayor, Gavin Newsom)
- ☐ 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

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

Form SFEC-126:

NOTIFICATION OF CONTRACT APPROVAL

- 1 HDR Engineering Board of Directors: Richard R. Bell, George A. Little, Gary L. Bleeker, James Ken Haney.
- 2 Chief Executive Office and Chief Operating Officer: George Little; Chief Financial Officer: Terry Cox.
- 3 None
- 4 List of subcontractors:
 - AGS, Inc.
 - Apex Testing Laboratories
 - Bay Area Coatings Consultants, Inc.
 - Biological Monitoring and Assessment Specialists, LLC (BioMaAS)
 - CM Pros
 - Corrpro Companies
 - Cooper Puga Management (CPM)
 - Coast Range Ecology
 - Design and Construction Management Services (DCMS)
 - Holman & Associates
 - Jon Bendz
 - Katz & Associates
 - Lee, Inc.
 - MCK Associates
 - PMA Consultants
 - Shaw Environmental & Infrastructure Group
 - Their PR
 - Tree Management Experts
- 5 Political committee Sponsored or controlled: HDR, Inc. Political Action Committee.