



1 [Agreement Amendment - Black and Veatch Corporation - Construction Management  
2 Services - Calaveras Dam Replacement Project - Not to Exceed \$68,000,000]

3 **Resolution authorizing the General Manager of the San Francisco Public Utilities**  
4 **Commission to execute an amendment to Water Enterprise, Water System**  
5 **Improvement Program (WSIP) funded Agreement No. CS-911R, Construction**  
6 **Management Service, Calaveras Dam Replacement Project, with Black and Veatch**  
7 **Corporation, to provide ongoing construction management support during**  
8 **construction and close-out of the project, increasing the agreement by \$29,500,000 for**  
9 **a total not-to-exceed agreement amount of \$68,000,000 and with a time extension up to**  
10 **two years, ten months, for a total agreement duration of eight years, ten months,**  
11 **pursuant to Charter, Section 9.118.**

12  
13 WHEREAS, On June 8, 2010, per Resolution No. 10-0096, the San Francisco Public  
14 Utilities Commission (SFPUC) awarded Agreement No. CS-911R, Construction Management  
15 (CM) Services – Calaveras Dam Replacement Project, and authorized the General Manager  
16 of the SFPUC to negotiate and execute a professional services agreement in the amount of  
17 \$38,000,000, and with a duration of five (5) years and six (6) months, concluding on February  
18 2, 2016, with Black and Veatch (B&V), subject to Board of Supervisors' approval pursuant to  
19 Charter, Section 9.118; and

20 WHEREAS, On July 29, 2010, the Board of Supervisors approved Resolution No. 327-  
21 10, authorizing the General Manager of the SFPUC to execute Agreement No. CS-911R with  
22 B&V, for an amount not to exceed \$38,000,000 with a term of up to five (5) years and six (6)  
23 months, pursuant to San Francisco Charter, Section 9.118; and

24 WHEREAS, On July 12, 2011, per Resolution No. 11-0114, the SFPUC awarded  
25 Amendment No. 1 to Agreement No. CS-911R, to extend the agreement duration by six (6)

1 months for a total agreement duration of six years, and with no change to the agreement  
2 value, to provide continued CM services through the end of the close-out period to the  
3 Calaveras Dam Replacement Project in accordance with the project schedule at that time;  
4 and

5 WHEREAS, The Calaveras Dam Replacement Project has experienced significant  
6 increases in the contract cost and duration due to two ancient landslides that form the basis of  
7 the differing site conditions occurring in the left abutment and spillway excavation; and

8 WHEREAS, The differing site conditions have required extensive additional  
9 investigations, evaluation, and redesign of the left abutment slope, spillway and dam  
10 foundation, and outlet pipe bench alignment, and have required an extension to the  
11 construction duration from the original schedule; and

12 WHEREAS, On February 24, 2015, by Resolution No. 15-0055, the SFPUC approved  
13 an amendment to Agreement No. CS-911R, increasing the agreement to an amount not to  
14 exceed \$68,000,000, and extending the agreement by two (2) years, ten (10) months, for a  
15 total agreement duration of eight (8) years, ten (10) months, concluding on May 24, 2019, in  
16 order to provide continued CM support during the extended duration of construction of the  
17 project, subject to Board of Supervisors' approval; and

18 WHEREAS, The proposed amendment to Agreement No. CS-911R is on file with the  
19 Clerk of the Board of Supervisors in File No. 150214, and is hereby declared to be part of this  
20 Resolution as if fully set forth herein; and

21 WHEREAS, On February 24, 2015, by Resolution No. 15-0056, the SFPUC also  
22 approved an amendment to Agreement No. CS-911R, which increased the agreement  
23 amount by \$500,000 for a total amount not to exceed \$38,500,000 in order to allow B&V to  
24 continue working and avoid disruption in CM services while the other amendment to the  
25 Agreement is under review by the Board of Supervisors; and

1           WHEREAS, The Contract Monitoring Division established a subconsulting goal of 14%  
2 Local Business Enterprise participation of the total labor value of the services to be provided,  
3 excluding specialized natural occurring asbestos compliance monitoring and advisory  
4 services; and

5           WHEREAS, Funds for this agreement are available from Project CUW37401 –  
6 Calaveras Dam Replacement; now, therefore, be it

7           RESOLVED, That the Board of Supervisors, pursuant to Charter, Section 9.118,  
8 hereby authorizes the General Manager of the SFPUC to negotiate and execute an  
9 Amendment to Water Enterprise, Water System Improvement Program-funded Agreement  
10 No. CS-911R, Construction Management Services – Calaveras Dam Replacement Project,  
11 with Black and Veatch Corporation, increasing the agreement by \$29,500,000, for a total not-  
12 to-exceed agreement amount of \$68,000,000, and with a time extension of two (2) years, ten  
13 (10) months, for a total agreement duration of eight (8) years, ten (10) months; and, be it

14           FURTHER RESOLVED, That within thirty (30) days of the execution of the amendment  
15 to Agreement No. CS-911R, the General Manager of the SFPUC shall provide the signed  
16 revised contract to the Clerk of the Board for inclusion in the official file.

<p><b>Item 4</b> <b>File 15-0214</b></p>	<p><b>Department:</b> Public Utilities Commission (PUC)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would approve the third amendment to the existing contract between the San Francisco Public Utilities Commission (SFPUC) and Black and Veatch Corporation (B&amp;V) to (1) increase the not-to-exceed amount by \$29,500,000, from \$38,500,000 to \$68,000,000, and (2) extend the contract term by two years and ten months through May 2019. The proposed third amendment is for continued construction management services to correspond to the Calaveras Dam Project’s extended construction timeline and increase project scope.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• The Calaveras Dam Replacement Project (Project) will construct a new 210 foot high dam downstream of the existing dam, which is located within 1,500 feet of the active Calaveras Earthquake Fault. The approved Calaveras Dam Project budget in 2011 was \$415,637,844 and is currently \$718,311,765 with a final completion date of May 2019.</li> <li>• In 2010, the Board of Supervisors approved a contract between SFPUC and B&amp;V to perform construction management services for the Project. The contract term was five years and six months, from August 2010 through January 2016, and for an amount not-to-exceed \$38,000,000. In July 2011, the SFPUC approved the first amendment to the agreement, which extended the agreement by six months through July 2016, for a total of six years. In March 2015, the SFPUC approved the second amendment to the contract to increase the contract amount by \$500,000 to \$38,500,000.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• The budget for the proposed amendment is \$29,500,000 for B&amp;V to continue to provide construction management services. Funds to pay for the proposed amendment are included in the Calaveras Dam Project budget, which is funded by water revenue bonds. Actual expenditures to date for the project are \$442,606,846, with an additional \$275,704,919 to be spent to complete the project.</li> </ul> <p style="text-align: center;"><b>Policy Consideration</b></p> <ul style="list-style-type: none"> <li>• The remaining contingency amount for the Calaveras Dam Project is \$25,600,000. SFPUC forecasts additional change orders to the Project totaling \$20,700,000. If the project were to encounter unforeseen conditions resulting in additional change orders that exceed the Project contingency of \$25,600,000, these change orders would be paid by the WSIP Director’s Reserve, which receives surplus funds from completed projects that have been under budget. The Director’s Reserve has a current forecasted balance of approximately \$37,775,475.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• Approve the proposed resolution.</li> </ul>	

**MANDATE STATEMENT**

City Charter Section 9.118(b) states that a 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**

The Calaveras Dam Replacement Project (Project) will construct a new 210 foot high dam downstream of the existing dam, which is located within 1,500 feet of the active Calaveras Earthquake Fault. In response to seismic concerns, the San Francisco Public Utilities Commission (SFPUC) lowered water levels in the Calaveras Reservoir to less than 40 percent of normal operating capacity. The Project will restore the reservoir to its original storage levels and is designed to resist a maximum credible earthquake on the Calaveras Fault. The Project is the largest project of the SFPUC's \$4.8 billion Water System Improvement Program (WSIP) to repair and replace components of the Hetch Hetchy Regional Water System.

The approved Calaveras Dam Project budget prior to the beginning of construction in 2011 was \$415,637,844. Construction began in 2011 with an original project completion date of July 2016. Unanticipated sub-surface conditions regarding seismic faults and ancient landslides were discovered during preliminary excavation of the site in 2012, which required significant design revisions and additional construction work. As of December 2014, the Calaveras Dam Project budget had increased by approximately 73 percent, or \$302,673,921, from the 2011 budget of \$415,637,844 to \$718,311,765. The current estimated date for completion of principal construction is November 2018 with a final administrative close out of the Project in May 2019.

**Construction Management Contract**

In 2010, the Board of Supervisors approved a contract between SFPUC and Black and Veatch Corporation (B&V) to perform construction management services for the Project following a competitive Request for Proposals (RFP) process. The contract term was five years and six months, from August 2010 through January 2016, and for an amount not-to-exceed \$38,000,000. In July 2011, the SFPUC approved the first amendment to the agreement, which extended the agreement by six months through July 2016, for a total of six years. In March 2015, the SFPUC approved the second amendment to the contract to increase the contract amount by \$500,000 to \$38,500,000.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve the third amendment to the existing contract between SFPUC and Black and Veatch Corporation to (1) increase the not-to-exceed amount by \$29,500,000, from \$38,500,000 to \$68,000,000, and (2) extend the contract term by two years and ten months through May 2019, for a total contract term of eight years and ten months. The proposed third amendment is for Black and Veatch to continue to provide construction

management services to correspond to the Calaveras Dam Project’s extended construction timeline and increase project scope.

According to Mr. Carlos Jacobo, SFPUC Budget Director, SFPUC proposes to extend the existing contract with Black and Veatch Corporation (B&V), rather than conducting a new RFP process, because (a) B&V has extensive experience on the Calaveras Dam Project, (b) has performed adequately under the existing contract, and (c) contracting with a new construction management firm this late in the construction process could result in increased costs as the new firm gains project-specific knowledge and experience.

**FISCAL IMPACT**

Funds to pay for the contract between SFPUC and B&V for construction management services, including the proposed third amendment, are included in the Calaveras Dam Project budget, which is funded by water revenue bond funds previously appropriated by the Board of Supervisors. As noted above, the total revised budget for the Calaveras Dam Project is \$718,311,765 as shown in Table 2 below. This budget includes the approved Black and Veatch construction management contract for \$38,000,000 and the requested \$29,500,000 contract amendment for a total contract not-to-exceed amount of \$68,000,000. Actual Calaveras Dam Project expenditures to date are \$442,606,846, as shown in Table 2 below.

**Table 2: Calaveras Dam Project Remaining Expenditures**

Category	Amount
Expenditures To Date	\$442,606,846
<u>Remaining Project Budget</u>	
Construction	\$229,309,981
Construction Management*	37,098,683
Project Management	5,953,352
Design	1,886,655
Closeout	1,262,451
Bid and Award	193,797
Remaining Budget	\$275,704,919
<b>Total Budget</b>	<b>\$718,311,765</b>

\* Includes construction management provided by B&V contract and SFPUC staff

Of the \$442,606,846 in expenditures to date, \$33,965,633 were for the construction management contract between SFPUC and B&V, as shown in Table 3 below. Additionally, SFPUC has encumbered \$4,534,367, resulting in total actual and encumbered expenditures of \$38,500,000.

**Table 3: B&V Contract Amount Spent as of 2/28/2015**

Actual Spent as of 2/28/2015	Amount Encumbered	Total Spent and Encumbered	Current Contract Spending Authority	Remaining Spending Authority
\$33,965,633	\$4,534,367	\$38,500,000	\$38,500,000	\$0

The scope of work for the proposed third amendment includes quality control, project controls, environmental compliance, asbestos compliance management and contract management. Table 4 below shows the requested budget amount for the proposed third amendment to the construction management contract between SFPUC and Black & Veatch.

**Table 4: Budget for Proposed Third Amendment to Contract**

Contract Item	Amount
<u>Construction and Close-Out Tasks</u>	
Quality Control	\$7,132,482
Contract Management	6,223,472
Asbestos Compliance Management	3,634,487
Environmental Compliance	2,429,279
Project Controls	1,083,163
Closeout and Turnover	710,439
Community Outreach	686,678
Other Direct Charges	1,800,000
<u>Construction and Close-out Tasks</u>	<u>\$23,700,000</u>
Contingencies @24 percent (see below)	\$5,800,000
<b>Total</b>	<b>\$29,500,000</b>

According to Ms. Susan Hou, SFPUC considers the contingency of 24 percent, or \$5,800,000 to be reasonable because remaining construction activities are highly dependent on geologic conditions at the Calaveras Dam site. The Calaveras Dam Project is 62.9 percent completed as December 2014. If additional changes to the site conditions are found, then SFPUC would need to increase the number of construction management staff to manage these issues for a period of time to maintain the current Project completion schedule.<sup>1</sup>

<sup>1</sup> According to Ms. Hou, in accordance with WSIP budgeting procedures, SFPUC will enter a contingency amount of \$2,370,000 (or 10 percent of the contract budget) into the WSIP project management system. The balance of \$3,430,000 (or approximately 14 percent of the contract budget) will be withheld unless SFPUC project managers execute a contract task order for additional work, in conformance with WSIP project management procedures.



**POLICY CONSIDERATIONS****Project Contingency and Future Risks**

As noted above, the total Calaveras Dam Project budget increased by approximately 73 percent, or \$302,673,921, from the original budget of \$415,637,844 to \$718,311,765 as of December 2014. According to Ms. Hou, the Project has a remaining contingency amount of \$25,600,000. SFPUC forecasts additional change orders to the Project totaling \$20,700,000. If the project were to encounter unforeseen conditions resulting in additional change orders that exceed the Project contingency of \$25,600,000, these change orders would be paid by the WSIP Director's Reserve, which receives surplus funds from completed projects that have been under budget. The Director's Reserve has a current forecasted balance of approximately \$37,775.475.

Mr. Jacobo, states that if scenarios are realized that deplete the Director's Reserve, then SFPUC would request its Water Enterprise Division to budget for additional supplemental funds as part of its 10-year Capital Improvement Plan. Mr. Jacobo further states that SFPUC would manage this potential request in a way that has as little impact as possible on water rates, or seek to defer other Capital Improvement Plan projects to later years.

**RECOMMENDATION**

Approve the proposed resolution.

**City and County of San Francisco  
San Francisco Public Utilities Commission  
Contract Administration Bureau  
525 Golden Gate Avenue, 8th Floor  
San Francisco, CA 94102**

**Amendment No. 3 between the City and County of San Francisco  
(through the San Francisco Public Utilities Commission)  
and  
Black & Veatch Corporation**

**Construction Management - Calaveras Dam Replacement Project  
(CS-911R)**

THIS AMENDMENT (this "Amendment") is made as of March 2, 2015, in San Francisco, California, by and between **Black & Veatch Corporation** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through the San Francisco Public Utilities Commission ("SFPUC").

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 increasing the agreement amount by \$29,500,000, for a total not-to-exceed agreement amount of \$68,000,000, extend the agreement term by two years, 10 months, for a total agreement duration of eight years, 10 months, concluding on May 24, 2019, in order to provide continued construction management support during the extended duration of construction of the project, amend Appendix A, and replace Appendices B and B-1 in their entirety; and

WHEREAS, approval for this Amendment was obtained when the Civil Service Commission via the Department of Human Resources approved Contract number **4072-07/08** on December 15, 2014; and

WHEREAS, approval for this Amendment was obtained when the San Francisco Public Utilities Commission approved Resolution number **15-0055** on **February 24, 2015**; 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 Amendment was obtained when the San Francisco Board of Supervisors approved Resolution number \_\_\_\_\_ on \_\_\_\_\_, 2015;

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

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

**1a. Agreement.** The term "Agreement" shall mean the Agreement dated **August 2, 2010** between Contractor and City, as amended by Amendment No. 2 dated March 1, 2015.

**1b. Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**2. Modifications to the Agreement.** The Agreement is hereby modified as follows:

**2a. Section 2 ("Term of the Agreement")** of the Agreement currently reads as follows:

**2. Term of the Agreement.** Subject to Section 1, the term of this Agreement shall be seventy-two (72) months, or six (6) years, from the effective date as set for in Section 3.

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

**2. Term of the Agreement.** Subject to Section 1, the term of this Agreement shall be one hundred six months (106) months, or eight (8) years and ten (10) months, from the effective date as set forth in Section 3.

**2b. Section 5 ("Compensation")** of the Agreement currently reads as follows:

**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 **thirty-eight million five hundred thousand dollars (\$38,500,000)**. 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.

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 San Francisco Public Utilities 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.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided.

Following City's payment of an invoice, Contractor has ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

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

#### **5. Compensation.**

Contractor may invoice the San Francisco Public Utilities Commission semi-monthly and compensation shall be made as expeditiously as possible, but in no less than 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 **sixty-eight million dollars (\$68,000,000)**. 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.

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 San Francisco Public Utilities 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.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided.

Following City's payment of an invoice, Contractor has ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

**2c. Appendix A, Section 1 (Description of Services):** The second paragraph of Appendix A, Section 1, Description of Services, currently reads as follows:

The WSIP CM Plan, as well as the Request for Proposals (CS-911R) dated February 22, 2010 (including all addenda), are hereby incorporated into this Agreement as if fully set forth herein.

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

The WSIP CM Plan, as it may be amended from time to time during the term of this Agreement, is hereby incorporated into this Agreement as if fully set forth herein.

**2d. Appendix B.** Revised Appendix B (March 2, 2015) "Calculation of Charges," a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference, hereby replaces Appendix B "Calculation of Charges" of the Agreement in its entirety.

**2e. Revised Appendix B-1.** Revised Appendix B-1 "Billing Rate Schedule (March 2, 2015)," a copy of which is attached hereto as **Exhibit B** and incorporated herein by reference, hereby replaces Appendix B-1 "Rate Schedule" of the Agreement in its entirety.

**3. Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after the date of this Amendment.

**4. 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:

Black & Veatch Corporation

\_\_\_\_\_  
Harlan L. Kelly, Jr.  
General Manager  
San Francisco Public Utilities Commission

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title

Approved as to Form:

City vendor number: 49916

Dennis J. Herrera  
City Attorney

By: \_\_\_\_\_  
Julia H. Veit  
Deputy City Attorney

Attached:  
Exhibit A: Revised Appendix B Dated March 2, 2015  
Exhibit B: Revised Appendix B-1: Billing Rate Schedule Dated March 2, 2015

**Exhibit A**  
**Revised Appendix B (March 2, 2015)**  
**Calculation of Charges**

As part of Contractor's proposal dated **April 8, 2010**, Contractor submitted billing rates, attached hereto as part of Appendix B-1. The Overhead and Profit Schedule, which list the requested tasks is hereby incorporated by reference. All costs associated with the development of the scope of work shall be borne by Contractor. The Contractor, with the assistance of the SFPUC, will be required to define the detailed scope for the tasks under this Agreement.

As provided in the RFP, the budget identified for tasks in Appendix B is an estimate, and the City reserves the right to modify the budget allocated to any task as more specific information concerning the task order scope becomes available.

Pursuant to Article V of Chapter 6 of the San Francisco Administrative Code, any contractor, subcontractor, supplier, consultant or subconsultant who submits a false claim may be subject to monetary penalties, investigation and prosecution and may be declared an irresponsible bidder or an unqualified consultant and debarred as set forth in that Article. The text of Article V of Chapter 6, along with the entire San Francisco Administrative Code is available on the web at

[http://www.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco\\_ca](http://www.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco_ca). A contractor, subcontractor, supplier, consultant or sub consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor, supplier, consultant or subconsultant: (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.

1. Compensation under this contract will be provided as: a) labor related costs by hourly billing rates for hours worked, and b) separately billed direct reimbursable expenses (ODCs). (Markups on ODCs are not allowable)

a) Hourly billing rates shall be the actual hourly base salary rate of each employee utilized for the work multiplied by the firm(s) individual firm Overhead and Profit Rate, or effective Overhead and Profit Rate (for substituted firms or substituted individual contractors). The individual firm Effective Overhead and Profit Schedule shall include all miscellaneous and incidental costs of work other than those as specifically defined below as direct reimbursable expenses.

b) Direct reimbursable expenses (ODCs – Other Direct Costs) shall include actual direct costs (with no mark up) of expenses directly incurred in performing the work. All ODCs are subject to written consent by the SFPUC Project Manager.

**2. Billing Rates & Overhead and Profit Schedule.**

The Contractor's billing rates and individual firm overhead and profit rates provided in the Overhead and Profit Schedule and Appendix B-1 shall not be negotiable during the Agreement award process and the duration of the Agreement. The individual firm overhead and profit rates shall apply to the

billing rate of all individuals not listed in the Overhead and Profit Schedule (i.e., substitute staff and staff assigned later). The individual firm overhead and profit rates and Effective Overhead and Profit rate shall also apply to all amendments to the Agreement. If a new subconsultant is added during the duration of the Agreement, the new individual firm overhead and profit rate can be no more than the Proposal Effective Overhead and Profit Rate.

If an Individual Contractor listed in the Overhead and Profit Schedule is later replaced or substituted after the Contract is executed, the billing rate of any new Individual Contractor shall not exceed the billing rate in the Overhead and Profit Schedule for the position. If the Individual Contractor is replaced or substituted with a Prime or Sub-consultant employee at an hourly payroll rate, the firm overhead and profit rate applied to the replacement individual's hourly payroll rate must not exceed the Effective Overhead and Profit Rate. The Individual Contractor's hourly pay rate shall be verifiable by an executed written contract with the Contractor. Mark-up on an Individual Contractor shall be limited to 5% of the Individual Contractor's billing rate.

Contractor's billing rates stated in Revised Appendix B-1 (March 2, 2015) will be the billing rate for the listed individuals. Billing rates may be adjusted annually on the anniversary of the effective date of this Agreement as indicated in the Notice of Contract Award letter. The amount of any annual adjustment to billing rates is limited to a maximum of the CPI annual percent change increase (San Francisco Bay Area for Urban Wage Earners and Clerical Workers) for the previous calendar year, if the Index declines or shows no increase, billing rates will not be increased. Any increases in billing rates will be applied on a prospective basis only. The maximum hourly billing rate is **\$220 per hour**. In the event the maximum billing rate is to exceed \$220 per hour, the Contractor must obtain written pre-authorization from the SFPUC Project Manager and Bureau/Division Manager. Those who are allowed to exceed the maximum billing rate will keep the rate for the duration of the contract. No annual adjustment is allowed to billing rates exceeding \$220 per hour. Billing rates for staff in any position will apply regardless of whether it is straight time, premium time or overtime.

The billing rate for each listed individual may not exceed the lowest rate charged to any other governmental entity except the City and County of San Francisco. Additionally, billing rates shall not exceed Federal Acquisition Regulations (FAR) or Generally Accepted Accounting Principles (GAAP) rate; whichever is applicable, if both, whichever is lowest.

- Direct Labor is limited to actual salaries of project personnel
  - Effective Overhead and Profit Rate: 1.98
3. **Staff Changes:** The SFPUC Regional Project Manager must approve the assignment of staff prior to beginning a task order as well as any staff changes proposed by Contractor. The SFPUC Regional Project Manager must also approve in writing any personnel changes proposed by Contractor after Notice to Proceed has been issued.

The Contractor should note that the City will only approve project staff substitutions when that change in personnel is requested by the City and/or beyond the control of the Contractor. Individuals listed in the Overhead and Profit Schedule and for whom resumes and qualifications have been submitted as part of the proposal are expected to be provided to the project team.

All staff provided whether proposed in the Contractor's proposal or proposed as a substitution or a staff change shall meet the qualifications for the position as stated in Section IV.3 of the RFP



**4. Potential Delays to Project Schedule; Key/Lead Team Member Availability.**

The construction schedule is an estimate; the SFPUC cannot guarantee an exact start date for CM services. There are potential uncertainties that could delay the start of construction, which in turn could delay the start of services or result in the temporary suspension of services under this Agreement. Potential uncertainties include, but are not limited to: delays in completing the environmental review process under the California Environmental Quality Act ("CEQA"), delays in the review and permitting processes required by Local, State and Federal resource agencies and delays in the availability of equipment and/or materials. In addition, until the CEQA review process is completed, the City retains sole and absolute discretion to, among other things, modify the project to mitigate significant environmental impacts, or elect not to proceed with the project based upon information generated by the environmental review process.

If there is a delay to the start of construction, the SFPUC may, depending on the reason(s) for and timing of the delay, elect not to issue a Notice to Proceed ("NTP") for Task 2 services (see Appendix A to Agreement, above) or temporarily suspend services at some point after issuing NTP for Task 2.

In light of the potential delay or temporary suspension of services under the Agreement, Contractor agrees to the following conditions:

- If a delay to the start of construction either delays the start of services or results in temporary suspension of services under the Agreement, the selected Contractor will guarantee the availability of the Key/Lead Team members identified in its proposal for a delay or suspension period of up to 6 months. For a delay in issuing NTP for Task No. 2 services, the 6-month delay period will commence upon receipt of the Notice of Award of contract. For any suspension of services after issuance of NTP for Task No. 2, the 6-month suspension period will commence upon the receipt of a notice of suspension from the SFPUC.
- If any construction schedule-related delay or suspension period extends beyond 6 months, the selected Contractor may substitute Key/Lead Team members. The SFPUC will have the right to approve any substitutions, which approval will not be unreasonably withheld. Proposed substitute personnel must meet all applicable qualification requirements set forth in the Request for Proposals dated February 22, 2010
- Any construction schedule-related delay or suspension period will count toward the annual rate adjustment process described in Paragraph 1, above.

- 5. Additional Subcontractors:** Second-tier and pass-through subcontracting is prohibited. However, in the event that the prime Contractor and its approved subcontractors lack the necessary skills or expertise to perform requested services that are within the scope of the contract, additional subcontractors may be added to the Contractor team after obtaining pre-authorization by the SFPUC Regional Project Manager and Bureau/Division Manager.

## 6. Other Direct Costs (ODC).

Direct reimbursable expenses (ODCs – Other Direct Costs) shall include actual direct costs (with no mark up) of expenses directly incurred in performing the work. All ODCs are subject to written consent by the SFPUC Project Manager.

The following items will be eligible for reimbursement as ODCs from the provisional sum item 2 ODCs as indicated in the Overhead and Profit Schedule:

- Out-of-town travel for project related business (“out-of-town” shall mean outside the nine Bay Area counties: San Francisco, Alameda, Marin, Santa Clara, Sonoma, Contra Costa, Napa, San Mateo, Solano. For project related business travel within the nine Bay Area Counties, approved leased vehicles will be used);
- Out- of town meal, and lodging expenses for project-related business trips. Meal and lodging expenses shall be reasonable and actual but limited to Federal government per diem rates;
- Rental vehicle: traveler must select the most economical contractor and type of vehicle available and acquire any commercial rate or government discount available when the vehicle is rented. Rental Vehicle will be on an as needed basis and will require prior written approval of the SFPUC Project Manager;
- Personal vehicle use: Contractor will be paid per mile as established by the CDRP and State Internal Revenue Service and only for that portion of travel that is outside the nine Bay Area counties and non-routine. If the Contractor needs to use personal Vehicles for Project related business within the nine Bay Area Counties a prior written approval from the SFPUC Project Manager is required. Should the travel begin or end on a normal workday, the Contractor shall subtract commuting mileage from total mileage to calculate reimbursable mileage. The Contractor shall submit to the City an approved mileage log with its monthly invoices;
- Lease payments, fuel, maintenance, insurance, parking, and other associated vehicle expenses for Project Vehicles approved by SFPUC;
- Specialty printing (“specialty” as used herein shall mean large volume printing and color printing and requires written consent by SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice);
- Specialty computer hardware and software (only with written consent by SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice – all hardware and software will be the property of the City);
- Courier services that are project related and originated from the project site offices;
- Cell phones for CM team members as required to perform direct work related to the project;
- Permit fees;
- Expedited courier services when requested by SFPUC staff;
- Safety equipment;

- Special services, used solely for the benefit of this project and not performed by the Prime Contractor or by the Sub-consultants, such as electrical testing, hazardous material testing, training, deliveries, diving services, office and field office setups and maintenance, and telephone and network installations and maintenance. All such service must receive prior written approval of SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice.

Anything not listed above is not eligible for reimbursement. They include, but are not limited to:

- All other project business related travel expenses such as parking, bridge tolls, public transit, travel from Consultant's residence or home office to SFPUC facilities, unless otherwise approved in writing by the SFPUC Project Manager;
- Contractor personnel relocation costs;
- Any home office labor charges or pass-through, including but not limited to, administrative and clerical personnel time;
- Personnel relocation and temporary assignment expenses;
- Entertainment expenses;
- Home office expenses;
- Telephone calls and faxes originating in the firm's home office, standard computer use charges, computer hardware or software, communication devices, and electronic equipment;
- Meal expenses which are not related to project-related business trips, including refreshments and working lunches with SFPUC staff;
- Postage and courier services which are not requested by SFPUC staff; and
- Costs of preparing the proposal.

Office facilities (two work stations) will be provided by SFPUC in San Francisco at 525 Golden Gate Avenue for pre-construction phase services until the project field or the office is available. Project field offices will be provided by each individual construction contractor within thirty (30) days of the construction contract NTP. Both offices will include office furnishings, telephone services and equipments, internet connection, copy machine, printer and fax machine, to include maintenance and supplies.

**7. Subcontractor Fees:**

- a. Subject to above restrictions
- b. Shall be subject to written pre-approval by the SFPUC Regional Project Manager
- c. Subcontractor administration markup is limited to five percent (5%) of *subconsultants' actual labor costs*.

**8. Retention is not required under this contract - Left blank by Agreement of the Parties.**

**9. Invoice Requirements:**

The SFPUC is automating its contracting and invoice payment processes with online software systems (SOLIS). The following processes are being automated: Contract Certification, Insurance Compliance, Task Order Certification, Timekeeping, Invoice Approval, and Invoice Payment. As part of its contracting obligations, the Contractor is required to 1) become an authorized user of these systems, 2) attend user training for these systems; and 3) utilize these systems for the purposes for which they are intended. Contractor shall not bill the SFPUC to use these systems. Contractor shall not charge SFPUC to send appropriate personnel to user training.

Contractor shall follow the invoicing and supporting documentation instructions as detailed in the SOLIS training or otherwise prescribed by the SFPUC.

The contractor shall submit one original invoice package with the appropriate CMD reporting forms and supporting documentation to substantiate services provided and allowable ODCs. Original invoices should be sent directly to:

San Francisco Public Utilities Commission  
Contract Administration Bureau – Centralized Invoice Processing Unit  
525 Golden Gate Avenue, 8th Floor  
San Francisco, CA 94102

Contractor will work with City Staff to establish an invoice format that will correlate with appropriate City reporting requirements and will be used thereafter.

All invoices must include the following information:

Contract number;  
Task Order Number;  
Purchase Order Number(s);  
Index Code(s);  
Billing Start Date; and  
Billing Ending Date.

Invoice Supporting Documentation:

All labor hours must be substantiated by timesheet summaries extracted from the Contractor's accounting system. Each timesheet summary shall include the staff person's name, company, dates of the days worked, and the number of hours worked each day.

Mileage ODCs must be accompanied by mileage logs providing the beginning and ending mileage to substantiate the variable portal-to-portal distance and local driving required while performing the work. All other ODCs must be substantiated with copies of original receipts including a brief description for each receipt memorializing the purpose.

CMD Form 7 "Progress Payment Form" must be included with each invoice to identify the participation and amount payable to the subcontractors.

CMD Form 9 "Payment Affidavit" must be sent to the Contract Administration Bureau's Centralized Invoice Processing Unit within ten (10) days of receiving payment for each invoice to document the subcontractor's payment by the prime contractor.

**City and County of San Francisco  
San Francisco Public Utilities Commission  
Contract Administration Bureau  
525 Golden Gate Avenue, 8<sup>th</sup> Floor  
San Francisco, CA 94102**

**Second Amendment between the City and County of San Francisco  
and  
Black & Veatch Corporation for**

**Construction Management Services Calaveras Dam Replacement Project  
(CS-911.R)**

THIS AMENDMENT (this "Amendment") is made as of March 1, 2015, in San Francisco, California, by and between **Black & Veatch Corporation** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its San Francisco Public Utilities Commission.

**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 contract amount, extend the agreement term by six months for a total duration of six years, and update standard contractual clauses; and

WHEREAS, approval for this Amendment was obtained when the Civil Service Commission approved Contract number **4072-07/08** on **December 15, 2014**; and

WHEREAS, approval for Amendment No. 1 to extend the term of the Agreement by six months was obtained when the San Francisco Public Utilities Commission approved Resolution number **11-0114** on **July 12, 2011**, but was never executed by the parties and thus that term is incorporated in this Amendment No. 2; and

WHEREAS, approval for this Amendment was obtained when the San Francisco Public Utilities Commission approved Resolution number **15-0056** on **February 24, 2015**.

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

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

**1a. Agreement.** The term "Agreement" shall mean the Agreement dated **August 2, 2010** between Contractor and City.

**1b. Contract Monitoring Division. Contract Monitoring Division.** Effective July 28, 2012, with the exception of Sections 14B.9(D) and 14B.17(F), all of the duties and functions of the Human Rights Commission under Chapter 14B of the Administrative Code (LBE Ordinance) were transferred to the City Administrator, Contract Monitoring Division ("CMD"). Wherever "Human Rights Commission" or "HRC" appears in the Agreement in reference to Chapter 14B of the Administrative Code or its implementing Rules and Regulations, it shall be construed to mean "Contract Monitoring Division" or "CMD" respectively.

**1c. Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

2. **Modifications to the Agreement.** The Agreement is hereby modified as follows:

**2a. Section 2.** Section 2 "Term of the Agreement" of the Agreement currently reads as follows:

**2. Term of the Agreement.** Subject to Section 1, the term of this Agreement shall be sixty six (66) months from the effective date as set forth in Section 3, below.

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

**2. Term of the Agreement.** Subject to Section 1, the term of this Agreement shall be seventy-two (72) months, or six (6) years, from the effective date as set for in Section 3.

**2b. Section 5.** Section 5 "Compensation" of the Agreement currently reads as follows:

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 thirty-eight million dollars (**\$38,000,000**). 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.

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 San Francisco Public Utilities 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.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of HRC Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of HRC and Contractor of the omission. If Contractor's failure to provide HRC Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until HRC Progress Payment Form is provided.

Following City's payment of an invoice, Contractor has ten days to file an affidavit using HRC Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

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

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 thirty-eight million five hundred thousand dollars (**\$38,500,000**). 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.

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 San Francisco Public Utilities 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.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided.

Following City's payment of an invoice, Contractor has ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

**2c. Section 8.** Section 8 "Submitting False Claims; Monetary Penalties" of the Agreement is hereby replaced in its entirety to read as follows:

**8. Submitting False Claims; Monetary Penalties.**

Pursuant to Article V of Chapter 6 of the San Francisco Administrative Code, any contractor, subcontractor, supplier, consultant or subconsultant who submits a false claim may be subject to monetary penalties, investigation and prosecution and may be declared an irresponsible bidder or an unqualified consultant and debarred as set forth in that Article. A contractor, subcontractor, supplier, consultant or sub consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor, supplier, consultant or subconsultant: (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.

**2d. Section 15.** Section 15 "Insurance" of the Agreement is hereby replaced in its entirety to read as follows:

**15. Insurance.**

a. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

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



2) Commercial General Liability Insurance with limits not less than \$10,000,000 each occurrence and \$20,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

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.

4) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$10,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Services.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

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.

c. 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."

d. Should any of the required insurance be provided under a claims-made form, Contractor 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.

e. 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.

f. 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.

g. 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.

h. 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.

i. Should any of the required insurance be provided under a form of coverage that includes a general aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall be double the occurrence or claims limits specified above.

**2e. Replacing “Earned Income Credit (EIC) Forms” Section with “Consideration of Criminal History in Hiring and Employment Decisions” Section.** Section 32 “Earned Income Credit (EIC) Forms” is hereby replaced in its entirety to read as follows:

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

a. 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.

b. The requirements of Chapter 12T shall only apply to a Contractor’s or Subcontractor’s operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, shall apply only when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco, and shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

c. 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.

d. 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’s, 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.

e. 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(d), 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.

f. 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.

g. 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.

h. 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.

**2f. Section 59.** Section 59 "Food Service Waste Reduction Requirements" of the Agreement is hereby replaced in its entirety to read as follows:

**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 herein 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.

2g. **Section 61.** Section 61 “Cooperative Drafting” of the Agreement is hereby added to the Agreement, as follows:

**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.

**3. Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after the date of this Amendment.

**4. 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:

Black & Veatch Corporation

\_\_\_\_\_  
Harlan L. Kelly, Jr.  
General Manger  
San Francisco Public Utilities Commission

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title

Approved as to Form:

City vendor number: 49916

Dennis J. Herrera  
City Attorney

By: \_\_\_\_\_  
Julia H. Veit  
Deputy City Attorney

# CONSTRUCTION MANAGEMENT SERVICES - CALAVERAS DAM REPLACEMENT PROJECT

## REVISED APPENDIX B-1

2-Mar-15

Core Team in Forecast

Name	Position	Company	Bill Rate per Original Contract	Actual Raw Salary	Labor Multiplier / ESM*	Amendment 3
<b>SUBTASK 3.2.1 - IMPLEMENT CM SAFETY PLAN</b>						
Elizabeth Rodgers	Safety Compliance Oversight	BV-office	\$96.12	49.48	2.25	\$111.33
<b>SUBTASK 3.2.3 - MANAGE CM CONTRACT</b>						
Chris Mueller	Project Director	BV-office	\$220.00	129.05	2.25	\$290.36
Arun Parsons	Asst. Construction Mgr	BV	\$107.12	50.39	2.25	\$113.38
Jeff Bair	Project Advisor	BV-office	\$203.17	90.30	2.25	\$203.17
Lisa Ryan	Project Mgmt Support	BV-office	\$92.87	49.36	2.25	\$111.06
Jim McClain	Construction Mgr	BV	\$191.59	85.15	2.25	\$191.59
<b>SUBTASK 3.2.4 - PUBLIC OUTREACH</b>						
Holli Thier	Public Outreach	Thier PR	\$208.20	99.14	2.10	\$208.19
Maria Le	Public Outreach	Thier PR	\$161.34	76.83	2.10	\$161.34
<b>SUBTASK 3.3 - QUALITY ASSURANCE</b>						
Don Riley	Grout Program Mgr	BV	\$159.11	74.64	2.25	\$167.94
Mark Caruso	QA Inspector	BV	\$127.12	69.23	2.25	\$155.77
John Rocca	Field Operations Mgr	BV	\$147.94	73.00	2.25	\$164.25
Kaitie Zusy	Grouting Inspector	BV	\$80.18	39.48	2.25	\$88.83
Khalid Tarar	QA Electrical	BV	\$166.50	76.23	2.25	\$171.52
Tom Brittain	QA - Mechanical	BV	\$148.96	80.38	2.25	\$180.86
Scott Ball	QA Inspector	HMM	\$133.30	63.24	2.20	\$139.13
Eric Bennett	QA Inspector	HMM	\$127.12	58.93	2.20	\$129.65
Collette Frawley	QA Inspector	Kleinfelder	\$73.90	38.73	2.15	\$83.27
Glen Gorski	Lead QA Inspector	Kleinfelder	\$159.89	74.37	2.15	\$159.89
James Simmons	Materials Lab Tech	Kleinfelder	\$62.57	29.10	2.15	\$62.57
Brandon Brockett	Lab Manager	Kleinfelder	\$86.86	40.40	2.15	\$86.86
Robert Hammon	QA - Welding Inspection	Kleinfelder	\$71.67	35.98	2.15	\$77.36
Alexander White	Senior Surveyor	Lee Inc	\$116.39	70.00	2.00	\$140.00
Patrick Allen	QA Inspector	Terra	\$85.85	40.00	2.20	\$88.00
Rick Harlan	QA Inspector	Terra	\$145.41	68.40	2.20	\$150.48
<b>SUBTASK 3.4- CONTRACT MANAGEMENT</b>						
Ajay Singh	Estimator	Dabri	\$172.91	92.40	2.00	\$184.80
Karene Mitchem	Scheduler / Cost Control	BV	\$100.95	48.23	2.25	\$108.52
Albert Ruiz	Change Order Support	HMM	\$105.60	50.40	2.20	\$110.88
Manolito del Rosario	Contract Administration	HMM	\$163.79	79.26	2.20	\$174.37
Mohammed Parviz	Lead Scheduler	HMM	\$145.80	67.19	2.20	\$147.82
<b>SUBTASK 3.5- PROJECT CONTROLS</b>						
Wendie Busby	Admin Support	BV	\$59.10	29.40	2.25	\$66.15

# CONSTRUCTION MANAGEMENT SERVICES - CALAVERAS DAM REPLACEMENT PROJECT

## REVISED APPENDIX B-1

2-Mar-15

Core Team in Forecast

Name	Position	Company	Bill Rate per Original Contract	Actual Raw Salary	Labor Multiplier / ESM*	Amendment 3
Nicaremie Rodriguez	Document Control	HMM	\$83.32	38.46	2.20	\$84.61
<b>SUBTASK 3.6- ENVIRONMENTAL COMPLAINTS</b>						
James Walker	Paleontology	ATS	\$119.04	59.52	2.00	\$119.04
Bill Stagnaro	Environmental Inspector	BioMaAS	\$108.22	55.00	2.00	\$110.00
Bruce Hanson	Project Paleontologist	BioMaAS	\$116.39	58.20	2.00	\$116.40
Cullen Wilkerson	Environmental Compliance Manager	BioMaAS	\$173.14	86.57	2.00	\$173.14
Lily Henry Roberts	Archeology/Cultural Resources	ICF	\$45.76	22.46	1.98	\$44.47
Aaron Sunshine	Specialty Environmental Monitor	Shaw	\$63.31	32.11	2.15	\$69.04
Chris Perry	Environmental Inspector	Shaw	\$112.94	53.04	2.15	\$114.04
<b>SUBTASK 3.7- NOA</b>						
Bradley Erskine	NOA Compliance Mgr	Kleinfelder	\$175.61	82.00	2.15	\$176.30
David Herrera	NOA Monitor	SCA	\$57.79	28.90	2.00	\$57.80
Kevin Graf	Lead NOA Monitor	SCA	\$101.89	50.95	2.00	\$101.90
Siew Yee Lee	NOA Monitor - Perimeter	SCA	\$81.95	40.95	2.00	\$81.90
Tommy Nguyen	NOA Monitor	SCA	\$55.00	27.50	2.00	\$55.00
Waiman Pon	NOA Monitor	SCA	\$56.16	28.08	2.00	\$56.16
James Gooding	QA of Monte Carlo TL's	BV-office	\$140.13	70.73	2.25	\$159.14
Les (James) Powell	NOA Software Development	BV-office	NA	78.54	2.25	\$176.72
Mark Divoky	On-Site Project CIH	BV	\$149.28	66.35	2.25	\$149.29
Wayne Berman	NOA Tech Advisor	Berman	\$300.00	\$300.00	1.00	\$300.00

**NOTES:**

1. Current (2014-2015) bill rates based on raw salaries as provided in base contract adjusted for annual CPI increases
2. Update bill rate (post amendment) is the contract ESM applied to the current raw salary.

\* ESM - Effective Salary Multiplier

# CONSTRUCTION MANAGEMENT SERVICES - CALAVERAS DAM REPLACEMENT PROJECT

## REVISED APPENDIX B-1

2-Mar-15

Additional Resources (previously approved - on call as required)

Name	Position	Company	Bill Rate per Original Contract	Actual Raw Salary	Labor Multiplier / ESM *	Amendment 3
<b>SUBTASK 3.2.1 - IMPLEMENT CM SAFETY PLAN</b>						
Jack Schill	Safety Compliance/CIH	BV	\$141.63	65.42	2.25	\$147.20
Mike Levine	Safety Compliance	BV	\$89.32	42.62	2.25	\$95.90
<b>SUBTASK 3.2.3 - MANAGE CM CONTRACT</b>						
Jay Hesby		BV	\$220.00	138.48	2.25	\$311.58
Terry King		King	\$218.12		1.00	
Carmen Haynes		BV	New	35.07	2.25	\$78.91
Kelly Marinello		BV	\$74.86	35.66	2.25	\$80.24
<b>SUBTASK 3.2.4 - PUBLIC OUTREACH</b>						
<b>SUBTASK 3.3 - QUALITY ASSURANCE</b>						
Elizabeth Waldren	QA Electrical	BV	\$92.77	45.84	2.25	\$103.14
John Pudota	QA - Electrical	BV	\$142.52	73.12	2.25	\$164.52
Megan Punke	QA Inspector	BV	\$76.34	47.44	2.25	\$106.74
Minh Nuygen	QA Inspector	Kleinfelder	\$56.87	26.98	2.15	\$58.01
Kim Simmons	QA Inspector	Kleinfelder	\$75.74	35.25	2.15	\$75.79
Ellen Lee	Survey Task Manager	Lee Inc	\$148.58	85.00	2.00	\$170.00
Steve Cobbleddick	Survey CAD Support	Lee Inc	\$105.18	62.00	2.00	\$124.00
Kyle Petersen	QA Inspector	Terra	\$66.00	33.00	2.20	\$72.60
<b>SUBTASK 3.4- CONTRACT MANAGEMENT</b>						
Ravinder Domonique Kaur	Estimator	Dabri	\$143.92	92.40	2.00	\$184.80
Ryan Raymond	Quantity Estimating Engineer	HMM	\$80.11	36.42	2.20	\$80.12
Nitesh Poladia	Cost Estimator	BV	\$69.68	38.61	2.25	\$86.87
Stephen Hull	Lead Cost Estimator - CO's	BV-office	\$107.96	58.68	2.25	\$132.03
Marc Nelson	Quantity Estimating Engineer	HMM	\$122.78	56.88	2.20	\$125.14
<b>SUBTASK 3.5- PROJECT CONTROLS</b>						
<b>SUBTASK 3.6- ENVIRONMENTAL COMPLAINEE</b>						
Richard Serrano	Paleontology	ATS	\$112.31	56.15	2.00	\$112.31
Debra Peterson	Environmental Inspector	BioMaAS	\$115.57	57.79	2.00	\$115.57
Elizabeth Gruenstein	Specialty Environmental Monitor	BioMaAS	\$64.93	33.00	2.00	\$66.00
Evan Shanbrom	Specialty Environmental Monitor	BioMaAS	\$54.10	27.05	2.00	\$54.10
Jill Grant	Specialty Environmental Monitor	BioMaAS	\$108.22	54.11	2.00	\$108.22
Kimberly Craighead	Specialty Environmental Monitor	BioMaAS	\$97.39	48.70	2.00	\$97.39
Milton Yaceiga	Specialty Environmental Monitor	BioMaAS	\$108.22	54.11	2.00	\$108.22
Steve Powell	Specialty Environmental Monitor	BioMaAS	\$132.19	66.10	2.00	\$132.19
<b>SUBTASK 3.7- NOA</b>						
Faye (Sandra) Hall	NOA Database Analyst	BV	\$162.37	77.19	2.25	\$173.68
Chuck Siu	NOA Advisor	SCA	\$141.38	80.46	2.00	\$160.92



# CONSTRUCTION MANAGEMENT SERVICES - CALAVERAS DAM REPLACEMENT PROJECT

## REVISED APPENDIX B-1

2-Mar-15

Additional Resources (previously approved - on call as required)

Name	Position	Company	Bill Rate per Original Contract	Actual Raw Salary	Labor Multiplier / ESM *	Amendment 3
Dan Leung	NOA Monitor - Personal	SCA	\$107.11	53.56	2.00	\$107.12
Jerry Cook	NOA Monitor - Sampler Logger - Equip. Maintenance	SCA	\$84.99	42.50	2.00	\$85.00
Joe Young	NOA Monitor - Floater	SCA	\$70.45	35.23	2.00	\$70.46
Tommy Nguyen	NOA Monitor	SCA	\$55.00	27.50	2.00	\$55.00
Tucker Kalman	NOA Monitor	SCA	\$56.16	28.08	2.00	\$56.16

**NOTES:**

1. Current (2014-2015) bill rates based on raw salaries as provided in base contract adjusted for annual CPI increases
2. Update bill rate (post amendment) is the contract ESM applied to the current raw salary.

\* ESM: Effective Salary Multiplier



# San Francisco Water Power Sewer

Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor  
San Francisco, CA 94102  
T 415.554.3155  
F 415.554.3161  
TTY 415.554.3488

**TO:** Angela Calvillo, Clerk of the Board  
**FROM:** Kristen Wraith, Policy and Government Affairs  
**DATE:** March 2, 2015  
**SUBJECT:** Agreement No. CS-911R, Amendment No. 2, Construction Management Services – Calaveras Dam Replacement Project

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2015 MAR -2 AM 10:35

Attached please find an original and one copy of a proposed resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute Amendment No. 2 to Water Enterprise, Water System Improvement Program (WSIP)-funded Agreement No. CS-911R, Construction Management Service – Calaveras Dam Replacement Project, with Black and Veatch Corporation (B&V), to provide ongoing construction management support during construction and close-out of the project, increasing the agreement by \$30,000,000, for a total not-to-exceed agreement amount of \$68,500,000, and with a time extension up to two (2) years, ten (10) months, for a total agreement duration of eight (8) years, ten (10) months, pursuant to Charter Section 9.118.

The following is a list of accompanying documents (2 sets):

1. Board of Supervisors Resolution
2. SFPUC Resolution No. 10-0096
3. Agreement No. CS-911R
4. BOS Resolution No. 327-10
5. SFPUC Resolution No. 11-0114
6. SFPUC Resolution No. 15-0055
7. Amendment 2 Agenda Item
8. SFPUC Resolution No. 15-0056
9. Amendment 2A Agenda Item
10. Form SEFC-126

Please contact Kristen Wraith at 554-0758 if you need any additional information on these items.

Edwin M. Lee  
Mayor

Ann Moller Caen  
President

Francesca Vietor  
Vice President

Vince Courtney  
Commissioner

Anson Moran  
Commissioner

Ike Kwon  
Commissioner

Harlan L. Kelly, Jr.  
General Manager

150214



## PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 15-0055

WHEREAS, On June 8, 2010, per Resolution No. 10-0096, this Commission awarded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, and authorized the General Manager of the San Francisco Public Utilities Commission (SFPUC) to negotiate and execute a professional services agreement in the amount of \$38,000,000, and with a duration of five years and six months, concluding on February 2, 2016, with Black and Veatch Corporation, subject to Board of Supervisors' approval pursuant to Charter section 9.118; and

WHEREAS, On July 12, 2011, per Resolution No. 11-0114, this Commission awarded Amendment No. 1 to Agreement No. CS-911R, to extend the agreement duration by six months for a total agreement duration of six years, and with no change to the agreement value, to provide continued construction management services through the end of the close-out period to the Calaveras Dam Replacement Project in accordance with the project schedule at that time; and

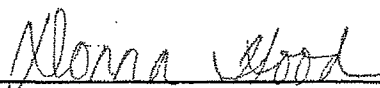
WHEREAS, Amendment No. 2 is being requested to increase the agreement amount by \$30,000,000, for a total not-to-exceed agreement amount of \$68,000,000, and to extend the agreement term by two years, 10 months, for a total agreement duration of eight years, 10 months, concluding on May 24, 2019, in order to provide continued construction management support during the extended duration of construction of the project; and

WHEREAS, The Contract Monitoring Division established a subconsulting goal of 14% Local Business Enterprise participation of the total labor value of the services to be provided, excluding specialized natural occurring asbestos compliance monitoring and advisory services; and

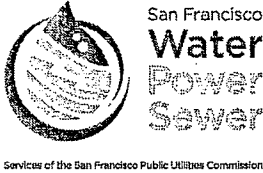
WHEREAS, Funds for this agreement are available from Project CUW37401 – Calaveras Dam Replacement; now, therefore, be it

RESOLVED, That this Commission hereby approves Amendment No. 2 to Water Enterprise, Water System Improvement Program-funded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, with Black and Veatch Corporation, to provide construction management services through the end of the close-out period of the project; and authorizes the General Manager of the SFPUC to negotiate and execute Amendment No. 2, increasing the agreement by \$30,000,000, for a total not-to-exceed agreement amount of \$68,000,000, and with a time extension of two years, 10 months, for a total agreement duration of eight years, 10 months, subject to 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 February 24, 2015.*



Secretary, Public Utilities Commission



**AGENDA ITEM**  
**Public Utilities Commission**  
*City and County of San Francisco*



DEPARTMENT Infrastructure Division AGENDA NO. 12  
 MEETING DATE February 24, 2015

**Construction Modification:** Regular Calendar  
**Project Manager:** Susan Hou

**Approve Agreement No. CS-911R, Amendment No. 2, Construction Management Services Calaveras Dam Replacement Project**

<p><b>Summary of Proposed Commission Action:</b></p>	<p><b>Approve</b> Amendment No. 2 to Water Enterprise, Water System Improvement Program (WSIP)-funded Agreement No. CS-911R, Construction Management Service – Calaveras Dam Replacement Project, with Black and Veatch Corporation (B&amp;V), to provide ongoing construction management support during construction and close-out of the project; and <b>authorize the General Manager of the San Francisco Public Utilities Commission (SFPUC) to negotiate and execute</b> this amendment, increasing the agreement by \$30,000,000, for a total not-to-exceed agreement amount of \$68,000,000, and with a time extension up to two years, 10 months, for a total agreement duration of eight years, 10 months, subject to the Board of Supervisors approval pursuant to Charter Section 9.118.</p>
<p><b>Background &amp; Description of Scope of Work:</b></p>	<p>The original agreement is part of the approved Construction Management (CM) Plan for the WSIP. It includes services to manage the construction activities of CUW37401, Calaveras Dam Replacement Project (CDRP). The scope of work in the original agreement includes the following:</p> <ul style="list-style-type: none"> <li>• Pre-Construction Phase Services           <ul style="list-style-type: none"> <li>○ Review the Design Engineer’s construction schedule and provide constructability review of construction bid documents</li> <li>○ Provide Bid and Award Phase assistance</li> <li>○ Provide assistance with permits and rights-of-way</li> <li>○ Provide construction contract requirements for CM field offices and other project related costs/services</li> </ul> </li> </ul>

**APPROVAL:** \_\_\_\_\_  
 COMMISSION SECRETARY Donna Hood

- 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 Calaveras Dam Replacement Project in accordance with the WSIP CM Plan
  - Provide Quality Assurance (QA) services including testing and field investigations for construction contract
  - Provide Environmental Compliance Monitoring, Inspection, and Support services
  - Provide Naturally Occurring Asbestos (NOA) Compliance Monitoring, Inspection, and Support services
  - Assist with the implementation of the Project Labor Agreement (PLA)
  - Assist with SFPUC's public outreach effort for the Calaveras Dam Replacement Project 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 activities necessary for the management of the construction work

Construction on the CDRP is more than 60% complete as of the end of November 2014. The CDRP has experienced significant increases in the contract cost and duration due to two ancient landslides that form the basis of the differing site conditions occurring in the left abutment and spillway excavation (also known as Observation Hill). The differing site conditions have required extensive additional investigations, evaluation, and redesign of the left abutment slope, spillway and dam foundation, and outlet pipe bench alignment, and have required an extension to the construction duration from the original schedule of four years to more than seven years. The final construction completion date has changed from its original schedule of July 30, 2015 to Nov 26, 2018.

Due to the extensive differing site conditions encountered during construction, funding that was originally planned to cover the remaining construction management support through February 2016 as approved under the original contract will be exhausted by April 2015.

The proposed work and contract modifications under Amendment No. 2 will allow Black and Veatch to continue to provide construction management support during the Construction and Close-out phases, including:

- Provide CM services to manage and administer the construction of the CDRP
- Provide QA services including testing and field investigations for construction contract
- Provide Environmental Compliance Monitoring, Inspection, and Support services
- Provide NOA Compliance Monitoring, Inspection, and Support services
- Assist with the implementation of the PLA
- Assist with SFPUC's public outreach effort for the CDRP 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 activities necessary for the management of the construction work.

**Changes to the agreement under Amendments:**

**Amendment No. 1:** was awarded to increase agreement duration by six months, for a total agreement duration of six years, with no change to the agreement value.

**Amendment No. 2:** is being requested for \$30,000,000, to provide continued construction management support during the extended duration of construction of the CDRP. This will increase the total not-to-exceed agreement amount to \$68,000,000 and extend the agreement term by two years, 10 months, which is consistent with the current approved baseline schedule for the CDRP.

The following adjustments will be made to the contract under Amendment 2 to provide incentive for Black and Veatch to stay in the contract and to finish the project:

- Adjust the raw salaries in the contract to current actual salaries. The new bill rates will be based on current actual salaries times the contract multiplier, except in cases where

	<p><u>the current contract bill rate is more than the current salary rate times the contract multiplier. The new bill rates will be subject to annual adjustment for inflation in accordance with the terms of the original contract.</u></p> <ul style="list-style-type: none"> <li>• <u>Include in the amendment provision(s) to pay certain travel and living expenses incurred by Black and Veatch on the project that were not previously billed or eligible to be paid by SFPUC.</u></li> </ul>
<b>Result of Inaction:</b>	Consultant services for CM support during construction would need to be suspended, resulting in the delay of project completion.
<b>Budget &amp; Costs:</b>	<p><b>Original Not-To-Exceed Amount:</b> \$38,000,000  <b>Amendment No. 1 Not-To-Exceed Amount:</b> \$0  <b>Amendment No. 2 Not-To-Exceed Amount:</b> \$30,000,000  <b>Total Not-To-Exceed Amount:</b> \$68,000,000</p> <p><b>Funding:</b> Sufficient funds to cover Amendment No. 2 to this agreement are available from Project CUW37401, Calaveras Dam Replacement.</p>
<b>Schedule:</b>	<p><b>Original Duration:</b> 5 years, 6 months  <b>Amendment No. 1 Duration:</b> 6 months  <b>Amendment No. 2 Duration:</b> 2 years, 10 months  <b>Total Contract Duration:</b> 8 years, 10 months</p>

<b>Compliance With Chapter 14B: Local Business Enterprise And Non-Discrimination In Contracting Ordinance:</b>	A Contract Monitoring Division (CMD) subconsulting goal of 14% Local Business Enterprise (LBE) participation of the total labor value of the services to be provided, excluding specialized natural occurring asbestos compliance monitoring and advisory services, has been established for the original agreement.  The actual LBE participation as of October 2014 is approximately 28.62%. See attached document for CMD approval of Amendment 2.
<b>Recommendation:</b>	SFPUC staff recommends that the Commission adopt the attached resolution.
<b>Attachments:</b>	1. SFPUC Resolution 2. CMD Memorandum



# PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. \_\_\_\_\_

WHEREAS, On June 8, 2010, per Resolution No. 10-0096, this Commission awarded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, and authorized the General Manager of the San Francisco Public Utilities Commission (SFPUC) to negotiate and execute a professional services agreement in the amount of \$38,000,000, and with a duration of five years and six months, concluding on February 2, 2016, with Black and Veatch Corporation, subject to Board of Supervisors' approval pursuant to Charter section 9.118; and

WHEREAS, On July 12, 2011, per Resolution No. 11-0114, this Commission awarded Amendment No. 1 to Agreement No. CS-911R, to extend the agreement duration by six months for a total agreement duration of six years, and with no change to the agreement value, to provide continued construction management services through the end of the close-out period to the Calaveras Dam Replacement Project in accordance with the project schedule at that time; and

WHEREAS, Amendment No. 2 is being requested to increase the agreement amount by \$30,000,000, for a total not-to-exceed agreement amount of \$68,000,000, and to extend the agreement term by two years, 10 months, for a total agreement duration of eight years, 10 months, concluding on May 24, 2019, in order to provide continued construction management support during the extended duration of construction of the project; and

WHEREAS, The Contract Monitoring Division established a subconsulting goal of 14% Local Business Enterprise participation of the total labor value of the services to be provided, excluding specialized natural occurring asbestos compliance monitoring and advisory services; and

WHEREAS, Funds for this agreement are available from Project CUW37401 – Calaveras Dam Replacement; now, therefore, be it

RESOLVED, That this Commission hereby approves Amendment No. 2 to Water Enterprise, Water System Improvement Program-funded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, with Black and Veatch Corporation, to provide construction management services through the end of the close-out period of the project; and authorizes the General Manager of the SFPUC to negotiate and execute Amendment No. 2, increasing the agreement by \$30,000,000, for a total not-to-exceed agreement amount of \$68,000,000, and with a time extension of two years, 10 months, for a total agreement duration of eight years, 10 months, subject to 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 February 24, 2015.*

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Secretary, Public Utilities Commission

# PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 15-0056

WHEREAS, On June 8, 2010, per Resolution No. 10-0096, this Commission awarded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, and authorized the General Manager of the San Francisco Public Utilities Commission (SFPUC) to negotiate and execute a professional services agreement in the amount of \$38,000,000, and with a duration of five years and six months, concluding on February 2, 2016, with Black and Veatch Corporation, subject to Board of Supervisors' approval pursuant to Charter section 9.118; and

WHEREAS, On July 12, 2011, per Resolution No. 11-0114, this Commission awarded Amendment No. 1 to Agreement No. CS-911R, to extend the agreement duration by six months for a total agreement duration of six years, and with no change to the agreement value, to provide continued construction management services through the end of the close-out period to the Calaveras Dam Replacement Project in accordance with the project schedule at that time; and

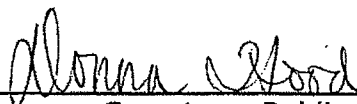
WHEREAS, Amendment No. 2-A is being requested to increase the agreement amount by \$500,000, for a total not-to-exceed agreement amount of \$38,500,000, in order to provide continued construction management (CM) support for a brief interim period (less than 1 month) to avoid any disruption to CM services while Amendment 2 is under review by the Board of Supervisors; and

WHEREAS, The Contract Monitoring Division established a subconsulting goal of 14% Local Business Enterprise participation of the total labor value of the services to be provided, excluding specialized natural occurring asbestos compliance monitoring and advisory services; and

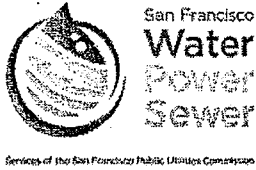
WHEREAS, Funds for this agreement are available from Project CUW37401 – Calaveras Dam Replacement; now, therefore, be it

RESOLVED, That this Commission hereby approves Amendment No. 2-A to Water Enterprise, Water System Improvement Program-funded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, with Black and Veatch Corporation, to provide continued construction management (CM) support for a brief interim period (less than 1 month) to avoid any disruption to CM services while Amendment 2 is under review by the Board of Supervisors; and authorizes the General Manager of the SFPUC to execute Amendment No. 2-A, increasing the agreement by \$500,000, for a total not-to-exceed agreement amount of \$38,500,000.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of February 24, 2015.*



Secretary, Public Utilities Commission



**AGENDA ITEM**  
**Public Utilities Commission**  
*City and County of San Francisco*



DEPARTMENT Infrastructure Division AGENDA NO. 13  
 MEETING DATE February 24, 2015

**Construction Modification:** Regular Calendar  
**Project Manager:** Susan Hou

**Approve Agreement No. CS-911R, Amendment No. 2-A, Construction Management Services Calaveras Dam Replacement Project**

<p><b>Summary of Proposed Commission Action:</b></p>	<p><b>Approve</b> Amendment No. 2-A to Water Enterprise, Water System Improvement Program (WSIP)-funded Agreement No. CS-911R, Construction Management Service – Calaveras Dam Replacement Project, with Black and Veatch Corporation (B&amp;V), to provide ongoing construction management (CM) support for a brief interim period (less than 1 month) to avoid any disruption to CM services while Amendment 2 is under review by the Board of Supervisors; and <b>authorize the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute</b> this amendment, increasing the agreement by \$500,000, for a total not-to-exceed agreement amount of \$38,500,000.</p>
<p><b>Background &amp; Description of Scope of Work:</b></p>	<p>The original agreement is part of the approved Construction Management (CM) Plan for the WSIP. It includes services to manage the construction activities of CUW37401, Calaveras Dam Replacement Project (CDRP). The scope of work in the original agreement includes the following:</p> <ul style="list-style-type: none"> <li>• Pre-Construction Phase Services       <ul style="list-style-type: none"> <li>○ Review the Design Engineer’s construction schedule and provide constructability review of construction bid documents</li> <li>○ Provide Bid and Award Phase assistance</li> <li>○ Provide assistance with permits and rights-of-way</li> <li>○ Provide construction contract requirements for CM field offices and other project related costs/services</li> <li>○ Provide resource loaded Task Plan</li> </ul> </li> </ul>

**APPROVAL:** \_\_\_\_\_  
 COMMISSION SECRETARY Donna Hood

	<ul style="list-style-type: none"><li>○ Participate in the Pre-Construction Conference</li><li>○ Provide project-specific CM Plan in accordance with WSIP CM Plan</li><li>○ Provide other support activities necessary for the award of the construction contract and initiation of the construction work</li><li>● Construction Phase Services<ul style="list-style-type: none"><li>○ Provide CM services to manage and administer the construction of the Calaveras Dam Replacement Project in accordance with the WSIP CM Plan</li><li>○ Provide Quality Assurance (QA) services including testing and field investigations for construction contract</li><li>○ Provide Environmental Compliance Monitoring, Inspection, and Support services</li><li>○ Provide Naturally Occurring Asbestos (NOA) Compliance Monitoring, Inspection, and Support services</li><li>○ Assist with the implementation of the Project Labor Agreement (PLA)</li><li>○ Assist with SFPUC's public outreach effort for the Calaveras Dam Replacement Project during construction</li><li>○ Provide Testing and Startup Management services</li><li>○ Assist with activities associated with the Acceptance of the Work, Close-out, and Turnover</li><li>○ Provide other support activities necessary for the management of the construction work</li></ul></li></ul> <p>Construction on the CDRP is more than 60% complete as of the end of November 2014. The CDRP has experienced significant increases in the contract cost and duration due to two ancient landslides that form the basis of the differing site conditions occurring in the left abutment and spillway excavation (also known as Observation Hill). The differing site conditions have required extensive additional investigations, evaluation, and redesign of the left abutment slope, spillway and dam foundation, and outlet pipe bench alignment, and have required an extension to the construction duration from the original schedule of four years to more than seven years. The final construction completion date has changed from its original schedule of July 30, 2015 to Nov 26, 2018.</p> <p>Due to the extensive differing site conditions encountered during construction, funding that was originally planned to cover the</p>
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	<p>remaining construction management support through February 2016 as approved under the original contract will be exhausted by April 2015.</p> <p>The proposed work and contract modifications under Amendment No. 2-A will allow Black and Veatch to continue to provide construction management support during a brief interim period (less than one month) while the larger Amendment 2 is under review by the Board of Supervisors.</p> <p><b>Changes to the agreement under Amendments:</b></p> <p><b><u>Amendment No. 1:</u></b> was awarded to increase agreement duration by six months, for a total agreement duration of six years, with no change to the agreement value.</p> <p><b><u>Amendment No. 2-A:</u></b> is being requested to provide ongoing construction management (CM) support for a brief interim period (less than 1 month) to avoid any disruption to CM services while the larger Amendment 2 is under review by the Board of Supervisors.</p>
<b>Result of Inaction:</b>	<p>Consultant services for CM support during construction would need to be suspended, resulting in the delay of project completion and significant cost of disruption to the project.</p>
<b>Budget &amp; Costs:</b>	<p><b>Original Not-To-Exceed Amount:</b> \$38,000,000</p> <p><b>Amendment No. 1 Not-To-Exceed Amount:</b> \$0</p> <p><b>Amendment No. 2-A Not-To-Exceed Amount:</b> \$500,000</p> <p><b>Total Not-To-Exceed Amount:</b> \$38,500,000</p> <p><b>Funding:</b> Sufficient funds to cover Amendment No. 2-A to this agreement are available from Project CUW37401, Calaveras Dam Replacement.</p>
<b>Schedule:</b>	<p><b>Original Duration:</b> 5 years, 6 months</p> <p><b>Amendment No. 1 Duration:</b> 6 months</p> <p><b>Amendment No. 2-A Duration:</b> No time extension requested under Amendment 2-A.</p>

**Contract:** CS-911R, Calaveras Dam Replacement Construction Management Services  
**Commission Meeting Date:** February 24, 2015

<b>Compliance With Chapter 14B: Local Business Enterprise And Non-Discrimination In Contracting Ordinance:</b>	<p>A Contract Monitoring Division (CMD) subconsulting goal of 14% Local Business Enterprise (LBE) participation of the total labor value of the services to be provided, excluding specialized natural occurring asbestos compliance monitoring and advisory services, has been established for the original agreement.</p> <p>The actual LBE participation as of October 2014 is approximately 28.62%. The CMD approval memorandum for the larger Amendment 2 is attached, and covers the work requested under Amendment 2-A.</p>
<b>Recommendation:</b>	SFPUC staff recommends that the Commission adopt the attached resolution.
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. SFPUC Resolution</li><li>2. CMD Memorandum</li></ol>

# PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. \_\_\_\_\_

WHEREAS, On June 8, 2010, per Resolution No. 10-0096, this Commission awarded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, and authorized the General Manager of the San Francisco Public Utilities Commission (SFPUC) to negotiate and execute a professional services agreement in the amount of \$38,000,000, and with a duration of five years and six months, concluding on February 2, 2016, with Black and Veatch Corporation, subject to Board of Supervisors' approval pursuant to Charter section 9.118; and

WHEREAS, On July 12, 2011, per Resolution No. 11-0114, this Commission awarded Amendment No. 1 to Agreement No. CS-911R, to extend the agreement duration by six months for a total agreement duration of six years, and with no change to the agreement value, to provide continued construction management services through the end of the close-out period to the Calaveras Dam Replacement Project in accordance with the project schedule at that time; and

WHEREAS, Amendment No. 2-A is being requested to increase the agreement amount by \$500,000, for a total not-to-exceed agreement amount of \$38,500,000, in order to provide continued construction management (CM) support for a brief interim period (less than 1 month) to avoid any disruption to CM services while Amendment 2 is under review by the Board of Supervisors; and

WHEREAS, The Contract Monitoring Division established a subconsulting goal of 14% Local Business Enterprise participation of the total labor value of the services to be provided, excluding specialized natural occurring asbestos compliance monitoring and advisory services; and

WHEREAS, Funds for this agreement are available from Project CUW37401 – Calaveras Dam Replacement; now, therefore, be it

RESOLVED, That this Commission hereby approves Amendment No. 2-A to Water Enterprise, Water System Improvement Program-funded Agreement No. CS-911R, Construction Management (CM) Services – Calaveras Dam Replacement Project, with Black and Veatch Corporation, to provide continued construction management (CM) support for a brief interim period (less than 1 month) to avoid any disruption to CM services while Amendment 2 is under review by the Board of Supervisors; and authorizes the General Manager of the SFPUC to execute Amendment No. 2-A, increasing the agreement by \$500,000, for a total not-to-exceed agreement amount of \$38,500,000.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of February 24, 2015.*

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*Secretary, Public Utilities Commission*



# GENERAL SERVICES AGENCY CONTRACT MONITORING DIVISION



Edwin M. Lee, Mayor  
Naomi M. Kelly, City Administrator

Maria Cordero, Executive Director

## MEMORANDUM

**Date:** December 23, 2014

**To:** Susan Hou, Project Manager, SFPUC

**From:** Bayard Fong, Contract Compliance Officer, HRC

**Subject:** Modification of CS-911R, Amendment 2  
CM Services Calaveras Dam Replacement – Black & Veatch Corporation

The San Francisco Public Utilities Commission (“SFPUC”) awarded the above mentioned contract to Black & Veatch Corporation (“Black & Veatch”) to provide Construction Management Services (CM) for the Calaveras Dam Replacement Project. The contract in the amount of \$38,000,000 was issued on August 6, 2010. The LBE sub-consulting goal for the project is 14%. Black & Veatch’s CMD Form 2A commits to meeting 18.52% LBE participation.

The following are the LBEs listed on Form 2A:

FIRM	SERVICE	LBE Status	LBE
Applied Technology & Science	Environmental	SF WBE	0.53%
Avila & Associates	Environmental	SF WBE	0.27%
BioMaAS	Environmental	SF MBE	0.88%
Darbi, Inc.	Safety Compliance & Cost Estimating	SF WBE	1.13%
DKGC, Inc.	Geotechnical	SF MBE	0.06%
Eagle Environmental & Construction	Safety Compliance	SF WBE	0.39%
Holman & Associates	Environmental	SF MBE	0.14%
Jonas & Associates, Inc.	NOA Monitoring	SF WBE	2.55%
Lee Incorporated	Surveying	SF WBE	2.08%
Sonika Corporation	Technical Resources	SF MBE	0.28%
Terra Engineers	Technical Resources	SF WBE	0.11%
Their PR	Public Outreach/Communications	SF WBE	5.07%
SCA Environmental, Inc.	NOA Monitoring	SF MBE	5.03%
		<b>Total:</b>	<b>18.52%</b>



On July 12, 2011, in Amendment 1, the SFPUC approved the contract extension adding six (6) months, for a total agreement duration of six (6) years, and with no change to the agreement value.

For Amendment 2, Black & Veatch and the SFPUC are requesting approval from CMD to modify the above referenced contract by adding \$24,232,436 plus a contingency amount of \$6,267,564, and extend the contract by two (2) years, ten (10) months, for total agreement duration of eight (8) years ten (10) months. This will increase the total contract to \$62,232,436, allocate \$6,267,564 for contingency services, and extend the contract to May 24, 2019.

As of October 2014 the LBE participation on CS-911R is 28.62%. Black & Veatch has committed to utilizing "all good faith efforts" to use the listed LBE's. With Amendment 2, Black & Veatch estimates that the LBE participation will be 27.33%.

See chart below:

<b>FIRM</b>	<b>SERVICE</b>	<b>Participation to date dollars \$</b>	<b>Participation to date percent %</b>	<b>Projected \$ with Mod</b>	<b>Projected % with Mod. Included</b>
Applied Technology & Science	Environmental	674,993	1.78	1,154,373	2.01%
Avila & Associates	Environmental	178,025	0.47	178,025	0.31%
BioMaAS	Environmental	2,292,227	6.05	3,766,248	6.57%
Darbi, Inc.	Safety Compliance & Cost Estimating	1,313,807	3.47	1,313,807	3.29%
DKGC, Inc.	Geotechnical	0	0	-	0.06%
Eagle Environmental & Construction	Safety Compliance	152,512	0.40	152,512	0.27%
Holman & Associates	Environmental	36,612	0.10	36,612	0.06%
Jonas & Associates, Inc.	NOA Monitoring	98,718	0.26	98,718	0.17%
Lee Incorporated	Surveying	564,875	1.49	1,001,410	1.75%
Sonika Corporation	Technical Resources	134,894	0.36	134,894	0.24%
Terra Engineers	Technical Resources	2,066,509	5.46	3,219,993	6.96%
Their PR	Public Outreach/Communications	1,338,580	3.54	1,963,876	3.43%
SCA Environmental, Inc.	NOA Monitoring	1,985,167	5.24	3,989,962	6.96%
	<b>Total:</b>	<b>\$10,836,919</b>	<b>28.62%</b>	<b>\$17,010,431</b>	<b>27.33%</b>

In addition, Black & Veatch has committed to a minimum of 18.52% for the contingency work.

See chart below:

<b>FIRM</b>	<b>SERVICE</b>	<b>Contract Contingency LBE Allocation \$</b>	<b>Contract Contingency LBE Allocation %</b>
Applied Technology & Science	Environmental	62,675	0.9
Avila & Associates	Environmental	0.00	0.0
BioMaAS	Environmental	283,293	4.5
Darbi, Inc.	Safety Compliance & Cost Estimating	125,351	2.0
DKGC, Inc.	Geotechnical	0.00	0.0
Eagle Environmental & Construction	Safety Compliance	0.00	0.0
Holman & Associates	Environmental	0.00	0.0
Jonas & Associates, Inc.	NOA Monitoring	0.00	0.0
Lee Incorporated	Surveying	62,675	0.9
Sonika Corporation	Technical Resources		
Terra Engineers	Technical Resources	313,378	5.0
Their PR	Public Outreach/Communications	0.00	
SCA Environmental, Inc.	NOA Monitoring	313,378	5.0
		<b>1,160,752</b>	<b>18.52%</b>

Based on the information provided above, CMD approves this modification with the condition that the prime, Black & Veatch utilize "all good faith efforts" to use the listed LBE's to the maximum extent possible and to exceed the goal with the new contract dollars. This commitment applies to the entire contract including all modifications, change orders, and amendments.

If you have any questions please feel free to contact me at 415-554-3103 or [bfong@sfgwater.org](mailto:bfong@sfgwater.org).

Cc: Chris Mueller, Black & Veatch  
 Nicole Truax, CMD  
 Veronica Ng, PUC

**PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. 11-0114

WHEREAS, On June 8, 2010, pursuant to Resolution No. 10-0096, this Commission awarded Agreement No. CS-911R, Calaveras Dam Replacement Construction Management (CM) Services, and authorized the General Manager to execute a professional services agreement, in the amount of \$38,000,000, and with a duration of five (5) years and six (6) months, concluding on February 2, 2016, with Black and Veatch, subject to Board of Supervisors' approval pursuant to Charter section 9.118; and

WHEREAS, On July 20, 2010, pursuant to Resolution No. 327-10, approval for Agreement No. CS-911R was obtained from the San Francisco Board of Supervisors; and

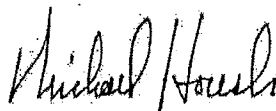
WHEREAS, Amendment No. 1 is being requested to extend the agreement duration by six (6) months for a total agreement duration of six (6) years, and with no change to the agreement value, to provide continued construction management services through the end of the closeout period of the Calaveras Dam Replacement project; and

WHEREAS, A Human Rights Commission (HRC) subconsulting goal of 14% Local Business Enterprise (LBE) participation of the total labor value of the services to be provided, excluding specialized natural occurring asbestos compliance monitoring and advisory services, has been established for this agreement; and

WHEREAS, Funds for this agreement continue to be available from Project CUW37401 - Calaveras Dam Replacement; now, therefore, be it

RESOLVED, That this Commission hereby approves Amendment 1 to Water Enterprise, Water System Improvement Program-funded Agreement No. CS-911R, Calaveras Dam Replacement Construction Management (CM) Services, with Black and Veatch, to provide construction management services through the end of the closeout period of the project; and authorizes the General Manager to execute this amendment, increasing the agreement duration by six (6) months, for a total agreement duration of six (6) years, and with no change to the agreement value.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of* July 12, 2011



*Secretary, Public Utilities Commission*



**SAN FRANCISCO PUBLIC UTILITIES COMMISSION**



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

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

**Black and Veatch Corporation  
CS-911R Construction Management Services  
Calaveras Dam Replacement Project**

This Agreement is made this 2nd day of August, 2010, in the City and County of San Francisco, State of California, by and between: **Black and Veatch Corporation** 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 for the SFPUC Water System Improvement Program's Calaveras Dam Replacement Project ("CDRP"); and,

WHEREAS, a Request for Proposal ("RFP") was issued on February 22, 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 #4072-07/08) for Agreement No. CS-911R on January 7, 2008 and as modified on March 12, 2010; and,

WHEREAS, on June 8, 2010, pursuant to Resolution No. 10-0096, 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. 327-10 on July 20, 2010;

Now, THEREFORE, the parties agree as follows:

**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-six (66) 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 thirty-eight million dollars (\$38,000,000). 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.

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 San Francisco Public Utilities 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.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of HRC Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of HRC and Contractor of the omission. If Contractor's failure to provide HRC Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until HRC Progress Payment Form is provided.

Following City's payment of an invoice, Contractor has ten days to file an affidavit using HRC Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

#### **6. Guaranteed Maximum Costs.**

a. The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification.

b. 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.

c. 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.

d. 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 §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for three times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim shall also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for

each false claim. A contractor, subcontractor or consultant 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 - Left blank by Agreement of the Parties.**

**10. Taxes.**

a. 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.

b. 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:

(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;

(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.

(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.

(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 do 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, 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.**

### **a. 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 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.

### **b. 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, should any court, arbitrator, or administrative authority determine that Contractor is an employee for any other purpose, then Contractor agrees to a reduction in City's financial liability so that City's total expenses under this Agreement are not greater than they would have been had the court, arbitrator, or administrative authority determined that Contractor was not an employee.

## **15. Insurance**

a. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(1) Worker's Compensation Insurance, including Employer's Liability limits with Statutory limits as required by the State of California, not less than \$1,000,000 each accident, injury or illness.

(2) Commercial General Liability Insurance with limits not less than \$10,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(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.

(4) Professional liability insurance with limits not less than \$10,000,000 each claim with respect to negligent acts, errors or omissions in connection with professional services to be provided under this Agreement.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must provide the following:

(1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(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.

c. All policies shall provide thirty (30) days' advance written notice to City of reduction or nonrenewal of coverages or cancellation of coverages for any reason. Notices shall be sent to the following address:

City and County of San Francisco  
San Francisco Public Utilities Commission  
Contract Administration Bureau

1155 Market Street, 9th Floor  
San Francisco, CA 94103

d. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of five 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.

e. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

f. 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.

g. Before commencing any operations under this Agreement, 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. Failure to maintain insurance shall constitute a material breach of this Agreement.

h. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

i. If a subcontractor will be used to complete any portion of this agreement, the Contractor shall ensure that the subcontractor shall provide all necessary insurance and shall name the City and County of San Francisco, its officers, agents and employees and the Contractor listed as additional insureds.

j. Consultant hereby agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

k. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents and subcontractors.

l. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

m. The City will require the construction contractor for the CDRP project to name Contractor as an additional insured under the construction contractor's liability insurance for the project (general liability, automobile liability and, if applicable, environmental pollution liability). The City will not, however, require the construction contractor to list Contractor as an additional indemnitee under Paragraph 3.19 of the City's General Conditions (Document 00700).

Specific insurance requirements for the construction contract, including limits of insurance, will be developed by the City as part of the construction contract bidding process.

## **16. Indemnification.**

### **a. General Indemnity.**

To the fullest extent permitted by law, Contractor shall assume the defense of, indemnify and save harmless the City, its boards, commissions, officers, and employees (collectively "Indemnitees"), from any claim, loss, damage, injury (including, without limitation, injury to or death of an employee of the Contractor or its subconsultants) and liabilities of every kind, nature and description (including, without limitation, court costs, attorney's fees and costs of investigation), that arise directly or indirectly, in whole or in part, from (1) the services under this Agreement, or any part of such services, and (2) any negligent, reckless, or willful act or omission of the Contractor and subconsultant to the Contractor, anyone directly or indirectly employed by them, or anyone that they control (collectively, "Liabilities"), subject to the provisions set forth herein.

### **b. Limitations.**

(1) No insurance policy covering the Contractor's performance under this Agreement shall operate to limit the Contractor's liability under this provision. Nor shall the amount of insurance coverage operate to limit the extent of such liability.

(2) The Contractor assumes no liability whatsoever for the sole negligence or willful misconduct of any Indemnitee or the contractors of any Indemnitee.

(3) The Contractor's indemnification obligations of claims involving "Professional Liability" (claims involving acts, errors or omissions in the rendering of professional services) and "Economic Loss Only" (claims involving economic loss which are not connected with bodily injury or physical damage to property) shall be limited to the extent of the Contractor's negligence or other breach of duty.

### **c. Copyright Infringement.**

Contractor shall also indemnify, defend and hold harmless all Indemnitees from all suits or claims for infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark, or any other proprietary right of any person or persons in consequence of the use by the City, or any of its boards, commissions, officers, or employees of articles or services to be supplied in the performance of Contractor's services under this Agreement.

## **17. Incidental and Consequential Damages.**

Contractor shall have no liability to City for any type of special, consequential or incidental damages arising out of or connected with Contractor's services performed in connection with this Agreement. This limit of liability applies under all circumstances including, but not limited to, the breach, completion, termination, suspension or cancellation of the services under this Agreement or this Agreement, and negligence or strict liability of Contractor. This limit of liability shall NOT apply to or limit: (i) Contractor's obligation to pay Liquidated Damages as set forth in this Agreement; (ii) damages caused by Contractor's gross negligence, reckless conduct, willful acts or omissions, fraud or illegal or unlawful acts; (iii) Contractor's liability for third party claims; (iv) Contractor's liability for any type of damage to the extent such damage is required to be covered by insurance as specified herein; (v)

Contractor's obligation to indemnify and defend the City for intellectual property infringement; (vi) wrongful death caused by Contractor; (vii) punitive or treble damages; and (viii) Contractor's liability for damages expressly provided for in this Agreement.

**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 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 - Left Blank by Agreement of the Parties.**

**20. Default; Remedies.**

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

(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, 10, 15, 24, 30, 37, 53, 55, 57, or 58.

(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 days after written notice thereof from City to Contractor.

(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.

(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.

b. 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.

c. All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder 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.**

a. 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 minimum of fourteen (14) days written notice of termination. The notice shall specify the date on which termination shall become effective.

b. 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:

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

(2) Not placing any further orders or subcontracts for materials, services, equipment or other items.

(3) Terminating all existing orders and subcontracts.

(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.

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

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

(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.

c. 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:

(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.

(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.

(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.

(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.

d. 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 (c). 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 (c).

e. 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 (d); 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.

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

## **22. Rights and Duties upon Termination or Expiration.**

a. This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement: 8 through 11, 13 through 18, 24, 26, 27, 28, 48 through 52, 56, and 57.

b. Subject to the immediately preceding subsection (a), 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 of the work or services under this Agreement or in contemplation thereof, 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:

San Francisco Public Utilities Commission  
Project Management Bureau  
Attention: Daniel L. Wade, Senior Project Manager  
1155 Market Street, 6<sup>th</sup> Floor  
San Francisco, CA 94103  
Tel. (415) 554-1853  
Fax. (415) 551-4695  
Email: dwade@sfwater.org

To Contractor:

Black and Veatch Corporation  
Attention: Christopher G. Mueller, Vice President  
650 California Street, 5th Floor  
San Francisco, CA 94108  
Tel. (415) 693-9552 ext. 29  
Fax. (415) 693-9597  
Email: MuellerCG@bv.com

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 hereunder 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. Earned Income Credit (EIC) Forms.**

Administrative Code section 120 requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

a. Contractor shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless



Contractor has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Contractor; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

b. Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Contractor of the terms of this Agreement. If, within thirty days after Contractor receives written notice of such a breach, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, Contractor fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.

c. Any Subcontract entered into by Contractor shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this section.

d. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 120 of the San Francisco Administrative Code.

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

#### **a. 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.

#### **b. Compliance and Enforcement.**

##### **(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 Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") 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 HRC 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 HRC 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 HRC or the Controller upon request.

**(2) Subcontracting Goals.**

The LBE subconsulting goal for this Contract is 14% of the total labor value of the services to be provided, excluding specialized NOA compliance monitoring and advisory services. The LBE subcontracting goal shall also apply to any labor value of the Additional Services authorized after issuance of the Notice to Proceed, excluding specialized NOA compliance monitoring and advisory services. Refer to Table for Required LBE Participation below. Pursuant to Section 14B.9 of the Administrative Code, Contractor is hereby advised that the availability of Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs) and Other Business Enterprises (OBEs) to perform subconsulting work on this project is as follows: 5.3% MBE, 6% WBE, and 2.7% OBE.

**Table for Required LBE Participation**

	Estimated Contract Amount	Required LBE Subconsultant Participation at time of proposal
<b>Labor items:</b> <ul style="list-style-type: none"> <li>• Construction Management</li> <li>• Communications Services</li> <li>• Document Controls</li> <li>• Environmental Compliance Services</li> <li>• Materials Testing</li> <li>• Surveying</li> <li>• All other labor items, excluding specialized NOA compliance monitoring and advisory services.</li> </ul>	\$21.1 M	14%
<b>Other Items:</b> <ul style="list-style-type: none"> <li>• Additional Services (\$4.0 M)</li> <li>• ODCs/Equipment/Special Material (\$1.5 M)</li> <li>• NOA-ODCs/Equipment/Special Material (\$6.1 M)</li> <li>• Specialized NOA Compliance Monitoring and Advisory Services (\$5.3 M)</li> </ul>	\$16.9 M	0%

Contractor shall fulfill the subcontracting commitment made in its bid or proposal. Each invoice submitted to City for payment shall include the information required in the HRC Progress Payment Form and the HRC Payment Affidavit. Failure to provide the HRC Progress Payment Form and the HRC Payment Affidavit with each invoice submitted by Contractor shall entitle City to withhold 20% of the amount of that invoice until the HRC Payment Form and the HRC Subcontractor Payment Affidavit are provided by Contractor.

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.

**(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 HRC 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 maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination of this contract and to make such records available for audit and inspection by the Director of HRC or the Controller upon request.

**(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 HRC in writing within ten 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 working days following receipt of payment from the City, to file the HRC 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.

**34. Nondiscrimination; Penalties.**

**a. 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.

**b. 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.

**c. 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.

**d. Condition to Contract.**

As a condition to this Agreement, Contractor shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

**e. 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 herein. 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 herein 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.

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

a. 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 Chapter 12P are incorporated herein 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.

b. 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.

c. 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 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

d. 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.

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

f. 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.

g. 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.

h. 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.

i. 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.**

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 Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. 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.

a. 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.

b. 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.

c. 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.

d. 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.

e. 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.

f. 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.

g. 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.

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

i. 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.

j. 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 business days to respond.

k. 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.

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

m. 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.**



**a. Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapter 83 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 herein. 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 therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

**b. First Source Hiring Agreement.** As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

(1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs maybe certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

(2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

(3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

(4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the

employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

(5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

(6) Set the term of the requirements.

(7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

(8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

(9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

**c. Hiring Decisions.** Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

**d. Exceptions.** Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

**e. Liquidated Damages.** Contractor agrees:

(1) To be liable to the City for liquidated damages as provided in this section;

(2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;

(3) That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.

(4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not

exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;

(5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

A. The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and

B. In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year;

therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

(6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

f. **Subcontracts.** Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

#### **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 herein 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 hereunder, (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 HRC 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% (HRC Contract Modification Form).

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

Should any question arise as to the meaning and intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to Purchasing who shall decide the true meaning and intent of the Agreement.

**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.

**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 - Left Blank by Agreement of the Parties.**

**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 herein 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. Graffiti Removal.**

Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti.

Contractor shall remove all graffiti from any real property owned or leased by Contractor in the City and County of San Francisco within forty eight (48) hours of the earlier of Contractor's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a Contractor to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act

(California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

Any failure of Contractor to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.



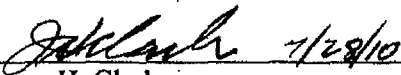
**59. Food Service Waste Reduction Requirements.**

Effective June 1, 2007, 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 herein 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 - Left Blank by Agreement of the Parties**

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

CITY	CONTRACTOR
<p>Approved by:</p> <p></p> <p>Ed Harrington General Manager San Francisco Public Utilities Commission</p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By: </p> <p>John G. White Deputy City Attorney</p>	<p><b>Black and Veatch Corporation</b></p> <p>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.</p> <p>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.</p> <p> 7/28/10</p> <p>James H. Clark Vice President Black and Veatch Corporation</p> <p>650 California Street, 5th Floor San Francisco, CA 94108</p> <p>City vendor number: 49916</p>

**Appendices**

- A: Services to be provided by Contractor
- B: Calculation of Charges

**Appendix A**  
**Services to be provided by Contractor**

**Contractor agrees to perform said services all in accordance with the terms of this Agreement.**

**1. Description of Services**

Contractor will provide construction management services for the Calaveras Dam Replacement Project. Contractor will be the Calaveras Dam Replacement Project Consultant Construction Manager (CCM), and will be required to provide fully qualified and highly experienced construction management personnel to manage the construction of the project. Contractor shall ensure that the Calaveras Dam Replacement Project Construction Management objectives and requirements are achieved and are in compliance with the WSIP Construction Management Plan ("WSIP CM Plan") guidelines, uniform procedures and policies.

The WSIP CM Plan, as well as the Request for Proposals (CS-911R) dated February 22, 2010 (including all addenda), are hereby incorporated into this Agreement as if fully set forth herein.

These following tasks, subtasks and subtask activities are referenced to the relevant sections (in parentheses) in the WSIP CM Plan to provide guidance to the Contractor as to the anticipated scope of work. The sections referenced are not inclusive. The CCM will be responsible for providing all of the duties required by the WSIP CM Plan for the functional positions that will be staffed by the CCM. The Contractor is responsible for reviewing the WSIP CM Plan to obtain a full understanding of that Plan and how it relates to the scope of work to be provided by the RCCM and to each of these tasks, subtasks and subtask activities listed below. These tasks, subtasks and subtask activities shall be performed by the CCM and its staff for the CDFP in a manner that is consistent with the approach to Construction Management as described in the WSIP CM Plan.

**Task 1 Intentionally Left Blank – There will not be a designated Task 1 (Regional CM Services) for the Proposed Calaveras Dam Replacement Project.**

**Task 2 Provide CM Services for Proposed Calaveras Dam Replacement Project (CDRP):**

**Subtask 2.1 Pre-Construction Services**

**Activities:**

- 2.1.1 Review and Comment on Design Engineer Construction Schedule (2.1.1).
- 2.1.2 Provide Constructability Reviews (2.1.2).
  - Provide Constructability and Biddability Reviews at the Draft 100% Design Milestone prior to Bid and Award.
  - Review and Comment on Final 100% Design Products prior to Bid and Award.
  - Review and Comment on construction contractor QC Requirements.
  - Review and Comment on construction contractor Required Submittals.
- 2.1.3 Provide Bid and Award Phase Assistance (2.1.3).



2.1.4 Provide Construction Contract Requirements for Project Construction Manager Field Offices and Other Project Related Costs/Services (2.1.9).

2.1.5 Provide Support for the Construction Contract Pre-Bid Conference (2.1.6).

2.1.6 Provide Assistance with Permits and Rights-of-Way (2.1.7).

Environmental permitting is being managed by the SFPUC's Bureau of Environmental Management (BEM) supported by a team of environmental consultants. Permitting is on an aggressive schedule but it is possible that final permits may not be obtained by the scheduled Bid Advertisement Date. Therefore, the SFPUC may need to issue an Addendum to the Bid Package once final permit conditions are obtained from the regulatory agencies. The CCM would be called upon to assist the SFPUC in managing the incorporation of final permit conditions into the Bid Package and issuing an Addendum, as necessary.

2.1.7 Provide Project CM Plan in accordance with the WSIP CM Plan (2.2.1).

2.1.8 Provide Project NOA Compliance Management (NOACM) Plan.

The NOACM will prepare a NOA Compliance Monitoring Plan that will include both the scope of work for the implementation of: 1) the CAMP; and, 2) the NOA Compliance Monitoring Plan during construction including Cal/OSHA requirements for the protection of CM staff and CM visitors.. Incorporate the NOACM Plan into the Project CM Plan.

2.1.9 Provide Resource Loaded Task, Subtask and Subtask Activities Plan for CM Consultant Services (2.2.4).

The Plan will match the CCM Scope of Work, WBS (Tasks, Subtasks and Subtask Activities) and the level of resource loading (monthly person-hour loading of each resource) in a format as determined by the Deputy Director of Construction.

2.1.10 The CCM will provide monitoring equipment and laboratory testing services needed for implementation of the CAMP and WQMP and for CM staff and CM visitors personal monitoring. The CCM will work with the City to develop approved lists of vendors that are qualified to provide the needed monitoring equipment and laboratory testing services. The CCM will solicit competitive proposals from these vendors, and will negotiate and establish "best-value pricing" based on the anticipated volume of services. Multiple vendors in each category of services may be needed in order to provide the needed turn-around time and uninterrupted continual services. (An ODC allowance amount is included in the OPS for monitoring equipment and laboratory testing services.)

2.1.11 Assist with SFPUC's Public Outreach efforts (2.2.5).

2.1.12 Review environmental requirements found in the Mitigation Monitoring and Reporting Plan prepared during the CEQA environmental approval process and perform pre-construction mitigation measures including but not limited to preparation of plans (e.g., Archaeological Monitoring Plan). (2.1.10).

2.1.13 Provide CM Safety Plan (2.2.2.2).

In addition to the requirements specified in the WSIP CM Plan, the CM Safety Plan will include safety measures related to the presence of NOA, metals, and silica for CM staff at the site in accordance with all relevant and applicable local, state, and federal requirements in addition to those listed in the MMRP and project permit conditions, as well as, CM staff training in asbestos, metals, and silica awareness and

Competent Person (CP) training for metals and silica, as well as, oversight for prospective Site Surveillance Technicians (SST's) during the fulfillment of experience requirements. In addition, the CM Safety Plan will include preparation of training materials for training of CM visitors (i.e., DSOD and other regulatory visitors, SFPUC management visitors, and other CM visitors) and construction contractor staff in the form of site-specific asbestos, metals, and silica awareness training for all construction contractor staff and visitors. Training materials should be developed to allow for training times to vary depending on personnel involvement in the project.

- 2.1.14 Provide CM QA Plan (2.2.9.6.2).
- 2.1.15 Provide project Risk Management Plan (2.2.8.4).

## **Subtask 2. 2 Construction Contract Administration**

### **Activities:**

- 2.2.1 Implement CM Safety Plan (2.2.2.2).
- 2.2.2 Implement Construction Management Information System (2.2.3).
- 2.2.3 Manage CM Contract (2.2.4).
- 2.2.4 Support SFPUC Public Outreach Efforts (2.2.5).

An experienced Public Relations Specialist will be required on a part-time to full-time basis (work schedule will vary according to construction workload and support needs) to support CDRP construction activities. For budgeting purposes, the consultant should allow a total of **1 FTE for the first two years and 0.5 FTE for the following two years** for this role (over the duration of this contract). These hours will cover pre-construction and construction public outreach support for the CDRP. The Public Relations Specialist will be stationed in the Project office and report directly to the SFPUC Communication Liaison appointed to the CDRP.

It is anticipated that the public outreach efforts will include coordination and dissemination of data collected during the implementation of the CAMP. The data collected under the NOACM Monitoring Plan (2.2.9.6.2) will require management and control for dissemination of data as described in the CAMP and other project documents.

- 2.2.5 Administer Security Program Requirements for the Project (2.2.6).
- 2.2.6 Assist SFPUC with the Implementation of the Project Labor Agreement (PLA) (2.2.7).

The PLA is located on the [wee.sfwater.org](http://wee.sfwater.org) website at the following link:  
[http://sfwater.org/custom/bid/planlist.cfm/bidtype/1/MCID/15MSC\\_ID/149](http://sfwater.org/custom/bid/planlist.cfm/bidtype/1/MCID/15MSC_ID/149)

- 2.2.7 Provide Construction Administration for the Project (2.2.8.1 through 2.2.8.19)
- 2.2.8 Provide Administration Support for the Project (1.6.25).
- 2.2.9 Provide Testing and Start-Up Management Services (2.2.8.20).
- 2.2.10 Provide Support for Spare Parts and Warranties (2.2.8.21).
- 2.2.11 Provide management of Acceptance of the Work and Close-Out (2.2.8.22). In addition to the requirements stated in the WSIP CM Plan, the Project CM (or

designated Key/Lead Team Member or Principal-in-Charge who maintains a current license as a California Professional Civil Engineer) will stamp and wet sign a minimum of three sets of as-built drawings and will certify that the project was constructed in general conformance with the design plans and specifications.

2.2.12 Provide Support for Project Administration for Close-Out and Turn Over  
(2.2.8.23).

**Subtask 2.3 Construction Quality Assurance (2.2.9.1 through 2.2.9.6)**

Provide Quality Assurance Services (2.2.9).

In addition to the requirements of the WSIP CM Plan, provide Special Inspections Services as required by the California Building Code (CBE) 2007, Chapter 17. The CBC as adopted by the City and County of San Francisco Building Department and referred to as SF Building Code lists Structural Inspections/Observations which must be carried out on construction projects.

The CCM will establish control monuments, and may verify the construction contractor's line and grade, and provide surveying when requested by the Project Engineer, for preparing design changes.

**Subtask 2.4 Construction Contracts Management (2.2.10.1 through 2.2.10.9)**

Provide Construction Contracts Management Services in accordance with the requirements of the WSIP CM Plan (2.2.10)

**Subtask 2.5 Construction Project Controls (2.2.11.1 through 2.2.11.13)**

Provide Project Controls Services in accordance with the requirements of the WSIP CM Plan (2.2.11).

**Subtask 2.6 Construction Environmental Compliance Management, Inspection, and Monitoring Services (2.2.12.1 through 2.2.12.10).**

Provide Environmental Compliance Management, Inspection, and Monitoring Services in accordance with the requirements of the WSIP CM Plan (2.2.12.1 through 2.2.12.10).

As described above, the CDRP Draft Environmental Impact Report is available. The EIR will not be finalized until September 2010 and permits obtained thereafter. Thus, only draft CEQA and NEPA requirements and permit conditions included in the project's permit applications are available during this proposal period as follows:

- Draft EIR
- Regional Water Quality Control Board, 401 Certification application
- US Fish and Wildlife Service Biological Assessment
- US Army Corps of Engineers

Although the project will be obtaining a Streambed Alteration Agreement from California Department of Fish and Game, a permit application hasn't been finalized and will not be available during this proposal period.

In addition, some permits will be in negotiation with the relevant agencies and will require finalization by the construction contractor including the following:

BAAQMD Asbestos Dust Mitigation Plan Authorization; Cal/OSHA Construction Permit; RWQCB Site Specific SWPPP based on the CDRP Individual NPDES Permit and SWPPP Framework (currently in progress);

Proposers should review the Draft EIR and permit applications for potential project requirements, but are cautioned that these requirements may change in the final EIR and project permit requirements.

Coordinate and provide for Specialty Environmental Monitors (e.g., biologists, archaeologists and/or paleontologists) to perform pre-construction and construction surveys for special status wildlife and resources and perform pre-construction and construction mitigation measures as required by the CEQA document (e.g., MMRP) and permits conditions. (2.2.12.5)

Coordinate and provide for Environmental Inspector(s) to evaluate, verify, and document compliance with all environmental requirements in accordance with mitigation measures as required by the CEQA document (e.g., MMRP) and permits conditions. (2.2.12.5)

Implement the WQMP and prepare reports and other documentation related to the WQMP: The WQMP will include quarterly water quality monitoring of Calaveras Reservoir and Calaveras and Alameda Creeks to provide a general water quality trends over the construction period to verify the overall effectiveness of the mitigation measures imposed on the project. The monitoring will include, at a minimum, the quarterly monitoring of general and chemical water quality parameters, in accordance with the Water Quality Monitoring Program (WQMP) being prepared by the City. There will be four (4) locations in the Calaveras Reservoir and up to three (3) locations in Alameda Creek and one (1) location in Calaveras Creek downstream of the dam excavation area.

Other environmental compliance management services include, but are not limited to the following:

- Provide advice on the interpretation of environmental requirements and ensure overall compliance with project specifications, environmental permits and agreements, and the Mitigation Monitoring and Reporting Program (MMRP). (2.2.12.8)
- Prepare project-specific environmental plans required in MMRP such as the Archaeological Monitoring Plan (2.2.12.4). Note that an Archaeological Evaluation Plan has been completed for the project as well as the Archaeological Evaluation Plan Report.
- Review contractor's environmental submittals to determine that they are consistent with MMRP requirements, permits, and agency agreements. (2.2.12.4)
- Prepare both Monthly MMRP Reports and MMRP Quarterly Reports. (2.2.12.7)
- Manage preparation of minor project modification requests (e.g., extra workspace requests) including coordinating and performing required biological and/or cultural surveys and reports. (2.2.12.6)
- Review non-compliance reports and ensure timely resolution of non-compliance reports.
- Develop Supervisory Level Environmental Training Program (approximate 3 hour slide presentation) and Crew Level Environmental Training Program (approximate 1 hour) with accompanying general environmental requirements brochure (2.2.12.2)

- Provide internal training to Environmental Inspectors and Specialty Environmental Monitors, as applicable, to help ensure that that field staff are properly prepared to perform their duties.

**Subtask 2.7 Construction NOA Compliance Monitoring Services**

Provide NOA Compliance Monitoring Services: Draft EIR requirements specifically related to the presence of NOA are summarized in the Appendix O (Draft EIR Table S.2), including, but not limited to the following mitigation measures to be implemented by the construction contractor:

- Dust Mitigation Plan and Comprehensive Air Monitoring Plan (Mitigation Measure 5.9.2a).
- Construction Worker Protection (Mitigation Measure 5.9.2b)
- Watershed Keeper's Residence Protection and Monitoring (Mitigation Measure 5.2.9c).
- Excavated Materials Management Plan (Mitigation Measure 5.2.9d).
- Fugitive dust mitigation measures recommended by the BAAQMD (Mitigation Measure 5.13.1a).

The CCM shall monitor compliance with the above mitigation plans and requirements. In addition to compliance monitoring of the above during construction, the NOACM team will implement the CAMP.

In view of the limited project-specific scope of services available at this time for Subtask 2.7, Proposers should assume the following level of effort will be required by the following NOA staff over an estimated duration of 42 continuous months within the 48 month construction contract duration depending on the construction contractor's actual operations:

- NOACM 2,400 hours per year
- Lead NOA Monitors 2,400 hours per year
- Lead and Other NOA Inspectors 1,800 hours per year
- NOA Monitors 5,300 hours per year

NOACM staff must be available for both day and night shifts. NOA staff must meet Cal-OSHA requirements, including training and medical approval, as applicable, for use of on-site personal worker protections such as respirators as necessary.

**2. Reports.**

The Contractor shall submit written reports as requested by the SFPUC Regional Project Manager. Reports shall be thorough, competent and professional. Draft reports submitted for review shall be analyzed for technical content; clarity, language or technical content shall be grounds for resubmission as referred to in contract Item 11 describing "Acceptance of Work". The SFPUC Regional Project Manager shall determine the format for the content of such reports. Submission of all reports shall be in accordance with the schedule set forth in individual task orders. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

**3. Task Orders.**

Performance of the Construction Management Services will be executed according to a task order process. The SFPUC Regional Project Manager will identify tasks and request the Contractor to propose a project scope, sub tasks, staffing plan, LBE utilization, schedule, deliverables, budget and costs to complete the task. A final task order scope proposal will be negotiated between the SFPUC Regional Project Manager and the Contractor and then submitted to Construction Management Bureau for approval. Labor rates, overhead rates and certain other CDRP costs or prices, including profit will be accordance with Appendix B. However, as provided in the RFP, the budget identified for tasks in Overhead and Profit Schedule is an estimate, and the City reserves the right to modify the budget allocated to any task as more specific information concerning the task order scope becomes available.

The task order request will be processed for Controller certification of funding, after which a *Notice to Proceed* will be issued. The Contractor is hereby notified that work cannot commence until the Contractor receives a written Notice to Proceed. *Any work performed without a Notice to Proceed will be at the Contractor's own commercial risk.* The calculations of costs and methods of compensation for all task orders under this contract shall be in accordance with the negotiated master contract and billing rates set forth in Appendix B.

#### **4. Contractor Responsibilities.**

In addition to services identified above, the Contractor may also be asked to assist SFPUC staff in providing technical support and expertise in the development of the project and related documents during the Agreement period. The primary Contractor functions are:

- a. Ensure the timely delivery of quality services and within budget;
- b. Provide adequate quality control processes and deliverables in conformance with the technical requirements of the contract and task order;
- c. Maintain liaison and direct communications with SFPUC staff and promptly resolve any questions and issues that may arise;
- d. Submit invoices with proper supporting documentation in accordance with the terms of this agreement;
- e. Provide reports and deliverables as requested by SFPUC staff;
- f. Presentations to the SFPUC, the Board of Supervisors, and neighborhood or community meetings, as needed;
- g. Professional consultations and peer review;
- h. Field inspections and field or crisis management at project sites;
- i. Confined space entry may be required; and
- j. Emergency response.

#### **5. Performance Evaluation.**

Performance evaluations support the SFPUC's objective of continuously improving the quality of Contractor services. The SFPUC may or may not, at its sole discretion, conduct evaluation/s of Contractor's performance. Ratings are ultimately the decision of the SFPUC and are not subject to negotiation with the Contractor. However, the Contractor may provide comments on a performance

evaluation form if an evaluation is performed. In the event that the SFPUC conducts performance evaluation/s of the Contractor, such performance evaluation/s shall not confer any express or implied rights upon Contractor, nor shall they shift any liability to the SFPUC for the Contractor's performance of the contract.

**6. Reports.**

Contractor shall submit written reports as requested by the San Francisco Public Utilities Commission (SFPUC). Format for the content of such reports shall be determined by the Construction Management Bureau of the SFPUC. The timely submission of all reports is a necessary and material term and condition of this Agreement. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

**7. Department Liaison.**

In performing the services provided for in this Agreement, Contractor's liaison with the SFPUC shall be:

Dan Wade, Senior Project Manager  
1155 Market Street, 6<sup>th</sup> Floor  
San Francisco, CA 94103  
Tel. (415) 554-1853

## **Appendix B Calculation of Charges**

As part of Contractor's proposal dated April 8, 2010, Contractor submitted billing rates, attached hereto as part of Appendix B-1. The Overhead and Profit Schedule, which list the requested tasks is hereby incorporated by reference. All costs associated with the development of the scope of work shall be borne by Contractor. The Contractor, with the assistance of the SFPUC, will be required to define the detailed scope for the tasks under this Agreement.

As provided in the RFP, the budget identified for tasks in Appendix B is an estimate, and the City reserves the right to modify the budget allocated to any task as more specific information concerning the task order scope becomes available.

Pursuant to San Francisco Administrative Code §21.35, any Contractor, subcontractor or Contractor who submits a false claim shall be liable to the City for three times the amount of damages which the City sustains because of the false claim. A Contractor, subcontractor or Contractor who submits a false claim shall also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. A Contractor, subcontractor or Contractor will be deemed to have submitted a false claim to the City if the Contractor, subcontractor or Contractor: (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.

1. Compensation under this contract will be provided as: a) labor related costs by hourly billing rates for hours worked, and b) separately billed direct reimbursable expenses (ODCs). (Markups on ODCs are not allowable)
  - a) Hourly billing rates shall be the actual hourly base salary rate of each employee utilized for the work multiplied by the firm(s) individual firm Overhead and Profit Rate, or effective Overhead and Profit Rate (for substituted firms or substituted individual contractors). The individual firm Effective Overhead and Profit Schedule shall include all miscellaneous and incidental costs of work other than those as specifically defined below as direct reimbursable expenses.
  - b) Direct reimbursable expenses (ODCs – Other Direct Costs) shall include actual direct costs (with no mark up) of expenses directly incurred in performing the work. All ODCs are subject to pre-approval in writing by the SFPUC Project Manager.

### **2 Billing Rates & Overhead and Profit Schedule.**

The Contractor's billing rates and individual firm overhead and profit rates provided in the Overhead and Profit Schedule and Appendix B-1 shall not be negotiable during the Agreement award process and the duration of the Agreement. The individual firm overhead and profit rates shall apply to the billing rate of all individuals not listed in the Overhead and Profit Schedule (i.e., substitute staff and staff assigned later). The individual firm overhead and profit rates and Effective Overhead and Profit rate shall also apply to all amendments to the Agreement. If a new subconsultant is added during the



duration of the Agreement, the new individual firm overhead and profit rate can be no more than the Proposal Effective Overhead and Profit Rate.

If an Individual Contractor listed in the Overhead and Profit Schedule is later replaced or substituted after the Contract is executed, the billing rate of any new Individual Contractor shall not exceed the billing rate in the Overhead and Profit Schedule for the position. If the Individual Contractor is replaced or substituted with a Prime or Sub-consultant employee at an hourly payroll rate, the firm overhead and profit rate applied to the replacement individual's hourly payroll rate must not exceed the Effective Overhead and Profit Rate. The Individual Contractor's hourly pay rate shall be verifiable by an executed written contract with the Contractor. Mark-up on an Individual Contractor shall be limited to 5% of the Individual Contractor's billing rate.

Contractor's billing rates stated in Appendix B-1 will be the billing rate for the listed individuals. Billing rates may be adjusted annually on the anniversary of the effective date of this Agreement as indicated in the Notice of Contract Award letter. The amount of any annual adjustment to billing rates is limited to a maximum of the CPI annual percent change increase (San Francisco Bay Area for Urban Wage Earners and Clerical Workers) for the previous calendar year, if the Index declines or shows no increase, billing rates will not be increased. Any increases in billing rates will be applied on a prospective basis only. The maximum hourly billing rate is **\$220 per hour**. In the event the maximum billing rate is to exceed \$220 per hour, the Contractor must obtain written pre-authorization from the SFPUC Project Manager and Bureau/Division Manager. Those who are allowed to exceed the maximum billing rate will keep the rate for the duration of the contract. No annual adjustment is allowed to billing rates exceeding \$220 per hour. Billing rates for staff in any position will apply regardless of whether it is straight time, premium time or overtime.

The billing rate for each listed individual may not exceed the lowest rate charged to any other governmental entity except the City and County of San Francisco. Additionally, billing rates shall not exceed Federal Acquisition Regulations (FAR) or Generally Accepted Accounting Principles (GAAP) rate; whichever is applicable, if both, whichever is lowest.

- Direct Labor is limited to actual salaries of project personnel
- Effective Overhead and Profit Rate: 1.98

- 3 **Staff Changes:** The SFPUC Regional Project Manager must approve the assignment of staff prior to beginning a task order as well as any staff changes proposed by Contractor. The SFPUC Regional Project Manager must also approve in writing any personnel changes proposed by Contractor after Notice to Proceed has been issued.

The Contractor should note that the City will only approve project staff substitutions when that change in personnel is requested by the City and/or beyond the control of the Contractor. Individuals listed in the Overhead and Profit Schedule and for whom resumes and qualifications have been submitted as part of the proposal are expected to be provided to the project team.

All staff provided whether proposed in the Contractor's proposal or proposed as a substitution or a staff change shall meet the qualifications for the position as stated in Section IV.3 of the RFP

4. **Potential Delays to Project Schedule; Key/Lead Team Member Availability.**

The construction schedule is an estimate; the SFPUC cannot guarantee an exact start date for CM services. There are potential uncertainties that could delay the start of construction, which in turn could delay the start of services or result in the temporary suspension of services under this Agreement. Potential uncertainties include, but are not limited to: delays in completing the

environmental review process under the California Environmental Quality Act ("CEQA"), delays in the review and permitting processes required by Local, State and Federal resource agencies and delays in the availability of equipment and/or materials. In addition, until the CEQA review process is completed, the City retains sole and absolute discretion to, among other things, modify the project to mitigate significant environmental impacts, or elect not to proceed with the project based upon information generated by the environmental review process.

If there is a delay to the start of construction, the SFPUC may, depending on the reason(s) for and timing of the delay, elect not to issue a Notice to Proceed ("NTP") for Task 2 services (see Appendix A to Agreement, above) or temporarily suspend services at some point after issuing NTP for Task 2.

In light of the potential delay or temporary suspension of services under the Agreement, Contractor agrees to the following conditions:

- If a delay to the start of construction either delays the start of services or results in temporary suspension of services under the Agreement, the selected Contractor will guarantee the availability of the Key/Lead Team members identified in its proposal for a delay or suspension period of up to 6 months. For a delay in issuing NTP for Task No. 2 services, the 6-month delay period will commence upon receipt of the Notice of Award of contract. For any suspension of services after issuance of NTP for Task No. 2, the 6-month suspension period will commence upon the receipt of a notice of suspension from the SFPUC.
  - If any construction schedule-related delay or suspension period extends beyond 6 months, the selected Contractor may substitute Key/Lead Team members. The SFPUC will have the right to approve any substitutions, which approval will not be unreasonably withheld. Proposed substitute personnel must meet all applicable qualification requirements set forth in the Request for Proposals dated February 22, 2010
  - Any construction schedule-related delay or suspension period will count toward the annual rate adjustment process described in Paragraph 1, above.
5. **Additional Subcontractors:** Second-tier and pass-through subcontracting is prohibited. However, in the event that the prime Contractor and its approved subcontractors lack the necessary skills or expertise to perform requested services that are within the scope of the contract, additional subcontractors may be added to the Contractor team after obtaining pre-authorization by the SFPUC Regional Project Manager and Bureau/Division Manager.
6. **Other Direct Costs (ODC).**

Direct reimbursable expenses (ODCs – Other Direct Costs) shall include actual direct costs (with no mark up) of expenses directly incurred in performing the work. All ODCs are subject to pre-approval in writing by the SFPUC Project Manager.

The following items will be eligible for reimbursement as ODCs from the provisional sum item 2 ODCs as indicted in the Overhead and Profit Schedule:

- Out-of-town travel for project related business ("out-of-town" shall mean outside the nine Bay Area counties: San Francisco, Alameda, Marin, Santa Clara, Sonoma, Contra Costa,

Napa, San Mateo, Solano. For project related business travel within the nine Bay Area Counties, approved leased vehicles will be used);

- Out- of town meal, and lodging expenses for project-related business trips. Meal and lodging expenses shall be reasonable and actual but limited to Federal government per diem rates;
- Rental vehicle: traveler must select the most economical contractor and type of vehicle available and acquire any commercial rate or government discount available when the vehicle is rented. Rental Vehicle will be on an as needed basis and will require prior written approval of the SFPUC Project Manager;
- Personal vehicle use: Contractor will be paid per mile as established by the CDRP and State Internal Revenue Service and only for that portion of travel that is outside the nine Bay Area counties and non-routine. If the Contractor needs to use personal Vehicles for Project related business within the nine Bay Area Counties a prior written approval from the SFPUC Project Manager is required. Should the travel begin or end on a normal workday, the Contractor shall subtract commuting mileage from total mileage to calculate reimbursable mileage. The Contractor shall submit to the City an approved mileage log with its monthly invoices;
- Lease payments, fuel, maintenance, insurance, parking, and other associated vehicle expenses for Project Vehicles approved by SFPUC;
- Specialty printing ("specialty" as used herein shall mean large volume printing and color printing and requires prior written approval by SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice);
- Specialty computer hardware and software (only with prior written approval by SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice -- all hardware and software will be the property of the City);
- Courier services that are project related and originated from the project site offices;
- Cell phones for CM team members as required to perform direct work related to the project;
- Permit fees;
- Expedited courier services when requested by SFPUC staff;
- Safety equipment;
- Special services, used solely for the benefit of this project and not performed by the Prime Contractor or by the Sub-consultants, such as electrical testing, hazardous material testing, training, deliveries, diving services, office and field office setups and maintenance, and telephone and network installations and maintenance. All such service must receive prior written approval of SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice.

Anything not listed above is not eligible for reimbursement. They include, but are not limited to:

- All other project business related travel expenses such as parking, bridge tolls, public transit, travel from Consultant's residence or home office to SFPUC facilities;

- Contractor personnel relocation costs;
- Any home office labor charges or pass-through, including but not limited to, administrative and clerical personnel time;
- Personnel relocation and temporary assignment expenses;
- Entertainment expenses;
- Home office expenses;
- Telephone calls and faxes originating in the firm's home office, standard computer use charges, computer hardware or software, communication devices, and electronic equipment;
- Meal expenses which are not related to project-related business trips, including refreshments and working lunches with SFPUC staff;
- Postage and courier services which are not requested by SFPUC staff; and
- Costs of preparing the proposal.

Office facilities (two work stations) will be provided by SFPUC in San Francisco at 1155/1145 Market Street for pre-construction phase services until the project field or the office is available. Project field offices will be provided by each individual construction contractor within thirty (30) days of the construction contract NTP. Both offices will include office furnishings, telephone services and equipments, internet connection, copy machine, printer and fax machine, to include maintenance and supplies.

**7. Subcontractor Fees:**

- a. Subject to above restrictions
- b. Shall be subject to written pre-approval by the SFPUC Regional Project Manager
- c. Subcontractor administration markup is limited to five percent (5%) of *subconsultants' actual labor costs*.

**8. Retention is not required under this contract - Left blank by Agreement of the Parties.**

**9. Invoice Requirements:** The Contractor shall submit one original invoice package with the appropriate HRC reporting forms and supporting documentation to substantiate services provided and allowable ODCs. Contractor will work with City Staff to establish an invoice format that will correlate with appropriate City scheduling software and will be used thereafter. Each invoice submission must include an HRC Form 7 to identify the participation and amount payable to the subcontractors. Timesheets, cards or logs must include a brief description of when and what work was performed memorializing the day's progress. Mileage logs must include the beginning and ending mileage to substantiate the variable portal-to-portal distance and local driving required while performing the work. Any "Other Direct Costs" must be substantiated with receipts including a brief description for each receipt memorializing the purpose. All invoices must include the contract number, the task number (and title, if applicable), document reference number and funding source number. Complete invoice packages should be sent directly to:

**San Francisco Public Utilities Commission  
Contract Administration Bureau – Payment Processing Unit  
1155 Market Street, 9<sup>th</sup> Floor  
San Francisco, CA 94103**

**HRC Form 9 must be sent to the Contract Administration Bureau Payment Processing Unit within ten (10) days of receiving payment for each invoice to document the subcontractor's payment by the prime Contractor.**

**HRC Form 8 must be sent to the Contract Administration Bureau Payment Processing Unit with the final invoice for each task order to authenticate the total subcontractor participation and close out the Purchase Order Release.**

**Appendix B - 1 (Rate Schedule)**

Consultant Name	Firms Overhead Rate (1 per firm)	Position Description/Classification	Name of Staff	Hourly Billing Rate
<b>B&amp;V</b>	<b>2.25</b>	QA Inspector	Bob Worthington	\$133.65
		QA Inspector	Charles Parker	\$149.00
		Project Director	Chris Mueller	\$201.35
		Risk Analysis	Dominic Molyneux	\$144.56
		Risk Analysis	Faruk Oksuz	\$198.83
		Dam Construction	Graeme de Lande Long	\$135.70
		QA Inspector	Ieldro deAllende	\$100.40
		Asst. Construction Mgr.	Jeff Balr	\$184.43
		Lead QA Inspector	Jim McClain	\$163.13
		Safety Compliance Manager	John Borowski	\$149.02
		QA Inspector	John Pudota	\$129.38
		QA Inspector	John Rocca	\$114.26
		QA Inspector	Norm Holst	\$120.92
		DSOD Coordination	Paul Zaman	\$167.50
		Engineering Geology	Richard Rudd	\$92.70
		Construction Manager	Terry King	\$198.00
		<b>HMM</b>	<b>2.20</b>	QA Inspector
QA Inspector	Warren Makinson			\$121.19
Field Contract Administrator	Manolito Del Rosario			\$128.70
Construction Scheduler/Cost Specialist	Del Andree			\$150.37
Tunnel & Shaft Advisor	Dave Young			\$174.57
QA Inspector	Scott Ball			\$121.00
QA Inspector	Patrick Haverly			\$121.00
<b>Kleinfelder</b>	<b>2.15</b>	QA Inspector	Eric Alward	\$121.00
		QA Inspector	Fred Garcia	\$121.00
		QA Inspector	Glen Gorski	\$145.15
		Lead QA Inspector	Glen Gorski	\$145.15
		Materials Testing Advisor	Tom Reynoldson	\$132.87
		Lead NOA Inspector	Bradley Erskine	\$139.51
		NOA Inspector	Sarah Kalika	\$75.29
		QA Inspector	Zeke Tellez	\$87.59
		QA Inspector	Collette Buzzone	\$87.08
		QA Inspector	Dennis Hanney	\$82.62
		QA Inspector	Russell Thacker	\$49.30
		QA Inspector	Kenneth Yoder	\$87.59
<b>Shaw</b>	<b>2.15</b>	QA Inspector	Mike Kibbey	\$55.36
		Geotechnical Engineering Support	Mark Fuhrman	\$107.41
		NOA Inspector	Francis Bean	\$86.24
		Lead NOA Inspector	Bradley Erskine	\$139.51
		Environmental Compliance Manager	Booker Holton	\$172.00
		Environmental Coordinator	Emma Jack	\$90.30
		Environmental Inspector	Kathy Kinsland	\$139.75
		NOA Advisor	Kevin Braun	\$220.00
		Claims Support	Mehdi Arbabian	\$206.40
		Environmental Inspector	Rebecca Meyer	\$64.50
<b>Independent Contractors</b>	<b>1.00</b>	Lead NOA Inspector	Tom Barry	\$118.10
		Specialty Environmental Monitor	Matt Dunlap	\$53.75
		Geotechnical Engineering Support	Scott Huntsman	\$191.35
		NOA Compliance Manager	Rudy Von Burg	\$130.00
		Document Control Specialist	Doug Condie	\$100.00
Arborist	Joe McNeil	\$190.00		
Fisheries	Scott Cressey	\$120.00		

**Appendix B - 1 (Rate Schedule)**

Consultant Name	Firms Overhead Rate (1 per firm)	Position Description/Classification	Name of Staff	Hourly Billing Rate
<b>BioMaAS</b>	<b>2.00</b>	Specialty Environmental Monitor	Cullen Wilkerson	\$120.00
		Specialty Environmental Monitor	Steve Powell	\$120.00
		Specialty Environmental Monitor	Hillary Hodge	\$120.00
<b>Sonika</b>	<b>2.00</b>	Risk Analyst	Mathew Ajlake	\$144.00
		Risk Analyst	Richard Cole	\$138.00
<b>Terra</b>	<b>2.20</b>	Geotechnical Engineer	Robert Kirby	\$199.81
		Engineering Geology	Richard Harlan	\$120.00
<b>Avila &amp; Assoc</b>	<b>2.00</b>	Specialty Environmental Monitor	Daniel Edelstein	\$110.00
<b>Jonas &amp; Assoc.</b>	<b>2.00</b>	Lead NOA Monitor	Abbas Sam	\$76.92
<b>Lee Inc.</b>	<b>2.00</b>	Surveyor	Joe Brajkovich	\$134.00
		Surveyor	Tom Milo	\$120.00
		Surveyor	Clement Lee	\$134.00
		Surveyor	Dave Purcell	\$114.00
<b>DMGC</b>	<b>2.20</b>	Geotechnical Engineer	Demetrious Koutsostas	\$220.00
<b>SCA Environmental</b>	<b>2.00</b>	NOA Compliance Advisor	Chuck Sul	\$128.34
		NOA Monitor	Tony Poon	\$63.96
		NOA Monitor	Joseph Young	\$63.96
		NOA Monitor	Jerry Cook	\$77.14
<b>Thier PR</b>	<b>2.10</b>	Public Outreach	Holl Thier	\$180.00
<b>Dabri</b>	<b>2.00</b>	Safety Compliance Monitor	Naikang Chang	\$131.00
		Estimator	Ajay Singh	\$156.96
		Schedule Support	John Taylor	\$180.00
<b>Eagle</b>	<b>2.00</b>	Safety Compliance Monitor	Clifton Smith	\$128.94
<b>Holman</b>	<b>2.00</b>	Archeology/Cultural Resources	Randy Wilberg	\$114.00
<b>ATS</b>	<b>2.00</b>		Joshua Phillips	\$160.00
		Paleontology	James Allen	\$110.00

1 [Approve San Francisco Public Utilities Commission Calaveras Dam Replacement  
2 Construction Management Contract]

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-911R, Calaveras Dam Replacement Construction**  
6 **Management Services, with Black and Veatch, for an amount not-to-exceed \$38,000,000**  
7 **with a term of up to five years and six months, pursuant to San Francisco Charter**  
8 **Section 9.118.**

9  
10 WHEREAS, It is necessary to procure the services of a qualified Construction  
11 Management firm to provide specialized construction management services to supplement  
12 SFPUC staff through the Agreement No. CS-911R, Calaveras Dam Replacement  
13 Construction Management Services, which includes Construction Management Services for  
14 Calaveras Dam Replacement Project, and

15 WHEREAS, The estimated cost of services is up to \$38,000,000, subject to the San  
16 Francisco Public Utilities Commission's (SFPUC) subsequent consideration and action on the  
17 proposed project, pursuant to the California Environmental Quality Act (CEQA); and

18 WHEREAS, The request for proposals was advertised on February 22, 2010; and

19 WHEREAS, The duration of the agreement is up to five years and six months, with  
20 services anticipated to begin in July 2010 and end in December 2015, if the SFPUC approves  
21 the proposed project; and

22 WHEREAS, Black and Veatch was the highest-ranking proposer for CS-911R; and

23 WHEREAS, An HRC sub-consulting goal of 14% LBE participation of the total labor  
24 value of the services to be provided, excluding specialized naturally occurring asbestos (NOA)



1 compliance monitoring and advisory services, has been established and approved for this  
2 agreement by the HRC Contract Compliance Officer assigned to the SFPUC; and

3 WHEREAS, Funds for this agreement will be available at the time of award of the  
4 agreement from Project CUW37401 - Calaveras Dam Replacement; and

5 WHEREAS, SFPUC Resolution No. 10-0096 approved the selection of Black and  
6 Veatch; awarded Water System Improvement Program-funded Agreement No. CS-911R,  
7 Calaveras Dam Replacement Construction Management Services, to provide construction  
8 management services for the Calaveras Dam Replacement Project; and authorized the  
9 General Manager of the SFPUC to negotiate a professional services agreement with Black  
10 and Veatch for an amount not to exceed \$38,000,000, and with a duration of up to five years  
11 and six months, or, in the event negotiations are not successful or City requirements are not  
12 satisfied, to negotiate a professional services agreement with the next highest ranked  
13 proposer, provided that expenditures shall be limited to pre-construction activities until such  
14 time as the Commission reviews and considers the proposed Project's CEQA documents and  
15 determines whether or not to approve the proposed Project; and authorized the General  
16 Manager to execute the agreement, subject to Board of Supervisors' approval pursuant to  
17 Charter Section 9.118; now, therefore, be it

18 RESOLVED, That this Board of Supervisors hereby approves and authorizes the  
19 General Manager of the SFPUC to execute, the Water System Improvement Program-funded  
20 Agreement No. CS-911R, Calaveras Dam Replacement Construction Management Services  
21 with Black and Veatch for an amount not to exceed \$38,000,000, pursuant to Charter Section  
22 9.118, in substantially the form on file with the Clerk of the Board, and in such final form as  
23 approved by the General Manager and the City Attorney.  
24  
25



City and County of San Francisco

Tails  
Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

File Number: 100855

Date Passed: July 20, 2010

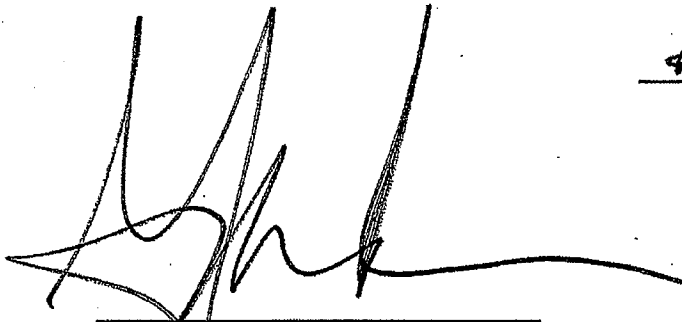

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute Water System Improvement Program-funded Professional Service Agreement No. CS-911R, Calaveras Dam Replacement Construction Management Services, with Black and Veatch, for an amount not to exceed \$38,000,000 with a term of up to five years and six months, pursuant to San Francisco Charter Section 9.118.

July 20, 2010 Board of Supervisors - ADOPTED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Duffy, Elsbernd, Mar, Maxwell and Mirkarimi

File No. 100855

I hereby certify that the foregoing Resolution was ADOPTED on 7/20/2010 by the Board of Supervisors of the City and County of San Francisco.

  
\_\_\_\_\_  
Mayor Gavin Newsom  
\_\_\_\_\_  
Angela Calvillo  
Clerk of the Board

JULY 29, 2010  
\_\_\_\_\_  
Date Approved

# PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 10-0096

WHEREAS, The Calaveras Dam Replacement Project has been identified as a "Key Regional Project" to meet overall system performance and level of service objectives of the SFPUC's Water System Improvement Program (WSIP); and

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-911R, Calaveras Dam Replacement Construction Management Services; and

WHEREAS, The estimated cost of services is not-to-exceed \$38,000,000; and

WHEREAS, The Request for Proposal was advertised on February 22, 2010; and

WHEREAS, Services are anticipated to begin in July 2010 and end in December 2015 and the duration of this agreement is up to 5 years and 6 months; and

WHEREAS, SFPUC staff and Human Rights Commission (HRC) review of the proposals resulted in the establishment of Black and Veatch as the highest ranking proposer; and

WHEREAS, A HRC subconsulting goal of 14% Local Business Enterprise (LBE) participation of the total labor value of the services to be provided, excluding specialized naturally occurring asbestos (NOA) compliance monitoring and advisory services, has been established for this agreement.; and

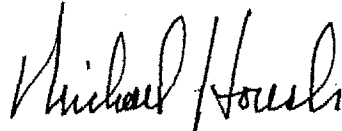
WHEREAS, Failure to reach successful agreement on contract terms and conditions within 30 days of the date of the Commission award may result in award of the contract to the next highest ranked proposer, or re-advertising and re-selecting consultants at the discretion of the City; and

WHEREAS, The firm 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 this agreement will be available at the time of award of the agreement from Project CUW37401 – Calaveras Dam Replacement; now, therefore, be it

RESOLVED, That this Commission hereby approves the selection of Black and Veatch; awards Water Enterprise Water System Improvement Program-funded Agreement No. CS-911R, Calaveras Dam Replacement Construction Management Services, 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 Black and Veatch for an amount not-to-exceed \$38,000,000, and with a duration of up to 5 years and 6 months, provided that expenditures shall be limited to pre-construction activities until such time as the Commission reviews and considers the Final Environmental documents and determines whether or not to approve the proposed Project, 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 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* \_\_\_\_\_ *June 8, 2010*



\_\_\_\_\_  
*Secretary, Public Utilities Commission*

**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): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors
<b>Contractor Information</b> <i>(Please print clearly.)</i>	
Name of contractor: <b>Black &amp; Veatch Corporation</b>	
<p><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></p> <p>(1) <i>members of the contractor's board of directors</i></p> <ul style="list-style-type: none"> <li>• Steven L. Edwards, Chairman, President &amp; CEO</li> <li>• Karen L. Daniel, Executive Director, CFO</li> <li>• O.H. Oskvig, Executive Director</li> <li>• T.M. Buck, Independent Director</li> <li>• W.P. Campbell, Independent Director</li> <li>• Anthony G. Fernandes, Independent Director</li> <li>• Martha W. Gilliland, Independent Director</li> <li>• H.P. Goldfield, Independent Director</li> <li>• Steven H. Wunning, Independent Lead Director</li> <li>• Timothy W. Triplett, Board Secretary, General Counsel</li> <li>• Martin G. Travers, Executive Director</li> <li>• Cindy Wallis-Lage, Executive Director</li> <li>• Randy G. Woelfel, Independent Director</li> </ul> <p>(2) <i>the contractor's chief executive officer, chief financial officer and chief operating officer</i></p> <ul style="list-style-type: none"> <li>• Steven L. Edwards, CEO &amp; COO</li> <li>• Karen L. Daniel, CFO</li> </ul> <p>(3) <i>any person who has an ownership of 20 percent or more in the contractor</i></p> <ul style="list-style-type: none"> <li>• None</li> </ul> <p>(4) <i>any subcontractor listed in the bid or contract</i></p> <ul style="list-style-type: none"> <li>• See attached sheet</li> </ul> <p>(5) <i>any political committee sponsored or controlled by the contractor</i></p> <ul style="list-style-type: none"> <li>• None</li> </ul>	
Contractor address: Black & Veatch 353 Sacramento Street, Suite 1900 San Francisco, CA 94111	
Date that contract was approved: <i>(By the SF Board of Supervisors)</i>	Amount of contracts: \$ 68,500,000
Describe the nature of the contract that was approved: Construction management services related to the Calaveras Dam Replacement Project.	
Comments: None.	

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: Angela Calvillo, Clerk of the Board	Contact telephone number: ( 415 ) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, 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