



**LETTER OF AGREEMENT BETWEEN**  
**SAN FRANCISCO PUBLIC UTILITIES COMMISSION / POWER ENTERPRISE**  
**AND**  
**THE DEPARTMENT OF PUBLIC WORKS / BUREAU OF BUILDING REPAIR**  
**FOR**  
**MUNI WAYS & STRUCTURES FACILITY**  
**100kW SOLAR ELECTRIC PROJECT**

This LETTER OF AGREEMENT (LOA) between the SAN FRANCISCO PUBLIC UTILITIES COMMISSION'S POWER ENTERPRISE (PE), and the DEPARTMENT OF PUBLIC WORKS BUREAU OF BUILDING REPAIR (DPW/BBR), formalizes the roles and responsibilities, project scope, costs, and other terms associated with the CONSTRUCTION SERVICES to be provided by DPW/BBR to PE for the above named project.

The purpose of this LOA is for PE to secure project management, construction, and procurement services from DPW/BBR to support the development, planning, approvals, design, and construction phases of the project as is further defined below, for the 100kW solar electric project be located at the MUNI Ways & Structures Facility. PE has no in-house construction resources and, therefore, DPW/BBR shall become the construction entity on behalf of the project owner, PE.

**RECITALS**

The "MUNI Ways & Structures Solar Electric Project" is a clean distributed generation resource to be developed on MUNI's property; promoting sustainability and good stewardship of our resources. This project will put to good use the available roof space within MUNI's portfolio of buildings to generate cost effective renewable energy in accordance with the Mayor's Executive Directive 05-107 (Roof Tops for Municipal Solar), dated October 26, 2005.

The resulting renewable greenhouse gas-free electric energy will serve the City's municipal loads as served by PE.

B. And whereas,

1. PE oversees energy policy and energy trading and strives to increase the City's Renewables Portfolio Standard (RPS) qualifying energy generation; and, as such, typically funds, develops, and owns renewable generation projects, and;
2. PE has, at the date of execution of this LOA, sufficient funding in place to cover project development, design engineering, and construction.

**Edwin M. Lee**  
 Mayor

**Art Torres**  
 President

**Vince Courtney**  
 Vice President

**Ann Moller Caen**  
 Commissioner

**Francesca Vietor**  
 Commissioner

**Anson Moran**  
 Commissioner

**Harlan L. Kelly, Jr.**  
 General Manager



3. Whereas the essence of the agreement between SFUSD and PE is:
  - a. PE will fully fund the solar electric plant.
  - b. PE will plan, design, and manage the construction of the plant.
  - c. MUNI will review and approve design submittals.
  - d. PE shall retain ownership of the plant, and the energy benefits, i.e. capacity, energy, and renewable energy certificates, per the Memorandum of Understanding (MOU) between the SFPUC and MUNI.

### **ROLES AND RESPONSIBILITIES OF PARTIES**

Roles and responsibilities of the parties shall be in accordance with the Project Scope of Services (see **Attachment A** -- Scope of Services, June 10, 2013). Attachment A spells out the detailed plan for the project.

More generally,

- San Francisco Public Utilities Commission (SFPUC) shall be considered the Project Owner, and Project Manager, and shall perform design engineering, permitting, and project engineering support.
- MUNI shall be considered the Host with its primary focus on design and construction activity approval.
- DPW/BBR shall be considered the General Contractor for construction, with assistance from PE in providing project engineering and technical support.

### **SCOPES OF WORK AND BUDGETS**

The Cost for DPW/BBR construction services to be provided herein shall not exceed \$212,725.01. The services are explained, estimated, and itemized per **DPW/BBR Service Order – 424198 (Attachment B)** and are based on the Scope of Services document, Attachment A. Any change orders to the cost proposal, as submitted by DPW/BBR, shall be reviewed and approved by PE prior to any work being performed. DPW/BBR shall submit its Change Order Request with scope of services described, cost estimate, and reason for change or deviation from original scope of work.

PE may also submit a Change Order Request to DPW/BBR for work requested by PE which is a change from the base scope of work. DPW/BBR will submit its proposal for this requested change with cost, schedule, and other information to PE for approval prior to proceeding with the work.

### **PROJECT SCHEDULE**

The project schedule is provided in **Attachment C**, MUNI Ways & Structures Solar Electric Project Preliminary Schedule. Generally, it is anticipated that construction activities will occur during June and July 2013 (June 10, 2013 – August 15, 2013). Several variables such as DBI permit approval and material procurement will all bear upon the feasibility of this goal. It will be incumbent upon the parties to work diligently toward this goal, yet necessary adjustments from unforeseen or uncontrolled influences may extend the schedule.

### **TERM**

This LOA shall become effective on the date of execution by all parties. Termination of this LOA shall be upon the completion of the solar electric plant and project acceptance by PE as defined in the Scope of Services, Attachment A.

**MISCELLANEOUS**

A. Communication: The parties shall communicate at all times to support the work effectiveness of the project team. A PE and DPW/BBR organization chart and a list of all staff / project team personnel with roles and contact information shall be developed at the start of the work and updated as necessary.

Routine progress reports shall be shared and project and progress meetings held.

B. Documentation Control: DPW/BBR shall follow typical PE documentation control procedures and requirements in the execution of this work. Details will be worked out between the parties at the beginning of the project.

C. Payment: SFPUC will establish an interdepartmental reallocation for the project based on the following payment schedule:

- a. Project Initiation (Executed LOA) 40% Contract Labor Value and 100% Materials and DPW-External Contractor Cost
- b. Payment #2 – 20% Contract Value
- c. Payment #3 – 20% Contract Value
- d. Payment #4 – 20% Contract Value

Changes in cost shall be approved prior to any work being performed. DPW/BBR shall provide bi-weekly project reports covering labor hours expended to date, tasks accomplished, costs expended, and updated schedule. DPW/BBR shall charge to that account as needed. However, should the project work stop or be canceled by PE, PE may request DPW/BBR to itemize and calculate actual work completed, and reimburse PE the unspent balance whether or not remaining in the project reallocation index fund.

D. Notices: All notices and principal communications shall be directed to the following:

SFPUC -- Power Enterprise:  
Jamie Seidel, Project Manager  
SFPUC – Power Enterprise  
525 Golden Gate Avenue, 7th Floor  
San Francisco, CA 94103

DPW/BBR:

Sue Black, Superintendent  
DPW/BBR  
2323 Cesar Chavez Street  
San Francisco, CA 94124

ACCEPTED:



SFPUC Power Enterprise, Barbara Hale, Assistant General Manager

6/11/13

Date



6/18/13

DPW/BBR, Sue Black, Superintendent,

Date