

**City and County of San Francisco  
San Francisco Public Utilities Commission  
525 Golden Gate Avenue  
San Francisco, California 94102  
Amendment No. Three**

**CS-389 Planning and Engineering Services Southeast Plant New 250 MGD Headworks  
Facility**

THIS AMENDMENT (this “Amendment”) is made as of [Insert date], in San Francisco, California, by and between Carollo Engineers, Inc. (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”).

**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 and update standard contractual clauses; and

WHEREAS, On July 23, 2014, the City competitively procured the Agreement in accordance with San Francisco Administrative Code Section 6.40 through a Request for Proposals and this Amendment is consistent therewith; and

WHEREAS, On July 21, 2014, the San Francisco Public Utilities Commission obtained approval for the original Agreement from the Department of Human Resources on behalf of the Civil Service Commission under PSC number 44408-13/14 in the amount of \$14,000,000 for the period of six years and seventeen weeks; and

WHEREAS, On October 25, 2016, by Resolution No. 16-0225, the SFPUC approved Amendment No. 1, increasing the contract amount by \$19,500,000 for a total not-to-exceed amount of \$33,500,000, and increasing the duration by three years and twenty days for a total duration of nine years; and

WHEREAS, On December 6, 2016, by Resolution No. 513-16, the Board of Supervisors authorized the General Manager of the SFPUC to execute Amendment No. 1 to the Agreement, increasing the contract amount by \$19,500,000 for a total not-to-exceed amount of \$33,500,000, and extending the agreement term by three years and 20 days for a total duration of nine years; and

WHEREAS, On June 9, 2020, by Resolution No. 20-0124, the SFPUC approved Amendment No. 2, increasing the contract amount by \$21,000,000 for a total not-to-exceed amount of \$54,500,000, and increasing the duration by two years for a total duration of 11 years; and

WHEREAS, On July 28, 2020, by Resolution No. 354-20, the Board of Supervisors authorized the General Manager of the SFPUC to execute Amendment No. 2 to the Agreement, increasing the contract amount by \$21,000,000 for a total not-to-exceed amount of \$54,500,000, and increasing the duration by two years for a total duration of 11 years; and

WHEREAS, On March 26, 2024, the SFPUC obtained approval for this Amendment from the Department of Human Resources on behalf of the Civil Service Commission under PSC number 44408-13/14 in the amount of 57,500,000 for the period of ten years and 48 weeks; and

WHEREAS, On April 9, 2024, the SFPUC approved this Amendment by Resolution No. 24-0080; and

WHEREAS, On [Insert date of Board action], the City’s Board of Supervisors approved this Amendment pursuant to San Francisco Charter Section 9.118 by Resolution No. [Insert resolution number].

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 November 3, 2014 between Contractor and City, as amended by the:

First Amendment,                      dated January 5, 2017, and  
Second Amendment,                      dated August 13, 2020.

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

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

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

**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 performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed **Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000)**. The breakdown of costs associated with this Agreement appears in Appendix B, “Calculation of Charges,” attached hereto and incorporated by reference as though fully set forth herein. 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 the San Francisco Public Utilities Commission as being in accordance with this Agreement. If Contractor fails to provide Services in accordance with Contractor's obligations under this Agreement, the City may, in addition to any other remedies allowed by law and/or this Agreement, withhold any and all payments due Contractor until such failure is cured. In no event shall Contractor stop work as a result of the City's withholding of payments.

In no event shall City be liable for interest or late charges for any late payments except as set forth in Section 6.22(J)(7) of the Administrative Code.

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:**

**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 performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed **Fifty-Seven Million Five Hundred Thousand Dollars (\$57,500,000)**. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. 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 the San Francisco Public Utilities Commission as being in accordance with this Agreement. If Contractor fails to provide Services in accordance with Contractor's obligations under this Agreement, the City may, in addition to any other remedies allowed by law and/or this Agreement, withhold any and all payments due Contractor until such failure is cured. In no event shall Contractor stop work as a result of the City's withholding of payments.

In no event shall City be liable for interest or late charges for any late payments except as set forth in Section 6.22(J)(7) of the Administrative Code.

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.

**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**

**Carollo Engineers, Inc.**

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Dennis J. Herrera  
General Manager  
San Francisco Public Utilities Commission

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James P. Hagstrom  
Executive Vice President  
City Supplier Number: 0000023308

Approved as to Form:

David Chiu  
City Attorney

By: \_\_\_\_\_  
Randy Parent  
Deputy City Attorney