

1 [Administrative Code - Expanding Public Utilities Commission Local Business Enterprise
2 Contracting Opportunities]

3 **Ordinance amending the Administrative Code, by amending Sections 14B.2 and related**
4 **provisions 14B.5, to increase contracting opportunities for certified Public Utility**
5 **Commission Local Business Enterprises (PUC-LBEs) and to make corresponding**
6 **technical changes; and making environmental findings and findings of consistency with**
7 **general plan.**

8 NOTE: Additions are *single-underline italics Times New Roman*;
9 deletions are *strike-through italics Times New Roman*.
10 Board amendment additions are double-underlined;
11 Board amendment deletions are ~~strike-through normal~~.

12 Be it ordained by the People of the City and County of San Francisco:

13 Section 1. This section is uncodified.

14 The Planning Department has determined that the actions contemplated in this
15 ordinance comply with the California Environmental Quality Act (California Public Resources
16 Code Section 21000 et seq.). Said determination is on file with the Clerk of the Board of
17 Supervisors in File No. 121105 and is incorporated herein by reference.

18 Section 2. The San Francisco Administrative Code is hereby amended by amending
19 Section 14B.2, "Definitions," "PUC Regional Projects" to read as follows:

20 "PUC Regional Projects" means (1) the projects to be performed outside of the
21 geographic limits jurisdictional boundaries of San Francisco that are identified as regional
22 projects and included in the formally approved Capital Improvement Program of the San
23 Francisco Public Utilities Commission's ("SFPUC") approximately \$4.36 billion project to
24 seismically reinforce and otherwise enhance the Hetch Hetchy water supply system, also
25 known as the Water System Improvement Program ("WSIP"), as it may be amended from time to

Supervisor David Chiu
BOARD OF SUPERVISORS

1 time; (2) projects to be performed exclusively outside of the jurisdictional boundaries of San
2 Francisco for which some or all of the cost will be shared by members of the Bay Area Water Supply
3 and Conservation Agency ("BAWSCA"); or (3) projects under contracts with the SFPUC to be
4 performed exclusively 70 miles or more beyond the jurisdictional boundaries of San Francisco. "PUC
5 Regional Projects" and shall also include, but are not limited to, Repair and Replacement work
6 ("R&R") ~~only where such work is~~ to be performed in association with a regional Capital
7 Improvement Program or other BAWSCA cost sharing project, or to be performed exclusively 70
8 miles or more beyond the jurisdictional boundaries of San Francisco.

9 Section 3. The San Francisco Administrative Code is hereby amended by amending
10 Section 14B.5(A) to read as follows:

11 (A) **PUC-LBE Certification.** In order to increase the ability of small businesses that
12 are located within the PUC water system service area but outside of the ~~geographical limits~~
13 jurisdictional boundaries of San Francisco to compete for regional PUC contracts, the Director
14 shall certify businesses as PUC-LBEs, including as either Small-PUC-LBEs or
15 Micro-PUC-LBEs, and as either PUC-MBEs, PUC-WBEs, or PUC-OBES, that meet all of the
16 following criteria:

17 (1) Only established small public works/construction, construction material supplies,
18 construction equipment rental and trucking firms may be certified as PUC-LBEs or any
19 subcategory of PUC-LBE.

20 (2) Only firms located within the PUC water system service area may be certified as
21 PUC-LBEs or any subcategory of PUC-LBE.

22 (3) Only firms with average gross annual receipts in the prior three fiscal years that
23 meet the requirements of Section 14B.3(B) or Section 14B.3(C) for Small-LBEs or
24 Micro-LBEs, respectively may be certified as PUC-Small-LBEs or PUC-Micro-LBEs.

25

1 (4) PUC-LBEs owned and controlled by one or more minority persons or women
2 according to all of the criteria set forth in Section 14B.3(B) or 14B.3(C), respectively, shall be
3 certified as PUC-MBEs or PUC-WBEs. PUC-LBEs that do not demonstrate qualifying
4 ownership and control by minority persons or women shall be certified as PUC-OBEs.

5 (5) Firms shall meet all criteria that the ~~HRC~~ City Administrator shall by rule adopt to
6 the end that firms certified as PUC-LBEs shall be similarly situated to LBEs to the extent
7 practicable, taking into account the special circumstances of their location and the needs of
8 the PUC Regional projects.

9 Section 4. The San Francisco Administrative Code is hereby amended by amending
10 Section 14B.5 (B)(1) to read as follows:

11 (1) The PUC Small Firm Advisory Committee shall have five (5) members who shall be
12 appointed by the PUC General Manager ~~in consultation with the Bay Area Water Supply and~~
13 ~~Conservation Agency (BAWSCA)~~ to represent the interest of individuals and businesses ~~located~~
14 ~~within the PUC Water System Service Area but outside of the geographical limits of San Francisco that~~
15 ~~are or may be eligible for PUC-LBE certification.~~ Members shall serve at the pleasure of the PUC
16 General Manager. Members of the PUC Small Firm Advisory Committee shall not be
17 compensated, but shall be reimbursed for expenses in accordance with the Controller's
18 published policies.

19 Section 5. The San Francisco Administrative Code is hereby amended by amending
20 Section 14B.5 (C) to read as follows:

21 (C) Except as provided in Subsection 14B.5(D), PUC-LBEs shall have the status of
22 LBEs for all purposes of this Ordinance only for construction, specialty construction,
23 construction material suppliers, construction equipment rental firms and trucking services for
24 PUC Regional Projects. PUC-LBEs shall not have the status of LBEs for PUC contracts for
25

1 architectural and engineering services, professional services or general services or for any
2 other bid, proposal or contract subject to this Ordinance.

3 Section 6. The San Francisco Administrative Code is hereby amended by adding
4 Section 14B.5 (D) to read as follows:

5 Contract Awarding Authorities shall only apply Discounts to Bids from PUC-LBEs for
6 the purpose of determining the apparent highest ranked proposal or the apparent lowest bid,
7 for PUC Regional Projects that will be performed exclusively 70 miles or more beyond the
8 jurisdictional boundaries of San Francisco and for which no cost will be directly shared by
9 members of the BAWSCA, where application of the Discount will not adversely impact the
10 ranking for negotiation or award process of a Bid submitted by any Micro-LBE, Small-LBE or
11 SBA-LBE certified under Section 14B.3.

12 Section 7. This section is uncodified.

13 Effective Date. This ordinance shall become effective 30 days from the date of
14 passage.

15 Section 8. This section is uncodified.

16 In enacting this Ordinance, the Board intends to amend only those words, phrases,
17 paragraphs, subsections, sections, articles, numbers, punctuation, charts, diagrams, or any
18 other constituent part of the Administrative Code that are explicitly shown in this legislation as
19 additions, deletions, Board amendment additions, and Board amendment deletions in
20 accordance with the "Note" that appears under the official title of the legislation.

21 APPROVED AS TO FORM:
22 DENNIS J. HERRERA, City Attorney

23 By: _____
24 Catharine Barnes
25 Deputy City Attorney