

1 [Extends the time for performance of the second year of Public Utilities Commission's contract
2 for Program Management Services, CS-524 by three months under last year's funding
3 appropriation, and reserves the Board's right to disapprove the continuation of the contract.]

4 **Resolution approving Public Utilities Commission's three month extension of time for**
5 **the San Francisco Water Alliance to complete work under the second year of the**
6 **Program Management Services, CS-524; and extending the time from**
7 **September 21, 2002 to December 21, 2002 when the Board may approve the**
8 **continuation of the contract upon its review of the Commission's annual evaluation of**
9 **the contract performance of the San Francisco Water Alliance.**

10
11 WHEREAS, With the approval of the Board of Supervisor (Board Resolution #754-00),
12 the City acting through its Public Utilities Commission entered into a contract for professional
13 services to support the PUC's water, power and sewer capital improvement program,
14 Program Management Services, CS-524, ("Program Management Contract ") with the San
15 Francisco Water Alliance ("SFWA"), a joint venture of Bechtel Infrastructure Corporation (a
16 subsidiary of the Bechtel Corporation), The Jefferson Company, (subsequently renamed
17 Primus Industries, Inc.), and Sverdrup Civil, Inc (subsequently renamed Jacobs Civil, Inc., a
18 subsidiary of Jacobs Engineering Group.); and

19 WHEREAS, On March 29, 2002, Bechtel Infrastructure Corporation served the City
20 with a written request to be allowed to withdraw from the SFWA; and

21 WHEREAS, On May 7, 2002, the PUC approved Bechtel Infrastructure Corporation's
22 withdrawal from the SFWA, and approved the assignment of the remainder of the Program
23 Management Contract to the remaining joint venture partners, Primus Industries, Inc. and
24 Jacobs Civil, Inc. (Resolution No. 02-0079); and,
25

1 WHEREAS, On June 17, 2002, the Board approved the assignment of the Program
2 Management Contract to a joint venture of Primus Industries, Inc., and Jacobs Civil, Inc.

3 WHEREAS, Due to the time required to formalize the change in the structure of SFWA
4 and to reduce Bechtel Infrastructure's involvement, the amount of work performed under the
5 contract was decreased under a demobilization plan, with no work being performed by
6 Bechtel Infrastructure Corporation after June 2002; and

7 WHEREAS, Prosecution of the work after the assignment has been further delayed by
8 efforts to get Jacobs Civil, Inc.'s parent, Jacobs Engineering Group, an international
9 engineering company with approximately 23,000 employees, to be certified by the Human
10 Rights Commission as being in compliance with San Francisco Administrative Code sections
11 12.B and 12.C; and

12 WHEREAS, Jacobs Engineering Group has now been tentatively certified by the
13 Human Rights Commission as being in compliance with San Francisco Administrative Code
14 sections 12.B and 12.C; and

15 WHEREAS, The terms of the Program Management Contract provide that the Public
16 Utilities Commission is to submit an annual report on the SFWA's performance of the contract
17 during the preceding twelve months by September 21, the anniversary date of the execution
18 of the Contract; and

19 WHEREAS, The terms of the Program Management Contract also gives the Board of
20 Supervisors the right to annually disapprove the continuation of the contract, which right must
21 be exercised by September 21, the anniversary date of the execution of the contract, or the
22 contract will be deemed to have been approved for another twelve months; and

23 WHEREAS, Because of the demobilization that began in March and the suspension of
24 all but critically necessary work since June 2002, at least three months of work that the Public
25

1 Utilities Commission had intended would be performed by SFWA in the second year of the
2 contract by September 2002 has not been performed; and

3 WHEREAS, A performance evaluation at this time would yield very little, if any, useful
4 information upon which the Board could rely in determining whether the Program
5 Management Contract with the remaining SFWA partners, Primus Industries, Inc, and Jacobs
6 Civil, Inc., should be continued for a third year;

7 NOW, THEREFORE, BE IT

8 RESOLVED, That the Board approves and authorizes the Public Utilities Commission
9 to enter into an agreement with SFWA to extend the deadline by three months until December
10 21, 2002 by which the Board must determine whether or not to terminate Program
11 Management Contract, CS-524 after the second year of performance; and, be it

12 FURTHER RESOLVED, That the Board authorizes the Public Utilities Commission to
13 take all necessary action to preserve the Board's right to review SFWA's performance of
14 Program Management Contract CS-524 and to determine whether or not to terminate the
15 contract by requiring the PUC to submit it's evaluation of SFWA's performance sufficiently in
16 advance of December 21, 2002 to enable the Board to make an informed decision on the
17 matter.



City and County of San Francisco

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

Tails Resolution

File Number: 021573

Date Passed:

Resolution approving Public Utilities Commission's three month extension of time for the San Francisco Water Alliance to complete work under the second year of the Program Management Services, CS-524; and extending the time from September 21, 2002 to December 21, 2002 when the Board may approve the continuation of the contract upon its review of the Commission's annual evaluation of the contract performance of the San Francisco Water Alliance.

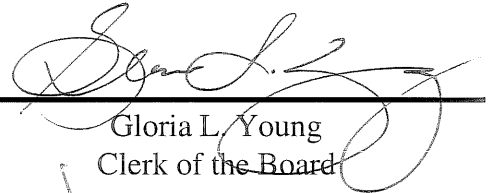
February 11, 2003 Board of Supervisors — ADOPTED

Ayes: 10 - Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick, Newsom,
Peskin, Sandoval

Excused: 1 - Ammiano

File No. 021573

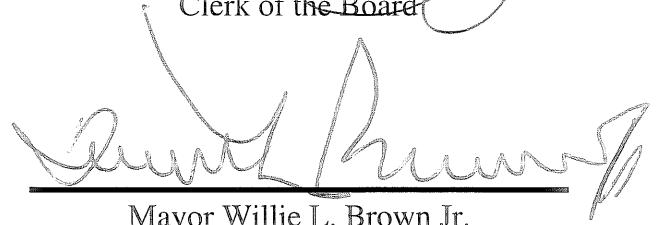
I hereby certify that the foregoing Resolution was ADOPTED on February 11, 2003 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

FEB 21 2003

Date Approved



Mayor Willie L. Brown Jr.