

File No. 120041

Committee Item No. 2
Board Item No. 15

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: February 8, 2012

Board of Supervisors Meeting

Date FEB. 14, 2012

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
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OTHER

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Completed by: Victor Young

Date: February 3, 2012

Completed by: Victor Young

Date: 2-9-12

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Agreement - Architectural and Engineering Design Services - 525 Golden Gate Avenue - Not
2 to Exceed \$14,414,758]

3 **Resolution authorizing the General Manager of the San Francisco Public Utilities**
4 **Commission to execute an amendment to Architectural and Engineering Design**
5 **Services Agreement No. CS-842 for the new San Francisco Public Utilities Commission**
6 **administration building project located at 525 Golden Gate Avenue increasing the**
7 **agreement not-to-exceed amount to \$14,414,758 pursuant to Charter Section 9.118.**

8
9 WHEREAS, On June 27, 2006, the San Francisco Public Utilities Commission
10 ("SFPUC"), by Resolution No. 06-0108, awarded Agreement No. CS-842, Architectural and
11 Engineering Design Services For The New SFPUC Administration Office Building at 525
12 Golden Gate Avenue, and authorized the General Manager of the SFPUC to execute a
13 professional services agreement with KMD/Stevens + Associates, a joint venture of architects,
14 the partners of which are Kaplan McLaughlin Diaz and Stevens + Associates ("Architect");
15 and

16 WHEREAS, The original not-to-exceed amount of Agreement No. CS-842 (Agreement)
17 was \$1,650,000; the original scope of services under the Agreement included completing
18 programming, design validation, and design development documents to a level of 50%
19 completion; and the original term of the Agreement was for one year from the Notice to
20 Proceed, issued on December 12, 2006; and

21 WHEREAS, Amendment No. 1 to the Agreement increased the contract duration by 3.5
22 months, for a term ending March 31, 2008, to continue design development services; and

23 WHEREAS, Amendment No. 2 to the Agreement increased the agreement not-to-
24 exceed amount by \$2,900,000, for a total agreement amount not-to-exceed \$4,450,000, to
25 continue architectural design work; and

1 WHEREAS, Amendment No. 3 to the Agreement updated the construction budget limit
2 for the Project and set forth Architect's responsibilities with respect to such limit; and

3 WHEREAS, Amendment No. 4 to the Agreement, approved by the Board of
4 Supervisors on February 28, 2008, by Resolution No. 86-08, increased the agreement not-to-
5 exceed amount by \$7,000,000, for a total agreement amount not-to-exceed \$11,550,000, and
6 increased the contract duration by 26 months, for a term ending May 31, 2010, to complete
7 remaining phases of work and construction of 525 Golden Gate Avenue; and

8 WHEREAS, Amendment No. 5 to the Agreement increased the agreement not-to-
9 exceed amount by \$490,000, for a total agreement not-to-exceed amount of \$12,040,000, and
10 increased the contract duration by 25 months, for a total contract duration of 66.5 months,
11 ending on June 30, 2012; and

12 WHEREAS, On December 13, 2011, by its Resolution No. 11-0189, the SFPUC
13 approved Amendment No. 6 to the Agreement and authorized the General Manager of the
14 SFPUC to execute this Amendment increasing the agreement not-to-exceed amount by
15 \$2,374,758, for a total agreement not-to-exceed amount of \$14,414,758, and increasing the
16 agreement duration by four (4) months, for a total agreement duration of 70.5 months, ending
17 on October 31, 2012, subject to the approval of the Board of Supervisors under Charter
18 Section 9.118; and

19 WHEREAS, A Human Rights Commission (HRC) subconsulting goal of 26% LBE
20 participation has been established and approved for this Agreement by the HRC Contract
21 Compliance Officer assigned to the SFPUC; and

22 WHEREAS, Funds for Amendment No. 6 are available from Certificates of
23 Participation; now, therefore, be it

24 RESOLVED, That this Board of Supervisors hereby approves and authorizes the
25 General Manager of the SFPUC to execute Amendment No. 6 to Agreement No. CS-842, with

1 KMD/Stevens + Associates, a joint venture of architects, the partners of which are Kaplan
2 McLaughlin Diaz and Stevens + Associates, increasing the agreement not-to-exceed amount
3 by \$2,374,758, for a total not-to-exceed agreement amount of \$14,414,758, and increasing
4 the agreement duration by four (4) months, for a total agreement duration of 70.5 months,
5 ending on October 31, 2012, in substantially the form on file with the Clerk of the Board and in
6 such final form as approved by the General Manager and the City Attorney.

Item 2 File 12-0041	Department(s): Public Utilities Commission (PUC) Department of Public Works (DPW)
EXECUTIVE SUMMARY	
Legislative Objective	
<ul style="list-style-type: none"> • The proposed resolution would authorize the General Manager of the San Francisco Public Utilities Commission to execute an amendment to Architectural and Engineering Design Services Agreement for the new San Francisco Public Utilities Commission (PUC) administration building located at 525 Golden Gate Avenue to (a) extend the agreement's duration by four months from June 30, 2012 through October 31, 2012, and (b) increase the not-to-exceed amount by \$2,374,758 from \$12,040,000 to \$14,414,758. 	
Fiscal Impact	
<ul style="list-style-type: none"> • 525 Golden Gate Avenue, which will serve as the PUC's headquarters, is a 13-story, environmentally-designed building. The 525 Golden Gate Avenue project has a total budget of \$190,600,000, funded by Certificates of Participation and sales proceeds from PUC properties. The project is expected to be completed in June 2012, two months ahead of the scheduled completion date in August 2012. • PUC entered into an agreement with KMD/Stevens and Associates (a joint venture) to provide engineering, design, and construction administration services for the 525 Golden Gate Avenue project in June 2006. The agreement has five previous amendments, with a total not-to-exceed amount of \$12,040,000, and a termination date of June 30, 2012. • PUC is requesting a sixth amendment to the agreement with KMD/Stevens and Associates to increase the not-to-exceed amount by \$2,374,758 in order to pay for (a) design changes to the roof and biological wetland waste water technology (\$414,420), (b) increased construction administration staffing from three to five positions (\$1,760,337), and (c) a contingency for future change orders. The \$2,374,758 would be funded by the project's contingency fund, which has a remaining balance of \$3,500,000. • PUC is requesting a four-month extension of the agreement with KMD/Stevens and Associates in the event that the completion date extends beyond June 30, 2012 to ensure adequate time for KMD/Stevens to complete construction administration and project close out. 	
Recommendation	
<ul style="list-style-type: none"> • Approve the resolution. 	

MANDATE STATEMENT

Charter Section 9.118 requires the Board of Supervisors approval of agreements entered into by City departments having a term in excess of ten years or requiring anticipated expenditures of \$10,000,000 or more, or which modify or amend such agreements for more than \$500,000.

BACKGROUND

In June of 2000, the Board of Supervisors authorized the Real Estate Division (RED) to purchase the land and building at 525 Golden Gate Avenue, on behalf of the City, from the State of California at a cost of \$2.00 (Resolution 474-00). In June of 2006, the Board of Supervisors authorized the sale of the property from the City to the San Francisco Public Utilities Commission (PUC) at a cost of \$9,900,000 (shown in Table 1 below as Site Acquisition cost), in order for the PUC to build a new headquarters building at 525 Golden Gate Avenue and authorized a sole source agreement with KMD/Stevens + Associates (KMD/Stevens), a joint venture of architects, to provide architectural, engineering and construction administration services for the new PUC headquarters building (Resolution 360-06)¹.

According to Mr. Brook Mebrahtu, Department of Public Works (DPW) Senior Project Manager, the new building at 525 Golden Gate Avenue will be a LEED (Leadership in Energy and Environmental Design) Platinum², 13-story plus one basement level, 277,500 square foot office building. The original total estimated construction cost of \$190,600,000 is shown in Table 1 below.

Table 1
525 Golden Gate Avenue Project Budget

Project Costs	Budget
Site Acquisition	\$9,900,000
Engineering, Architecture, and Construction Administration	11,550,000
Demolition, Construction, and Related Costs	144,420,000
Construction Management	5,211,000
Contingency (4.2 Percent)	8,000,000
Tenant Improvements, Furnishings and Fixtures, Art Enrichment	7,540,000
DPW, PUC, City Attorney, City Permitting, and Other Costs	3,979,000
Total	\$190,600,000

Source: PUC

According to Mr. Mebrahtu, the completion of the new PUC headquarters building at 525 Golden Gate Avenue will allow the PUC to relocate staff from 216,932 square feet of office space, which the PUC currently leases at 1145 and 1155 Market Street.

¹ According to Mr. Mebrahtu, because KMD/Stevens had already completed an initial design for a new City Administration building at 525 Golden Gate Avenue, DPW felt it was in the best interests of the City to request a sole source agreement with KMD/Stevens for completion of the architectural and engineering design services for a new PUC building at the same location.

² LEED Platinum is the U.S. Green Building Council's highest certification for environmentally efficient buildings.

Mr. Mebrahtu advised that the demolition and construction of the new PUC headquarters at 525 Golden Gate Avenue began in October of 2009 and will be completed in June of 2012, approximately two months ahead of the August 9, 2012 construction contract deadline. As of the writing of this report, Mr. Mebrahtu advised that the building construction is approximately 85 percent to 90 percent complete. Mr. Mebrahtu further stated that the PUC will require between one and two months after the new headquarters building is completed to relocate staff from their existing leased locations at 1145 and 1155 Market Street to the new headquarters building, such that PUC staff are anticipated to be fully relocated into the new headquarters building by early August 2012.

DETAILS OF PROPOSED LEGISLATION

In June of 2006, the PUC awarded an agreement to KMD/Stevens + Associates (KMD/Stevens), a joint venture of architects, to provide architectural, engineering and construction administration services for the new PUC headquarters building for an original not-to-exceed amount of \$1,650,000. Since 2006, the PUC has approved five amendments to the initial agreement, and is proposing a sixth amendment, as shown in Table 2 below.

Table 2
Amendments to Architectural, Engineering and Construction Administration Services
Agreement with KMD/Stevens + Associates for 525 Golden Gate Avenue

	Date	Not to Exceed Amount	Agreement Duration Increase	
Original Agreement	June 27, 2006	\$1,650,000	12 months	Architectural services agreement awarded to KMD/Stevens
Amendment 1	December 11, 2007	Not Applicable	3.5 months	Extended agreement by 3.5 months to complete architectural services
Amendment 2	December 24, 2007	\$2,900,000	Not Applicable	Funded and authorized the completion of design development, including the acceleration of steel design and exterior building envelope
Amendment 3	January 2, 2008	Not Applicable	Not Applicable	Updated the amount of the project's design fixed budget limit
Amendment 4	April 1, 2008	\$7,000,000	26 months	Funded and authorized completion of construction documents, bidding, value engineering integration, construction administration and warranty and extended agreement by 26 months
Amendment 5	April 16, 2010	\$490,000	25 months	Funded design changes needed to complete the construction documents and extended agreement by 25 months
Subtotal		\$12,040,000		
Amendment 6	Proposed	\$2,374,758	4 months	Funds design changes and extends agreement by four months
Total		\$14,414,758	70.5 months	

Source: PUC

In accordance with Charter Section 9.118, the Board of Supervisors approval was not required for the original agreement and the first three amendments, because the agreement's term was less

than ten years and the amount of the agreement was less than \$10,000,000. The Board of Supervisors approved the fourth amendment in March 2008, increasing the agreement's not-to-exceed amount by \$7,000,000, from \$4,550,000 (\$1,650,000 plus \$2,900,000) to \$11,550,000. The fifth amendment was not subject to Board of Supervisors approval because this amendment was for an additional \$490,000, which was less than the \$500,000 threshold required under Charter Section 9.118. Based on the original agreement, plus these first five amendments, the agreement with KMD/Stevens to provide architectural, engineering and construction administration services for the new PUC headquarters building is for a total not-to-exceed amount of \$12,040,000.

The proposed sixth amendment to the Architectural and Engineering Design Services Agreement between KMD/Stevens and the PUC, which is the subject of the proposed resolution, would (a) extend the agreement's duration by four months from June 30, 2012 through October 31, 2012, and (b) increase the not-to-exceed amount by \$2,374,758 from \$12,040,000 to \$14,414,758.

According to Mr. Mebrahtu, the estimated completion of the 525 Golden Gate Avenue project is June 2012, which is two-months ahead of the original completion date of August 9, 2012. The PUC is requesting the four month extension of the agreement with KMD/Stevens from July 1, 2012 through October 31, 2012, in the event that the completion date extends beyond June 30, 2012 to ensure adequate time for KMD/Stevens to complete construction administration and project close out.

Mr. Mebrahtu advises that KMD/Stevens design services include: (a) program/design validation, (b) design development, (c) construction documents, (d) bidding, (e) construction administration, (f) cost estimating, (g) implementing contractor's construction comments, (h) wind tunnel analysis, (i) value engineering, (j) implementation of art enrichment, and (k) warranty.

According to Mr. Mebrahtu, the new PUC headquarters at 525 Golden Gate Avenue is a highly complex building that is at the forefront of technological innovation by incorporating many non-traditional building components, including integrated wind turbines and solar panels that combined will generate approximately eight percent of the building's energy needs, and a biological wetland system that will treat grey and black waste water, such that the building will release no sewage into the City's sewage system. Mr. Mebrahtu states that during the project's four year initial design phase (2006 through 2010), the project required adjustments to the design documents in order to address cost, sustainability, constructability, and regulatory and code related changes. According to Mr. Mebrahtu, early in the design process, KMD/Stevens conducted a value engineering exercise to redesign some components of the building while advancing the design for construction bid packages in order to reduce the projected increasing construction costs within the project's limited budget.

FISCAL ANALYSIS

Table 3 below shows the budget for the proposed sixth amendment for \$2,374,758, which will increase the total not-to-exceed agreement amount from \$12,040,000 to \$14,414,758.

Table 3
Proposed Sixth Amendment Budget

Task	Budget
Design Changes (Design Phase)	\$414,420
Construction Administration	1,760,337
Contingency for Future Change Orders	200,000
Total	2,374,758

Source: PUC

According to Mr. Mebrahtu, \$414,420 for design changes and \$1,760,337 for Construction Administration are services that KMD/Stevens has already provided. According to Mr. Mebrahtu, the design changes that have required the additional services from KMD/Stevens include (a) changes to the building skin and roof due to seismic requirements when the construction of the building was changed from steel to concrete, (b) inclusion of the biological wetland waste water technology to treat grey and black waste water, (c) changes to the roof layout, and (d) addition of various innovative sustainable features.

Mr. Mebrahtu also advises that the original staffing level for the construction administration services provided by KMD/Stevens was inadequate for this project due to the project's significant technological complexities and non-traditional building components that required more KMD/Stevens staffing than anticipated. As a result, the PUC and KMD/Stevens agreed to increase the construction administration staffing from two positions in 2006 to the current five positions, which resulted in the increased costs of \$1,760,337 shown in Table 3 above.

Mr. Mebrahtu also advises that, as shown in Table 3 above, an additional \$200,000 is being allocated for possible future change orders that may occur before the project is completed.

According to Mr. Carlos Jacobo, the source of funding for the overall 525 Golden Gate Avenue PUC building is approximately \$33 million from the sale of PUC properties in 2008 and approximately \$167 million from the sale of Certificates of Participation (COPs) in 2009. The COPs will be repaid by the PUC over the next 30 years, with revenues received from PUC water and wastewater ratepayers.

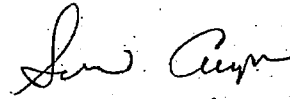
As shown in Table 1 above, the overall 525 Golden Gate Avenue PUC project contingency was budgeted at \$8,000,000 or approximately 4.2 percent of the total project's cost of \$190,600,000. According to Mr. Mebrahtu, to date, \$4,500,000 of the \$8,000,000 contingency has been expended, such that \$3,500,000 in contingency funds remain. This requested sixth amendment for \$2,374,758 would be funded with these remaining available contingency funds.

As also shown in Table 1 above, the original project budget for engineering, design, and construction administration was \$11,550,000. However, approval of the proposed sixth amendment would result in a total not-to-exceed amount for the subject engineering, design, and construction administration agreement between the PUC and KMD/Stevens of \$14,414,758, which is \$2,864,758 more than the \$11,550,000 originally budgeted for this agreement. According to Mr. Mebrahtu, the fifth amendment to this agreement, which was for \$490,000, was funded by transferring surplus funds from the DPW, PUC, City Attorney, City Permitting, and Other Costs line item. As noted above, the proposed sixth amendment to the agreement for \$2,374,758 would be paid from available, remaining contingency funds.

According to Mr. Mebrahtu, total spending for the 525 Golden Gate Avenue PUC project will not exceed the original project budget of \$190,600,000.

RECOMMENDATION

Approve the proposed resolution.



for
Harvey M. Rose

cc: Supervisor Chu
Supervisor Avalos
Supervisor Kim
President Chiu
Supervisor Campos
Supervisor Cohen
Supervisor Elsbernd
Supervisor Farrell
Supervisor Mar
Supervisor Olague
Supervisor Wiener
Clerk of the Board
Cheryl Adams
Controller
Rick Wilson

San Francisco Public Utilities Commission
City and County of San Francisco
Contract Administration Bureau
1155 Market Street, 9th Floor
San Francisco, California 94103

Sixth Amendment

Agreement No. CS-842

THIS SIXTH AMENDMENT (this "Amendment") is made as of _____, in San Francisco, California, by and between KMD/Stevens + Associates, A Joint Venture of Architects the Partners of which are: Kaplan McLaughlin Diaz and Stevens + Associates ("Architect"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through the San Francisco Public Utilities Commission.

RECITALS

WHEREAS, City and Architect entered into the Agreement (as defined below); and

WHEREAS, City and Architect desire to amend the Agreement on the terms and conditions set forth herein to (i) extend the term of the Agreement by an additional four (4) months to October 31, 2012; (ii) increase the total not-to-exceed amount of the Agreement by \$2,374,758 to an amount not-to-exceed \$14,414,758 to address needed adjustments discovered during construction and projections for required architectural and engineering design services through Project completion; and (iii) update standard contractual clauses; and

WHEREAS, approval for this Sixth Amendment was obtained from the San Francisco Public Utilities Commission by Resolution No. 11-0189 on December 13, 2011; and

WHEREAS, approval for this Sixth Amendment was obtained when the Civil Service Commission approved Contract number 4064-06/07 on December 11, 2012;

WHEREAS, approval for this Sixth Amendment was obtained from the San Francisco Board of Supervisors under Charter Section 9.118 by Resolution No. _____ on _____;

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

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

a. **Agreement.** The term "Agreement" shall mean the "Agreement Between the City and County of San Francisco and KMD/Stevens + Associates, A Joint Venture of Architects, the Partners of which are: Kaplan McLaughlin Diaz and Stevens + Associates, to Furnish

Architectural and Engineering Design Services for the New SFPUC Administration Office Building at 525 Golden Gate Avenue," with an award date of June 27, 2006, an effective date of December 12, 2006, a total contract value not to exceed \$1,650,000, and a term of 12 months, as amended by the:

- First Amendment, dated December 11, 2007;
- Second Amendment, dated December 24, 2007;
- Third Amendment, dated January 2, 2008;
- Fourth Amendment, dated April 1, 2008; and
- Fifth Amendment, dated April 16, 2010.

b. 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. The expiration date of the Agreement is hereby extended by four (4) months from June 30, 2012, to October 31, 2012. The total duration for performance of services under the Agreement is from December 12, 2006, to October 31, 2012.

2b. The total not-to-exceed amount of the Agreement is increased by \$2,374,758 (two million three-hundred seventy-four thousand seven-hundred fifty-eight dollars) to an amount not to exceed \$14,414,758 (fourteen million four-hundred fourteen thousand seven-hundred fifty-eight dollars). This increase is necessary to address needed adjustments discovered during construction and projections for required architectural and engineering design services through Project completion. \$14,414,758 is the total not-to-exceed agreement amount available for all architectural and engineering design services described or identified in the Agreement, including but not limited to Basic Services, Additional Services, and reimbursable expenses. In no event will the City pay more than \$14,414,758 for services performed or expenses incurred under the Agreement. No charge shall be incurred under the Agreement nor shall any payments become due to the Architect until reports, documents, or services as required under the Agreement are received from the Architect and approved by the City as being in accordance with the Agreement, or until the City agrees that the services have been satisfactorily performed.

2c. Section 20. Section 20 of the Agreement, **SUBMITTING FALSE CLAIMS**, is hereby replaced in its entirety to read as follows:

20. SUBMITTING FALSE CLAIMS

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:san>

francisco, 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 46. Section 46 of the Agreement, **REQUIRING MINIMUM COMPENSATION FOR COVERED EMPLOYEES**, is hereby replaced in its entirety to read as follows:

46. 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 Sections 12P.5 and 12P.5.1 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. 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.

2e. **Section 47.** Section 47 of the Agreement, **REQUIRING HEALTH BENEFITS FOR COVERED EMPLOYEES**, is hereby replaced in its entirety to read as follows:

47. 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 section 12Q.5.1 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. 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.

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

l. 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.

2f. Section 62, **COOPERATIVE DRAFTING**, is hereby added to the Agreement, as follows:

62. 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 Sixth 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, Architect and City have executed this Sixth Amendment as of the date first referenced above.

CITY

ARCHITECT

Ed Harrington
General Manager
San Francisco Public Utilities Commission

KMD/Stevens + Associates, a Joint Venture of
Architects

Kaplan McLaughlin Diaz

Approved as to Form:

By: _____
Title: President and CEO

Dennis J. Herrera
City Attorney

Stevens + Associates

By: John G. White
John G. White
Deputy City Attorney

By: _____
Title: Principal

City vendor number: _____



AGENDA ITEM
Public Utilities Commission
City and County of San Francisco



DEPARTMENT General Manager's Office AGENDA NO. 9a
MEETING DATE December 13, 2011

Professional Services Amend: Regular Calendar
Project Director: Shelby Campbell

Agreement No. CS-842, Amendment No. 6, Architectural and Engineering Design Services, 525 Golden Gate Avenue

<p>Summary of Proposed Commission Action:</p>	<p>Approve Amendment No. 6 to Agreement No. CS-842, Architectural and Engineering Design Services for the new SFPUC Administration Office Building At 525 Golden Gate Avenue, with KMD/Stevens + Associates, a joint venture of architects, the partners of which are Kaplan McLaughlan Diaz and Stevens + Associates, to provide additional design services and additional construction administration related services for 525 Golden Gate Avenue and authorize the General Manager of the San Francisco Public Utilities Commission to execute this Amendment increasing the Agreement not-to-exceed amount by \$2,374,758 for a total agreement amount not-to-exceed \$14,414,758 and extending the duration of the Agreement by (4) months, for a total Agreement duration of 5 years and 10.5 months, subject to the Board of Supervisors approval pursuant to Charter Section 9.118. The Amendment would be funded by Contingency and the Project would remain on budget.</p>
<p>Background & Description of Scope of Services:</p>	<p>Background: The City and County of San Francisco acquired certain improved real property located at 525 Golden Gate Avenue in June 2000 from the State of California. On October 17, 2001, the Department of Public Works (DPW) awarded a professional agreement for \$8,300,000 (excluding additional services and reimbursable expenses) to KMD/Stevens + Associates (KMD) to complete design development services. The amount expended under the DPW agreement was \$3,200,000. The DPW agreement expired on December 31, 2004. KMD completed all of the schematic design and 50% of the design development phase of the DPW agreement.</p>

APPROVAL:

DEPARTMENT / BUREAU _____
COMMISSION SECRETARY Mike Housh

FINANCE Todd L. Rydstrom
GENERAL MANAGER Ed Harrington

Agreement: CS-842, Architectural and Engineering Design Services for 525 Golden Gate Avenue
Commission Meeting Date: December 13, 2011

	<p>The project will set a new standard for environmentally responsible buildings and serve as a model of resource conservation, and will also reduce the SFPUC's expenses for office lease agreements by relocating staff into a facility owned by the SFPUC.</p> <p>This Commission has previously authorized site acquisition and design development for a new 13 story building to house the SFPUC administrative offices at 525 Golden Gate Avenue, and awarded Agreement CS-842 to KMD, on June 27, 2006. The scope of work under this Agreement includes all necessary architectural and engineering design services to complete the design and construction of 525 Golden Gate Avenue.</p> <p>Description of Scope of Services:</p> <p>The work under this Agreement consists of all necessary and required architectural and engineering design services to complete the Project, including design development phases 1 and 2, construction documents, construction bid phase, value engineering integration, construction administration and warranty phase work.</p> <p>Changes to the Agreement under Amendments:</p> <p><u>Amendment Nos.1 through 5:</u> were issued to continue architectural design work and to specifically address the following issues: green design initiatives, including initiation of wind tunnel analysis; incorporate CM/GC comments on constructability; and update the construction budget limit for the Project and set forth KMD's responsibilities with respect to such budget limit, increasing the agreement not-to-exceed amount by \$10,390,000 and extending the agreement term by 4 years and 6.5 months.</p> <p><u>Amendment No. 6:</u> is being requested for additional design services and construction administration services, increasing the agreement not-to-exceed amount by \$2,374,758, for a total agreement not-to-exceed amount of \$14,414,758 and extending the agreement duration by four months, for a total agreement duration of 5 years and 10.5 months, ending on October 31, 2012.</p>
Result of Inaction:	A delay in amending this Agreement will delay design services required to complete the project on schedule and on budget.
Budget & Costs:	<p>Funding to cover the cost will be available at the time of Amendment No. 6 execution from the sales of Certificates of Participation.</p> <p>Original Amount: \$1,650,000 Amendment No. 2 Amount: \$2,900,000</p>

Agreement: CS-842, Architectural and Engineering Design Services for 525 Golden Gate Avenue
 Commission Meeting Date: December 13, 2011

	Amendment No. 4 Amount: \$7,000,000 Amendment No. 5 Amount: \$490,000 Amendment No. 6 Amount: \$2,374,758 Total Revised Contract Amount: including the costs of all amendments is \$14,414,758.
Schedule:	Original Duration: 1 year Amendment No. 1 Duration: 3.5 months Amendment No. 4 Duration: 2 years and 2 months Amendment No. 5 Duration: 2 years and 1 months Amendment No. 6 Duration: 4 months Total Revised Contract Duration: 5 years and 10.5 months
Compliance With Chapter 14b: Local Business Enterprise And Non-Discrimination In Contracting Ordinance:	A Human Rights Commission (HRC) sub-consulting goal of 26% Disadvantaged Business Enterprise (DBE) participation (of the total value of services to be provided) has been established and approved for this agreement.
Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.
Attachments:	1. SFPUC Resolution 2. HRC memo

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 11-0189

WHEREAS, On June 27, 2006, per Resolution No. 06-0108, this Commission awarded Agreement No. CS-842, Architectural And Engineering Design Services For The New SFPUC Administration Office Building at 525 Golden Gate Avenue, and authorized the General Manager of the San Francisco Public Utilities Commission to execute a professional services agreement with KMD/Stevens + Associates, a joint venture of architects, the partners of which are Kaplan McLaughlin Diaz and Stevens + Associates; and

WHEREAS, The professional services agreement Notice-to-Proceed date was December 12, 2006; and

WHEREAS, The original agreement authorization amount was not to exceed \$1,650,000 and the original agreement duration was for one year from the effective date; and

WHEREAS, Amendment Nos.1 through 5 were issued to continue architectural design work and to specifically address the following issues: green design initiatives, including initiation of wind tunnel analysis; incorporate CM/GC comments on constructability; and update the construction budget limit for the Project and set forth KMD's responsibilities with respect to such budget limit, increasing the agreement not-to-exceed amount by \$10,390,000 and extending the agreement term by 4 years and 6.5 months; and

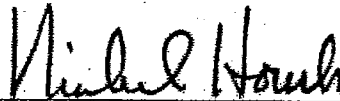
WHEREAS, Amendment No. 6 is being requested to increase the agreement not-to-exceed amount by \$2,374,758, for a total agreement not-to-exceed amount of \$14,414,758 and extend the agreement duration by four months, for a total agreement duration of 5 years and 10.5 months, ending on October 31, 2012; and

WHEREAS, Funds for Amendment No. 6 are available from the sales of Certificates of Participation and the project would remain on budget; and

WHEREAS, A Human Rights Commission (HRC) sub-consulting goal of 26% Disadvantaged Business Enterprise (DBE) participation has been established and approved for this Agreement by the HRC Contract Compliance Officer assigned to the SFPUC; now, therefore, be it,

RESOLVED, That this Commission hereby approves Amendment No. 6 to Agreement No. CS-842 with KMD/Stevens + Associates, a joint venture of architects, the partners of which are Kaplan McLaughlin Diaz and Stevens + Associates, to provide additional design services and additional construction administration related services for 525 Golden Gate Avenue, and authorizes the General Manager of the San Francisco Public Utilities Commission to execute this Amendment increasing the agreement not-to-exceed amount by \$2,374,758, for a total agreement not-to-exceed amount of \$14,414,758, and increasing the agreement duration by 4 months, for a total agreement duration of 5 years and 10.5 months, ending on October 31, 2012, subject to the approval of the Board of Supervisors under Charter Section 9.118.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ *December 13, 2011*



Secretary, Public Utilities Commission



San Francisco
Water Power Sewer
 Services of the San Francisco Public Utilities Commission

1155 Market Street, 11th Floor
 San Francisco, CA 94103
 T 415.554.3155
 F 415.554.3161
 TTY 415.554.3488

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Bart Broome, 554-0706

DATE: January 13, 2012

SUBJECT: Resolution authorizing amendment to Architectural and Engineering Design Services Agreement No. CS-842

Please find the original and 4 copies of the resolution attached to this cover memorandum, as well as 5 copies of supplemental materials regarding the resolution.

The attached is a resolution authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute an amendment to Architectural and Engineering Design Services Agreement No. CS-842 for the new SFPUC administration building project located at 525 Golden Gate Avenue increasing the agreement not-to-exceed amount to \$14,414,758, pursuant to Charter Section 9.118.

The attachments include:

1. Resolution Original & 4 Copies
2. A final approved copy of the Amendment, signed by the City Attorney's Office
3. Form # SFEC-126, prepared by the Contractor
4. SFPUC Agenda Item and signed resolution #11-0189

If you have any questions, please don't hesitate to contact Bart Broome.

Departmental representative to receive a copy of the adopted resolution:

Name: Bart Broome
 Phone: 554-0706

Interoffice Mail Address: 1145 Market Street, 7th Floor

- Edwin M. Lee**
Mayor
- Anson Moran**
President
- Art Torres**
Vice President
- Ann Moller Caen**
Commissioner
- Francesca Vietor**
Commissioner
- Vince Courtney**
Commissioner
- Ed Harrington**
General Manager



**FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL**
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: KMD/Stevens + Associates A Joint Venture of Architects, The Partners of which are: Kaplan McLaughlin Dias and Stevens + Associates (CS-842)	
<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> See attached exhibit A for KMD information. See attached exhibit B for Stevens and Associates Information.	
Contractor address: KMD – 222 Vallejo, San Francisco, CA 94111 Stevens and Associates – 855 Sansome Street, 2 nd Floor, San Francisco, CA 94111	
Date that contract was approved: <i>(By the SF Board of Supervisors)</i>	Amount of contract: \$14,414,758
Describe the nature of the contract that was approved: Architectural and Engineering Design Services for the New SFPUC Administration Bldg. at 525 Golden Gate Ave.	
Comments:	

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

Filer Information <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

K M D

K A P L A N • M c L A U G H L I N • D I A Z

222 VALLEJO STREET SAN FRANCISCO CA 94111 PHONE: 415/398-5191 FAX: 415/394-7158

EXHIBIT A

FORM SFEC-126

NOTIFICATION OF CONTRACT APPROVAL

Contractor Information: KMD

- 1) **Members of the contractor's board of directors:**
Herbert McLaughlin, James Diaz, Lari Diaz, Juan Diego Perez- Vargas, Carlos Fernandez del Valle,
James Mueller

- 2) **The contractor's chief executive officer, chief financial officer and chief operating officer:**
Chief Executive Officer: Roy Latka
Chief Financial Officer: Roy Latka
Chief Operating Officer: Not Applicable. No Chief Operating Officer.

- 3) **Any person who has an ownership of 20 percent or more in the contractor:**
Herbert McLaughlin

- 4) **Any subcontractor listed in the bid or contract:**
ARUP-Green Building Consultant
ARUP-Life Safety
ARUP-Acoustical
Affiliated Engineers Incorporated- Daylight Consulting
SOHA Engineers- Structural Engineering
Tom Eliot Fisch- Interior Design
Antonia Bava Landscape Architects
Bello and Associates
Forell- Elsesser- Structural Engineering
ARUP - MEP Engineering
ARUP-Telecom Consulting
ARUP- Electrical Engineering
Hesselberg Kessee- Elevator Consulting
Davis Langdon- Cost Consulting

Synergy California- Wind Consultant
International Consulting Services- Façade Engineering
Online Security (Safir)- Security Consultant
SGH- Waterproofing
McCamant & Durrett Architects- Child Care Architect
RWDI- Wind Consulting
Tipping Mar- Structural Engineering
Door+Hardware Consultants- Door Hardware Consultant
SJ Engineers- Mechanical
SJ Engineers-Plumbing
SJ Engineers-Fire Protection
FW Engineers- Electrical Engineering
Simon & Associates- Green Building Consultant
Powell Enterprises- Cost Consulting
Kate Keating- Graphics Design
Telamon- Civil Engineering
Kai Yee Woo Associates- FFE Consultant
Worrell Water Technologies- Living Machine (Waste Water Technology)
Cavagnero- Consultant

- 5) **Any political committee sponsored or controlled by the contractor:**
None.

EXHIBIT *A* B

FORM SFEC-126

NOTIFICATION OF CONTRACT APPROVAL

Contractor Information: Stevens + Associates

- 1) **Members of the contractor's board of directors:**
Stevens + Associates is a sole proprietorship. The proprietor is Myles Stevens
- 2) **The contractor's chief executive officer, chief financial officer and chief operating officer:**
Chief Executive Officer: Myles Stevens
Chief Financial Officer: Myles Stevens
Chief Operating Officer: Not Applicable. No Chief Operating Officer
- 3) **Any person who has an ownership of 20 percent or more in the contractor:**
Myles Stevens
- 4) **Any subcontractor listed in the bid or contract:**
ARUP-Green Building Consultant
ARUP-Life Safety
ARUP-Acoustical
Affiliated Engineers Incorporated- Daylight Consulting
SOHA Engineers- Structural Engineering
Tom Eliot Fisch- Interior Design
Antonia Bava Landscape Architects
Forell- Elsesser- Structural Engineering
ARUP - MEP Engineering
ARUP-Telecom Consulting
ARUP- Electrical Engineering
Hesselberg Kesssee- Elevator Consulting
Davis Langdon- Cost Consulting
Synergy California- Wind Consultant
International Consulting Services- Façade Engineering
Online Security (Safir)- Security Consultant

Stevens + Associates
11/16/2011

Page 2

SGH- Waterproofing
McCamant & Durrett Architects- Child Care Architect
RWDI- Wind Consulting
Tipping Mar- Structural Engineering
Door+Hardware Consultants- Door Hardware Consultant
SJ Engineers- Mechanical
SJ Engineers-Plumbing
SJ Engineers-Fire Protection
FW Engineers- Electrical Engineering
Simon & Associates- Green Building Consultant
Powell Enterprises- Cost Consulting
Kate Keating- Graphics Design
Telamon- Civil Engineering
Kai Yee Woo Associates- FFE Consultant
Worrell Water Technologies- Living Machine (Waste Water Technology)
Cavagnero- Consultant

- 5) Any political committee sponsored or controlled by the contractor:
None