

**City and County of San Francisco
San Francisco Public Utilities Commission
525 Golden Gate Avenue
San Francisco, CA 94102**

First Amendment

PRO.0068

Biosolids Digester Facilities Construction Management Staff Augmentation Services

THIS **FIRST AMENDMENT** (“Amendment”) is made as of **[insert date]**, in San Francisco, California, by and between **Arcadis U.S., 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 extend the performance period, increase the contract amount, and update standard contractual clauses; and

WHEREAS, Contractor was competitively selected pursuant to a Request for Proposals entitled Biosolids Digester Facilities Construction Management Staff Augmentation Services issued through Sourcing Event ID PUC.PRO.0068 and this Amendment is consistent with the terms of the RFP and the awarded Contract; and

WHEREAS, this is a contract for Services, there is a Local Business Enterprise (“LBE”) subcontracting participation requirement, and this Amendment is consistent with that requirement; and

WHEREAS, this Amendment is consistent with an approval obtained on May 5, 2025 from the Civil Service Commission under PSC number DHRPSC0005323 in the amount of \$157,180,126 for the period of 14 years and 11 months; and

WHEREAS, this Amendment is consistent with an approval obtained from City’s San Francisco Public Utilities Commission under 25-0071 approved on May 13, 2025 in the amount of \$68,500,000 for a period of ten years and nine months; and

WHEREAS, this Amendment is consistent with an approval obtained from the City’s **[Board of Supervisors]** under **[insert resolution number]** approved on **[insert date of Commission or Board action]** in the amount of **[insert Dollar Amount]** for the period commencing **[Insert Start Date]** and ending **[Insert End Date]**; and

WHEREAS, the Department has filed Ethics Form 126f4 (Notification of Contract Approval) because this Agreement, as amended herein, has a value of \$100,000 or more in a fiscal year and will require the approval of the Board of Supervisors; and

Now, THEREFORE, the parties agree as follows:

Article 1 Definitions

The following definitions shall apply to this Amendment:

1.1 **Agreement.** The term “Agreement” shall mean the Agreement dated July 30, 2018 between Contractor and City.

1.2 **San Francisco Labor and Employment Code.** As of January 4, 2024, San Francisco Administrative Code Chapters 21C (Miscellaneous Prevailing Wage Requirements), 12B (Nondiscrimination in Contracts), 12C (Nondiscrimination in Property Contracts), 12K (Salary History), 12P (Minimum Compensation), 12Q (Health Care Accountability), 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 12U (Sweatfree Contracting) are redesignated as Articles 102 (Miscellaneous Prevailing Wage Requirements), 131 (Nondiscrimination in Contracts), 132 (Nondiscrimination in Property Contracts), 141 (Salary History), 111 (Minimum Compensation), 121 (Health Care Accountability), 142 (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 151 (Sweatfree Contracting) of the San Francisco Labor and Employment Code, respectively. Wherever this Agreement refers to San Francisco Administrative Code Chapters 21C, 12B, 12C, 12K, 12P, 12Q, 12T, and 12U, it shall be construed to mean San Francisco Labor and Employment Code Articles 102, 131, 132, 141, 111, 121, 142, and 151, respectively.

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

Article 2 Modifications to Scope of the Agreement

The Agreement is hereby modified as follows:

2.1 Article 2 Term of the Agreement. Article 2, Section 2.1 of the Agreement currently reads as follows:

2.1 The term of this Agreement shall commence on the later of: (i) August 28, 2018; or (ii) the Effective Date and expire on August 27, 2025, unless earlier terminated as otherwise provided herein.

Such section is hereby amended in its entirety to read as follows:

2.1 The term of this Agreement shall commence on August 28, 2018 and expire on May 27, 2029, unless earlier terminated as otherwise provided herein.

2.2 3.3.1 Payment. Section 3.3.1 of the Agreement currently reads as follows:

3.3.1 **Payment.** Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in

the invoice that the General Manager of the SFPUC, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed Forty-Two Million Dollars (\$42,000,000). The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges." attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to both parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments except as set forth in Administrative Code Section 6.22(j).

Such section is hereby amended in its entirety to read as follows:

3.3.1 Payment. Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the General Manager of the SFPUC, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed Sixty-Eight Million Five Hundred Thousand Dollars (\$68,500,000). The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges." attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to both parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments except as set forth in Administrative Code Section 6.22(j).

2.3 Task 7 in Appendix A. Task 7 (Community Benefits) in Appendix A (Scope of Services) is hereby deleted from Appendix A, and moved in its entirety to Appendix A-1 (May 2025 Revision, Task 7), attached to this Amendment and fully incorporated within the Agreement. To the extent the Agreement refers to Task 7 in Appendix A, in any place, the true meaning shall be Appendix A-1, which is a correct and updated version applicable to Task 7.

Article 3 Updates of Standard Terms to the Agreement

The Agreement is hereby modified as follows:

3.1 Section 10.14 Public Access to Nonprofit Records and Meetings. *Section 10.14 of the Agreement is replaced in its entirety to read as follows:*

10.14. Nonprofit Contractor Requirements.

10.14.1. Good Standing. If Contractor is a nonprofit organization, Contractor represents that it is in good standing with the California Attorney General's

Registry of Charitable Trusts and will remain in good standing during the term of this Agreement. Contractor shall immediately notify City of any change in its eligibility to perform under the Agreement. Upon City's request, Contractor shall provide documentation demonstrating its compliance with applicable legal requirements. If Contractor will use any subcontractors to perform the Agreement, Contractor is responsible for ensuring they are also in compliance with the California Attorney General's Registry of Charitable Trusts for the duration of the Agreement. Any failure by Contractor or its subcontractors to remain in good standing with applicable requirements shall be a material breach of this Agreement.

10.14.2. Public Access to Nonprofit Records and Meetings. If Contractor is a nonprofit organization; provides Services that do not include services or benefits to City employees (and/or to their family members, dependents, or their other designated beneficiaries); and receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds, Contractor must comply with the City's Public Access to Nonprofit Records and Meetings requirements, as set forth in Chapter 12L of the San Francisco Administrative Code, including the remedies provided therein.

3.2 **Section 4.2 Personnel.** *Section 4.2 of the Agreement is replaced in its entirety to read as follows:*

4.2 Qualified Personnel. Contractor represents and warrants that it is qualified to perform the Services required by City, and that all Services will be performed by competent personnel with the degree of skill and care required by current and sound professional procedures and practices. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit sufficient resources for timely completion within the project schedule

3.3 **Section 1.10 Confidential Information.** *Section 1.10 is hereby added and incorporated into the Agreement as a Definition in Article 1:*

1.10 "Confidential Information" means confidential City information including, but not limited to, personally-identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

3.4 **Section 4.5 Assignment.** *Section 4.5 of the Agreement is replaced in its entirety to read as follows:*

4.5 Assignment. Services to be performed by Contractor are personal in character. This Agreement may not be directly or indirectly assigned, novated, or otherwise transferred unless first approved by City by written instrument executed and approved in the same manner as this

Agreement. Any purported assignment made in violation of this provision shall be null and void.

3.5 Section 7.3 Withholding. *Section 7.3 is hereby added and incorporated into the Agreement in Article 7:*

7.3 Withholding. Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

3.6 Section 10.19 Consideration of Salary History. *Section 10.19 is hereby added and incorporated into the Agreement in Article 10:*

10.19 Consideration of Salary History. Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or “Pay Parity Act.” Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

3.7 Section 10.10 Limitations on Contributions. *Section 10.10 of the Agreement is replaced in its entirety to read as follows:*

10.10 Limitations on Contributions. By executing this Agreement, Contractor acknowledges its obligations under Section 1.126 of the City’s Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor’s board of directors; Contractor’s chairperson, chief executive

officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting

3.8 **Section 11.14 Notification of Legal Requests.** *Section 11.14 is hereby added and incorporated into the Agreement in Article 11:*

11.14 Notification of Legal Requests. Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests and other legal requests (“Legal Requests”) related to all data given to Contractor by City in the performance of this Agreement (“City Data” or “Data”), or which in any way might reasonably require access to City’s Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City’s instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

3.9 **Article 13 Data and Security.** *Article 13 of the Agreement is replaced in its entirety to read as follows:*

13.1 Nondisclosure of Private, Proprietary or Confidential Information.

13.1.1 Protection of Private Information. If this Agreement requires City to disclose “Private Information” to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 City Data; Confidential Information. In the performance of Services, Contractor may have access to, or collect on City’s behalf, City Data, which may include proprietary or Confidential Information that if disclosed to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, or Contractor collects such information on City’s behalf, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information.

13.2 Reserved.

13.3 Reserved.

13.4 Management of City Data.

13.4.1 Use of City Data. Contractor agrees to hold City Data received from, or created

or collected on behalf of, City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by City. Any work by Contractor or its authorized subcontractors using, or sharing or storage of, City Data outside the United States is prohibited, absent prior written authorization by City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. City Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Contractor. Contractor is provided a limited non-exclusive license to use City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to City Data, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

13.4.2 Disposition of City Data. Upon request of City or termination or expiration of this Agreement, Contractor shall promptly, but in no event later than thirty (30) calendar days, return all City Data given to, or collected or created by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that City Data has been successfully transferred to City, Contractor shall within ten (10) business days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractor's environment(s), work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five (5) business days of the purge. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 or most current industry standard.

13.5 Ownership of City Data. The Parties agree that as between them, all rights, including all intellectual property rights, in and to City Data and any derivative works of City Data is the exclusive property of City.

13.6 Loss or Unauthorized Access to City's Data; Security Breach Notification. Contractor shall comply with all applicable laws that require the notification to individuals in the event of unauthorized release of PII, PHI, or other event requiring notification. Contractor shall notify City of any actual or potential exposure or misappropriation of City Data (any "Leak") within twenty-four (24) hours of the discovery of such, but within twelve (12) hours if the Data Leak involved PII or PHI. Contractor, at its own expense, will reasonably cooperate with City and law enforcement authorities to investigate any such Leak and to notify injured or potentially injured parties. The remedies and obligations set forth in this subsection are in addition to any other City may have. City shall conduct all media communications related to such Leak.

Article 4 Effective Date

Each of the modifications set forth in Articles 2 and 3 shall be effective on and after the date of this Amendment.

Article 5 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
Recommended by:

CONTRACTOR
Arcadis, U.S., Inc.

Dennis J. Herrera
General Manager
San Francisco Public Utilities Commission

[name of authorized representative]
[title]

City Supplier number: 0000025180

Approved as to Form:

David Chiu
City Attorney

By: _____
Tyson Arbuthnot
Deputy City Attorney

Attached Appendices:

Appendix A-1: May 2025 Revision, Task 7

Appendix A-1: May 2025 Revision, Task 7

Task 7: COMMUNITY BENEFITS

The selected Contractor commits to providing the Community Benefits Commitments detailed in its Community Benefits (CB) Submittal during the term of the Agreement. In the event that the Agreement is amended to increase its value, the Contractor must agree to a proportional increase in the value of its Community Benefits Commitments, pursuant to Ch. 21F of the San Francisco Administrative Code at section 21F.5(b)(1). The representations, warranties, and other terms contained in the selected Contractor's CB Submittal will be the basis for a Community Benefit Plan, but are for the sole benefit of the parties hereto and shall not be construed as conferring any rights on any other persons or entities.

Providing community benefits is a deliverable, zero-dollar task. No hours or dollars should be allocated or included in selected Contractor's costs for the services under this Agreement in order to perform or deliver the voluntarily proposed CB Commitments. The selected Contractor shall fund the CB Commitments independently and such funding shall neither be tied to, nor dependent upon, SFPUC funds or sources of funding, receivable from the SFPUC, including retention associated with this Agreement. This requirement of independent funding includes direct financial contributions and any funding related to the performance or delivery of the CB Commitments. The provision of CB Commitments does not entitle the selected Contractor to additional work beyond that which is specified within the Agreement.

The selected Contractor shall commence performance of the CB Commitments promptly after issuance of the first Notice to Proceed (NTP) for this Agreement. CB Commitments performed as part of previous contracts or prior to Contractor being awarded the Agreement cannot count towards the selected Contractor's CB Commitments for this Agreement. If a Contractor has established programs or plans that are consistent with the Community Benefits areas described in this RFP, the selected Contractor may continue those programs as part of its CB Commitments and will be given credit for activities that are performed following the issuance of the first NTP for this Agreement.

Project Team

Carmine Marra shall serve as the Executive in Charge to manage the Contractor's CB Commitments and provide fiduciary oversight. The Executive in Charge shall ensure that the CB Commitments listed in the Community Benefits Summary Table below are delivered to the communities that they are intended to benefit in a transparent and accountable manner. The Executive in Charge shall work with the Community Benefits Coordinator, Melissa Pomales, to organize, plan, track, measure, and report on Contractor's CB Commitments. The Executive in

Charge is responsible for coordinating the senior management of Contractor's subconsultants to provide benefits to the community should such subconsultants choose to participate.

Community Benefits Commitments

Contractor shall provide \$513,750 in direct financial contributions and \$301,726.19 in volunteer hours. Contractor commits to a minimum contribution of \$815,476.19 over the term of this Agreement as stated in the Community Benefits Summary Table below.

Community Benefits Summary Table

SIP Commitment Table After Modification					
SIP Program Area	Direct Financial Contributions	Volunteer Hours	Volunteer Hour (Fixed rate \$150)	Value of Volunteer Hours	Total Contribution
Public Education	\$350,654.76	913.33	\$150.00	\$137,000.00	\$487,654.76
Environment and Community Health	\$163,095.24	1098.17	\$150.00	\$164,726.19	\$327,821.43
TOTAL COMMITMENTS					\$815,476.19

Accountability and Deliverables

Contractors shall provide a description of the accountability methods to ensure that the proposed CB activities will be delivered in a transparent and accountable manner. To maximize transparency and accountability, a process must be proposed that will assist in independently verifying that such funds and resources were delivered to the intended beneficiaries.

Contractor must provide the following deliverables during performance of the Agreement:

1. Community Benefits Plan and Timeline

- Contractor shall develop a Community Benefits Plan within three (3) months of issuance of the first NTP. The Community Benefits Plan will provide details regarding community partnerships, expenditures, a schedule, and timelines related to the CB Submittal.
- Contractor is invited to meet once a year thereafter or as needed with the SFPUC External Affairs Community Benefits and Social Responsibility Manager during the term of the Agreement to discuss the work plan, timelines, partners, strategic delivery, scale, and performance necessary to ensure the commitments maximize collective resources and positive impact.

2. Community Benefits Commitments and Reporting

- Contractor shall deliver the proposed CB Commitments specified in the CB Submittal and the Community Benefits Plan. Any proposed changes to the CB Commitments as set forth herein shall be submitted in writing for review by the External Affairs Community Benefits and Social Responsibility Manager.
- Contractor shall submit biannual progress reports to the SFPUC External Affairs Community Benefits and Social Responsibility Manager, which detail the geographic scope of commitment, activities and outcomes, key metrics, and the total number of hours, dollars, etc. contributed to-date. Progress reports must be submitted on the last business day of the month following the close of 2nd and 4th business quarters. As part of the progress reports, Contractor also must submit documents to substantiate that the CB Commitments and any funds associated therewith were delivered to the communities they were intended to benefit. These reporting requirements may be adjusted over the duration of the program due to system improvements.
- Contractor shall also submit an annual report documenting the culmination of their CB Commitments, beneficiaries, and outcomes for the year.

Contractor shall provide all of the CB Commitments, consistent with all of the terms of Contractor's Community Benefits Proposal dated March 2018, which is incorporated herein by this reference. Should there be any conflicts or discrepancies between the language in this section and the Contractor's Community Benefits Proposal, the terms of the language of this section shall prevail as Contractor and SFPUC's final mutual understanding and agreement.

All written Deliverables, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.