

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Third Amendment

THIS AMENDMENT (this "Amendment") is made as of **November 12, 2013**, in San Francisco, California, by and between **T3 East, a Joint Venture, 65 McCoppin Street, San Francisco, California 94103** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission or the Commission's designated agent, hereinafter referred to as "Commission."

RECITALS

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

WHEREAS, the Commission adopted Resolution Number 11-0145 on June 30, 2011 which authorized the award of said Agreement for the period of August 1, 2011 through December 31, 2014; and

WHEREAS, the Commission adopted Resolution Number 12-0164 on July 17, 2012, which authorized the award of the First Amendment to said Agreement for the period of August 2, 2012 through August 31 2013; and

WHEREAS, the Commission adopted Resolution Number 13-0158 on July 23, 2013, which authorized the award of the Second Amendment to said Agreement for the period of August 31, 2013 through February 28, 2014; and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to assign Contract 9048.9, Construction Management Services for Terminal 3 Improvement Projects to T3 East, Joint Venture effective November 12, 2013 and to increase the contract amount and extend the contract duration to November 11, 2014 and to update standard contractual clauses; and

WHEREAS, the Commission adopted Resolution Number 13-0231 on November 12, 2013, which approved this Third Amendment as "Modification Three"; and

WHEREAS, approval for this Amendment was obtained when the Civil Service Commission approved Contract number PSC #4009-11/12 on August 5, 2013; and

NOW, THEREFORE, Contractor 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 dated August 1, 2011 between Contractor and City, as amended by the:

First Amendment, dated July 17, 2012
Second Amendment, dated July 23, 2013

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

2. **Section 2. Term of the Agreement** is hereby amended to extend the term of the contract from November 12, 2013 to November 11, 2014.

3. **Section 5. Compensation** is hereby amended to increase the total compensation payable by an amount not to exceed **Two Million Three Hundred Thousand Dollars (\$2,300,000)** for a new total not to exceed amount of **Seven Million Eight Hundred Eighty-Four Thousand Dollars (\$7,884,000)** and as stated on Appendix B.3 attached to this amendment.

4. **Section 24. Notices to the Parties** hereby deleted in its entirety and replaced with revised Section 24 as follows:

Section 24. Notice to the Parties. Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To City: Judi Mosqueda
Program Manager
San Francisco International Airport
Design & Construction
P. O. Box 8097
San Francisco, CA 94128
Email: judi.mosqueda@flysfo.com
Fax: (650) 821-7799

To Contractor: Ismael Pugeda
President
Cooper Pugeda Management, Inc.
65 McCoppin Street
San Francisco
San Francisco, California 94103
Email: ismaelp@cpmservices.com
Fax: (415) 543-6570

And

Andrew Petreas
Principal
Environmental & Construction Solutions
290 Division Street, Suite 307
San Francisco, California 94103
Email: ecs.andrew@sbcglobal.net
Fax: 415-934-8069

Any notice of default must be sent by registered mail.

5. **New Section 63. Labor Peace / Card Check Rule** is hereby amended to read as follows:

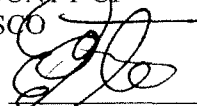


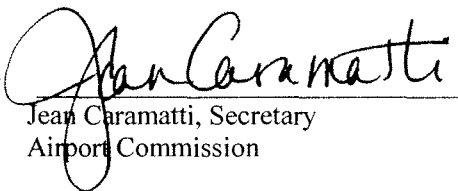
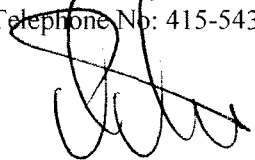
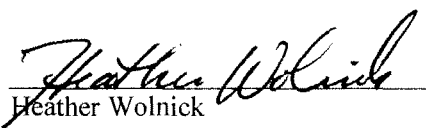
63. Labor Peace / Card Check Rule. Without limiting the generality of other provisions herein requiring Contractor to comply with all Airport Rules, Contractor shall comply with the Airport's

Labor Peace / Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "Labor Peace / Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check Rule, Contractor shall, among other actions: (a) Enter into a Labor Peace/Card Check Rule Agreement with any Labor Organization which requests such an agreement and which has registered with the Airport Director or his / her designee, within thirty (30) days after Labor Peace/Card Check Rule Agreement has been requested; (b) Not less than thirty (30) days prior to the modification of this Agreement, Contractor shall provide notice by mail to any Labor Organization or federation of labor organizations which have registered with the Airport Director or his / her designee (registered labor organization"), that Contractor is seeking to modify or extend this Agreement; (c) Upon issuing any request for proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract, Contractor shall provide notice to all registered Labor Organizations that Contractor is seeking to enter into such Subcontract; and (d) Contractor shall include in any subcontract with a Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If Airport Director determines that Contractor violated the Labor Peace/Card Check Rule, Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to him / her.

6. Effective Date. Each of the modifications set forth in Section 2 shall be effective on and after November 12, 2013.

7. Legal Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY	CONTRACTOR
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
Recommended:  Ivar Satero, Deputy Airport Director	
By:  John L. Martin, Airport Director	Authorized Signature
Attest:	Ismael Pugeda President and Managing Partner of T3 East, Joint Venture Cooper Pugeda Management, Inc. 65 McCoppin Street San Francisco, California 94103 Telephone No: 415-543-6515
By:  Jean Caramatti, Secretary Airport Commission	
Resolution No: 13-0231	Authorized Signature
Adopted on: November 12, 2013	Andrew Petreas Principal and Managing Partner of T3 East, Joint Venture Environmental & Construction Solutions 290 Division Street, Suite 308 San Francisco, California 94103 Telephone No.: 415-934-8790
Approved as to Form:	93406 City Vendor Number
Dennis J. Herrera City Attorney	46-3971009 Federal Employer ID Number
By:  Heather Wolnick Deputy City Attorney	

Attachments:

Appendix B.3, Calculation of Charges
Certified Assignment and Assumption Agreement with Novation



Appendix B.3 Calculation of Charges

This Appendix B.3 is attached to, and incorporated by reference in the Agreement made on August 1, 2011 between the City and County of San Francisco, acting by and through its Airport Commission (Commission), and **T3 East, a Joint Venture** (Contractor) providing for construction management oversight and construction management services for Terminal 3 Improvements Program.

A. General

1. For the complete and satisfactory performance of the services detailed in Appendix A and Appendix A.1 of this Agreement, the City will pay fees and expenses not-to-exceed **Two Million Three Hundred Thousand Dollars (\$2,300,000) for a total revised not-to-exceed contract amount of Seven Million Eight Hundred Eighty-four Thousand Dollars (\$7,884,000)** and for a new end date of November 11, 2014.
2. No Change
3. No Change

B. Method of Payment

No Change

C. Direct Salary Rate and Direct Salary Rate Adjustment

1. No Change
2. No Change
3. The direct labor rates agreed upon at the effective date of the Agreement amendment shall remain effective until February 28, 2014. At least thirty (30) calendar days prior to the expiration date stated in this paragraph C.3, the Contractor may submit to the Airport Project Manager any request for direct labor rate increases for consideration. The submission of a proposed direct labor rate increase by the Contractor does not constitute an agreement by the Commission that any proposed rate increase will be accepted by the Commission.

D. Billing Rates

1. Billing rates shall be used for reimbursement of the cost portion of this time and material Agreement. Billing rates shall be the sum of approved hourly base rates as set forth in paragraph G below plus indirect cost. Indirect cost rates for **Cooper Pugeda Management, Inc. (CPM)** shall be **111%**; **Environmental & Construction Solutions (ECS)** shall be **115%**; **Saylor Consulting** shall be **143%**; **Chaves & Associates** shall be **132%**; **Westland Management Solutions** shall be **122%**; and **AECOM** shall be **123%**.
2. No Change

E. Fee

No Change

F. Other Direct Cost (ODC)

No Change

G. Approved Maximum Hourly Base Rates

No Change

END OF APPENDIX B.3

Assignment and Assumption Agreement with Novation

This Assignment and Assumption Agreement with Novation ("**Agreement**") dated as of November 12, 2013 ("**Effective Date**"), is by and between URS/ECS, a Joint Venture, with offices located at One Montgomery Street, Suite 900, San Francisco, CA 94104 ("**Assigning Party**"), T3 East, a Joint Venture, with offices located at 65 McCoppin Street, San Francisco, CA 94103 ("**Assuming Party**"), and the City and County of San Francisco, a municipal corporation, acting by or through its Airport Commission ("**Commission**").

WHEREAS, On June 30, 2011, Commission adopted Resolution No. 11-0145, which authorized the award of Contract 9048.9 - Construction Management Services for Terminal 3 Improvement Projects to URS/ECS, a Joint Venture. A copy of Contract 9048.9 and all amendments ("**Assigned Contract**") are attached to this Agreement as Exhibit A and incorporated by reference as if fully set forth herein;

WHEREAS, Assigning Party desires to assign to Assuming Party all of its rights and delegate to Assuming Party all of its obligations under the Assigned Contract;

WHEREAS, Assuming Party desires to accept such assignment of rights and delegation of obligations under the Assigned Contract; and

WHEREAS, Commission desires to release Assigning Party from its obligations under the Assigned Contract and substitute Assuming Party as a party to the Assigned Contract in Assigning Party's place.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. Assignment and Assumption.

1.1 Assignment. Assigning Party irrevocably (a) assigns to Assuming Party all of its rights under the Assigned Contract and (b) delegates to Assuming Party all of its obligations under the Assigned Contract. Within 7 days of receipt of final payment, Assigning Party shall pay all subconsultants in full for all services satisfactorily performed prior to the Effective Date. Assigning Party shall provide to the Commission proof that all subconsultants have been paid within 30 days of Assigning Party's receipt of its final payment from Commission.

1.2 Assumption. Assuming Party unconditionally accepts all of Assigning Party's rights and obligations in, to and under the Assigned Contract, and assumes and agrees to be bound by, fulfill, perform and discharge all of the liabilities, obligations, duties and covenants under or arising out of the Assigned Contract from and after the Effective Date.

1.3 For this Assignment and Assumption to be effective, Assuming Party shall provide to the Commission insurance certificates for the identical type and amount of coverage currently required under the Assigned Contract.

2. Novation

2.1 Release

(a) Notwithstanding anything to the contrary in the Assigned Contract, Commission releases and forever discharges Assigning Party, as well as its shareholders, directors, officers, employees, agents and representatives, from all further obligations arising under the Assigned Contract on the Effective Date, and from all manner of actions, causes of action, suits, debts, damages, expenses, claims and demands whatsoever that Commission has or may have against any of the foregoing entities, arising out of or in any way connected to performance under the Assigned Contract on and after the Effective Date. For avoidance of doubt, nothing herein affects any rights, liabilities or obligations of Commission or Assigning Party prior to the Effective Date.

(b) Notwithstanding anything to the contrary in the Assigned Contract, Assigning Party releases and forever discharges Commission, as well as its directors, officers, employees, agents and representatives, from all further obligations arising under the Assigned Contract on the Effective Date, and from all manner of actions, causes of action, suits, debts, damages, expenses, claims and demands whatsoever that Assigning Party has or may have against any of the foregoing entities, arising out of or in any way connected to performance under the Assigned Contract on and after the Effective Date. For avoidance of doubt, nothing herein affects any rights, liabilities or obligations of Commission or Assigning Party prior to the Effective Date.

2.2 Substitution. Commission recognizes Assuming Party as Assigning Party's successor-in-interest in and to the Assigned Contract. Assuming Party by this Agreement becomes entitled to all right, title and interest of Assigning Party in and to the Assigned Contract in as much as Assuming Party is the substituted party to the Assigned Contract as of and after the Effective Date. Commission and Assuming Party shall be bound by the terms of the Assigned Contract in every way as if Assuming Party is named in the novated Assigned Contract in place of Assigning Party as a party thereto. Assigning Party shall submit a final invoice for payment to the Commission for all performed services up to the Effective Date. The final invoice shall be submitted within 60 days of the Effective Date. Commission shall pay for all services satisfactorily performed prior to the Effective Date within 30 days of Commission's notification to Assigning Party that Commission approves of the final invoice.

2.3 Agreement Constitutes Novation. The parties intend that this Agreement constitutes a novation.

3. Consideration. Assuming Party's promise to assume Assigning Party's performance obligations under the Assigned Contract shall constitute the sole consideration provided under this Agreement.

4. Representations and Warranties

4.1 Assigning Party's Representations and Warranties. Assigning Party represents and warrants as follows:

- (a) It is duly organized, validly existing and in good standing.
- (b) It is qualified and licensed to do business and in good standing in every jurisdiction where such qualification and licensing is required for purposes of this Agreement.
- (c) It has the full right, power and authority to enter into this Agreement and to perform its obligations hereunder.
- (d) It has taken all necessary corporate action to authorize the execution of this Agreement by its Representatives whose signature are set forth at the end hereof.
- (e) When executed and delivered by it, this Agreement will constitute the legal, valid and binding obligation of Assigning Party, enforceable against it in accordance with its terms.
- (f) It is the sole legal and beneficial owner of the all the rights under the Assigned Contract on the Effective Date, free and clear of any lien, security interest, charge or encumbrance.
- (g) The Assigned Contract has not been amended or modified as of the Effective Date.
- (h) The Assigned Contract is in full force and effect on the Effective Date. No event or condition has occurred that constitutes an event of default or termination under the Assigned Contract. There are no material disputes pending or threatened related to any rights or obligations transferred by this Agreement.
- (i) It has performed all of its obligations under the Assigned Contract that are required to be performed on or before the Effective Date.

4.2 Assuming Party's Representations and Warranties. Assuming Party represents and warrants as follows:

- (a) It is duly organized, validly existing and in good standing.

(b) It is qualified and licensed to do business and in good standing in every jurisdiction where such qualification and licensing is required for purposes of this Agreement.

(c) It has the full right, power and authority to enter into this Agreement and to perform its obligations hereunder.

(d) It has taken all necessary corporate action to authorize the execution of this Agreement by its Representatives whose signatures are set forth at the end hereof.

(e) When executed and delivered by it, this Agreement will constitute the legal, valid and binding obligation of Assuming Party, enforceable against it in accordance with its terms.

5. Indemnification

5.1 Assuming Party Indemnification. Subject to the terms and conditions set forth in **Section 5.2**, Assuming Party (as "**Indemnifying Party**") shall indemnify, hold harmless, and defend Assigning Party and its officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, "**Indemnified Party**") against any and all losses, damages, liabilities, deficiencies, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorney fees, that are incurred by Indemnified Party (collectively, "**Damages**"), arising out of any action made or brought by either:

(a) Any person who is not a party to this Agreement or an affiliate of a party to this Agreement or a Representative of the foregoing ("**Third Party Claim**"); or

(b) Indemnified Party against Indemnifying Party ("**Direct Claim**"), alleging:

(i) Indemnifying Party's breach or non-fulfillment of any representation or warranty set forth in Section 4.2 of this Agreement;

(ii) any act or omission of Indemnifying Party in connection with the performance of its obligations under this Agreement;

(iii) any bodily injury, death of any person or damage to real or tangible personal property caused by the acts or omissions of Indemnifying Party; or

(iv) any failure by Indemnifying Party to comply with any applicable laws.

5.2 Exceptions and Limitations on Indemnification. Notwithstanding anything to the contrary in this Agreement, Indemnifying Party is not obligated to indemnify or defend Indemnified Party against any Third Party Claim or Direct Claim if such Third Party Claim, Direct Claim or corresponding Damages arise out of or result from Indemnified Party's:

- (a) Willful, reckless or negligent acts or omissions.
- (b) Failure to comply with any of its material obligations set forth in this Agreement.

6. Miscellaneous

6.1 Further Assurances. Upon the other party's reasonable request, each party shall, at its sole cost and expense, execute and deliver all such further documents and instruments, and take all such further acts, necessary to give full effect to this Agreement.

6.2 Notices. Each party shall deliver all notices, requests, consents, claims, demands, waivers and other communications under this Agreement (each, a "**Notice**") in writing and addressed to the other party at its address set forth below (or to such other address that the receiving party may designate from time to time in accordance with this section). Each party shall deliver all Notices by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) on receipt by the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

Notice to Assigning Party: URS/ECS Joint Venture
 One Montgomery Street, Suite 900
 San Francisco, CA 94104
 Facsimile: 415-882-9261
 E-mail: kevin.e.wagner@urs.com
 Attention: Kevin Wagner, Vice President and
 Office Manager

Notice to Assuming Party: 65 McCoppin Street, San Francisco, CA
 94103
 Facsimile: 415-543-6570
 E-mail: ismaelp@cpmservices.com
 Attention: Ismael G. Puga, President

Notice to Commission: San Francisco International Airport
 Design & Construction (Contract 9048.9)
 P.O. Box 8097
 San Francisco, CA 94128
 Judi Mosqueda, Project Manager

6.3 Interpretation. For purposes of this Agreement: (a) the words "include," "includes" and "including" is deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this

Agreement as a whole. Unless the context otherwise requires, references in this Agreement: (x) to sections, schedules and exhibits mean the sections of, and schedules and exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. The parties drafted this Agreement without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The schedules and exhibits referred to herein are an integral part of this Agreement to the same extent as if they were set forth verbatim herein.

6.4 Headings. The headings in this Agreement are for reference only and do not affect the interpretation of this Agreement.

6.5 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability does not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

6.6 Entire Agreement. This Agreement, together with all related exhibits and schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

6.7 Amendment and Modification. No amendment to or rescission, termination or discharge of this Agreement is effective unless it is in writing and signed by an authorized representative of each party to this Agreement.

6.8 Waiver

(a) No waiver under this Agreement is effective unless it is in writing and signed by an authorized representative of the party waiving its right.

(b) Any waiver authorized on one occasion is effective only in that instance and only for the purpose stated, and does not operate as a waiver on any future occasion.

(c) None of the following constitutes a waiver or estoppel of any right, remedy, power, privilege or condition arising from this Agreement:

(i) any failure or delay in exercising any right, remedy, power or privilege or in enforcing any condition under this Agreement; or

(ii) any act, omission or course of dealing between the parties.

6.9 Cumulative Remedies. All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the parties or otherwise.

6.10 No Third Party Beneficiaries. This Agreement benefits solely the parties to this Agreement and their respective successors and assigns and nothing in this Agreement, express or implied, confers on any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

6.11 Choice of Law. This Agreement and exhibits and schedules attached hereto and thereto are governed by, and construed in accordance with, the laws of the State of California.

6.12 Choice of Forum. Each party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind whatsoever against the other party in any way arising from or relating to this Agreement, and exhibits and schedules attached hereto and thereto, and all contemplated transactions, in any forum other than the courts of the State of California, and any appellate court from any thereof. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation or proceeding only in the courts of the State of California. Each party agrees that a final judgment in any such action, litigation or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

6.13 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together is deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

URS/ECS, a Joint Venture

By [Signature] 1/10/14
Name: Kevin E. Wagner
Title: Vice President, URS Corporation Americas

By [Signature] 1/13/14
Name: Andrew Petreas
Title: Principal, Environmental & Construction Solutions

T3 East, a Joint Venture

By [Signature] 1/14/14
Name: Ismael G. Puga
Title: President

APPROVED BY THE AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Recommended: [Signature]
Ivan Satero, Deputy Airport Director

By: [Signature]
John L. Martin, Airport Director

Attest:

By [Signature]
Jean Caramatti, Secretary
Airport Commission

Resolution No: 13-0231

Adopted on: November 12, 2013

Approved as to Form:

Dennis J. Herrera
City Attorney

By [Signature]
Heather Wolnick
Deputy City Attorney