

File No. 70198

Committee Item No. 5
Board Item No. 10

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date March 23, 2017

Board of Supervisors Meeting

Date April 4, 2017

Cmte Board

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Motion
<input type="checkbox"/>	<input type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
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<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Contract/Agreement
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

OTHER (Use back side if additional space is needed)

[illegible]

Completed by: Linda Wong

Date March 16, 2017

Completed by: Linda Wong

Date March 28, 2017

AMENDED IN COMMITTEE

3/23/17

FILE NO. 170198

RESOLUTION NO.

[Professional Services Agreement - Black & Veatch Corporation - Design Support for the Hetch Hetchy Water and Power High Voltage Power Line Clearance Mitigation - Not to Exceed \$12,000,000]

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute a professional services agreement with Black & Veatch Corporation for specialized design services for design support to mitigate ground, wire, and structure clearance issues with Hetch Hetchy Water and Power high voltage power lines in accordance with the SFPUC's mitigation program, for an amount not to exceed \$12,000,000 over a term of ten years to commence following Board approval through April 2027.

WHEREAS, The San Francisco Public Utilities Commission (SFPUC) utilizes high voltage power lines in its Hetch Hetchy Water and Power system to transmit hydroelectric power from upcountry powerhouses to Newark substation and then to municipal operations in the City; and

WHEREAS, SFPUC completed a study and identified spans of circuits that do not meet the clearance requirements as stated in California Public Utilities Commission (CPUC) General Order 95 (GO95) and National Electrical Safety Code (NESC); and

WHEREAS, The transmission line clearance deficiencies are a safety hazard to SFPUC employees and the public; and

WHEREAS, It is necessary to procure an engineering team to supplement SFPUC staff by providing specialized design support for mitigation of ground, wire, and structure clearance issues with SFPUC high voltage lines in accordance with the SFPUC's high voltage line mitigation program; and

WHEREAS, The estimated cost of services is \$12,000,000; and

1 WHEREAS, Services are anticipated to begin in April 2017 and end in April 2027 and
2 the duration of this agreement is ten (10) consecutive years; and

3 WHEREAS, The Request for Proposal was advertised on October 7, 2016; and

4 WHEREAS, SFPUC staff and Contract Monitoring Division (CMD) review of the
5 proposals resulted in the establishment of Black & Veatch Corporation as the best qualified
6 consulting firm; and

7 WHEREAS, A CMD subcontracting goal of 20% Local Business Enterprise (LBE)
8 participation (of the total value of services to be provided) has been established for this
9 agreement; and

10 WHEREAS, Black & Veatch Corporation has been deemed to be in compliance with
11 the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code; and

12 WHEREAS, Funds for this agreement will be available at the time of award of the
13 agreement from the Hetch Hetchy 10-year Capital Plan Project No. CUH101 Hetchy Water –
14 Power Infrastructure; and

15 WHEREAS, On January 10, 2017, the SFPUC approved Resolution No. 17-0006
16 authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC)
17 to execute an agreement with Black & Veatch Corporation for specialized design services for
18 design support to mitigate ground, wire, and structure clearance issues with Hetch Hetchy
19 Water and Power high voltage power lines for an amount not-to-exceed \$12,000,000, and
20 with a duration of ten (10) years, pending approval by the San Francisco Board of Supervisors
21 pursuant to San Francisco Charter, Section 9.118; now, therefore, be it

22 RESOLVED, That the Board of Supervisors authorizes the General Manager of the
23 SFPUC to enter into an agreement with Black & Veatch Corporation in substantially the form
24 of agreement on file with the Clerk of the Board of Supervisors in File No. 170198 in an
25

1 amount not-to-exceed \$12,000,000, and a term not-to-exceed ten (10) years, commencing
2 in 2017 and concluding in 2027; and, be it

3 FURTHER RESOLVED, That within thirty (30) days of the execution of the Agreement
4 PUC.PRO.0020 the General Manager of the San Francisco Public Utilities Commission
5 (SFPUC) shall provide the signed contract to the Clerk of the Board for inclusion in the official
6 file.

Item 5
File 17-0198

Department:
Public Utilities Commission (PUC)

EXECUTIVE SUMMARY

Legislative Objectives

The proposed resolution would authorize the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute a professional services agreement with Black & Veatch Corporation for specialized design services for design support to mitigate ground, wire, and structure clearance issues with Hetch Hetchy Power high voltage power lines in accordance with the SFPUC's mitigation program, for an amount not to exceed \$12,000,000. The term of the agreement is ten years from approximately April 2017 to April 2027.

Key Points

- In 2014, SFPUC conducted a study to evaluate its transmission lines and identify spans of circuits that do not meet clearance requirements as stated in California Public Utilities Commission (CPUC) General Order 95 (GO95) and National Electrical Safety Code (NESC). SFPUC identified 195 sites that did not meet national and state clearance requirements.
- SFPUC selected Black & Veatch Corporation after issuing a request for proposals (RFP) on October 7, 2016 to procure an engineering team for specialized design services and support to mitigate ground, wire, and structure clearance issues with SFPUC high voltage lines.
- Specialized design services will be divided by site and prioritized according to the severity of noncompliance with GO95 and NESC. Black & Veatch Corporation will provide design services and support to mitigate the clearance issues for the site, and engineering and construction support during the construction phase of the project.

Fiscal Impact

- Payment for contract services is not to exceed \$12 million. An estimated \$8 million will be spent on design services related to transmission line clearance mitigation, and an estimated \$4 million will be spent on design services related to ongoing right of way maintenance needs. The sources of funds are Hetch Hetchy Power Revenue Bond proceeds and Hetch Hetchy Enterprise power revenues.

Recommendations

- Amend the proposed resolution to revise the language on page 2, lines 17-19 from the incorrect statement, "planning and engineering services for the proposed new headworks facility at the Southeast Water Pollution Control Plant (SEP)" to the correct statement, "design services for design support to mitigate ground, wire, and structure clearance issues with Hetch Hetchy Water and Power high voltage power lines."
- Approve the proposed resolution as amended.

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

The San Francisco Public Utilities Commission (SFPUC) operates the Hetch Hetchy Power System, which includes four hydroelectric power generating plants, and water and electric transmission systems to deliver power to the San Francisco Bay Area. SFPUC's Hetch Hetchy Power System consists of over 160 miles of high voltage transmission lines, which transmit hydroelectric power from power generation facilities at Early Intake, Tuolumne County to Newark, Alameda County and then to municipal operations in San Francisco.

In 2014, SFPUC conducted a study to evaluate its transmission lines and identify spans of circuits that do not meet clearance requirements¹ as stated in California Public Utilities Commission (CPUC) General Order 95 (GO95)² and National Electrical Safety Code (NESC)³. As a result of the study, SFPUC identified 195 sites along its transmission lines that did not meet GO95 and NESC clearance requirements. In response, SFPUC developed the Transmission Line Clearance Mitigation Project to address the sites identified as being non-compliant with GO95 and NESC.

According to Ms. Margaret Hannaford, Division Manager at Hetch Hetchy Water and Power Enterprise, the correction of the sites is critical in order to ensure that the transmission lines maintain a safe distance to the ground or other surrounding structures, such as trees, buildings and vehicles, as required by the clearance requirements. If the high voltage lines are hit, they may cause fires, electrocution or power outages. Therefore, according to Ms. Hannaford, the non-compliant transmission lines pose a safety hazard to SFPUC employees and the public.

Competitive Process

SFPUC selected Black & Veatch Corporation after issuing a competitive request for proposals (RFP) on October 7, 2016 to procure an engineering team for specialized design services and support to mitigate ground, wire, and structure clearance issues with SFPUC high voltage lines. Proposals were due on November 14, 2016. A total of two proposals were received from Black & Veatch Corporation and Stantec Consulting Services. SFPUC's Contract Monitoring Division (CMD) determined that Stantec Consulting Services was non-responsive because it failed to

¹ The State and federal governments set standards for the required height and other distances between high voltage transmission lines and surrounding environment, such as bridges, other utility lines, buildings, trees, etc.

² General Order 95 (GO95) is a state standard for Overhead Electric Line Construction.

³ National Electrical Safety Code (NESC) is a national industry standard for safe installation, operation, and maintenance of electric power and communication utility systems.

meet the "Good Faith Outreach"⁴ and 20 percent Local Business Enterprise (LBE) requirements under Chapter 14B of the Administrative Code. Black & Veatch Corporation met all minimum requirements. Because there was only one responsive bid, no interviews or scoring process were conducted.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the SFPUC General Manager to execute a professional services agreement with Black & Veatch Corporation for specialized design services for the Hetch Hetchy Power Enterprise Transmission Line Clearance Mitigation Project, for an amount not to exceed \$12,000,000.

The term of the agreement is ten years, following Board of Supervisors approval, anticipated to begin in April 2017 and end in April 2027.

The agreement's not-to-exceed amount of \$12 million is approximately 30 percent of the \$40 million Hetch Hetchy Power Enterprise Transmission Line Clearance Mitigation Project budget. The Project is funded as part of the Hetch Hetchy 10-year Capital Plan.

According to Ms. Hannaford, the performance of the specialized design services for design support under this proposed agreement will be divided by site and prioritized according to the severity of noncompliance with GO95 and NESC. Black & Veatch Corporation will provide design services and support to mitigate the clearance issues for the site, as well as provide engineering and construction support during the construction phase of the project. The contractor is required to provide adequate quality control processes and deliverables in conformance with the technical requirements of each task.

There are no options to extend the proposed agreement. According to Ms. Hannaford, a competitive process for a new contract will most likely be issued to address any remaining work after the expiration of the proposed agreement in April 2027.

FISCAL IMPACT

Of the agreement's not-to-exceed amount of \$12 million, an estimated \$8 million will be spent on design services related to transmission line clearance mitigation, and an estimated \$4 million will be spent on design services related to ongoing right of way maintenance needs. Table 1 below shows the amount to be expended annually on each task category over the ten year term of the proposed \$12 million agreement. According to Ms. Hannaford, the projected costs of the proposed agreement increase over time because the higher priority sites, which will be mitigated during the early years of the agreement, are generally located within the same

⁴ In addition to meeting the LBE participation goal, bidders on (1) Public Works/Construction Contracts that equal or exceed the threshold amount; and (2) Architect/Engineering, Professional Services or General Services Contracts that equal or exceed the Minimum Competitive Amount shall undertake good faith outreach as set forth in Administrative Code Chapter 14B to select Subcontractors to meet LBE goals. Except where a Contract does not include a subcontracting goal or a Bid is exempt from good faith outreach under Administrative Code Chapter 14B, bids from bidders who fail to conduct and/or to document good faith outreach steps as required by this Ordinance and duly promulgated Human Rights Commission Rules and Regulations shall be declared nonresponsive.

areas and will require a similar design solution, whereas the lower priority sites, which will be mitigated during the later years of the agreement, are generally more isolated and will require one design solution per site.

Table 1: Design Services Budget: Estimated Cost by Task Category and Contract Year

Contract Year	Transmission Line Clearance Mitigation ⁵	Ongoing Right of Way Maintenance Needs ⁶	Cost
Year 1	\$500,000	\$400,000	\$900,000
Year 2	500,000	400,000	900,000
Year 3	750,000	400,000	1,150,000
Year 4	750,000	400,000	1,150,000
Year 5	750,000	400,000	1,150,000
Year 6	750,000	400,000	1,150,000
Year 7	1,000,000	400,000	1,400,000
Year 8	1,000,000	400,000	1,400,000
Year 9	1,000,000	400,000	1,400,000
Year 10	1,000,000	400,000	1,400,000
Total	\$8,000,000	\$4,000,000	\$12,000,000

The sources of funds are Hetch Hetchy Power Revenue Bond proceeds and Hetch Hetchy Enterprise power revenues.

RECOMMENDATIONS

1. Amend the proposed resolution to revise the language on page 2, lines 17-19 from the incorrect statement, "planning and engineering services for the proposed new headworks facility at the Southeast Water Pollution Control Plant (SEP)" to the correct statement, "design services for design support to mitigate ground, wire, and structure clearance issues with Hetch Hetchy Water and Power high voltage power lines."
2. Approve the proposed resolution as amended.

⁵ Design services for Transmission Line Clearance Mitigation is the work needed to address areas of the transmission lines that do not meet CPUC and NESC requirements in terms of clearance and other distances (i.e., not far enough from the ground or buildings). Potential solutions could include, but are not limited to, raising the transmission lines or conductors. This category includes Task 1 and Task 2 from the proposed agreement's scope of work. Task 1 focuses on the exploration of the potential solutions for each site, and Task 2 focuses on the design development of the selected solution for each site.

⁶ Design services for Ongoing Right of Way Maintenance Needs are work related to the ongoing maintenance of the right of way and include Task 3 from the proposed agreement's scope of work. Task items include ongoing operations and maintenance needs associated with the transmission lines, such as staff augmentation to potentially review and analyze findings from other Hetch Hetchy transmission tower inspections, making recommendations for corrections, and providing construction inspection services related to the design solutions of the projects.

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

Agreement between the City and County of San Francisco and

Black & Veatch Corporation

PUC.PRO.0022

HHWP Power Transmission Line Clearance Mitigation - East

This Agreement is made this [day] day of [month], 2017, in the City and County of San Francisco, State of California, by and between Black & Veatch Corporation, 5875 Arnold Rd, Suite 200 Dublin, CA, 94568 ("Contractor") and City.

Recitals

WHEREAS, the San Francisco Public Utilities Commission ("Department," or "SFPUC") wishes to retain the services of a qualified consultant to provide professional services and design support to mitigate ground, wire, and structural clearance issues with SFPUC high voltage lines; and,

WHEREAS, the City issued a Request for Proposal ("RFP") on October 7, 2016, seeking proposals from parties interested in providing the Services; and

WHEREAS, SFPUC staff and Contract Monitoring Division (CMD) review of the proposals resulted in the establishment of Black & Veatch Corporation as the sole qualified and responsive bidder; and

WHEREAS, the Local Business Entity ("LBE") subcontracting participation requirement for this Agreement is 20%; and

WHEREAS, Contractor represents and warrants that it is qualified to perform the Services required by City as set forth under this Agreement; and

WHEREAS, approval for this Agreement was obtained when the Civil Service Commission approved Contract number 41832-15/16 on November 16, 2015; and

WHEREAS, the San Francisco Public Utilities Commission awarded this Agreement to Contractor under Resolution No. 17-0003 on January 10, 2016; and

WHEREAS, the Board of Supervisors approved the Agreement on _____, as _____.

Now, THEREFORE, the parties agree as follows:

Article 1 Definitions

The following definitions apply to this Agreement:

1.1 "Agreement" means this contract document, including all attached appendices, and all applicable City Ordinances and Mandatory City Requirements which are specifically incorporated into this Agreement by reference as provided herein.

1.2 "City" or "the City" means the City and County of San Francisco, a municipal corporation, acting by and through the San Francisco Public Utilities Commission.

1.3 "CMD" means the Contract Monitoring Division of the City.

1.4 "Contractor" or "Consultant" means Black & Veatch Corporation, 5875 Arnold Rd, Suite 200 Dublin, CA, 94568.

1.5 "Deliverables" means Contractor's work product resulting from the Services that are provided by Contractor to City during the course of Contractor's performance of the Agreement, including without limitation, the work product described in the "Scope of Services" attached as Appendix A.

1.6 "Effective Date" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.

1.7 "Mandatory City Requirements" means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws, that impose specific duties and obligations upon Contractor.

1.8 "Party" and "Parties" mean the City and Contractor either collectively or individually.

1.9 "Services" means the work performed by Contractor under this Agreement as specifically described in the "Scope of Services" attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

Article 2 Term of the Agreement

2.1 The term of this Agreement shall commence on the latter of: (i) [Contractor's start date]; or (ii) the Effective Date and expire on [expiration date], unless earlier terminated as otherwise provided herein.

2.2 The City may extend this Agreement beyond the expiration date by exercising an option at the City's sole and absolute discretion and by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement."

Article 3 Financial Matters

3.1 Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

3.2 Guaranteed Maximum Costs. The City's payment obligation to Contractor cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5, "Modification of this Agreement."

3.3 Compensation.

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 **Twelve Million Dollars (\$12,000,000)**. 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. In no event shall the City be liable for interest or late charges for any late payments except as set forth in Administrative Code Section 6.22(j).

3.3.2 Payment Limited to Satisfactory Services. Contractor is not entitled to any payments from City until SFPUC approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables, including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. Deliverables, equipment, components, materials and Services that do not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay at no cost to the City.

3.3.3 Withhold Payments. If the City determines that Contractor failed to provide Services in accordance with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided herein.

3.3.4 Invoice Format. Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City, and must include a unique invoice number. Payment shall be made by City to Contractor at the address specified in Section 11.1, "Notices to the Parties," or in such alternate manner as the Parties have mutually agreed upon in writing.

3.3.5 LBE Payment and Utilization Tracking System. Contractor must submit all required payment information using the online LBE Utilization Tracking System (LBEUTS) as required by CMD to enable the City to monitor Contractor's compliance with the LBE subcontracting commitments in this Agreement. Contractor shall pay its LBE subcontractors within three working days after receiving payment from the City, except as otherwise authorized by the LBE Ordinance. The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of all required CMD payment information. Failure to submit all required payment information to the LBEUTS with each payment request may result in the Controller withholding 20% of the payment due pursuant to that invoice until the required payment information is provided. Following City's payment of an invoice, Contractor has ten calendar days to acknowledge using the online LBEUTS that all subcontractors have been paid. Contractor shall attend a LBEUTS training session. LBEUTS training session schedules are available at www.sfgov.org/lbeuts.

3.3.6 Getting paid for goods and/or services from the City.

(a) All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through Paymode-X, the City's third party service that provides Automated Clearing House (ACH) payments. Electronic

payments are processed every business day and are safe and secure. To sign up for electronic payments, visit www.sfgov.org/ach.

(b) The following information is required to sign up: (i) The enroller must be their company's authorized financial representative, (ii) the company's legal name, main telephone number and all physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor), and (iv) the company's bank account information, including routing and account numbers.

3.3.7 Reserved. (Grant Funded Contracts)

3.3.8 Subcontractor Prompt Payment. Except as otherwise required by Chapter 14B of the Administrative Code, and consistent with the provisions of Section 6.42(f) of the Administrative Code, Contractor shall pay its subcontractors within seven calendar days after receipt of each progress payment from the City, unless otherwise agreed to in writing by both Contractor and the subcontractor. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from Contractor to a subcontractor, the Contractor may withhold the disputed amount, but shall pay the undisputed amount. If Contractor violates the provisions of Section 6.42(f), then Contractor shall pay to the subcontractor directly the penalty specified in Section 6.42(f).

3.4 Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not fewer than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon City by this Section. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.5 Submitting False Claims. Pursuant to Article V of Chapter 6 of the Administrative Code, any consultant, 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. 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.

Article 4 Services and Resources

4.1 Services Contractor Agrees to Perform. Contractor agrees to perform the Services and provide the Deliverables specified in Appendix A, "Scope of Services." Officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Services beyond the Scope of Services listed in Appendix A, unless Appendix A is modified as provided in Section 11.5, "Modification of this Agreement."

4.2 Qualified Personnel. Contractor shall utilize only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. 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 adequate resources to allow timely completion within the project schedule specified in this Agreement.

4.3 Subcontracting. Contractor may subcontract portions of the Services only upon prior written approval of City. Contractor is responsible for its subcontractors throughout the course of the work required to perform the Services. All Subcontracts must incorporate the terms of Article 10 "Additional Requirements Incorporated by Reference" of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void. City's execution of this Agreement constitutes its approval of the subcontractors listed in Appendix B. Consistent with SFPUC policy, any modifications to the list of subcontractors must be effectuated via SFPUC's SOLIS System, subject to the written approval of the City, and CMD as needed.

4.4 Independent Contractor; Payment of Employment Taxes and Other Expenses.

4.4.1 Independent Contractor. For the purposes of this Article 4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or

distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five (5) business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

4.4.2 Payment of Employment Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to the preceding two paragraphs shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this section.

4.5 **Assignment.** The Services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by Contractor 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.

4.6 **Warranty.** Contractor warrants to City that the Services will be performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at the time the Services are performed so as to ensure that all Services performed are correct and appropriate for the purposes contemplated in this Agreement.

4.7 **Reserved. (Liquidated Damages)**

Article 5 Insurance and Indemnity

5.1 Insurance.

5.1.1 **Required Coverages.** Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(b) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(c) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(d) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Services.

5.1.2 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

(a) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(b) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

5.1.3 All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 11.1, entitled "Notices to the Parties."

5.1.4 Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

5.1.5 Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

5.1.6 Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

5.1.7 Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

5.1.8 The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

5.1.9 If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

5.2 Indemnification For Design Professionals. To the fullest extent permitted by law, Contractor shall assume the defense of (with legal counsel subject to approval of the City), indemnify and save harmless the City, its boards, commissions, officers, and employees (collectively "Indemnitees"), from and against any and all claims, loss, cost, damage, injury (including, without limitation, injury to or death of an employee of the Contractor or its subcontractors), expense and liability of every kind, nature, and description (including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses,

fees of expert consultants or witnesses in litigation, and costs of investigation), that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, the negligence, recklessness, or willful misconduct of the Contractor, any subcontractors, anyone directly or indirectly employed by them, or anyone that they control (collectively, "Liabilities").

5.2.1 Limitations. No insurance policy covering the Contractor's performance under this Agreement shall operate to limit the Contractor's Liabilities under this provision. Nor shall the amount of insurance coverage operate to limit the extent of such Liabilities. The Contractor assumes no liability whatsoever for the sole negligence, active negligence, or willful misconduct of any Indemnitee or the contractors of any Indemnitee.

5.2.2 Copyright Infringement. Contractor shall also indemnify, defend and hold harmless all Indemnitees from all suits or claims for infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark, or any other proprietary right of any person or persons in consequence of the use by the City, or any of its boards, commissions, officers, or employees of articles, work or deliverables supplied in the performance of Services. Infringement of patent rights, copyrights, or other proprietary rights in the performance of this Agreement, if not the basis for indemnification under the law, shall nevertheless be considered a material breach of contract.

Article 6 Liability of the Parties

6.1 Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "PAYMENT," OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT

6.2 Liability for Use of Equipment. City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.

6.3 Liability for Incidental and Consequential Damages. Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions.

Article 7 Payment of Taxes

7.1 Except for any applicable California sales and use taxes charged by Contractor to City, Contractor shall pay all taxes, including possessory interest taxes levied upon or as a result

of this Agreement, or the Services delivered pursuant hereto. Contractor shall remit to the State of California any sales or use taxes paid by City to Contractor under this Agreement. Contractor agrees to promptly provide information requested by the City to verify Contractor's compliance with any State requirements for reporting sales and use tax paid by City under this Agreement.

7.2 Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.

7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

Article 8 Termination and Default

8.1 Termination for Convenience

8.1.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

8.1.2 Upon receipt of the notice of termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and

City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions shall include, without limitation:

- (a) Halting the performance of all Services under this Agreement on the date(s) and in the manner specified by City.
- (b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, Services, equipment or other items.
- (c) At City's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. Upon such assignment, City shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
- (d) Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.
- (e) Completing performance of any Services that City designates to be completed prior to the date of termination specified by City.
- (f) Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.

8.1.3 Within 30 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

- (a) The reasonable cost to Contractor, without profit, for all Services prior to the specified termination date, for which Services City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for Services. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.
- (b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all Services under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.
- (c) The reasonable cost to Contractor of handling material or equipment returned to the vendor, delivered to the City or otherwise disposed of as directed by the City.
- (d) A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to City, and any other appropriate credits to City against the cost of the Services or other work.

8.1.4 In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically enumerated and described in Section 8.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Services under this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under Section 8.1.3.

8.1.5 In arriving at the amount due to Contractor under this Section, City may deduct: (i) all payments previously made by City for Services covered by Contractor's final invoice; (ii) any claim which City may have against Contractor in connection with this Agreement; (iii) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection 8.1.4; and (iv) in instances in which, in the opinion of the City, the cost of any Service performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected Services, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.

8.1.6 City's payment obligation under this Section shall survive termination of this Agreement.

8.2 Termination for Default; Remedies.

8.2.1 Each of the following shall constitute an immediate event of default ("Event of Default") under this Agreement:

(a) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

3.5	Submitting False Claims.	10.4	Nondisclosure of Private, Proprietary or Confidential Information
4.5	Assignment	10.10	Alcohol and Drug-Free Workplace
Article 5	Insurance and Indemnity	11.10	Compliance with Laws
Article 7	Payment of Taxes		

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default continues for a period of ten days after written notice thereof from City to Contractor.

(c) Contractor (i) is generally not paying its debts as they become due; (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction; (iii)

makes an assignment for the benefit of its creditors; (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property; or (v) takes action for the purpose of any of the foregoing.

(d) A court or government authority enters an order (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, where applicable, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City.

8.2.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

8.2.4 Any notice of default must be sent by registered mail to the address set forth in Article 11.

8.3 **Non-Waiver of Rights.** The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

8.4 **Rights and Duties upon Termination or Expiration.**

8.4.1 This Section and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	Payment Limited to Satisfactory Services	9.1	Ownership of Results
3.4	Audit and Inspection of Records	9.2	Works for Hire
3.5	Submitting False Claims	10.4	Nondisclosure of Private, Proprietary or Confidential Information
Article 5	Insurance and Indemnity	11.6	Dispute Resolution Procedure
6.1	Liability of City	11.7	Agreement Made in California; Venue
6.3	Liability for Incidental and Consequential Damages	11.8	Construction
Article 7	Payment of Taxes	11.9	Entire Agreement
8.1.6	Payment Obligation	11.10	Compliance with Laws
		11.11	Severability

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City.

Article 9 Rights In Deliverables

9.1 **Ownership of Results.** Any interest of Contractor or its subcontractors, in the Deliverables, including any drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors, shall become the property of and will be transmitted to City. However, unless expressly prohibited elsewhere in this Agreement, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

9.2 **Works for Hire.** If, in connection with Services, Contractor or its subcontractors creates Deliverables including, without limitation, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes, or any other original works of authorship, whether in digital or any other format, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works shall be the property of the City. If any Deliverables created by Contractor or its subcontractor(s) under this Agreement are ever determined not to be works for hire under U.S. law, Contractor hereby assigns all Contractor's copyrights to such Deliverables to the City, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon subcontractor(s). With City's prior written approval, Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

Article 10 Additional Requirements Incorporated by Reference

10.1 Laws Incorporated by Reference. The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement ("Mandatory City Requirements") are available at www.sfgov.org under "Government."

10.2 Conflict of Interest. By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

10.3 Prohibition on Use of Public Funds for Political Activity. In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

10.4 Nondisclosure of Private, Proprietary or Confidential Information.

10.4.1 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.

10.4.2 In the performance of Services, Contractor may have access to City's proprietary or confidential information, the disclosure of which to third parties may damage City. If City discloses proprietary or confidential information to Contractor, 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.

10.5 Nondiscrimination Requirements

10.5.1 Non Discrimination in Contracts. Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

10.5.2 **Nondiscrimination in the Provision of Employee Benefits.** San Francisco Administrative Code 12B.2. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

10.6 **Local Business Enterprise and Non-Discrimination in Contracting Ordinance.** Contractor shall comply with all applicable provisions of Chapter 14B ("LBE Ordinance"). Contractor is subject to the enforcement and penalty provisions in Chapter 14B.

10.7 **Minimum Compensation Ordinance.** Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. By signing and executing this Agreement, Contractor certifies that it is in compliance with Chapter 12P.

10.8 **Health Care Accountability Ordinance.** Contractor shall comply with San Francisco Administrative Code Chapter 12Q. Contractor shall choose and perform one of the Health Care Accountability options set forth in San Francisco Administrative Code Chapter 12Q.3. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q.

10.9 **First Source Hiring Program.** Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

10.10 **Alcohol and Drug-Free Workplace.** City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

10.11 **Limitations on Contributions.** By executing this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with 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, or for a grant, loan or loan guarantee, from making any campaign

contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. 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 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor must inform each such person of the limitation on contributions imposed by Section 1.126 and provide the names of the persons required to be informed to City.

10.12 Reserved. (Slavery Era Disclosure)

10.13 Reserved. (Working with Minors)

10.14 Consideration of Criminal History in Hiring and Employment Decisions

10.14.1 Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T, "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code ("Chapter 12T"), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

10.14.2 The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

10.15 Reserved. (Public Access to Nonprofit Records and Meetings)

10.16 **Food Service Waste Reduction Requirements.** Contractor shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the remedies for noncompliance provided therein.

10.17 **Reserved. (Sugar-Sweetened Beverage Prohibition)**

10.18 **Tropical Hardwood and Virgin Redwood Ban.** Pursuant to San Francisco Environment Code Section 804(b), the City urges Contractor not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

10.19 **Reserved. (Preservative Treated Wood Products)**

Article 11 General Provisions

11.1 **Notices to the Parties.** Unless otherwise indicated in this Agreement, all written communications sent by the Parties may be by U.S. mail or e-mail, and shall be addressed as follows:

To City: Margaret Hannaford
Division Manager, Hetch Hetchy Water and Power
P.O. Box 160
Moccasin, CA 95347
209-989-2063
MHannaford@sfgwater.org

To Contractor: Mark Schrimp
Vice President, Black & Veatch Corporation
5875 Arnold Rd, Suite 200
Dublin, CA, 94568
503-443-4432
SchrimpME@bv.com

Any notice of default must be sent by registered mail. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

11.2 **Compliance with Americans with Disabilities Act.** Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

11.3 **Reserved. (Payment Card Industry ("PCI") Requirements)**

11.4 **Sunshine Ordinance.** Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are

subject to the California Public Records Act, (California Government Code §6250 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

11.5 Modification of this Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1, "Notices to Parties," regarding change in personnel or place, and except by written instrument executed and approved in the same manner as this Agreement. Contractor shall cooperate with Department to submit to the Director of CMD any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

11.6 Dispute Resolution Procedure.

11.6.1 Negotiation; Alternative Dispute Resolution. The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.36, Contractor may submit to the Contracting Officer a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contracting Officer shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this section.

11.6.2 Government Code Claim Requirement. No suit for money or damages may be brought against the City until a written claim therefor has been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the California Government Code Claim requirements set forth in San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq.

11.7 Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

11.8 **Construction.** All paragraph captions are for reference only and shall not be considered in construing this Agreement.

11.9 **Entire Agreement.** This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5, "Modification of this Agreement."

11.10 **Compliance with Laws.** Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

11.11 **Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

11.12 **Cooperative Drafting.** This Agreement has been drafted through a cooperative effort of City and Contractor, 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.

11.13 **Order of Precedence.** Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, implementing task orders, the RFP, and Contractor's proposal dated November 14, 2016. The RFP and Contractor's proposal are incorporated by reference as though fully set forth herein. Should there be a conflict of terms or conditions, this Agreement and any implementing task orders shall control over the RFP and the Contractor's proposal.

Article 12 MacBride And Signature

12.1 **MacBride Principles -Northern Ireland.** The provisions of San Francisco Administrative Code §12F are incorporated herein by this reference and made part of this Agreement. By signing this Agreement, Contractor confirms that Contractor has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

CITY

CONTRACTOR

Black & Veatch Corporation

Harlan L. Kelly, Jr.
General Manager
San Francisco Public Utilities Commission

Mark Schrimp
Vice President
Black & Veatch Corporation
5875 Arnold Rd, Suite 200
Dublin, CA, 94568

Approved as to Form:

City vendor number: **49916**

Dennis J. Herrera
City Attorney

By: _____
Randy Parent
Deputy City Attorney

Appendices

- A: Scope of Services
- B: Calculation of Charges

Appendix A Scope of Services

1. Description of Services. Contractor agrees to perform the following Services:

SFPUC has over 160 miles (320 circuit miles) of high voltage transmission lines. The SFPUC transmission lines begin at power generation facilities at Early Intake, Tuolumne County, and end at Newark, Alameda County. SFPUC has identified 195 clearance detections on the 115kV and 230kV power transmission lines requiring mitigation. To mitigate these issues, the SFPUC has developed the Transmission Line Clearance Mitigation Project (Project). This project will be managed by the HHWP Project Manager. The project will consist of mitigating all spans of subject circuits that have been identified as being non-compliant with GO 95 and NESC. The Contractor will be obligated to perform mitigation measures for these identified spans in compliance with NESC and GO95 standards and design criteria, which may require structure raises, facility/equipment modifications and/or replacements. This project will be divided into two subareas; 1) PRO.0022, transmission lines east of Bird Road near Tracy (about 122 miles of transmission lines); and 2) PRO.0050, for transmission lines west of Bird Road in Tracy (about 38 miles of transmission lines on SFPUC easement).

The primary role of the Contractor will be to provide services including - but not limited to - the following tasks:

1. Tower Raise Construction Options
2. Transmission Line Mitigation Design Task Orders
3. On-going Operation and Maintenance Needs - Other

HHWP Project Manager Responsibilities

The HHWP Project Manager will provide the following resources and services in support of the Contractor's engineering efforts:

- available PLS-CADD data to be used for design and modeling of transmission line structures;
- design data for structures with cellular antennas, equipment, switches, etc. including size, weight, location, etc. on the structures, where applicable;
- appropriate HHWP personnel with access to all properties for Contractor personnel site visits;
- manage the Job Order Contract for this Project and arrange for construction inspection services.
- the HHWP Project Manager will review the Contractor deliverables for completeness. The SFPUC will not provide engineering design review. The HHWP Project Manager will review deliverables within three weeks of receipt as required to:
 - resolve land-related permitting tasks and other issues;
 - acquire permits necessary for Task Order construction; and
 - accept final package for construction.

Applicable codes and standards (Design Criteria) to be used as required in this design include:

- National Electrical Safety Code (NESC)
 - Accredited Standards Committee C2-2007 [B1]1
 - Annex A; and any other applicable codes
- California Public Utilities Commission (CPUC)
 - GO-95 [B4]
 - GO-6 [B7]; and any other applicable codes
- Institute of Electrical and Electronics Engineers (IEEE)
- Rural Electrification Administration (REA) Bulletin 1724E-200 [B10], U.S. Dept. of Agriculture
- American Society of Civil Engineers (ASCE) Manual 74 [B3]
- American Society for Testing Materials (ASTM), American Concrete Institute (ACI), American National Standards Institute (ANSI) as it relates to material and design of elements of transmission lines.
- Design shall include an additional State, Federal, or local laws or regulations that apply to the design or location of the line, or that will affect the design of the line including highway, freeway, or railroad crossings.
- Some of the line detections are located near small airports and may require Federal Aviation Administration (FAA) review.

Task 1: Tower Raise Construction Options

In Task 1, the Contractor will analyze tower raise construction options and recommend those that minimize outage times. The Contractor will explore if there are tower raise construction options that can be constructed while the transmission lines are energized.

Deliverable: Technical report including:

- List of optional technologies
- Design criteria required for optional technologies
- Limitations for optional technologies

Task 2: Transmission Line Mitigation Design Task Orders

In Task 2, the HHWP Project Manager will prioritize clearance detections into "Jobs". A Job may address mitigation of multi-spans or a single detection. The HHWP Project Manager will prepare a description of work to be performed by the Contractor under Task 2 of the contract ("Task Order").

The Contractor will develop designs to mitigate all NESC and GO-95 affected spans/discrepancies listed in the Task Order. Contractor will work under the direction of the HHWP Project Manager and support the HHWP Project Manager from project initiation to construction close-out, including updating the final drawings with as-built data.

Duties include, but are not limited to, design, resolving all technical design issues, scheduling meetings, seeking information from other internal SFPUC departments, discussing constructability and construction cost estimates with the Job Order Contractor, discussion of

environmental issues with the SFPUC Natural Resources Department, surveying, borings (as-needed), and maintaining communication with the HHWP Project Manager assigned to the Project. In addition, Contractor will provide engineering services throughout the Task Order and be available throughout the construction phase to answer questions and/or analyze any related field changes to the design, review of RFI's and review of submittals.

Mitigation options may include, but are not limited to: tower raises (top cage, waist cage, leg extension), re-tensioning, converting suspension towers to dead ends, plumbing insulators on adjacent spans, interset structures, converting suspension towers to flying (floating) dead ends, replacement towers, etc. Grading changes by location may be an acceptable solution when approved by the HHWP Project Manager. It should be noted that the Contractor will be responsible for foundation analysis/development of new drawings, as required. Finally, the Contractor should consider construction methods that minimize transmission outages.

Submittal requirements will vary by Task Order (function of mitigation selected). Digital copies may include required drawings in AutoCAD, PLSCADD and Adobe Acrobat PDF format. Required specifications and design reports shall be delivered in MS Word and Adobe Acrobat PDF formats.

Each Task Order may have up to four phases, which are:

- A. Constructability Design Review
- B. Preliminary Design Review
- C. Final Design Review
- D. Job Order Construction Package

A. Constructability Design Review

- The Contractor will hold a "Constructability Design Review" meeting in the field with the HHWP Project Manager to recommend a proposed mitigation scope of work.). Contractor is responsible for coordinating the Constructability Design Review with the HHWP Project Manager. Contractor will issue notes from the meeting and a revised mitigation scope of work per HHWP Project Manager's requirements. This document will be referred to as the Proposed Mitigation Scope of Work Document. The Proposed Mitigation Scope of Work Document shall include the following:
 - Practical and technical approaches to fulfill mitigate the clearance;
 - As-built information, site plans and preliminary alignment (plans);
 - Critical constraints for recommended option;
 - Construction sequencing;
 - Summary of design approach; and
 - Drawing list, work plan, construction schedule, and a Class IV construction cost estimate.

Deliverables:

- Proposed Mitigation Scope of Work Document for affected spans in Task Order
- Constructability Design Review meeting notes
- Revised mitigation scope of work document for affected spans in Task Order

- Preliminary tower list
- Preliminary material list
- Preliminary PLS-CADD mitigation model
- Construction cost estimate

B. Preliminary Design Review

The Contractor will prepare the Preliminary Design Review with the recommended approach for mitigation. This package will be reviewed by the HHWP Project Manager for completeness.

Work in this phase may include:

- Generating a post-mitigation tension check report (actual vs. maximum allowable conductor tension) for each section with a discrepancy;
- Updating PLS-CADD Model based on Task Order scope document;
- Modifying the existing structure data sheets to incorporate changes required to support the tower raises and/or other modifications as required (if existing structure data sheets do not exist, create new structure data sheets including all information for the affected structure(s);
- Collecting other data as needed including, but not limited to survey information like stationing, span length and bottom phase elevation as required on construction drawings and borings;
- Creating bill of materials for required hardware and assemblies using the Job Order Contract document;
- Creating plan and profile drawings for the non-compliant spans, show at a minimum one adjacent span on each side of the affected span. If additional space is available, the drawing shall include all other adjacent spans that fit on the sheet based on the preferred scaling. For double circuit transmission lines, both circuits should be shown on the Plan and Profile drawings. Plan and profile should be drafted in PLS-CADD.

Deliverables:

- Final Task Order scope of work document for affected spans
- Final tower list
- Final material list
- Preliminary (new) tower modification drawings, as applicable
- Final requirement drawings for Tubular Steel Pole / Lattice steel pole / Light Duty Steel Pole, as applicable
- PLS-CADD model
- One complete structure data sheet for each structure type
- One complete plan and profile drawing
- Construction sequencing
- Construction cost estimate (+/- 20% accuracy).

C. Final Design Review

The Contractor will prepare the Final Design Review with the recommended approach for mitigation. This package will be reviewed by the HHWP Project Manager for completeness.

Deliverables include:

- Structure data sheets
- Plan and profiles
- Stringing chart, if required
- Final tower extension and body modification drawings
- Tower raise data sheet
- Expected Construction cost (+/- 10% accuracy)

D. Job Order Construction Package

The Contractor will prepare the design package for the Job Order Contract. The Contractor shall stamp (must be registered engineer in the state of California) all bid and construction drawings. This package will be reviewed by the HHWP Project Manager for completeness.

Deliverables include:

- Table of contents
- Task Order scope of work document
- Material list
- Material reference drawings
- Job walk down notes
- Accepted (updated) structure data sheets
- Accepted plan and profiles
- Approved foundation modification drawings
- Accepted stringing drawing, if needed
- Accepted tower modification drawings, if needed
- Accepted requirement drawing
- Tower reference drawings
- Foundation reference drawings
- Tower weight raise sheet, if needed
- Tension check report for affected spans
- PLS-CADD back up files and all other CAD files

The following tasks are **optional**. Contractor shall not undertake Work on these tasks without prior authorization from City staff.

Note that the "not to exceed" Agreement value specified for this Project includes the budget allowances provided for the optional tasks.

Task 3: On-going Operation and Maintenance needs - Other

In Task 3, the HHWP Project Manager may authorize Contractor to provide support for on-going Operation and Maintenance needs. The SFPUC will authorize any Work performed under Task 3 by Task Order. Work may include, but will not be limited to:

- Support of follow-up work identified in HHWP transmission tower inspections:
 - Review of findings

- Engineering analysis
- Recommended corrections for grounding, foundation, corrosion, etc..., including design.
- Augment HHWP staff for analyzing third party rights-of-way improvements, for example:
 - State of California North County Corridor Project
 - Assist HHWP with analysis of preferred road crossings
 - Assist HHWP with estimating improvement costs
 - Provide third party design review of improvements performed by state and/or local governments and their consultants.
- Construction Inspection Services
 - As authorized, provide construction inspection services for work performed by third parties (for example, work performed on HHWP transmission lines by the state or local government entity associated with the North County Corridor Project).

The SFPUC will define deliverables associated with Task 3 in the Task Order authorizing the Work.

General Obligations

All documents generated by the Contractor as part of this Project shall be in conformance with SFPUC standards and formats. For example, specification sections shall be prepared in accordance with the Construction Specifications Institute (CSI) 2012 format. Contractor must submit all deliverables, depending on their type, separately in draft and final document format. Contractor shall provide final documents that are inclusive of all comments and/or issues raised during the review of draft documents.

Contractor must submit all draft documents and final deliverables in 1 unbound hard copies and 1 digital copy supplied on a CD, unless otherwise specified. All digital deliverables shall be in the latest version of the applicable software.

The City's Bureau of Environmental Management will be responsible for obtaining CEQA approval and resource agency permits. The Contractor shall incorporate all CEQA mitigation measures as specified in the environmental document and in the Mitigation and Monitoring Reporting Program (MMRP) as well as all permit conditions in the 100% design drawings and contract specifications (job order construction contract documents). The Contractor shall include as appropriate language to ensure construction contractor compliance with mitigation requirements contained in environmental review and permit documents.

Community Benefits

Mark Shrimp, Black and Veatch Corporate Sponsor shall serve as the Executive in Charge to manage the Contractor's community benefits commitments and provide fiduciary oversight. The

Executive in Charge shall ensure that the community benefits commitments listed in the community benefits 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, Jennifer Enson, to organize, plan, track, measure, and report on Contractor's community benefits commitments. The executive in charge shall coordinate the senior management of Contractor's subconsultants to ensure the entire team participates in providing benefits to Tuolumne County.

Performance

Following issuance of the Notice-to-Proceed (NTP) for the first task to be performed by Contractor under this Agreement, Contractor commits to providing the Community Benefits Commitments detailed below during the 10 year term of the Agreement. Contractor's commitments shall be funded independently by Contractor and shall not be tied to or dependent upon SFPUC funds or sources of funding, receivables from SFPUC, or retention associated with this Project. In the event that the contract value is not fully expended or is otherwise amended, the parties hereby agree to meet and discuss the impact to the corresponding Community Benefit Commitments. The representations, warranties and other terms contained in this Community Benefit Commitments section have been designed by Contractor as 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.

As stated in the Request for Proposals:

"Community Benefits is a deliverable, zero-dollar task. No hours or dollars should be allotted or included in contractor's costs for this Project in order to perform or deliver the voluntarily proposed Community Benefits Commitments. If the contractor commits any funds to delivering the Community Benefits Commitments it proposes, all such funds must be independent of SFPUC funding or any dollars associated with this Project. If the contractor commits to contributing any funds to performing or delivering its commitments related to this task, such funds may not be dependent in any way upon receipt of SFPUC funding, including release of retention, etc."

Contractor's Community Benefits Commitments shall be performed prospectively during the term of the Agreement, after the award of the Agreement and following issuance of NTP on the first task assigned to Contractor under this Agreement. Commitments performed as part of previous contracts or prior to Contractor being awarded the Agreement cannot be used as part of Contractor's Community Benefits Commitments for this Project (unsuccessful contractor's will be able to use any proposed community benefits commitments in future contracting opportunities). If a contractor has established programs or plans that are consistent with the Community Benefits areas described in the RFP, they may continue those programs as part of their community benefits commitments and will be given credit for activities that are performed after the contract is awarded by the SFPUC.

Deliverables and Accountability

Community Benefits Plan and Timeline

Contractor shall meet with the SFPUC Assistant General Manager for External Affairs and External Affairs Community Benefits Manager to develop a Community Benefits Plan and Timeline within three (3) months of issuance of the first NTP for Pre-Construction. The Community Benefits Plan and Timeline will provide details regarding expenditures, a schedule, and timelines related to the Community Benefits Commitments outlined in the Community Benefits Table.

The successful contractor shall meet once a year with the External Affairs Community Benefits Manager during the term of the Agreement to discuss the work plan and associated timelines, and make any adjustments or updates regarding timing, expenditure of funds, partners, strategic delivery, scale, and performance necessary to ensure the commitments are aligned with and driven by SFPUC's priorities and broader Agency-wide community benefits strategy to ensure we maximize the collective resources and positive impact.

Community Benefits Commitments

The contractor will deliver the proposed Community Benefits Commitments in the community benefits table which provides a description of the community benefit activity, expected outcomes, the timetable and duration of the commitments, the dollar amount of direct contributions, the number and cost of volunteer hours, and trainee hours that will be committed to the each specific initiative, as well as for the total project amount for the duration of the contract. Contractor shall provide \$31,000 in direct financial contributions and \$78,000 in volunteer hours. Contractor commits to a minimum contribution of \$109,000 over the life of this contract as stated in the community benefits table below. In the event, contractor does not meet the committed volunteer hours per the table below, the Contractor agrees to make direct financial contributions at the rate of \$40 per hour to the minimum of \$20,800 as stated in the Contractor's original Community Benefit Proposal. Any changes that occur to the Community Benefits commitments must be approved by the Community Benefits and Social Responsibility Manager.

Community Benefits Summary Table

			(A)	(B)	(C)	(D)	(E)	(F)
	Community Benefit Category (choose from above)	Community Benefit Program or Partner	Direct Financial Contribution	Volunteer Hours	Volunteer Hourly Rate (rate is standardized)	Total Value of Volunteer Hours (B x C)	In-Kind Contributions	Total Contributions (A + D + E)
1	Environment Justice	Groveland Trail Heads, Ocean Conservancy	\$8,000	260	\$150/hr	\$39,000	\$0	\$47,000

2	Education	After School Tutoring, YLTC, First Robotics	\$9000	200	\$150/hr	\$30,000	\$0	\$39,000
3	Social Innovation	Village on the Hill; Food Bank; Meals on Wheels	\$14,000	60	\$150/hr	\$9,000	\$0	\$23,000
	TOTAL		\$31,000	520		\$78,000	\$0	\$109,000

**Table was amended to reflect the current SFPUC volunteer hourly rate.*

Reporting requirements:

- Contractors should provide detailed descriptions of accountability methods and measures that will be implemented to ensure that the proposed Community Benefits Commitments will be delivered to the communities they are intended to benefit in a transparent and accountable manner. To maximize transparency and accountability, a process or mechanism must be proposed that will assist the SFPUC in independently verifying that such funds and resources were actually delivered to the intended beneficiaries.
- Each successful contractor shall submit progress reports to the SFPUC External Affairs Community Benefits Manager, which should detail factors such as total number of hours, dollars, etc. contributed to-date. Progress reports are submitted on the last business day of the month following the close of second and fourth quarter. As part of the progress reports, the contractor will also be required to submit documents to substantiate that the Community Benefits commitments and any funds associated thereto were in fact delivered to the communities they were intended to benefit.
- Each successful contractor shall also submit a stand-alone annual report to the SFPUC External Affairs Community Benefits Manager documenting the culmination of the community benefit commitments, beneficiaries, and outcomes for the year.

Statements of Understanding

Contractor acknowledges that they agree with the following statements:

- Any of the community benefits commitments that the contractor voluntarily commits to should directly benefit the communities, neighborhoods, and/or residents served by or impacted by the SFPUC.
- Commitments must support nonprofit and charitable activities.
- Commitments shall not go to, nor benefit any SFPUC employee or entities associated with the SFPUC.
- Commitments must be delivered at zero cost to the SFPUC.
- Commitments are separate from and in addition to any regulatory or legal requirements related to the contract.
- Commitments are considered binding once they are included in the final agreement.
- Commitments must be delivered progressively over the life of the agreement.

- Activities related to the commitments can only commence once there is a Notice to Proceed (NTP) associated with this project.
- Contractor commits to complying with SFPUC's reporting requirements.

Contractor's Community Benefits Commitments Proposal is incorporated herein. Contractor shall provide all of the Commitments, consistent with all of the terms of Contractor's attached Proposal which are not explicitly detailed in this proposal. Where and if there are any conflicts or discrepancies between the language of this Agreement and the attached Proposal, the terms of the language of the Agreement 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.

2. Services Provided by Attorneys. Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. No invoices for services provided by law firms or attorneys, including, without limitation, as subconsultants of Consultant, will be paid unless the provider received advance written approval from the City Attorney.

3. Department Liaison. In performing the Services provided for in this Agreement, Contractor's liaison with SFPUC's Hetch Hetchy Water and Power will be **Mike Vroman** ("SFPUC Project Manager"). SFPUC reserves the right to assign a different project manager at any time and in its sole discretion.

4. Task Orders. Performance of the service under this Agreement will be executed according to a task order process, and Contractor is required to provide adequate quality control processes and deliverables in conformance with the technical requirements of the task order. The SFPUC Project Manager will initially identify tasks and request the contractor to propose a project scope, sub tasks, staffing plan, LBE utilization, schedule, deliverables, budget and costs to complete the task in accordance with Appendix B. All costs associated with the development of the scope of work for each task order shall be borne by Contractor. A final task order will be negotiated between the SFPUC Project Manager and the Contractor and then submitted to the SFPUC Bureau Manager for approval. However, as provided in the RFP, the budget, if applicable, identified for tasks is an estimate, and the City reserves the right to modify the applicable budget allocated to any task as more specific information concerning the task order scope becomes available.

The task order request will be processed for Controller certification of funding, after which a "Notice to Proceed" will be issued. The Contractor is hereby notified that work cannot commence until the Contractor receives a written Notice to Proceed in accordance with the San

Francisco Administrative Code. *Any work performed without a Notice to Proceed will be at the Contractor's own commercial risk.* The calculations of costs and methods of compensation for all task orders under this Agreement shall be in accordance with Appendix B.

5. Reports. Contractor shall submit written reports as requested by the SFPUC. Format for the content of such reports shall be determined by the SFPUC. The timely submission of all reports is a necessary and material term and condition of this Agreement. The reports shall be submitted electronically, unless otherwise specified by the SFPUC Project Manager. Written reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

6. Performance Evaluation. Performance evaluations support the SFPUC's objective of continuously improving the quality of Contractor services. The SFPUC may or may not, at its sole discretion, conduct evaluation/s of Contractor's performance. Ratings are ultimately the decision of the SFPUC and are not subject to negotiation with the Contractor. However, the Contractor may provide comments on a performance evaluation form if an evaluation is performed. In the event that the SFPUC conducts performance evaluation(s) of the Contractor, such performance evaluation(s) shall not confer any express or implied rights upon Contractor, nor shall they shift any liability to the SFPUC for the Contractor's performance of the contract.

7. Standard of Care for Design Professionals. Contractor acknowledges and agrees that Contractor shall perform its services under this Agreement in accordance with the professional standard of care applicable to professionals providing similar services for projects of similar type, size and complexity in the San Francisco Bay Area.

Appendix B Calculation of Charges

As part of Contractor's proposal dated **November 14, 2016**, Contractor submitted proposed billing rates, attached hereto as Appendix B-1, Fee Schedule, for the requested tasks identified in Appendix A, Scope of Services, which are incorporated herein by this reference.

As provided in the Fee Schedule, the budget identified for tasks is an estimate, and the City reserves the right to modify the budget allocated, if applicable, to any task as more specific information concerning the task order scope becomes available.

No invoices for Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

1. Billing Rates. Contractor's billing rates and each and every staff classification as stated in Appendix B-1 will be the billing rates for the listed individuals. The billing rate may not exceed the lowest rate charged to any other governmental entity except the City and County of San Francisco. Billing rates will be fixed for the first two years of the contract, and may be adjusted annually thereafter. The first adjustment may be made no earlier than the second anniversary of the effective start date as indicated in the original Notice of Contract Award letter. The amount of the adjustment is limited to a maximum of the CPI annual percentage change increase (San Francisco Bay Area for Urban Wage Earners and Clerical Workers) for the previous calendar year. No increase, including the annual CPI adjustment, is allowed to billing rates exceeding \$240 per hour, unless Project Manager and Bureau Manager authorize an increase to the rate in writing.

2. Personnel Changes. Any proposed changes to project personnel or staff classification as listed in Appendix B-1 must be approved in advance of any work commencing on the project and in writing by the SFPUC Project Manager. These personnel changes may include but are not limited to:

- Proposed addition of new project personnel to perform requested services that are within the scope of the Agreement;
- Proposed change of staff classification for existing personnel; and/or
- Proposed replacement or substitution of any employee listed in Appendix B-1 due to termination, promotion or reclassification.

All proposed personnel must meet all qualification requirements established by the Agreement.

3. **Effective Overhead and Profit Rate.** The Effective Overhead and Profit Rate (EOPR) for PUC.PRO.0022 is 2.729. The EOPR or Individual Firm Overhead and Profit Rate will apply to the billing rate of all individuals not listed in Appendix B-1. The EOPR will also apply to all amendments to the Agreement. If a new subcontractor is added during the duration of the Agreement, the new individual firm multiplier can be no more than the EOPR.

4. **Other Direct Costs (ODC).** Direct reimbursable expenses (ODCs – Other Direct Costs) shall include actual direct costs (with no mark up) of expenses directly incurred in performing the work. All ODCs are subject to pre-approval in writing by the SFPUC Project Manager.

The following items will be eligible for reimbursement as ODCs:

- Out-of-town travel (“out-of-town” shall mean outside the nine Bay Area counties: San Francisco, Alameda, Marin, Santa Clara, Sonoma, Contra Costa, Napa, San Mateo, Solano):
 - Rental vehicle: traveler must select the most economical contractor and type of vehicle available and acquire any commercial rate or government discount available when the vehicle is rented;
 - Personal vehicle use: Contractor will be paid per mile as established by the United State Internal Revenue Service and only for that portion of travel that is outside the nine Bay Area counties and non-routine. Should the travel begin or end on a normal workday, the Contractor shall subtract commuting mileage from total mileage to calculate reimbursable mileage. The Contractor shall submit to the City an approved mileage log with its monthly invoices;
- Specialty printing (“specialty” as used herein shall mean large volume printing and color printing and requires **prior** written approval by SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice);
- Specialty computer hardware and software (only with **prior** written approval by SFPUC project staff and documentation of the written approval by the SFPUC must be included with the invoice – all specialty hardware and software will be the property of the City);
- Permit fees;
- Expedited courier services only when requested by SFPUC staff; and

Only the items listed above are eligible for reimbursement. Any other costs for which Proposer desires reimbursement must be included in the Proposer’s EOPR. Such costs include, but are not limited to:

- All other travel expenses such as parking, bridge tolls, public transit, vehicle mileage within the nine Bay Area Counties, travel from selected Proposer's home office to SFPUC facilities;
- Contractor staff relocation costs;
- Any labor charges or pass-throughs, including but not limited to, administrative and clerical staff time;
- Telephone calls and faxes originating in the firm's home office, standard computer use charges, computer hardware or software (other than the specialty hardware or software mentioned above), communication devices, and electronic equipment;
- All meals, including refreshments and working lunches with SFPUC staff;
- Equipment to be used by SFPUC staff; and
- Postage and courier services which are not requested by SFPUC staff.

5. Subcontractor make-up and documentation. Second-tier and pass-through subcontracting is prohibited. Additional subcontractors may be added to the contractor team after obtaining pre-authorization by the SFPUC Project Manager, Bureau/Division Manager and the Contract Monitoring Division (CMD).

6. Subcontractor Fees:

- Subject to the restrictions in this Section 4;
- Shall be subject to written pre-approval by the Contractor's liaison with the SFPUC;
- Subcontractor administration markup is limited to five percent (5%) of subcontractors' actual labor costs.

7. Retention. Five percent (5%) of each invoice payment will be withheld for each task order. When the work for the task order or defined critical milestones has been completed to the satisfaction of the SFPUC Project Manager and all work products have been received and approved by the SFPUC Project Manager, the Contractor may request that the retention be released. In lieu of money retention, an irrevocable letter of credit acceptable to the City will be accepted.

8. Invoice Requirements. The SFPUC is automating its contracting and invoice payment processes with online software systems (SOLIS). The following processes are being automated: Contract Certification, Insurance Compliance, Task Order Certification, Timekeeping, Invoice Approval, and Invoice Payment. As part of its contracting obligations, the Contractor is required to 1) become an authorized user of these systems, 2) attend user training for these systems; and 3) utilize these systems for the purposes for which they are intended. Contractor shall not bill the

SFPUC to use these systems. Contractor shall not charge SFPUC to send appropriate personnel to user training.

Contractor shall follow the invoicing and supporting documentation instructions as detailed in the SOLIS training or otherwise prescribed by the SFPUC.

Invoice Supporting Documentation:

All labor hours must be substantiated by progress reports describing the work performed during the billing period and timesheet summaries extracted from the Contractor's accounting system. Each timesheet summary shall include the staff person's name, company, dates of the days worked, and the number of hours worked each day.

Mileage ODCs must be accompanied by mileage logs providing the beginning and ending mileage to substantiate the variable portal-to-portal distance and local driving required while performing the work. All other ODCs must be substantiated with copies of original receipts including a brief description for each receipt memorializing the purpose.

CMD Form 7 "Progress Payment Form" must be included with each invoice to identify the participation and amount payable to the subcontractors.

CMD Form 9 "Payment Affidavit" must be submitted within ten (10) days of receiving payment for each invoice to document the subcontractor's payment by the prime contractor.

9. Prevailing Wages

a. Services to be performed by Contractor under this Agreement may involve the performance of trade work covered by the provisions of Section 6.22(e) [Prevailing Wages] of the Administrative Code (collectively, "Covered Services"). The provisions of Section 6.22(e) of the Administrative Code are incorporated as provisions of this Agreement as if fully set forth herein and will apply to any Covered Services performed by Contractor and its subcontractors.

b. The latest prevailing wage rates for private employment on public contracts as determined by the San Francisco Board of Supervisors and the Director of the California Department of Industrial Relations, as such prevailing wage rates may be changed during the term of this Agreement, are hereby incorporated as provisions of this Agreement. Copies of the prevailing wage rates as fixed and determined by the Board of Supervisors are available from the SFPUC Contract Administration Bureau, and are also available on the Internet at <http://www.dir.ca.gov/DLSR/PWD>. Contractor agrees that it shall pay not less than the prevailing wage rates, as fixed and determined by the Board, to all workers employed by

Contractor who perform Covered Services under this Agreement. Contractor further agrees as follows:

- As required by Section 6.22(e)(5) of the Administrative Code, Contractor shall insert in every subcontract or other arrangement, which it may make for the performance of Covered Services under this Agreement, a provision that said subcontractor shall pay to all persons performing labor in connection with Covered Services under said subcontract or other arrangement not less than the highest general prevailing rate of wages as fixed and determined by the Board of Supervisors for such labor or services.
- As required by Section 1771.4 of the Labor Code, Contractor shall post job site notices prescribed by the California Department of Industrial Relations ("DIR") at all job sites where Covered Services are to be performed.
- As required by Section 6.22(e)(6) of the Administrative Code and Section 1776 of the Labor Code, Contractor shall keep or cause to be kept complete and accurate payroll records for all trade workers performing Covered Services. Such records shall include the name, address and social security number of each worker who provided Covered Services on the project, including apprentices, his or her classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every subcontractor who shall undertake the performance of any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives and the DIR.
- The City will not process monthly progress payments which include payment for Covered Services until Contractor and each subcontractor performing Covered Services submits weekly certified payrolls to the City for the applicable time period. (Unless directed by the DIR to do so before then, effective January 2016, Contractor and each subcontractor performing Covered Services must also submit weekly certified payrolls directly to the DIR before the City will process monthly progress payments.) Certified payrolls shall be prepared pursuant to Administrative Code Section 6.22(e)(6) and California Labor Code Section 1776 for the period involved for all employees, including those of subcontractors, who performed labor in connection with Covered Services. Contractor and each subcontractor performing Covered Services shall submit certified payrolls to the City (and, when applicable, to the DIR) electronically. Contractor shall submit payrolls to the City via the Project Reporting System ("PRS") selected by the City, an Internet-based system accessible on the World Wide Web through a web browser. (The DIR will specify how to submit certified payrolls to it.) The Contractor and each subcontractor that will perform Covered Services will be assigned a log-on

identification and password to access the PRS. Use of the PRS may require Contractor and applicable subcontractors to enter additional data relating to weekly payroll information including, but not limited to, employee identification, labor classification, total hours worked and hours worked on this project, and wage and benefit rates paid. Contractor's payroll and accounting software may be capable of generating a "comma delimited file" that will interface with the PRS software. The City will provide basic training in the use of the PRS at a scheduled training session. Contractor and all Subcontractors that will perform Covered Services must attend the PRS training session. Contractor and applicable subcontractors shall comply with electronic certified payroll requirements (including training) at no additional cost to the City.

- Covered Services to be performed under this Agreement are subject to compliance monitoring and enforcement of prevailing wage requirements by the DIR and /or the Office of Labor Standards Enforcement. Contractor and any subcontractors performing Covered Services will cooperate fully with the DIR and/or the Labor Standards Enforcement Officer and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements, and agrees to take the specific steps and actions as required by Section 6.22(e)(7) of the Administrative Code.

d. Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this Contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus the penalties set forth in Administrative Code Section 6.22 (e) and/or Labor Code Section 1775. The City, when certifying any payment which may become due under the terms of this Agreement, shall deduct from the amount that would otherwise be due on such payment the amount of said forfeiture or forfeitures as so certified.

Appendix B-1 Fee Schedule

PUC.PRO.0022 As-Needed Operations and Maintenance Support for

HHWP Power Transmission Line Clearance Mitigation - East

BLACK & VEATCH CORPORATION

PROJECT FEE SCHEDULE

Consultant Name	Staff Classification	Name of Proposed Staff Person	Base Rate (\$/hour)	Firm's Overhead & Profit Rate	Billing Rate (\$/hour)	Estimated Participation Per HRC Form 2A (% of Contract)	Contribution to Multiplier
[A]	[B]	[C]	[D]	[E]	[D]x[E]=[F]	[G]	[H]
BLACK & VEATCH CORPORATION	Project Director	Mark Schrimp	\$100.78	3.09	\$240.00	70.00%	2.163
	Project Manager	Kevin Heller	\$68.99	3.09	\$213.18		
	Assistant Project Manager	Tawatchai Chaipaisan	\$69.58	3.09	\$215.00		
	Project Controls Manager	Leslie Finch	\$64.88	3.09	\$200.48		
	Project Controls	Don Maynor	\$39.82	3.09	\$123.04		
	Project Controls	Ernest Kalimoku	\$40.17	3.09	\$124.13		
	Project Controls	Rebecca Vanderbout	\$38.62	3.09	\$119.34		
	Project Controls	Teresa Morgan	\$26.35	3.09	\$81.42		
	Project Controls	Kyle Deardorff	\$21.74	3.09	\$67.18		
	Project Controls	Grace Toler	\$25.94	3.09	\$80.15		
	Project Support	Jeannine Johnson	\$26.75	3.09	\$82.66		
	Project Support	Carla White	\$19.83	3.09	\$61.27		
	Project Engineer	Brendan Grace	\$61.89	3.09	\$191.24		
	Assistant Procurement Manager	Kelly Kinney	\$48.14	3.09	\$148.75		
	Procurement Representative	Jennifer Rider	\$34.11	3.09	\$105.40		
	Engineer Transmission Line	Alan Johnson	\$47.30	3.09	\$146.16		
	Engineer Transmission Line	Jonathan Bingham	\$40.38	3.09	\$124.77		
	Engineer Transmission Line	Kyle Feldpausch	\$36.54	3.09	\$112.91		
	Engineer Transmission Line	Loren Jessen	\$38.62	3.09	\$119.34		

	Engineer Tower Design	Ben Schuch	\$54.02	3.09	\$166.92		
	Engineer Tower Design	Saumya Nag	\$64.16	3.09	\$198.25		
	Engineer Tower Design	Rian Schlyper	\$40.83	3.09	\$126.16		
	Engineer Tower Design	Molly Summers	\$41.49	3.09	\$128.20		
	Engineer Civil	Jonathan Frantz	\$54.57	3.09	\$168.62		
	Engineer Civil	Thomas Bonnie	\$41.14	3.09	\$127.12		
	Engineer Electrical	Steve Beilstein	\$59.76	3.09	\$184.66		
	Engineer Technician	Ty Richardson	\$29.95	3.09	\$92.55		
	Engineer Technician	Kevin Riviea	\$26.65	3.09	\$82.35		
	Engineer Technician	Andy Brewer	\$40.58	3.09	\$125.39		
Geotechnical Consultants, Inc.	Principal/Lead Geotech Engr	Neel Neelakantan, Ph.D., PE, GE	\$110.00	2.50	\$240.00	3.00%	0.075
	Associate/Senior Geotech Engr	Deron van Hoff, PE, GE	\$75.00	2.50	\$187.50		
	Seismic Specialist	Shahriar Vahdani, Ph.D., PE, GE	\$150.00	2.50	\$240.00		
	Associate/Senior Geotech Engr	Joseph Seibold, PE, GE	\$71.04	2.50	\$177.60		
	Associate/Senior Geotech Engr	Mark Petersen, PE, GE, CEG	\$95.00	2.50	\$237.50		
	Project Engr	Kavin Khatri, P.E.	\$41.25	2.50	\$103.13		
	Senior Engr	Dustin Agnew, PE	\$49.61	2.50	\$124.03		
	Lead Geologist/Hydrogeologist	James Thurber, PG, CEG, CHG	\$76.47	2.50	\$191.18		
	Senior Geologist	Aurie Patterson, PG	\$51.75	2.50	\$129.38		
	Staff Geologist	Megan Simpson	\$45.00	2.50	\$112.50		
	Project Controls	Jaya Sastry	\$35.03	2.50	\$87.58		
	Project Assistant	Tanya Telson	\$24.20	2.50	\$60.50		
Pacific Engineering and Construction, Inc.	Principal Civil Engineer/Project Manager	A. Mark Waldman, PE	\$85.00	2.30	\$195.50	5.00%	0.115
	Project Engineering Geologist	Miles Grant, P.G	\$70.00	2.30	\$161.00		
	Project Designer	Angie Aylsworth	\$60.00	2.30	\$138.00		
	Principal Environmental Scientist	Basil Falcone, CAC	\$65.00	2.30	\$149.50		
	Project Environmental Scientist	John Adams	\$55.00	2.30	\$126.50		

	Project Surveyor	Jack Smith, PLS	\$65.00	2.30	\$149.50		
	Project Structural Engineer	Dung Bui, PE	\$65.00	2.30	\$149.50		
	Sureyor	Troy Erickson, PLS	\$55.00	2.30	\$126.50		
Tuolumne Geoservice, Inc.	Principal Geologist	Alastair Johns, PG	\$75.00	2.56	\$192.00	2.0%	0.051
	Senior Consultant	Elisabeth Crocker	\$50.00	2.56	\$128.00		
WIN Structural Consulting GRP, Inc.	Revit Technician	Ramez Salib	\$40.00	2.00	\$80.00	10.00%	0.200
	CAD Drafter	Mina Habachi	\$35.00	2.00	\$70.00		
	Engineer	Philip Louis	\$70.00	2.00	\$140.00		
	Chief Engineer, S.E.	Wassim Naguib	\$120.00	2.00	\$240.00		
Vista Connections	Transmission Line	Don Willoughby	\$132.30	1.25	\$165.38	10.0%	0.125

100.0%

Effective Project Overhead & Profit Rate:	2.729
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Note: Black & Veatch markup on Subconsultant labor costs shall be 5%

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 17-0006

WHEREAS, The San Francisco Public Utilities Commission (SFPUC) seeks to retain the services of a qualified consultant to assist with design support to mitigate ground, wire, and structure clearance issues associated with its high voltage transmission lines; and

WHEREAS, It is necessary to procure the services of qualified design consultant firm to provide specialized professional services to supplement SFPUC staff, in order to implement the mitigation program for SFPUC's high voltage lines; and

WHEREAS, The Request for Proposals was advertised on October 7, 2016; and

WHEREAS, The estimated not-to-exceed cost of services is \$12,000,000; and

WHEREAS, Services are anticipated to begin in February, 2017 and end in February, 2027, and the duration of this agreement is 10 years; and

WHEREAS, SFPUC staff and Contract Monitoring Division (CMD) review of the proposals resulted in the determination that Black & Veatch Corporation is the sole qualified and responsive bidder; and

WHEREAS, The CMD has established a Local Business Enterprise (LBE) subconsulting participation requirement of 20% for this agreement; and

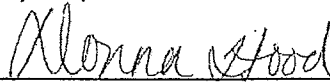
WHEREAS, The firms being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification from CMD may, in the General Manager's sole discretion, result in re-advertising and re-selecting consultants at the discretion of the City; and

WHEREAS, Approval of the proposed agreement by this Commission would not fall within the definition of a "project" under the California Environmental Quality Act (CEQA) Guidelines Section 15378 as the services provided under this contract do not involve any direct or indirect physical change in the environment; and

WHEREAS, Funds for this agreement will be available at the time of award of the agreement from Hetch Hetchy 10-year Capital Improvement Plan Project No. CUH101 Hetchy Water – Power Infrastructure; now, therefore, be it

RESOLVED, That this Commission hereby approves the selection of Black & Veatch Corporation; awards project-funded Agreement No. PRO.0022, Hetch Hetchy Water and Power (HHWP) Power Transmission Line Clearance Mitigation - East, to provide design support to mitigate ground, wire, and structure clearance issues with SFPUCs high voltage transmission lines; and authorizes the General Manager of the SFPUC to negotiate and execute a professional services agreement with Black & Veatch Corporation for an amount not to exceed \$12,000,000, and with a duration of 10 years, subject to Board of Supervisors approval pursuant to Charter Section 9.118, or, in the event negotiations are not successful or City requirements are not satisfied, to re-advertise and re-select consultants at the discretion of the City.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of January 10, 2017.



Secretary, Public Utilities Commission



OFFICE OF THE CITY ADMINISTRATOR CONTRACT MONITORING DIVISION



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator

Romulus Asenloo, Acting Director

MEMORANDUM

Date: December 2, 2016

To: Margaret Hannaford, HHWP Division Manager, SFPUC
Bonita McGee, Principal Contract Analyst, SFPUC

From: Marcus Lange, Contract Compliance Officer, CMD

Subject: PUC.PRO.0022 Power Transmission Line Clearance Mitigation - East

The Contract Monitoring Division ("CMD") has reviewed the consultant proposals and supporting documentation. Based on this review, CMD has determined that out of the two (2) proposals submitted, the following proposal was materially compliant with the pre-award Chapter 14B requirements:

- Black & Veatch Corporation

With respect to Stantec Consulting Services, Inc.'s Chapter 14B submittals, CMD has determined that Stantec Consulting Services is non-responsive because it failed to meet the "Good Faith Outreach" and the "20% LBE Subconsulting Participation" Requirements under Chapter 14B of the San Francisco Administrative code by the proposal date and time.

Rating Bonus

No proposers qualified for an LBE ratings bonus.

LBE Subconsulting Participation

A LBE subconsulting participation requirement of 20% was established for this project.

Black & Veatch Corporation agreed to achieve the 20% LBE subconsulting participation requirement by subconsulting the following specific service:

Firm	Service	LBE Status	% of Work
Geotechnical Consultants, Inc.	Geotechnical and survey report	SF LBE-MBE (small)	3%
Tuolumne Geoservice, Inc.	Geotechnical and survey report	PUC LBE-OBE (micro)	2%
Pacific Engineering and Construction, Inc.	Site survey, topographic survey, site staking	SF LBE-OBE (small)	5%
WIN Structural Consulting GRP, Inc.	Structural Engineering consulting/analysis	SF LBE-OBE (micro)	10%
Total			20%

Black & Veatch Corporation also listed the following non-LBE subconsultant on their Form 2a:

Firm	Service	LBE Status	% of Work
VistaConnections, Inc.	Civil engineering review, structural engineering design review	Non-LBE	10%
Total			10%

Based on the foregoing, CMD has determined that Black & Veatch Corporation meets CMD's requirements for the award of PUC.PRO.0022.

Should you have any questions, please contact Marcus Lange at (415) 554-3106



San Francisco
Water Power Sewer

Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor

San Francisco, CA 94102

T 415.554.3155

F 415.554.3161

TTY 415.554.3488

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2017 FEB 21 PM 2:16

TO: Angela Calvillo, Clerk of the Board *AC*

FROM: John Scarpulla, Policy and Government Affairs

DATE: February 21, 2017

SUBJECT: Approving a Professional Services Contract for Design Support for the Hetch Hetchy Water and Power High Voltage Power Line Clearance Mitigation – Not to Exceed \$12,000,000

Attached please find an original and one copy of a proposed resolution authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute a professional services agreement with Black & Veatch Corporation for specialized design services for design support to mitigate ground, wire, and structure clearance issues with Hetch Hetchy Water and Power high voltage power lines in accordance with the SFPUC's mitigation program, for an amount not-to-exceed \$12,000,000, and with a duration of ten (10) years.

The following is a list of accompanying documents (2 sets):

1. Board of Supervisors Resolution
2. City Administrator Contract Monitoring Division Pre-Award Memorandum
3. SFPUC Resolution No. 17-0006
4. PUC.PRO.0022 Contract Agreement with Black & Veatch Corporation
5. Form SFEC-126
6. Form SFEC-126 Attachment

Please contact John Scarpulla at (415) 934-5782 if you need additional information on these items.

Edwin M. Lee
Mayor

Francesca Vietor
President

Anson Moran
Vice President

Ann Moller Caen
Commissioner

Vince Courtney
Commissioner

Ike Kwon
Commissioner

Harlan L. Kelly, Jr.
General Manager



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

City Elective Officer Information *(Please print clearly.)*

Name of City elective officer(s):
Members, Board of Supervisors

City elective office(s) held:
Members, Board of Supervisors

Contractor Information *(Please print clearly.)*

Name of contractor: **Black & Veatch**

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.

Black & Veatch Holding Company is privately held through an Employee Stock Ownership Program (ESOP). We have more than 11,000 professionals located in over 110 offices worldwide, and we are the 11th largest employee-owned company in the U.S. Our ownership structure gives us the distinct advantage of being free from the pressures that drive publicly-held companies (valuing short-term profits over long-term client service). We are our own stockholders, with corporate strategies supporting the continued long-term interest of our global clients.

Black & Veatch Corporation was incorporated in Delaware in 1998. The legal address for Black & Veatch Holding Company is 11401 Lamar Ave, Overland Park, Kansas 66211.

1 and 2) Board Of Directors

Full Name	Title	Joined Board of Directors
Steve L. Edwards	Chairman & CEO	2012
Ed Walsh	President, Power Business	2016
Andrew G. McMaster Jr.	Independent Director	2015
Randy G. Woelfel	Independent Director	2013
Cindy Wallis-Lage	Executive Director, President, Water Business	2012
Martin G. Travers	Executive Director, President, Telecommunications	2011
Timothy W. Triplett	Board Secretary, General Counsel	2008
Karen L. Daniel	Executive Director, CFO	2005
Martha W. Gilliland	Independent Director, Chair Compensation & Development Committee	2004
Steven H. Wunning	Independent Lead Director, Chair Audit Committee	2004
H. P. Goldfield	Independent Director, Chair Governance & Nominating Committee	2002
T.M. (Don) Buck	Independent Director	2000
W. P. (Pat) Campbell	Independent Director	1999
Anthony G. (Tony) Fernandes	Independent Director	1999

3) N/A

4) N/A

5) N/A

Contractor address: 11401 Lamar Ave. Overland Park, KS 66211	
Date that contract was approved: (By the SF Board of Supervisors)	Amount of contracts: \$ 12,000,000.00
Describe the nature of the contract that was approved: SFPUC HHWP – Transmission Line Clearance Mitigation East/West Engineering and construction support services for tasks: <ul style="list-style-type: none"> • Tower Raise Construction Options • Transmission Line Mitigation Design Task Orders • On-going Operation and Maintenance Needs – Other (Optional task) • Community Benefits 	
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 (Please print clearly.)	
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

Prime Proposer, each Joint Venture Partner, Subconsultants, Vendors, and lower sub tiers must be listed on this form. Only CMD certified small and/or micro-LBEs can be used to meet the LBE subconsultant participation requirement.

Please make the following commitments on behalf of your company:

Firm	Geotechnical Consultant
Type	Subconsultant
Address Line 1	500 SANSOME STREET, SUITE 402
Address Line 2	
City	SAN FRANCISCO
State	CA
Zip	94111
Phone	415-981-9950
City Vendor Number	08220
FEIN	95-2302351
Scope	Geotechnical engineering and civil engineering design support
% Work	3%
LBE	<input checked="" type="checkbox"/> Minority Business Enterprise <input type="checkbox"/> Other Business Enterprise <input type="checkbox"/> Women Business Enterprise
LBE Certification Number	CMD021911924
Multiplier Type	OPR
Factor	2.5

Prime Proposer, each Joint Venture Partner, Subconsultants, Vendors, and lower sub tiers must be listed on this form. Only CMD certified small and/or micro-LBEs can be used to meet the LBE subconsultant participation requirement.

Please make the following commitments on behalf of your company:

Firm	Tuolumne Geoservice (TGI)
Type	Subconsultant
Address Line 1	11875 PONDEROSA LANE
Address Line 2	BOX 371
City	GROVELAND
State	CA
Zip	95321
Phone	209-454-9700
City Vendor Number	96206
FEIN	47-3213857
Scope	Geotechnical Investigation, Construction Inspection services
% Work	2%
LBE	<input type="checkbox"/> Minority Business Enterprise <input checked="" type="checkbox"/> Other Business Enterprise <input type="checkbox"/> Women Business Enterprise
LBE Certification Number	CMD021917131
Multiplier Type	OPR
Factor	2.56

Prime Proposer, each Joint Venture Partner, Subconsultants, Vendors, and lower sub tiers must be listed on this form. Only CMD certified small and/or micro-LBEs can be used to meet the LBE subconsultant participation requirement.

Please make the following commitments on behalf of your company:

Firm	WIN STRUCTURAL CONSULTING GRP, INC.
Type	605 MARKET STREET #507
Address Line 1	5000 EXECUTIVE PARKWAY #240
Address Line 2	
City	SAN FRANCISCO
State	CA
Zip	94104
Phone	415-652-4511
City Vendor Number	400290
FEIN	46-2359202
Scope	Tower design and analysis, foundation design and civil engineering design support.
% Work	10%
LBE	<input type="checkbox"/> Minority Business Enterprise <input checked="" type="checkbox"/> Other Business Enterprise <input type="checkbox"/> Women Business Enterprise
LBE Certification Number	CMD041817008
Multiplier Type	OPR
Factor	2

Prime Proposer, each Joint Venture Partner, Subconsultants, Vendors, and lower sub tiers must be listed on this form. Only CMD certified small and/or micro-LBEs can be used to meet the LBE subconsultant participation requirement.

Please make the following commitments on behalf of your company:

Firm	PACIFIC ENGINEERING AND CONSTRUCTION, INC.
Type	Subconsultant
Address Line 1	470 3RD STREET, SUITE 105
Address Line 2	
City	SAN FRANCISCO
State	CA
Zip	94107
Phone	415-974-1853
City Vendor Number	77619
FEIN	20-2071431
Scope	Site survey, staking and site assessment services.
% Work	5%
LBE	<input type="checkbox"/> Minority Business Enterprise <input checked="" type="checkbox"/> Other Business Enterprise <input type="checkbox"/> Women Business Enterprise
LBE Certification Number	CMD091715382
Multiplier Type	OPR
Factor	2.3

Prime Proposer, each Joint Venture Partner, Subconsultants, Vendors, and lower sub tiers must be listed on this form. Only CMD certified small and/or micro-LBEs can be used to meet the LBE subconsultant participation requirement.

Please make the following commitments on behalf of your company:

Firm	VISTACONNECTIONS, INC.
Type	Subconsultant
Address Line 1	12120 STATE LINE RD #292
Address Line 2	
City	LEAWOOD
State	KS
Zip	66206
Phone	913-696-9705
City Vendor Number	
FEIN	20-3475343
Scope	Civil engineering review, structural design review
% Work	10%
LBE	<input type="checkbox"/> Minority Business Enterprise <input type="checkbox"/> Other Business Enterprise <input type="checkbox"/> Women Business Enterprise
LBE Certification Number	
Multiplier Type	OPR
Factor	1.25