

File No. 181135

Committee Item No. 2
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date January 10, 2019

Board of Supervisors Meeting

Date _____

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" 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 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 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
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input checked="" type="checkbox"/>	<input 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)

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Airport Commission Resolution</u>
<input type="checkbox"/>	<input type="checkbox"/>	_____
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Completed by: Linda Wong

Date January 4, 2019

Completed by: Linda Wong

Date _____

1 [Airport Professional Services Agreement Modification - Hill International, Inc. - Capital
2 Program Support Services for the Airport Capital Improvement Program - Not to Exceed
3 \$40,000,000]

4 **Resolution approving Modification No. 4 to Contract No. 10401.45, Capital Program**
5 **Support Services for the Airport Capital Improvement Program, with Hill International,**
6 **Inc., to extend the term by four years, from June 30, 2019, through November 15, 2023,**
7 **and to increase the contract to a not to exceed amount of \$40,000,000, pursuant to**
8 **Charter, Section 9.118(b).**

9
10 WHEREAS, San Francisco International Airport ("Airport") is undergoing a significant
11 investment in its assets and will be implementing over \$7.1 billion in capital projects in the
12 coming decade; the Capital Improvement Program ("CIP") includes projects that will enable
13 the Airport to accommodate passenger and airline growth, enhance security, maintain existing
14 infrastructure and support the Airport goals around sustainability; the CIP is made up of a
15 large number of projects varying in complexity, size, and cost, which will be delivered using a
16 variety of project delivery methods; and

17 WHEREAS, To maintain consistency in reporting and cost controls, it is critical that all
18 project teams track and report costs using a comprehensive, consistent approach; it is
19 important that the Airport be able to understand the overall schedule and budget of the CIP in
20 order to plan resources, plan project funding, and manage risk; and

21 WHEREAS, On October 17, 2017, by Resolution No. 17-0251, the Airport Commission
22 ("Commission") awarded Contract No. 10401.45, Capital Program Support Services for the
23 Airport Capital Improvement Program ("Contract"), to Hill International, Inc., in the not to
24 exceed amount of \$8,500,000 for the first year of services; and
25

1 WHEREAS, The Contract provides tasks and services to support the Airport in
2 deliverance of its CIP; services include program controls, scheduling, budgeting, estimating,
3 preparation of progress reports, development and implementation of a web-based centralized
4 project management and project controls system, and other program management services to
5 support the dynamic needs of the CIP; and

6 WHEREAS, Effective June 22, 2018, the Airport Director executed Modification Nos. 1
7 and 2 to adjust the range of allowable labor rates and add new sub-consultants to the
8 Contract with no changes to the Contract amount or duration; and

9 WHEREAS, On October 16, 2018, by Resolution No. 18-0350, the Commission
10 approved Modification No. 3 and Modification No. 4 to the Contract, which together increase
11 the total not to exceed amount to \$40,000,000 and extend the Contract by five years through
12 November 15, 2023; and

13 WHEREAS, Modification No. 3 increased the Contract amount by \$1,450,000 for a total
14 not to exceed amount of \$9,950,000 to allow services to continue through June 30, 2019; and

15 WHEREAS, Modification No. 4 increases the Contract to the full Contract not to exceed
16 amount of \$40,000,000 for a total of four years of services through November 15, 2023; and

17 WHEREAS, Charter, Section 9.118(b) provides that the agreements entered into by a
18 department, board, or commission requiring anticipated expenditures by the City and County
19 of ten million dollars or more, shall be subject to approval by the Board of Supervisors by
20 resolution; now, therefore, be it

21 RESOLVED, That this Board of Supervisors hereby approves Modification No. 4 to
22 Airport Contract No. 10401.45, Capital Program Support Services for the Airport Capital
23 Improvement Program, with Hill International, Inc., for a total Contract not to exceed amount
24 of \$40,000,000; a copy of Modification No. 4 is contained in Board of Supervisors' File No.
25 181135 along with the Contract and all previously executed modifications; and, be it

1 FURTHER RESOLVED, That within thirty (30) days of Modification No. 4 being fully
2 executed by all parties, the Commission shall provide a copy to the Clerk of the Board for
3 inclusion in the official file.

Item 2 File 18-1135	Department: San Francisco International Airport (Airport)
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p>	
<ul style="list-style-type: none"> The proposed resolution would approve Modification No. 4 to the contract between San Francisco International Airport (Airport) and Hill International, Inc. for Airport Capital Improvement Program support services, extending the contract through November 15, 2023 and increasing the not-to-exceed amount to \$40,000,000. 	
<p style="text-align: center;">Key Points</p>	
<ul style="list-style-type: none"> The Airport's Capital Improvement Program (CIP) includes over \$7.3 billion in capital projects over the next ten years. The projects are intended to accommodate airline and passenger growth, enhance security, maintain existing infrastructure, and support sustainability goals. The Airport selected Hill International in October 2017 to provide CIP support services based on a competitive Request for Proposals (RFP). The scope of services covered under the contract includes program controls, scheduling, budgeting, document control, preparation of progress reports, other program management services, and oversight and management of Airport initiatives to support the CIP. The original contract between the Airport and Hill International was for a term of one year to November 2018 and an amount not to exceed \$8,500,000. At the time, the Airport estimated that the total contract amount would be approximately \$40,000,000 over five years. The Airport has entered into three prior modifications to the contract. Modification Nos. 1 and 2 to the contract did not change the contract duration or not-to-exceed amount. Modification No. 3 extended the contract through June 30, 2019 and increased the not-to-exceed amount to \$9,950,000. The proposed Modification No. 4 extends the term through November 15, 2023 for a total term of approximately six years, and increased the contract amount by \$30,050,000. 	
<p style="text-align: center;">Fiscal Impact</p>	
<ul style="list-style-type: none"> The contract is funded by Airport Revenue Bond proceeds under the Airport's Capital Improvement Plan, subject to appropriation by the Board of Supervisors in the Airport's capital budget. The Airport only pays Hill International for services provided, not predetermined annual sums. 	
<p style="text-align: center;">Policy Consideration</p>	
<ul style="list-style-type: none"> The Airport's practice for Capital Program professional service contracts had been to set contract not-to-exceed amounts for one year, requiring annual modification of the contract to increase the contract amount and contract term. After discussions with the Budget and Legislative Analyst's Office, the Airport has agreed to align Board of Supervisors approvals of professional service contracts amounts and durations to match the authorization approved by the Airport Commission. 	
<p style="text-align: center;">Recommendation</p>	
<ul style="list-style-type: none"> Approve the proposed resolution. 	

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 International Airport (Airport) Capital Improvement Program (CIP) includes over \$7.3 billion in capital projects, including work already completed and work to be completed over the next 10 years. The projects are intended to accommodate passenger and airline growth, enhance security, maintain existing infrastructure, and support sustainability goals.

On May 1, 2017, the Airport issued a Request for Proposals (RFP) to award a contract for CIP support services. The Airport received six proposals and scored them, as shown in Table 1 below.

Table 1: Proposals and Scores from RFP

Proposer	Score (out of 500)
Hill International, Inc.	392.13
STV Construction	370.38
Arcadis	320.38
Faithful + Gould	183.88
WTP America LLC DBA WT Partnership	147.00
Turner & Townsend	143.75

Hill International, Inc. was deemed the highest scoring responsive and responsible proposer. On October 17, 2017, the Airport Commission approved a contract with Hill International for a term of one year and an amount not to exceed \$8,500,000. At the time, the Airport estimated that the total contract amount would be approximately \$40,000,000 over five years.

On June 22, 2018, the Airport Director executed Modification Nos. 1 and 2 to adjust allowable labor rates and to add new sub-consultants to the contract, without changing the contract amount or duration. On October 16, 2018, the Airport Commission approved Modification Nos. 3 and 4 to the contract. Modification No. 3 extended the contract through June 30, 2019 and increased the not-to-exceed amount to \$9,950,000. Modification No. 4, which requires Board of Supervisors approval, would extend the contract through November 15, 2023 and increase the not-to-exceed amount to \$40,000,000.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve Modification No. 4 to the Airport's contract with Hill International, extending the contract through November 15, 2023 and increasing the not-to-exceed amount to \$40,000,000. The scope of services covered under the contract includes

program controls, scheduling, budgeting, document control, preparation of progress reports, other program management services, and oversight and management of Airport initiatives to support the CIP.

The original contract between the Airport and Hill International was for one year, from November 2017 through October 2018, and for an amount of \$8,500,000. The Airport approved Modification No. 3 to the contract with Hill International in October 2018, to (a) increase the contract amount by \$1,450,000 from \$8,500,000 to \$9,950,000, and (b) extend the contract term by an additional eight months through June 2019, for a total contract term of one year and eight months.

The proposed resolution approving Modification No. 4 to the contract between the Airport and Hill International (a) increases the contract amount by \$30,050,000, for a total contract amount of \$40,000,000, and (b) extends the term through November 15, 2023, for a total term of approximately six years. According to Ms. Julia Katz, Airport Director of Program Controls, the Airport is recommending a contract term of six years, rather than the original estimated term of five years, because the construction schedules for the Terminal 1 Center Project and Terminal 3 West Project have been extended into 2023. The total contract amount of \$40,000,000 is consistent with the original amount estimated by the Airport at the time of the original contract negotiations, as noted above.

FISCAL IMPACT

The contract budget of \$40,000,000 is shown in Table 2 below.

Table 2: Contract Budget¹

Scope of Services	Year 1 (Nov. 2017 – Nov. 2018)	Years 2-6 (Dec. 2018 – Nov. 2023)	Total
Program Management	\$2,200,000	\$8,200,000	\$10,400,000
Cost Management	1,050,000	3,900,000	4,950,000
Schedule Management	750,000	2,800,000	3,550,000
Constructability and QA/QC	270,000	1,000,000	1,270,000
Safety Program Oversight	350,000	1,300,000	1,650,000
Reporting	650,000	2,400,000	3,050,000
Unifier (Oracle) Development & Management	1,725,000	6,400,000	8,125,000
Training/Process and Procedures	1,100,000	4,100,000	5,200,000
Administration	200,000	900,000	1,100,000
Other Direct Costs and Contingency	205,000	500,000	705,000
Total	\$8,500,000	\$31,500,000	\$40,000,000

According to Ms. Katz, the contract is funded by Airport Revenue Bond proceeds under the Airport's Capital Improvement Plan, subject to appropriation by the Board of Supervisors in the Airport's capital budget. Debt service on the Airport revenue bonds is paid from Airport

¹ As noted above, the original contract amount was \$8,500,000 in the first contract year from November 2017 to November 2018. The total contract increase in the second through sixth contract years of \$31,500,000 includes an increase of \$1,450,000 under Modification No. 3 (which also extended the term by approximately eight months to June 2019) and \$30,050,000 under Modification No. 4, which also extended the term by additional 4 years and 5 months to November 2023.

revenues. The Airport only pays Hill International for services provided, not predetermined annual sums.

POLICY CONSIDERATION

The Airport's practice for Capital Program professional service contracts had been to set contract not-to-exceed amounts for one year, requiring annual modification of the contract to increase the contract amount and contract term. This practice allowed the Airport to monitor contract performance on an annual basis. However, the Airport did not have a consistent practice to ensure that these contracts conform to Charter Section 9.118(b), which requires Board of Supervisors approval for (a) contracts exceeding 10 years, or having expenditures of \$10 million or more; or (b) modifications to such contracts of \$500,000 or more.

After discussions with the Budget and Legislative Analyst's Office, the Airport has agreed to align Board of Supervisors approvals of professional service contracts amounts and durations to match the authorization approved by the Airport Commission. As such, the Airport is seeking approval for the full contract term and duration.

According to Ms. Katz, the Airport conducts full annual reviews of contractors for quality control and may terminate the contract at any time. The Airport also submits biannual reports on contracts over \$10 million to the Airport Commission.

RECOMMENDATION

Approve the proposed resolution.

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

Modification No. 4

**Contract No. 10401.45
Capital Program Support Services for the
Airport Capital Improvement Program**

THIS MODIFICATION (this "Modification") is made as of October 16, 2018, in San Francisco, California, by and between **Hill International, Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On October 17, 2017, by Resolution No. 17-0251, the Commission awarded this Agreement to the Contractor for one (1) year of service in a not-to-exceed amount of \$8,500,000; and
- C. On March 1, 2018, the City and Contractor administratively modified the Agreement to add a new sub-consultant through Modification No. 1; and
- D. On April 16, 2018, the City and Contractor administratively modified the Agreement to add a new sub-consultant through Modification No. 2; and
- E. On October 16, 2018, by Resolution No. 18-0350, the Commission approved Modification No. 3 to extend the term of the agreement through June 30, 2019 and to increase the amount by \$1,450,000 for a new not-to-exceed amount of \$9,950,000. Labor rates were also updated in Modification No. 3; and
- F. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the agreement and increase the contract amount; and
- G. On October 16, 2018, by Resolution No. 18-0350, the Commission approved this Modification No. 4 to extend the term of the agreement for services through November 15, 2023 and increase the amount by \$30,050,000 for a new not-to-exceed amount of \$40,000,000; and
- H. On _____, by Resolution No. _____, the Board of Supervisors approved the Agreement under San Francisco Charter Section 9.118; and
- I. Approval for this Agreement was obtained when the Department of Human Resources approved Modification No. 2 to PSC No. 40890-14/15 on September 24, 2018; and

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

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

a. Agreement. The term "Agreement" shall mean the Agreement dated October 17, 2017 between Contractor and City, as amended by the:

Modification No. 1,	dated March 1, 2018,
Modification No. 2,	dated April 16, 2018, and
Modification No. 3,	dated October 16, 2018.

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


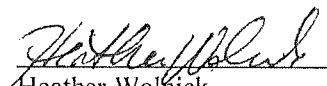
2. Section 2. Term of the Agreement is hereby amended to extend the term of the contract for services through **November 15, 2023**.

3. Section 5. Compensation is hereby amended to increase the total compensation payable by an amount not to exceed **Thirty Million Fifty Thousand Dollars (\$30,050,000)** for a new total not to exceed amount of **Forty Million Dollars (\$40,000,000)**.

4. Effective Date. Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

5. Legal Effect. Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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

CITY	CONTRACTOR
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
By: _____ Ivar C. Satero, Airport Director	 _____ Authorized Signature
Attest:	Raouf Ghali Chief Executive Officer Hill International, Inc. One Commerce Square 2005 Market Street, 17th Floor Philadelphia, PA 19103
By _____ C. Corina Monzón, Secretary Airport Commission	Telephone Number: 215-309-7801
Resolution No: 18-0350	City Supplier Number: 0000018823
Adopted on: October 16, 2018	Federal Employer ID Number: 20-0953973
Approved as to Form: Dennis J. Herrera City Attorney	
By  Heather Wolfnick Deputy City Attorney	

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

**Agreement between the City and County of San Francisco and
Hill International, Inc.**

**Contract No. 10401.45
Capital Program Support Services
For The
Airport Capital Improvement Program**

This Agreement is made this 17th day of October, 2017, in the City and County of San Francisco, State of California, by and between: **Hill International, Inc., One Sansome Street, Suite 2940, San Francisco, California 94104** (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

Recitals

- A. The Commission wishes to enter into an Agreement for capital program support services for the San Francisco International Airport (the "Airport" or "SFO"); and,
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On May 1, 2017, the Commission issued a Request for Proposals ("RFP") and as a result of the selection process prescribed in the RFP and upon the recommendation of the Airport Director, the Commission determined that the Contractor was the qualified proposer receiving the highest evaluation score; and
- D. On October 17, 2017, by Resolution No. 17-0251, the Commission awarded this Agreement to the Contractor for one (1) year of service in a not-to-exceed amount of \$8,500,000; and
- E. The Local Business Entity ("LBE") subcontracting participation requirement for this Agreement is 21%; and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 40890-14/15 on February 6, 2017; and
- G. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

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 by reference into this Agreement.

1.2 "City" or "the City" means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration, referred to as "Purchasing," or the Director's designated agent, Airport Commission.

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

1.4 "Contractor" or "Consultant" means Hill International, Inc., One Sansome Street, Suite 2940, San Francisco, California 94104.

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 first working day following the Effective Date and expire one (1) year later, unless earlier terminated as otherwise provided in 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 under this Agreement 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 Airport Director, 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 **Eight Million Five Hundred Thousand Dollars (\$8,500,000)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached and incorporated by reference as though fully set forth in this Agreement. In no event shall City be liable for interest or late charges for any late payments.

3.3.2 **Payment Limited to Satisfactory Services.** Contractor is not entitled to any payments from City until Airport Commission 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. The City may reject Deliverables, equipment, components, materials and Services that do not conform to the requirements of this Agreement and in such case must be replaced by Contractor without delay at no cost to the City.

3.3.3 **Withholding Payments.** If Contractor fails to provide Services consistent 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 in this Agreement.

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. The City shall make payment 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.

3.4 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; Monetary Penalties. The full text of San Francisco Administrative Code §6.80-6.83, including the enforcement and penalty provisions, is incorporated into this Agreement. Under San Francisco Administrative Code §6.80-6.83, any contractor, subcontractor, supplier, consultant or subconsultant who submits a false claim shall be liable to the City for the statutory penalties set forth in those sections. A contractor, subcontractor, supplier, consultant or subconsultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (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 **Scope of Services.** Contractor agrees to perform the Services provided for 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."

Appendix A includes as-needed services. Such services shall be requested by City through the issuance of a written task order signed by City and Contractor, which task order shall be made a part of and incorporated into the Agreement as though fully set forth in this Agreement without the need for a formal amendment to the Agreement. The task order shall include a description of the as-needed services, the deliverables, schedule for performance, cost, and method and timing of payment.

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, and 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 the Appendix B, Calculation of Charges.

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

consistent 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 consistent with Contractor policy and procedure, Contractor shall remedy the deficiency. 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 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.

Article 5 Insurance and Indemnity

5.1 Insurance.

5.1.1 Required Coverage's. Without in any way limiting Contractor's liability under the "Indemnification" section of this Agreement, Contractor, or each of Contractor's Joint Venture Partners, must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverage's:

(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 Professional Services to be provided under this Agreement. If the Contractor is a Joint Venture, each member of the Joint Venture must maintain individual Professional Liability insurance and each policy must include 'Joint Venture' coverage but only for the liability arising out of the professional services performed by the Joint Venture member. The Contractor may be asked to provide all applicable policies for verification of coverage.

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. If the Contractor is a Joint Venture, each Joint Venture Partner's policies must be endorsed to include each other Joint Venture partner (by Name) AND the Joint Venture as additional insured's.

(b) That such policies are primary insurance to any other insurance available to the Additional Insured's, 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 coverage's. 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 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.

5.1.6 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 coverage's set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability.

5.1.7 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 or any Joint Venture Partner, their employees, agents and subcontractors.

5.1.8 If Contractor or any Joint Venture Partner 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 insured's.

5.2 **Indemnification.** Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts that are inconsistent with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's Services.

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 under this Agreement. 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 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 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		
Article 7	Payment of Taxes	11.10	Compliance with Laws

(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 into this Agreement by reference, 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.

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
		9.2	Works for Hire
3.4	Audit and Inspection of Records	10.4	Nondisclosure of Private, Proprietary or Confidential Information
3.5	Submitting False Claims	11.6	Dispute Resolution Procedure
Article 5	Insurance and Indemnity	11.7	Agreement Made in California; Venue
6.1	Liability of City	11.8	Construction
6.3	Liability for Incidental and Consequential Damages	11.9	Entire Agreement
Article 7	Payment of Taxes	11.10	Compliance with Laws
8.1.6	Payment Obligation	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 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 into this Agreement by reference. 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 http://www.amlegal.com/codes/client/san-francisco_ca/.

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 consistent 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 **Nondiscrimination 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. Contractor shall utilize LBE Subcontractors for at least **21%** of the Services except as otherwise authorized in writing by the Director of CMD. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor's LBE subcontracting commitments.

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 Slavery Era Disclosure – Not applicable.

10.13 Consideration of Criminal History in Hiring and Employment Decisions

10.13.1 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. 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.

10.13.2 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 which excludes

Airport property. 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.

10.14 Public Access to Nonprofit Records and Meetings – Not applicable.

10.15 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 provided remedies for noncompliance.

10.16 Sugar-Sweetened Beverage Prohibition – Not applicable.

10.17 Tropical Hardwood and Virgin Redwood Ban. Under 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.

10.18 Preservative Treated Wood Products – Not applicable.

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:

By US Mail: Julia Katz
Airport Project Manager
San Francisco International Airport
P.O. Box 8097
San Francisco, California 94128
Email: Julia.Katz@flysfo.com

By Personal Delivery
or Express Mail: Julia Katz
Airport Project Manager
Planning, Design and Construction
San Francisco International Airport
710 N. McDonnell Road, 2nd Floor
San Francisco, California 94128

To Contractor: William H. Dengler, Jr.
Executive Vice President and General Counsel Hill International, Inc.
Hill International, Inc.
2005 Market Street, 17th Floor
Philadelphia, PA 19103
Email: williamdengler@hillintl.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 **Payment Card Industry ("PCI") Requirements** – Not applicable.

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, under San Francisco Administrative Code Section 21.35, 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, the Parties may resolve disputes 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 consistent 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 has first 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.

Article 12 Requirements For Airport Contracts

12.1 **Airport Commission Rules and Regulations.** Contractor agrees to comply with the Airport Commission's Rules and Regulations for the San Francisco International Airport as amended from time to time. A copy of the current Rules and Regulations can be found at: <http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations>.

12.2 **Airport Intellectual Property.** Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

12.3 **Labor Peace / Card Check Rule.** Without limiting the generality of other provisions in this Agreement requiring Contractor to comply with all Airport Rules, Contractor shall comply with the Airport's Labor Peace / Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "Labor Peace / Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check Rule, Contractor shall, among other actions: (a) Enter into a Labor Peace/Card Check Rule Agreement with any Labor Organization which requests such an agreement and which has registered with the Airport Director or his / her designee, within thirty (30) days after Labor Peace/Card Check Rule Agreement has been requested; (b) Not less than thirty (30) days prior to the modification of this Agreement, Contractor shall provide notice by mail to any Labor Organization or federation of labor organizations which have registered with the Airport Director or his / her designee (registered labor organization"), that Contractor is seeking to modify or extend this Agreement; (c) Upon issuing any request for proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract,

Contractor shall provide notice to all registered Labor Organizations that Contractor is seeking to enter into such Subcontract; and (d) Contractor shall include in any subcontract with a Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If Airport Director determines that Contractor violated the Labor Peace/Card Check Rule, Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to him / her.

12.4 Federal Fair Labor Standards Act. This Agreement incorporates by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Contractor has full responsibility to monitor compliance to the referenced statute or regulation. Contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

12.5 Occupational Safety and Health Act of 1970. This Agreement incorporates by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

12.6 Federal Nondiscrimination Requirements. During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as "Contractor") agrees as follows:

12.6.1 Compliance with Regulations. Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

12.6.2 Nondiscrimination. Contractor, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

12.6.3 Solicitations for Subcontracts. Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of Contractor's obligations under this Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

12.6.4 Information and Reports. Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Airport or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive

possession of another who fails or refuses to furnish the information, the contractor will so certify to the Airport or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

12.6.5 Sanctions for Noncompliance. In the event of a contractor's noncompliance with the Non-discrimination provisions of this Agreement, the Airport will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

(a) Withholding payments to the contractor under the contract until the contractor complies; and/or

(b) Cancelling, terminating, or suspending a contract, in whole or in part.

12.6.6 Incorporation of Provisions. Contractor will include the provisions of paragraphs 12.6.1 through 12.6.6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor will take action with respect to any subcontract or procurement as the Airport or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contractor may request the Airport to enter into any litigation to protect the interests of the Airport. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

12.6.7 Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 -- 12189) as

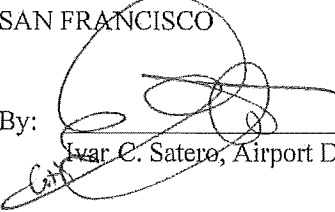
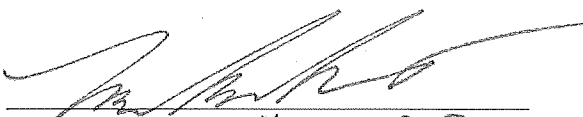

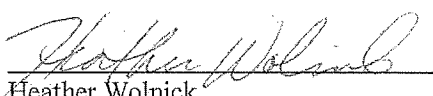
implemented by Department of Transportation regulations at 49 CFR parts 37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

Article 13 MacBride And Signature

13.1 **MacBride Principles -Northern Ireland.** The provisions of San Francisco Administrative Code §12F are incorporated 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
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
By:  Ivar C. Satero, Airport Director	 Authorized Signature <u>MICHAEL B. SMITH</u> FOR Paul J. Evans Interim Chief Executive Officer Hill International, Inc. One Commerce Square 2005 Market Street, 17th Floor Philadelphia, PA 19103
Attest:  By Jean Caramatti, Secretary Airport Commission	<u>215-309-7802</u> Telephone Number <u>0000018823</u> City Supplier Number <u>20-0953973</u> Federal Employer ID Number
Resolution No: 17-0251 Adopted on: October 17, 2017 Approved as to Form: Dennis J. Herrera City Attorney	
By:  Heather Wolnick Deputy City Attorney	

Appendices

- A: Scope of Services
- B: Calculation of Charges
- C: Strategic Plan

Appendix A

Scope of Services

The Contractor shall provide qualified staff for program management and controls-related services to work under and at the direction of Planning, Design & Construction (PD&C) Management in accordance with an agreed upon staffing plan. Services and fees shall be negotiated annually or more frequently, based on the requirements of the Capital Improvement Program (CIP) and tasks as they are assigned to the Contractor.

The purpose and intent of the Agreement is to provide competent and qualified staff to Airport PD&C Management for the list of positions described and set forth herein. The scope and level of performance required of each position shall remain exclusively within the control and direction of PD&C Management. The positions identified below are (1) intended to serve as an initial list which may or may not be filled on a full-time basis at the Airport's discretion, and (2) the list may be modified by the PD&C Management from time to time through addition or deletion to meet the dynamic requirements of the CIP.

The Airport may identify and assign additional services to the Contractor that are not listed below for the furtherance of the CIP.

1. Reporting for this Agreement

1.1 The Team Lead shall produce reports and deliverables on the administration of this Agreement that meet Airport requirements. Reports and deliverables shall be in electronic format to the greatest extent possible; however at the request of the Airport, hard copy color duplicates shall also be made available. Reports and deliverables may include the following:

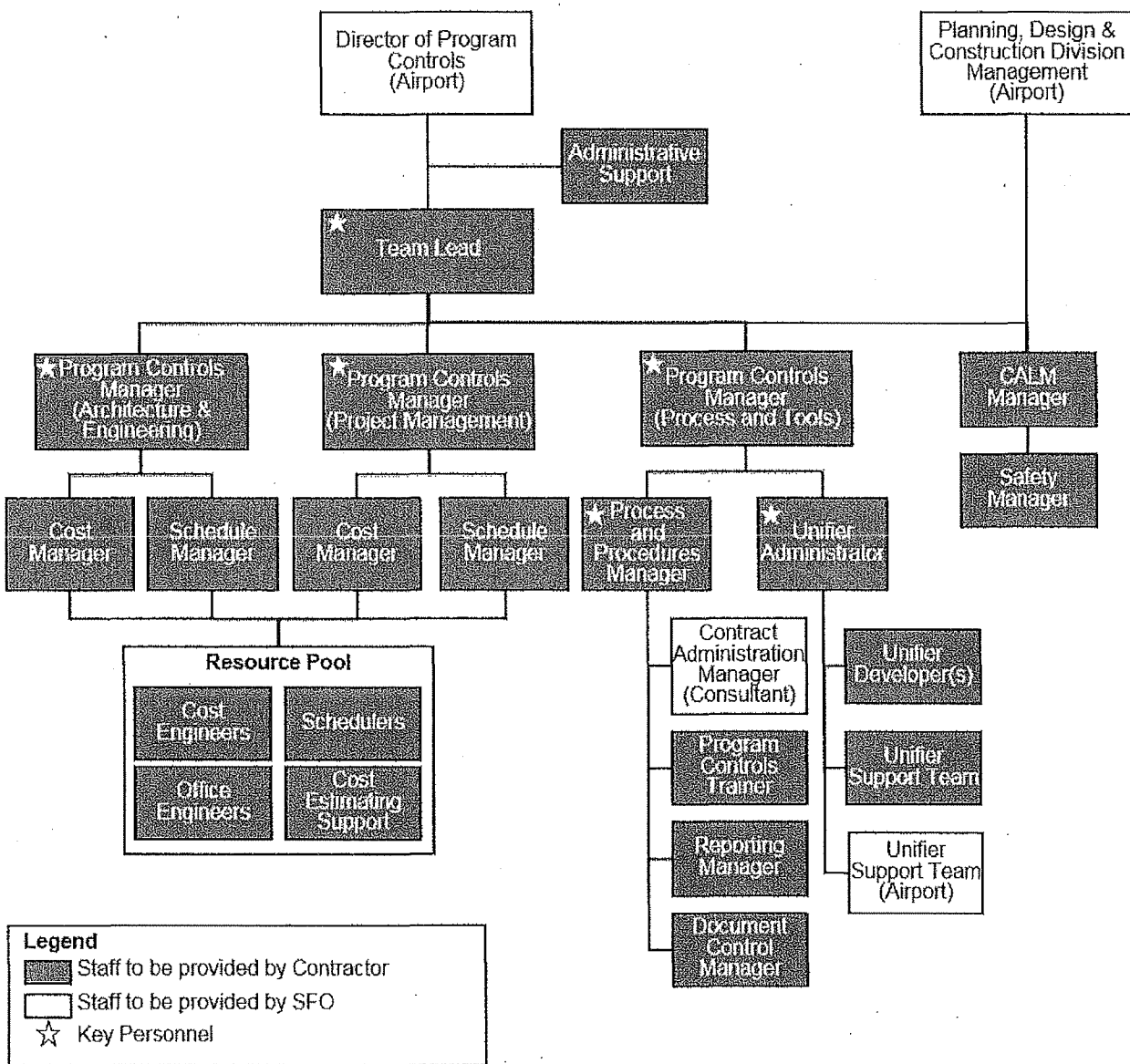
1.1.1 A written monthly report to the Airport on services provided to the Airport under this Agreement in a format consistent with the Airport reporting process. The Contractor will report on its progress and any problems in performing the Services of which the Contractor becomes aware.

1.1.2 Report on quality assurance and quality control processes and how these are being engaged on a monthly basis in administration of this Agreement.

2. Organization Chart

Upon Notice to Proceed, the Contractor shall provide the staff to supplement and support PD&C Management for an integrated Program Management Team. The organization chart below represents potential staff positions and expected reporting assignments to be filled as part of these services. Positions may be added or removed depending on the dynamic needs of the CIP.

Figure 1: Program Management Team Organization Chart



3. Key Personnel

3.1 Team Lead

The Team Lead should not only have robust and relevant experience, but should be able to thrive in the collaborative working environment of SFO. The Team Lead should have experience managing the delivery of complex capital programs. The Team Lead shall be a full-time, on-site, position, and will be the primary point of contact with PD&C Management. The Team Lead should be collaborative, innovative, and be able to drive the team to solutions.

The Team Lead must be listed in the Notice to Parties Section of the Agreement. The Team Lead will provide administration of this contract, including but not limited to providing suggested

staffing, progress payment processing, change order processing, forecasting, and monthly progress reporting.

3.2 Program Controls Manager (Architecture and Engineering)

PD&C's Architecture and Engineering Sections are providing design and construction management services for 119 projects within the current CIP. These projects range in value from \$500K to \$50M. The Program Controls Manager (Architecture and Engineering) will work with Airport staff as well as external consultant teams to gather, review, analyze, and report on cost, scope, and schedule information for these projects. The Program Controls Manager will help the Airport ensure that project cost and schedule are developed, analyzed, and reported on in a transparent, consistent, and real-time manner. The Program Controls Manager will lead a team of Cost and Schedule personnel to:

3.2.1 Review data entered into the Airport's Project Management System, Primavera Unifier, to ensure that data is accurate, thorough, and consistent. The Program Controls Manager shall use this data to identify and resolve any risks as they relate to the overall Program.

3.2.2 Work with CIP Project Teams to uniformly exchange information relating to budget, costs, estimates, risk, and schedule.

3.2.3 Work with CIP Project Teams to ensure that cost and schedule reports meet Airport reporting and formatting requirements.

3.2.4 Develop and maintain a program-level Master Schedule in Primavera P6 EPPM, using schedule information provided by each CIP Project Team.

3.3 Program Controls Manager (Project Management)

PD&C's Project Management Section is implementing 58 projects within the current CIP. These projects are major in nature and range in value from \$50M to \$1.4B. The Program Controls Manager (Project Management) will work with Airport staff as well as external consultant teams to gather, review, analyze, and report on cost, scope, and schedule information for these Projects. The Program Controls Manager will help the Airport ensure that project cost and schedule are developed, analyzed, and reported on in a transparent, consistent, and real-time manner. The Program Controls Manager will lead a team of Cost and Schedule personnel to:

3.3.1 Review data entered into the Airport's Project Management System, Primavera Unifier, to ensure that data is accurate, thorough, and consistent. The Program Controls Manager shall use this data to identify and resolve any risks as they relate to the overall Program.

3.3.2 Work with CIP Project Teams to uniformly exchange information relating to budget, costs, estimates, risk, and schedule.

3.3.3 Work with CIP Project Teams to ensure that cost and schedule reports meet Airport reporting and formatting requirements.

3.3.4 Develop and maintain a program-level Master Schedule in Primavera P6 EPPM using schedule information provided by each project.

3.4 Program Controls Manager (Process and Tools)

The Program Controls Manager (Process and Tools) will oversee and coordinate the integration of Airport processes and controls into the Airport's Project Management System, Primavera Unifier; ensure CIP Project Teams are informed and trained on existing or new processes; and ensure that Airport Management receives consistent and accurate reporting to assist in the identification and resolution of issues.

3.5 Process and Procedures Manager

The Process Manager shall work alongside Airport staff to review and analyze existing business processes and develop new processes, forms, workflows, and reports as necessary that can be managed in the Airport's Project Management System, Primavera Unifier. Working alongside Airport staff, the Process Manager will:

- 3.5.1 Update business processes as directed by Airport staff.
- 3.5.2 Identify and prioritize additional business processes to be managed in Unifier.
- 3.5.3 Analyze the existing processes and provide recommendations for improvement and efficiency.
- 3.5.4 Coordinate meetings with appropriate Airport stakeholders to develop new processes. Develop meeting minutes of findings and provide recommendations for implementation to the Airport.
- 3.5.5 Assist the Project Controls Trainer to train Airport staff and CIP Project Teams on the use of new processes.
- 3.5.6 Assist the Unifier Database Administrator and Unifier Support staff to develop, test, and deploy business processes in Unifier.
- 3.5.7 Develop policies and procedures to document current and new processes.

3.6 Unifier Database Administrator

The Unifier Database Administrator will serve as the administrator of the Airport's Project Management System, Primavera Unifier, and will help PD&C staff improve and maintain the system. Working alongside Airport staff, the Unifier Database Administrator will:

- 3.6.1 Manage and oversee the work of the Unifier Programmers, Developers, and Support staff.
- 3.6.2 Assist the Airport with refinement of existing business processes, including identification and development of additional business processes to enhance Unifier's capabilities for delivery of the CIP.
- 3.6.3 Provide maintenance and support of Unifier database and develop quality assurance procedures to ensure the data validity and business process accuracy.

3.6.4 Assist the Scheduling and Reporting Managers to develop and maintain integration with Unifier and web based reporting.

3.6.5 Administer and maintain policies and procedures for use of Unifier. The Administrator may also be responsible for developing new policies and procedures as it pertains to Unifier use.

4. Support Personnel

4.1 Cost Manager(s)

The Cost Manager will work with Airport staff as well as external consultant teams to gather, review, analyze, and assist in reporting on Project cost and scope information for the overall CIP. The Cost Manager will help the Airport ensure that Project costs are reported in a transparent, consistent, and real-time manner in the Airport's Project Management System, Primavera Unifier, and assist PD&C Management with reconciliation of cost systems and quality control of data.

On a CIP Program Level, the Cost Manager shall:

4.1.1 Develop and maintain program-level budget, funding, and forecast reports in Unifier, or any other required medium, using cost data provided by each CIP Project Team.

4.1.2 Perform analysis of cost data to provide recommended solutions to Airport Management to help the Airport to manage program risks and make informed decisions.

For each CIP Project, the Cost Manager shall work alongside Airport staff and/or CIP Project Team to:

4.1.3 Perform quality assurance of the CIP Project Teams to enhance consistency and accuracy in the reporting of all information.

4.1.4 Engage and work with other Airport divisions to uniformly exchange information relating to Program budget, costs, estimates and other data with other Airport management systems (i.e. Capital Planning System).

4.1.5 Assist the CIP Project Teams to ensure that cost reports meet Airport reporting and formatting requirements.

4.2 Cost Engineer(s)

The Cost Engineer(s) will work with Airport staff and CIP Project Teams in support of the Cost Manager's efforts.

4.3 Scheduling Manager(s)

The Scheduling Manager will work with Airport staff to coordinate Program-wide schedules, and with separate CIP Project Teams to assist with their project schedules. The Scheduling Manager shall also identify opportunities integrate schedules with cash flow in a consistent manner to link

project costs to schedule seamlessly. The Scheduling Manager will develop and implement a consistent coding structure that will tie cost and schedule together at the project level and will enable roll-up reporting for the overall CIP.

The Scheduling Manager will work with Airport staff and CIP Project Teams to gather, review, and report out on project scope and schedule information for the overall CIP. The Scheduling Manager will help the Airport ensure that project schedules are reported in a transparent, consistent, and real-time manner.

On a CIP Program Level, the Scheduling Manager shall:

4.3.1 Develop and maintain a program-level schedule using individual project schedules.

4.3.2 Identify and analyze dependencies, controls, and interfaces between CIP Projects, and with other Airport operational activities. Provide recommended solutions or re-sequencing options to Airport Management to help the Airport manage program risks and make informed decisions.

For each CIP Project, the Scheduling Manager shall work alongside Airport staff and/or CIP Project Teams to:

4.3.3 Perform quality assurance of individual CIP Project Teams to enhancing consistency and accuracy in the reporting of all information.

4.3.4 Engage Airport Staff and consultants alike to uniformly exchange information relating to schedules and risk.

4.3.5 Assist CIP Project Teams to ensure that schedule reports meet Airport reporting and formatting requirements.

4.4 Scheduler(s)

The Scheduler(s) will work with Airport staff as well as external consultant CIP Project Teams to support the Scheduling Manager's efforts.

4.5 Program Controls Trainer

The Program Controls Trainer shall assist the Airport in developing and providing training to the Airport staff and CIP Project Teams. The training will encompass all of the business processes including but not limited to cost, schedule, budgeting, forecasting, estimating, document control, progress payments, change control, audit response, contract administration, progress reporting, and use of Unifier.

4.6 Reporting Manager

The Reporting Manager shall develop and ensure timely delivery of the Monthly Program Report and the Quarterly Commission Report which are comprised of all individual CIP Project reports. The Reporting Manager shall perform quality control of document layout design for reporting consistency, graphic designs, and consistency in content.

The Reporting Manager shall also be responsible of the development of PowerPoint templates for CIP Project Teams to use for Partnering presentations, Executive Advisory Board presentations, ZERO Committee presentations, Design Review presentations and/or any other purpose as directed by PD&C Management.

As requested, the Reporting Manager shall develop the outline, graphics, data, charts, and content of other reports and presentations so that varying levels of details can be communicated to different management levels within the Airport organization as well as to the public.

The Reporting Manager shall have the technical skills required to understand the information being provided by the CIP Project Teams and interface with the CIP Project Teams to provide assistance to ensure reporting templates are utilized correctly and consistently. Observed issues, risks, or project challenges shall be communicated to PD&C Management for resolution.

4.7 Document Control Manager

The Document Control Manager shall work with the CIP Project Teams to ensure that project information is documented in an integrated, accessible, electronic format with a hard copy stored in a retrievable system as directed by the Airport.

The Document Control Manager shall assist Airport staff in developing a procurement process for the Airport to procure a document control system for use division-wide for PD&C.

4.8 Unifier Developer(s)

The Unifier Developer (Oracle Systems Architect) will assist the Airport with either developing new or maintaining existing business processes in the Airport's Project Management System, Primavera Unifier, as well as address any support problems, questions, and issues that come up from users of existing processes. Many of the business processes such as RFIs, change management, payments, etc. are already established. However, the need may arise for a new business process to assist with the furtherance of the CIP, and integration with other Airport or City and County of San Francisco systems. This position shall have a full understanding of Oracle Primavera systems architecture and development experience to react to expeditiously to requests for changes to existing business processes or new development.

4.9 Unifier Support Team

The Unifier Support Team shall consist of both Airport and Contractor staff. The Unifier Support Team will support the efforts of the Unifier Database Administrator as well as CIP Program Teams in Unifier issue resolution. The Unifier Support Team shall respond to all CIP Project Team requests for assistance, including assigning new users, resetting passwords, technical issues, and step-by-step guidance for issue resolution.

4.10 Office Engineer(s)

The Office Engineer(s) shall assist the Program Management Team and other identified staff in support of cost, schedule, reporting, process development, training, and document control and database development tasks.

4.11 Administrative Support.

Administrative Support staff shall perform administrative duties for the Program Management Team. At the time of certification, the Contractor shall provide one individual for this role. The Airport may request additional resources to further supplement this position.

4.12 Safety Management Services

The Contractor shall provide safety management services to support the CIP, including the following services:

4.12.1 Monthly reporting of first aid cases, near misses, recordable injuries/illnesses, lost work days, safety awards, etc.

4.12.2 Monthly report of safety status for CIP program.

4.12.3 Development of construction safety standards and implementation across all CIP projects.

4.13 Construction and Logistics Management (CALM) Services

The Contractor shall be provide management support for the Airport's Construction and Logistics Management (CALM) Program. The intent of the CALM Program is to provide coordination of construction activities between all projects, as well as coordinate with ongoing Airport operations.

5. As-Needed Resources and Services

The Airport may request that the Contractor provide additional services to support the furtherance of the CIP or any facet thereof. The Airport will assign these services through written authorization without the need for a formal Modification to the Agreement.

Services are as-needed in nature and shall not be provided by the Contractor at the onset of this Agreement. The roles and services below are not intended to be a comprehensive list of services that may be required, but rather examples of potential positions.

5.1 Management Services

The Contractor may provide additional services across the CIP, including management services, Project interfaces coordination and other duties as needed to assist in the management of the CIP.

5.2 Cost Estimating and Control Services

The Contractor shall be prepared to support financial analyses, which may include the following:

5.2.1 Preparation of hard and soft cost budget estimates to establish a baseline project budgets, and high-level cost and trend management services.

5.2.2 Cost estimating to support change management procedures for individual CIP Projects.

5.2.3 Cost estimating to support CIP Project Teams requests for use of CIP budgets, such as the Net Zero Program Budget or the CIP Program Reserve Budget.

5.3 Scheduling Services

The Contractor shall be prepared to support Airport scheduling and analysis when requested, which may include the following services:

5.3.1 Compile and provide applicable schedules from Airport staff and CIP Project Teams. Schedules will provide the overall period of performance, major milestones, contractual milestones, contract deliveries, and other major project phases. It also shows milestones that interface between projects.

5.3.2 Verify and validate Level 2 schedules provided by the project designers. The Level 2, or Intermediate Schedule, should contain a detailed reflection of the activities that must be accomplished to achieve the Level 1 schedule objectives. At a minimum, the Level 2 schedule shall include contractually required deliveries of critical long lead items, hardware, software, and performance requirements.

5.3.3 Verify and validate Level 3 schedules provided by the project builders. The Level 3, or Detailed Schedule, contains a detailed set of activities that must be accomplished to achieve Level 2 schedule objectives. This schedule should contain enough detail for the Airport's project manager to plan, direct, and monitor the completion of work and to reliably calculate the project's critical path. The Level 3 schedule shall reflect the Contractor's review and monitoring of construction schedules and the coordination of those schedules with other Airport projects either planned or ongoing.

5.3.4 Identify and analyze dependencies, controls, and interfaces within a project, with other Airport operational activities, and/or with other projects and perform alternative analysis of project sequence to optimize project delivery within the Level 3 schedule.

5.4 Administration of Structured Collaborative Partnering and Stakeholder Engagement Process Services

If requested by the Airport, the Contractor shall assist in administering the Airport's Structured Collaborative Partnering and Stakeholder Engagement Processes. This includes, but not limited to, coordinating meetings, taking minutes of meetings, tracking action items, producing reports, etc. Additionally, the Contractor may be requested to provide neutral partnering facilitation services, which would be paid as other direct cost.

5.5 Procurement and Contract Support Services

If requested by the Airport, the Contractor shall assist the Airport in administering construction contract procurement processes, including the bidding and selection process. Additional services may include verification of payment applications, certified payroll tracking, Local Business Enterprise tracking, invoicing, etc. As well as assisting in the modification of existing construction contracts to reflect new processes, terms and conditions.

5.6 Quality Assurance/Quality Control Services

If requested by the Airport, the Contractor shall work with the Airport Quality Assurance/Quality Control (QA/QC) team to provide third-party, peer, and quality assurance reviews of design deliverables and construction documents produced by both consultants and internal design teams.

5.7 Sustainability

SFO has achieved significant environmental sustainability goals and intends to incorporate sustainability procedures and practices in all spheres of Airport operations. If requested by the Airport, Contractor shall provide support to Airport staff for the incorporation of sustainability requirements and goals into the procurement and bid documents for projects.

The Contractor shall:

5.7.1 Ensure that all applicable Sustainability guidelines of the Airport, as well as relevant local, state, and federal codes and regulations for renovation or construction of non-residential buildings are incorporated into CIP Projects.

5.7.2 Work alongside the Airport, stakeholders, and CIP Project Teams to consider and implement sustainable design and construction solutions throughout a project.

5.7.3 Review the CIP Project construction documents and construction site for consistency with the applicable Airport sustainability guidelines, and green building codes and standards.

5.8 Geographic Information System (GIS) Support

If requested by the Airport, provide GIS Support to the Airport's Infrastructure Information Management Section. The GIS system shall capture, store, manipulate, analyze, manage, and present spatial or geographic infrastructure information. The GIS shall enable Airport Management to visualize, question, analyze, and interpret infrastructure data to understand relationships, patterns, and trends and make informed decisions in regards to planning, design and operations.

5.9 Construction Coordinator/Field Manager

If requested by the Airport, assist PD&C in the coordination of operations-related activities of the CIP Project Teams, including, contractor and trade on-site parking, construction delivery coordination, airfield access coordination, contractor badging privileges coordination, utilities shutdown coordination, and other activities that may have an impact on Airport operations.

End of Appendix A

Appendix B

Calculation of Charges

This is Appendix B attached to, and incorporated by reference in the Agreement made on October 17, 2017 between the City and County of San Francisco, acting by and through its Airport Commission (Commission), and Hill International, Inc. (Contractor) providing for Capital Program Support Services.

1. General

1.1 As set forth in in Article 3.3 "Compensation" of the Agreement, Compensation for work performed under this Agreement will be on a time and materials basis and is broken down as follows for the first year of services:

Mobilization (Lump Sum) =	\$311,000
Professional Services and Other Direct Costs (ODCs) =	\$8,189,000
Total First Year of Services =	\$8,500,000

1.2 No charges shall be incurred under this Agreement nor shall any payments become due to the Contractor until reports, services, or both required under this Agreement are received from the Contractor and approved by the Airport as being in accordance with this Agreement. In no event shall the Airport be liable for interest or late charges for any late payments.

1.3 Compensation for work performed under this Agreement will be on a time and materials basis and/or lump-sum if approved by the Airport Project Manager. Such compensation shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).

2. Method of Payment

2.1 Unless approved otherwise by the Airport, the Contractor shall submit invoices for its services on a monthly basis, and the Airport will issue payments within thirty (30) days of receipt of an acceptable invoice with satisfactory backup documentation, approved by the Airport Project Manager. The term "invoice" shall include the Contractor's bill or other written request for payment under this Agreement for services performed. All invoices shall be made in writing.

2.2 The Contractor shall submit invoices for the Work performed in conformance with procedures approved by the Airport.

2.2.1 Such invoices shall segregate current costs from previously invoiced costs.

2.2.2 Costs for individual labor shall be segregated by task and subtasks, if any.

2.2.3 In no case shall the Contractor's invoices include costs that the Airport has disallowed or otherwise indicated that it will not recognize. Costs shall be invoiced by Contractor's accounting categories and shall be subject to the audit provisions of this Agreement.

2.2.4 Each invoice shall clearly distinguish Contractor's personnel that are invoiced at the home office rate versus the field office rate. See paragraph 3 below for rate definitions.

2.2.5 Such invoices shall be at a minimum: (i) mechanically accurate; (ii) substantially evidenced and properly supported; and (iii) in compliance with generally accepted accounting principles.

2.3 The Contractor shall also certify, for each invoice, that (i) the hourly rates for direct labor to be reimbursed under this Agreement, whether for Contractor or its subcontractor(s), are not in excess of the hourly rates in effect for the Contractor or subcontractor employees engaged in the performance of services under this Agreement at that time; and (ii) that such hourly rates are in conformance with the Agreement.

2.4 The Airport reserves the right to withhold payment(s) otherwise due the Contractor in the event of the Contractor's material non-compliance with any of the provisions of this Agreement, including, but not limited to, the requirements imposed upon the Contractor in Article 5, Insurance, and Article 5, Indemnification. The Airport shall provide notice of withholding, and may continue the withholding until the Contractor has provided evidence of compliance that is acceptable to the Airport.

2.5 All invoices shall be made in writing and delivered or mailed to the Airport at the mailing address listed in Article 11.1, Notice to the Parties, of the Agreement.

3. Labor Rates and Fees

3.1 Direct Labor Rate and Direct Labor Rate Adjustment

3.1.1 Contractor shall pay salaried personnel based on a maximum of 40 hours per week, with no overtime. Contractor shall pay salaried personnel assigned to multiple projects on a pro-rata share of a 40-hour week. Contractor shall provide copies of signed time cards showing all assigned projects and the shared calculation.

3.1.2 The approved labor rates stated Article 3.1.3 of this Agreement shall remain in effect for the first year of contract services. As, at the option of the Commission, this is a multi-year contract, the Airport may approve an annual adjustment to the direct hourly labor rates effective on the anniversary date of this Agreement, based on an increase in the Consumer Price Index for the preceding twelve (12) months for the San Francisco Bay Area as published by the U.S. Department of Labor, Bureau of Labor Statistics, under the title of: "All Urban Consumers - San Francisco/Oakland/San Jose, California." Adjustments in the rates are subject to prior written approval by the Airport and must be included in a written modification to the Agreement before any increase labor rate is incurred, unless the adjustment is made to meet the requirements of prevailing or minimum wage legislative mandates.

3.1.3 The direct labor rate for each person serving in a position/classification must fall within the approved direct labor rate range as follows:

Position/Classification	Direct Labor Rate Range	
	Low	High
Team Lead	\$90.00	\$115.00
Program Control Manager (Process and Tools)	\$75.00	\$95.00

Program Controls Manager (Project Management)	\$75.00	\$105.00
Program Controls Manager (A&E)	\$75.00	\$95.00
Cost Engineer I	\$60.00	\$75.00
Cost Engineer II	\$75.00	\$85.00
Schedule Manager	\$60.00	\$85.00
Schedulers	\$50.00	\$70.00
Process & Procedures Manager	\$60.00	\$70.00
Program Controls Trainer	\$50.00	\$80.00
Reporting Coordinator	\$40.00	\$65.00
Reporting Manager	\$50.00	\$70.00
Unifier Administrator	\$75.00	\$76.00
Unifier Developer	\$65.00	\$80.00
Unifier Support Team	\$35.00	\$80.00
Office Engineer I	\$35.00	\$60.00
Office Engineer II	\$45.00	\$55.00
Office Engineer III	\$55.00	\$65.00
Safety Manager	\$55.00	\$80.00
QA/QC	\$60.00	\$80.00
CALM Manager	\$70.00	\$80.00
Construction Coordination / Field Manager	\$50.00	\$75.00
Management Services	\$70.00	\$80.00
Procurement & Contract Support	\$40.00	\$70.00
Certified Payroll Tracking	\$20.00	\$35.00
Stakeholder Engagement Process Manager	\$35.00	\$60.00
Sustainability Manager	\$50.00	\$70.00
Document Control Manager	\$35.00	\$45.00
Administrative Support	\$20.00	\$40.00
Chief Estimator	\$80.00	\$95.00
Cost Engineer	\$45.00	\$74.60
Lead Estimator	\$75.00	\$95.00
Senior Cost Engineer	\$60.00	\$91.80
Senior Estimator	\$55.00	\$86.00
Senior MEP Estimator	\$70.00	\$95.00

Program Advisor I	\$60.00	\$70.00
Program Advisor II	\$70.00	\$80.00
Program Advisor III	\$80.00	\$95.00
GIS Project Director	\$54.00	\$73.00
Senior GIS SME	\$44.00	\$56.00
GIS Data Interoperability SME	\$51.00	\$65.00

3.2 Overhead Rates

3.2.1 The Airport shall pay the lesser of a firm's current audited overhead rates, or the maximum approved overhead rates as follows:

FIRM NAME	HOME OFFICE OVERHEAD RATE	FIELD OFFICE OVERHEAD RATE
Hill International, Inc.	146.51%	103.95%
ABA Global	160%	135%
Chaves & Associates	N/A	145.00%
C M Pros, Inc.	169.43%	158.27%
DRMcNatty & Associates	188.22%	N/A
M Lee Corporation	136.50%	117.20%
Montez Group, Inc.	135.00%	132.00%
Mott MacDonald, LLC	160.16%	137.70%
OrgMetrics, LLC	N/A	N/A
Saylor Consulting Group	125.12%	118.01%
TranSystems Corporation	149.90%	124.97%
UDC, LLC	150%	N/A
Woolpert	181.32%	155.00%

3.2.2 Contractor shall submit to the Airport current certified reviewed financial audit report(s) of overhead cost rates for home and/or field office rates upon request for a change or addition to the approved overhead rates stated in this Paragraph 3.2.

3.2.3 The home office indirect cost rate shall be used when staff works in an office provided by the Contractor. The field office indirect cost rate shall be used when staff is assigned full time to an office provided by the Airport. To qualify for the field office indirect cost rate the Airport shall provide office spaces, utilities, telephone service, internet access, and computers.

3.3 Fee

The maximum Fee of **ten percent (10%)** shall be applied to the sum of direct labor and overhead only, whether Contractor or subcontractors of any tier. The Fee shall not be applied to Other Direct Costs.

3.4 Approved Mark-Up on First-Tier Subcontractors

Contractor is permitted a **two percent (2%)** mark-up on first tier subcontractor invoices.

4. Other Direct Cost (ODC)

4.1 Only the actual costs incurred by the Contractor shall be allowed and invoiced as ODCs. The Contractor shall not submit any cost in excess of \$500 without prior written authorization from the Airport Project Manager. There shall be no mark-ups of any kind allowed on costs reimbursed under this Paragraph 4. Costs shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with the Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).

4.2 The costs of renderings, computer-animated presentations, and presentation models required for meetings and approvals described in Appendix A of this Agreement are considered a part of the approved overhead rates stated in Paragraph 3.2, and not ODCs. The cost of additional renderings, computer-animated presentations, or presentations requested in writing and directed by the Airport shall be ODCs. Such materials prepared by the Contractor without written advance approval by the Airport shall be considered non-reimbursable.

4.3 The following items are considered normal Agreement costs, a part of the Approved Overhead Rates, and are not considered ODCs: (a) phone calls, faxes, mail, express mail, courier delivery or overnight delivery service charges, or other communications charges between members of the Contractor's team, regardless of location; regional phone calls and faxes for all area codes having any geographical land area within 100 miles of San Francisco even though its outlying boundary exceeds the 100 mile limitation; (b) Internet gateways, electronic mail service or other technology-based communication service, FTP sites, or data file transfer or research services; (c) travel by the Contractor or its subcontractors between its home office and the San Francisco Bay Area; (d) travel within 100 mile radius of San Francisco; travel outside 100 mile radius of San Francisco unless approved in writing in advance by the Airport; (e) in-house coordination materials among the Contractor's team and subcontractors, including photocopy and drawing materials, messenger services; (f) presentation material, reproductions, all CADD and other computer-related time and expenses in support of those items specifically listed in Appendix A of this Agreement; and (g) food and beverage and/or entertainment charges of any kind unless approved in writing in advance by the Airport Chief Development Officer.

4.4 Unless authorized by the Airport Chief Development prior to incurring the expense, the Airport will not reimburse the Contractor for the costs of business travel, contractor meals, or accommodations, including specialists that are based out of town and not assigned to the jobsite office. Travel and *per diem* expenses for the project team's management, jobsite personnel, or staff that commute to or from other offices or residences is not allowed. When authorized, travel expenses shall be in accordance with the City & County of San Francisco Travel Guidelines can be found at the following link:

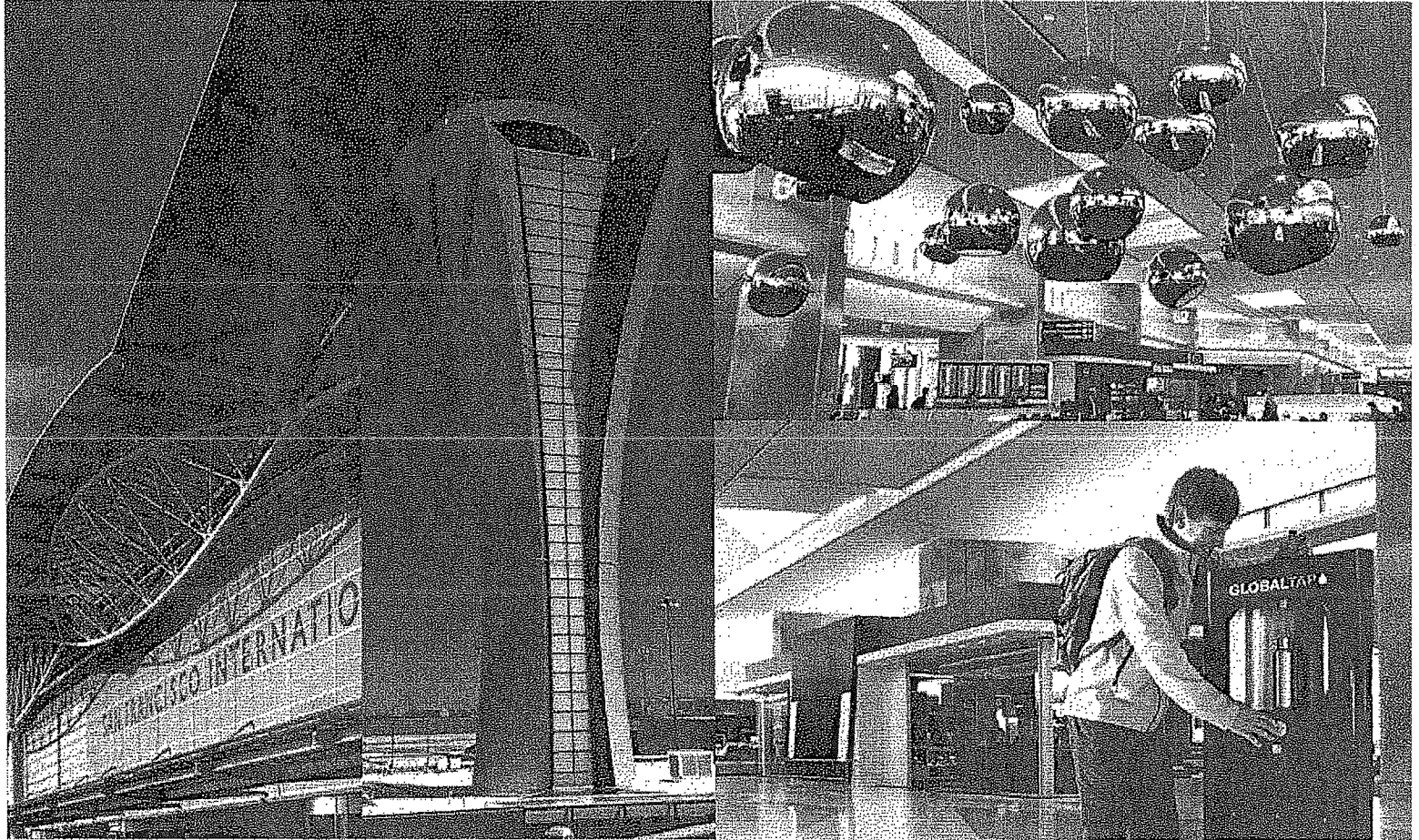
https://www.google.com/url?q=http://sfcontroller.org/Modules/ShowDocument.aspx%3Fdocumentid%3D2174&sa=U&ved=0CAUQFjAAahUKewjU0_TaqLiHAhUlmogKHT3iCMw&client=internal-uds-cse&usg=AFQjCNHkyPKe3iRnxQ0y7-OQ2M7NqoiPbA

End of Appendix B



APPENDIX C

STRATEGIC PLAN – LINK: <http://www.flysfo.com/about-sfo/the-organization/strategic-5-year-plan>



SAN FRANCISCO INTERNATIONAL AIRPORT

FIVE-YEAR STRATEGIC PLAN

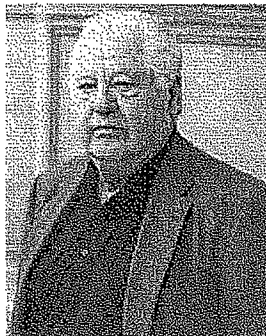
2017-2021



SFO continues to be an economic engine for our region, powering jobs, tourism, and revenue. I congratulate the Airport for their achievements, and wish the team continued success as they embark on their 5-Year Strategic Plan.

San Francisco Mayor
Edwin M. Lee

Airport Commission



Larry Mazzola
President



Linda S. Crayton
Vice President



Eleanor Johns



Richard J. Guggenhime



Peter A. Stern

Senior Staff

John L. Martin

Airport Director

Shauna Marie Rose

Executive Assistant to the Airport Director

Sheryl L. Bregman

Airport General Counsel

Ivar Satero

Chief Operating Officer

Kandace Bender

Chief Marketing and Communications Officer

Leo Fermin

Chief Business and Finance Officer

Julian Potter

Chief Administrative and Policy Officer

Ian Law

Deputy Airport Director/CIO

Blake Summers

Director and Chief Curator

Jeff Littlefield

Deputy Airport Director
Operations & Security

Geoffrey W. Neumayr

Deputy Airport Director
Design & Construction

John Bergener

Airport Planning Director

Peter Acton

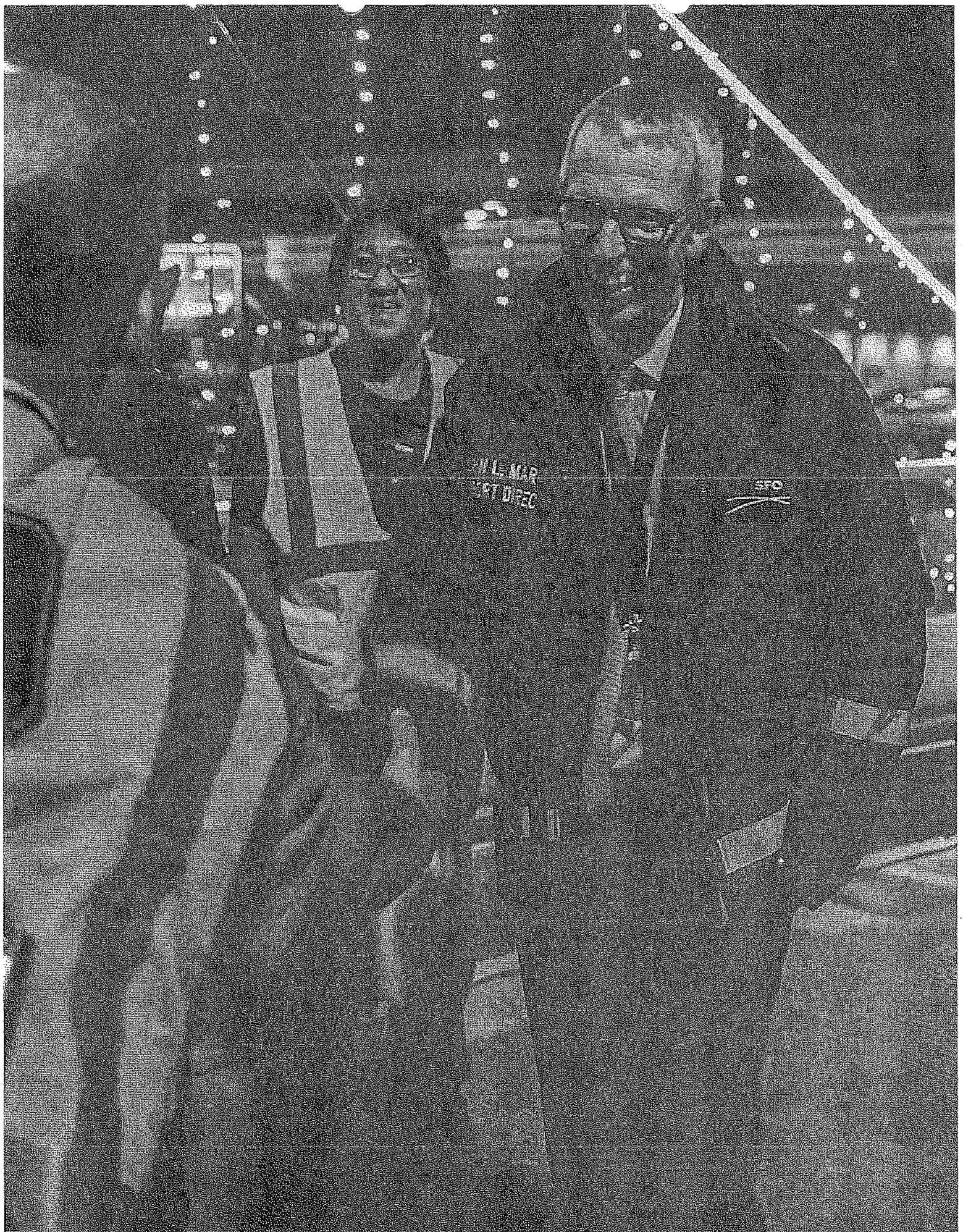
Director of Facilities

Linda Yeung

Director
People, Performance & Development

Jean Caramatti

Commission Secretary



A Message from the Director

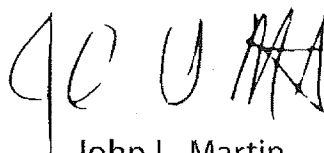
I am pleased to present San Francisco International Airport's new Strategic Plan, 2017-2021, which along with our core values and task force committee recommendations, provides a solid road map for SFO for the next five years.

The Plan was a truly collaborative venture. Its months-long development was led by SFO's Senior Staff and included significant input from several hundred SFO employees, who participated in numerous brainstorming sessions.

The Plan includes seven major goals supported by 32 objectives, as outlined in this document. More than 160 initiatives were created by employees to support these objectives and goals. The process of supporting SFO's overall goals will be extended to individual employees as they prepare their personal goals. In this way, we are all working as one team.

In addition, this document includes a policy statement on SFO's overall philosophy on doing business with the Airport and another statement that reiterates our commitment to work collaboratively with all departments in the City family to deliver services in an efficient and innovative manner.

I am extraordinarily proud of the work that went into creating this new strategic plan. SFO continues to be an exceptional Airport, delivering an outstanding guest experience, strong business performances, top-rated safety and security practices and demonstrating a genuine devotion to environmental leadership. SFO has a world class dream team, and I am confident the Airport is in good hands as we move forward into the next five years.

A handwritten signature in black ink, appearing to read 'John L. Martin'.

John L. Martin
Airport Director (1995-2016)



MISSION

We provide an exceptional airport in service to our communities



VISION

Reaching for #1



OVERALL GOALS

7 New Goals



OBJECTIVES

32 New Key Objectives



STRATEGIC INITIATIVES



CORE VALUES

Safety and security is our first priority	We are open to new ideas
We are one team	We are committed to SFO being a great place to work for all employees
We treat everyone with respect	We are each responsible for the Airport's success
We communicate fully and help one another	We take pride in SFO and in our accomplishments
We strive to be the best	
We are innovative	



Goals and Objectives

Our new Strategic Plan includes seven high-level goals which will guide us in the next five years. The seven goals are supported by 32 key objectives. These are supported by more than 160 initiatives created by individual divisions working together. In a seamless fashion, the initiatives, objectives, and goals help SFO achieve its mission "To provide an exceptional Airport in service to our communities."

GOALS AND OBJECTIVES

GOAL #1: REVOLUTIONIZE THE PASSENGER EXPERIENCE	GOAL #2: ACHIEVE ZERO BY 2021	GOAL #3: BE THE INDUSTRY LEADER IN SAFETY AND SECURITY	GOAL #4: NURTURE A HIGHLY COMPETITIVE AND ROBUST AIR SERVICE MARKET
<p>1. Ensure Terminal 1 is rated as the best terminal in the world by Skytrax and Airport Service Quality (ASQ) Surveys</p> <p>2. Create seamless door-to-door airport experience for passengers who want leisurely dwell time and passengers who want a speedy and efficient process and achieve overall airport score of 4.4 on ASQ survey</p> <p>3. Bring the innovative flair of San Francisco and Silicon Valley with revolutionary technology solutions</p>	<p>1. Achieve Net Zero Energy at SFO</p> <p>2. Achieve Zero Waste</p> <p>3. Achieve carbon neutrality and reduce greenhouse gas emission by 50% (From 1990 Baseline)</p> <p>4. Implement a Healthy Buildings strategy for new and existing infrastructure</p> <p>5. Maximize water conservation to achieve 15% reduction per passenger per year¹</p>	<p>1. Achieve an exceptional safety culture and superior regulatory inspections through a robust Safety Management System (SMS)</p> <p>2. By 2020, be the safest and most secure Airport in the U.S. with the lowest number of breaches and incursions</p> <p>3. Implement international standards for cyber-security</p> <p>4. Be excellent in the operation and maintenance of our airfield</p> <p>5. Enhance partnerships with local/federal regulators and law enforcement agencies (FAA, TSA, CBP, etc.)</p>	<p>1. Goal of maintaining and controlling CPE through 2021²</p> <p>2. Increase international carrier service by 25% and ensure maintenance of 24% low-cost carriers (LCC)</p> <p>3. Ensure a competitive environment by providing sufficient operational capacity for new and current airlines</p> <p>4. Educate stakeholders on value of SFO airline services</p> <p>5. Create the most welcoming and efficient Federal Inspection Services (FIS) area by ASQ survey</p> <p>6. Provide for an innovative and friendly environment for airlines</p>
<p>R4N1 Committees:</p> <ul style="list-style-type: none"> Disrupters Universal Access 	<p>R4N1 Committees:</p> <ul style="list-style-type: none"> Sustainability Water Conservation 	<p>R4N1 Committees:</p> <ul style="list-style-type: none"> Safety & Security Best Practices 	<p>R4N1 Committees:</p> <ul style="list-style-type: none"> CBP Processing

¹ Baseline year: 2013

² Final amount TBD upon approval of Capital Improvement Plan

GOAL #5: BE A WORLD CLASS DREAM TEAM	GOAL #6: DELIVER EXCEPTIONAL BUSINESS PERFORMANCE	GOAL #7: CARE FOR AND PROTECT OUR AIRPORT AND COMMUNITIES
<ol style="list-style-type: none"> 1. Be the Employer of Choice and achieve 85% overall employee satisfaction in bi-annual Work Climate survey 2. Ensure diversity of people, ideas, socio-economic and cultural backgrounds across entire Airport community 3. Engage Airport community to embrace SFO's standard of excellence 4. Provide a work climate that supports wellness, health and work/life balance 	<ol style="list-style-type: none"> 1. Have the highest per passenger spend rate for combined food & beverage, retail and duty free in the U.S. 2. Achieve an airport wide goal of 40% small business participation 3. Introduce new technology to improve and streamline business performance 4. Own and maintain superior technological infrastructure to support airport stakeholder business needs 5. Maximize non-airline revenues 	<ol style="list-style-type: none"> 1. Maintain Airport's infrastructure to the highest standard of excellence to ensure no interruption in operations 2. Ensure that on site airport employers meet the safety, security, and employee benefit standards of SFO 3. Promote safe & healthy working conditions for Airport-based employees 4. Support and promote giving back to the communities we serve
R4N1 Committees: <ul style="list-style-type: none"> · Great Place to Work · Team SFO · Wellness 	R4N1 Committees: <ul style="list-style-type: none"> · Performance Management 	R4N1 Committees: <ul style="list-style-type: none"> · MVP · Airport Business Continuity

Implementing the Strategic Plan

SFO's five-year strategic plan will be overseen by the Airport Director and Senior Staff. It is the responsibility of these groups to ensure all Airport staff work toward achieving the goals that have been established in a collaborative and collegial fashion. "Reaching for Number 1" (R4N1) is our aspirational vision that guides us to achieve the strategic plan. Established in 2011, R4N1 comprises 12 ad hoc task force committees, consisting of several hundred Airport employees, who provide recommendations and suggestions as the Airport works toward achieving its goals.

SFO'S REACHING FOR #1 TASK FORCE COMMITTEES:

- **Airport Business Continuity** – Utilize the Airport's Business Continuity Plan to further refine organizational structure and training programs that will support post-event recovery efforts.
- **Customs and Border Protection Processing** – Create a superior customer experience in the customs and immigration hall using facility upgrades, technology enhancements and collaboration with CBP officers.
- **Disrupters** – Identify and monitor new trends that could increase efficiency and the guest experiences at SFO; and conversely, evaluate those trends for risks to current business models.
- **Universal Access** – Research and recommend ideas that will make SFO the most accessible airport in the world for guests with unique traveling needs, disabilities and those whose first language is not English.
- **Safety and Security Best Practices** – Implement one new safety and one new security best practice that is industry-leading.
- **Performance Management** – Facilitate continuous organizational improvement and collaboration through the use of Airport data.
- **Sustainability** – Increase community awareness of airport-wide principles of sustainability. The following are subcommittees:
 - **Transit** – Establish SFO as a leader in airport transit and sustainability.
 - **Solid waste** – Achieve Zero waste by 2020.
 - **Social-economic responsibility** – Establish SFO's framework and priorities for social-economic programs.
 - **Net Zero Energy** – Achieve Net Zero Energy throughout the SFO campus.
- **Water Conservation** – Use education, new procedures and technologies to achieve a 15 percent water reduction per passengers by December 2016.
- **Great Place to Work** – Create new programs that celebrate and strengthen SFO as a great place to work.
- **Wellness** – Promote existing wellness programs and expand curriculum with additional stress-relieving activities.
- **Team SFO** – Create innovative programs and events that build camaraderie and teamwork.
- **MVP** – Motivate and maximize employee volunteer participation, such as Human Trafficking Awareness fundraising and training programs.

The SFO Way

SFO has been highly successful in achieving its mission of providing an exceptional airport in service to our communities through collaboration and fairness, creating a level playing field for all tenants, encouraging excellence in all areas and maintaining Airport control of its assets.

SFO adheres to three guiding principles in doing business with its hundreds of tenants and stakeholders:

- Ensuring high standards of Safety and Security
- Maintaining full control of all Airport assets and infrastructure
- Fostering a high level of market competition

Several Airport Commission policies help frame the management and operation of SFO while following the guiding principles. The policies include:

1. Wi-Fi Policy

- SFO is committed to providing exceptional Wi-Fi services to guests, airlines and concessionaires. This policy documents the approach for setting the standards and controlling SFO's Wi-Fi system.

2. Shared Use Policy

- This policy describes SFO's method of managing systems, infrastructure and services shared by multiple airline tenants, concessionaires and other Airport partners. This policy gives SFO the greatest flexibility in managing its operations.

3. Policy on Control of Data and Digital Assets

- This policy acknowledges the value of SFO data and digital assets and mandates that SFO retains ownership and control its data and digital assets and that such data and digital assets be used exclusively for the benefit and protection of SFO. SFO data includes all internal metrics, measures, counts and information concerning any aspect of SFO property, facilities or operations. SFO digital assets include all outward-facing media including but not limited to SFO's Wi-Fi splash pages, social media outlets, and information display units (FIDs).

4. Policy on Control of International Air Service Marketing

- This policy recognizes SFO as the lead agency in all international aviation development programs undertaken in partnership with the San Francisco Chamber of Commerce, SF Travel, Bay Area Council and other organizations. This policy also provides for the use of SFO's digital media in providing incentives to air carriers.

5. Policy on Maintaining a Competitive Air Service Environment

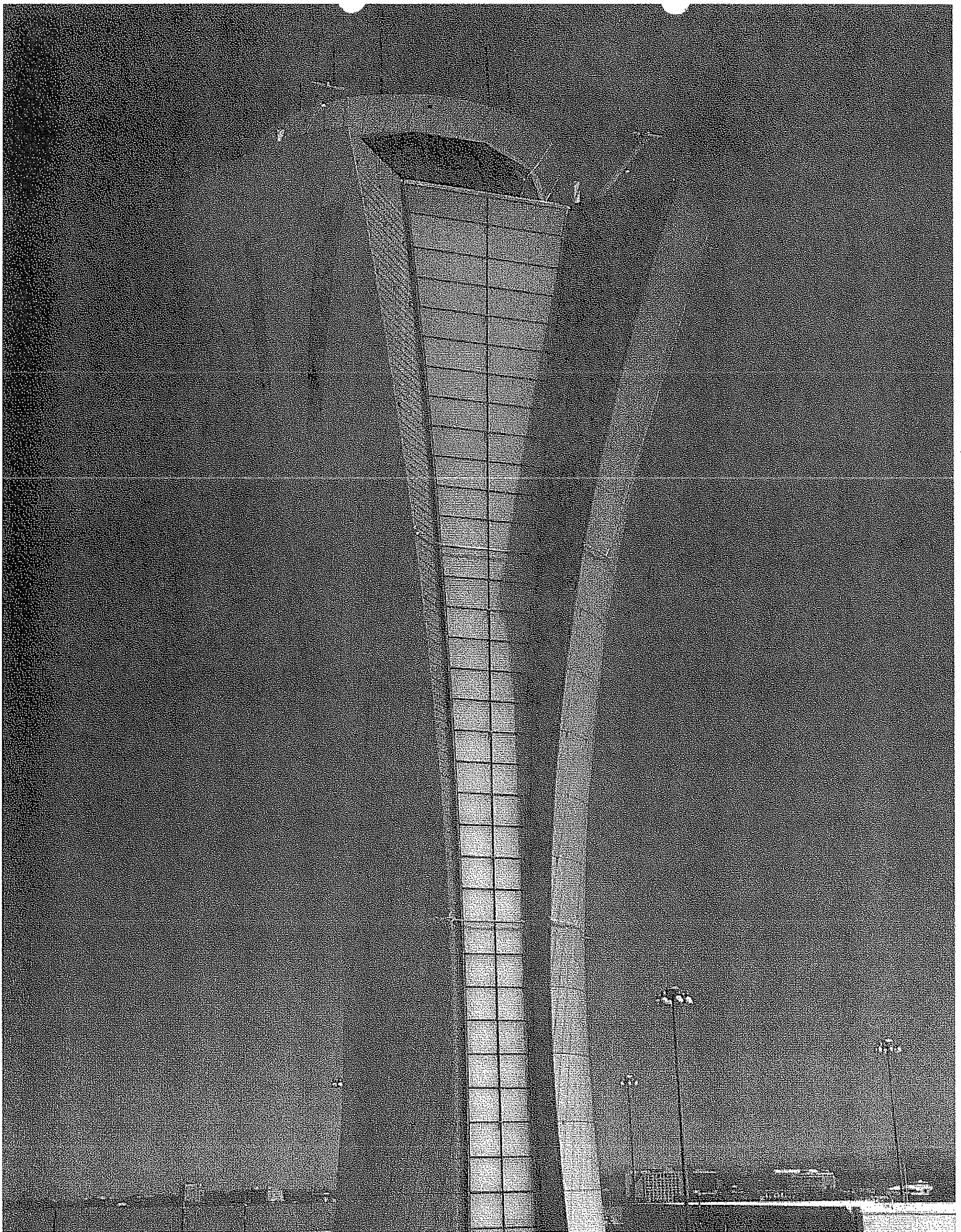
- This policy underscores SFO's commitment to provide a level playing field for all air carriers in order to foster competitive air service choices and competitive air fares for the travelling public.

6. Policy on Controlling, Developing and Financing of Airport Assets

- SFO is committed to the control, development and financing of Airport assets and infrastructure to meet the changing needs of the aviation industry in the future. This policy outlines SFO's need, as a land-constrained entity, to manage its assets without resorting to public-private partnerships. The policy also ensures SFO reaps the greatest financial benefit of development on behalf of the City and County of San Francisco.

7. Policy on Partnering

- Collaborative, structured partnering in all development programs is key to SFO's successful delivery of its projects. This policy outlines the elevated role of integrating partnering into all of the airports business processes to influence the exceptional outcome of all Airport development projects.



Collaboration with other City & County of San Francisco Departments

SFO has identified various initiatives that demonstrate how the Airport will work interdependently with other City Departments to achieve citywide goals in an innovative and efficient manner.

Department of Environment

Partner in support of the Airport's strategic goal to Achieve Zero and our adoption of the airport-specific EONS (Economic Viability, Operational Efficiency, Natural Resource Conservation, Social Responsibility).

Department of Public Works

Continue to share best practices in project delivery through our Partnering Program and Small Business/LBE Participation Program.

Department of Technology and Committee on Information Technology (COIT)

Collaborate to establish citywide Information Technology & Telecommunications (ITT) policies and standards to ensure technology sustainability and compliance, as well as manage risk.

Department of Human Resources

Continue to partner in support of improving HR processes and growing of talent to ensure operational excellence.

Office of the Controller and Office of Contract Administration

Collaborate to support the Airport's growing capital program by adding resources in the Purchaser's office, as well as streamlining financial and contracting processes through new technology systems.

Planning Department

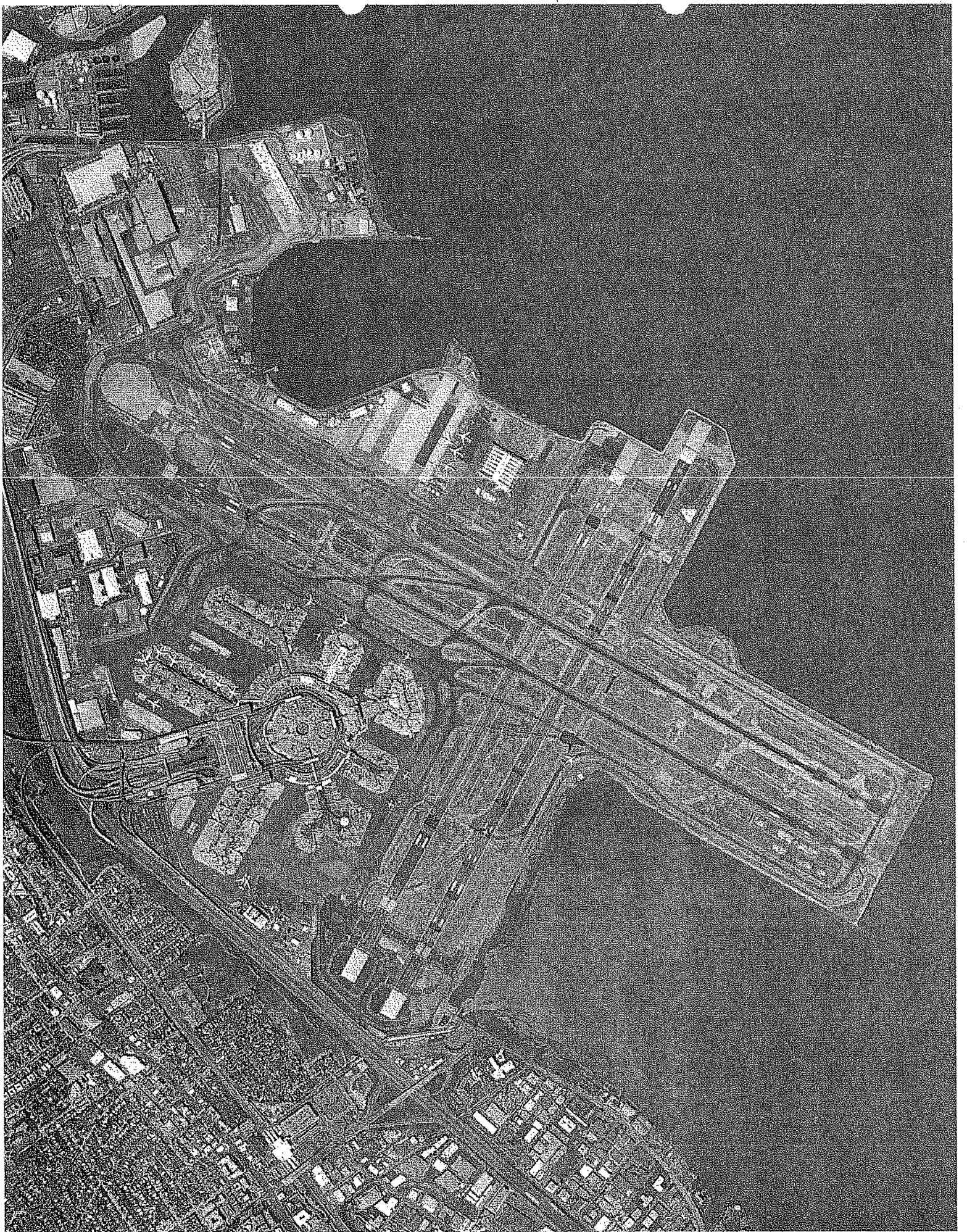
Partner in support of our capital improvement program to obtain environmental determination in accordance with CCSF Chapter 31 Code and California Environmental Quality Act (CEQA) implementing procedures.

Public Utilities Commission

Collaborate to drive further water conservation efforts.

San Francisco Fire Department, San Francisco Police Department and Department of Emergency Management

Partner in support of the Airport's Core Value: Safety and Security is our first priority, and the Airport Business Continuity Plan.



San Francisco International Airport **Fact Sheet**

Passengers (Calendar Year 2015)

Total Airport Passengers (7th in U.S., 21st in the world in 2014)	50,067,094	Bay Area Market Share	70.4%
Domestic Enplaned & Deplaned Passengers (77.5%)	38,824,059	Bay Area Market Share	65.7%
International Enplaned & Deplaned Passengers (22.5%)	11,243,035	Bay Area Market Share	94.0%
Traffic by Region (Share of SFO International Passengers)	Asia		43.4%
	Europe		28.5%
	Canada		13.9%
	Mexico/Caribbean/ Central America		10.6%
	Australia/Oceania		3.6%
Average Number of Passengers per Day (2015)	137,170		
Most Passengers in a Calendar Year (2015)	50,067,094		

Most Operations in a Calendar Year (2015)

Total Operations	429,815
Total Air Carrier Operations (82.4%)	354,151
Total Commuter Operations (13.9%)	59,556
Total General Aviation Operations (3.2%)	13,686
Total Military Operations (<1.0%)	2,422
Most Operations in a Calendar Year (2000)	438,685

San Francisco International Airport **Fact Sheet**

Cargo (Calendar Year 2015)

Total Loaded and Unloaded Cargo (Air Mail & Freight)	459,468 metric tons	Bay Area Market Share	44.0%
Total Domestic Cargo (Air Mail & Freight)	185,390 metric tons	Bay Area Market Share	25.0%
International Cargo (Air Mail & Freight)	274,078 metric tons	Bay Area Market Share	92.0%

Airport & Airfield

Total Airport Property Size	5,171 acres	Useable Land :	2,383 acres
		Unused tideland:	2,788 acres
International Terminal	2,533,196 sq. ft		
Terminal 1	713,036 sq. ft		
Terminal 2	720,790 sq. ft		
Terminal 3	1,184,614 sq. ft		
Total Number of Gates	91		
Total Number of Domestic Gates	67		
Runway Lengths	28R/10L	11,870 feet	
	28L/10R	11,381 feet	
	01R/19L	8,650 feet	
	01L/19R	7,650 feet	
Runway Widths (all four)	200 feet		

AirTrain System

Number of Stations	9	Total Number of Cars	38
Total System Length (2 Independent Loops)	5 miles	Capacity (Passengers/Hour)	3,400
Top Speed	30 mph		

San Francisco International Airport **Fact Sheet**

Airlines at SFO (Calendar Year 2015)

Total Number of Airlines Operating at SFO	58
Domestic Passenger Carriers	13
International Foreign Flag Carriers	32
Commuter Air Carriers	5
Seasonal/Charter Air Carriers	1
Cargo Only Air Carriers	7

Airline Market Share at SFO

United	44.4%	Alaska	2.9%
American/US Airways	9.6%	JetBlue	2.8%
Delta	8.4%	Air Canada	1.7%
Virgin America	8.4%	Frontier	1.2%
Southwest	6.9%	Lufthansa	1.0%
		All Other Air Carriers	<1.0% each

Top Five Domestic Markets (Weekly Flights)

Los Angeles – (BUR/LAX/LGB/ONT/SNA)	577
New York – (EWR/JFK)	314
Chicago – (MDW/ORD)	224
Seattle – (SEA)	200
Las Vegas – (LAS)	161

San Francisco International Airport **Fact Sheet**

Airport Finances (Calendar Year 2015)

Sources of Revenues FY 2015/16 Budget

Terminal Rentals	\$259.0	million	26.7%
Landing Fees	\$161.3	million	16.6%
Concessions	\$89.3	million	9.2%
Parking & Ground Transportation	\$179.3	million	18.5%
Other Aviation Revenue	\$76.5	million	7.9%
Other Sales & Services	\$79.8	million	8.2%
Sales of Electricity	\$25.5	million	2.6%
Interest Income	\$5.4	million	0.6%
PFC Revenues	\$58.1	million	6.0%
Fund Balance	\$36.5	million	3.8%
Total Revenues	\$970.8	million	

Airline Rates - FY 2015-16

Landing Fees (per 1,000 lbs)	\$4.87
Average Cost per Enplaned Passenger	\$17.26

Food/Beverage/Retail Sales FY 2014/15

Gross Sales (w/o duty free)	\$328.8	million
Food & Beverage Sales	\$209.2	million
Retails Sales (w/o duty free)	\$119.6	million
Duty Free Sales	\$116.6	million
Average concession spent per passenger	\$13.68	

San Francisco International Airport **Fact Sheet**

Airport Finances (Calendar Year 2015)

FY2015/16 Approved Budget

% of Total

Debt Service	\$ 424.4 million	43.7%
Personnel Costs	\$ 218.3 million	22.5%
Non-Personnel Services	\$ 105.9 million	10.9%
Police & Fire Services	\$ 76.5 million	7.9%
Annual Service Payment	\$ 40.8 million	4.2%
Services of Other City Departments	\$ 68.6 million	7.1%
Materials & Supplies	\$ 17.4 million	1.8%
Other Transfers	\$ 17.0 million	1.8%
Equipment	\$ 2.0 million	0.2%
Total	\$ 970.8 million	

Airport Commission Staffing and Assets

Budgeted Positions	FY 2015/16	=	1,732.5
Filled Positions	FY 2015/16	=	1,512.5
Current Assets	FY 2014/15	=	\$696,316,749
Total Net Position	FY 2014/15	=	\$117,135,800



San Francisco
International
Airport

www.flysfo.com

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

Modification No. 1

Contract No. 10401.45
Capital Program Support Services
For The
Airport Capital Improvement Program

THIS MODIFICATION (this "Modification") is made as of **March 1, 2018**, in San Francisco, California, by and between **Hill International, Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On October 17, 2017, by Resolution No. 17-0251, the Commission awarded this Agreement to the Contractor for one (1) year of service in a not-to-exceed amount of \$8,500,000; and
- C. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to add a new sub-consultant; and
- D. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 40890-14/15 on February 6, 2017; and

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

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

- a. **Agreement.** The term "Agreement" shall mean the Agreement dated October 17, 2017 between Contractor and City.
- b. **Other Terms.** Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.

2. **Appendix B, Calculation of Charges,** is hereby amended as follows:

a. **Paragraph 1.1** is hereby deleted in its entirety and replaced with the following:

- 1.1 As set forth in in Article 3.3 "Compensation" of the Agreement, Compensation for work performed under this Agreement will be on a time and materials or on a lump sum basis, if approved by the Airport Project Manager, and is broken down as follows for the first year of services:

Mobilization (Lump Sum) = \$311,000

Professional Services and Other Direct Costs (ODCs) = \$8,189,000

Total First Year of Services = \$8,500,000

- b. Paragraph 3.1.3 is hereby amended to update the Schedule Manager's labor rate as follows:

Position/Classification	Direct Labor Rate Range	
	Low	High
Schedule Manager	\$60.00	\$88.00

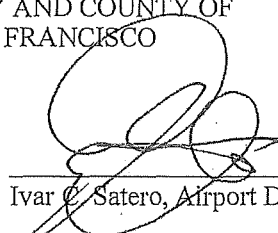
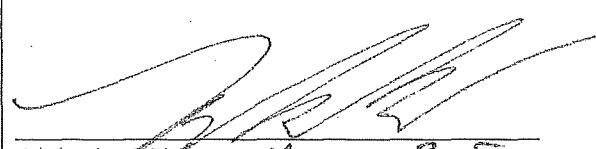
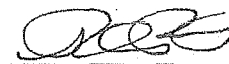
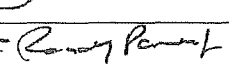
- c. Paragraph 3.2.1 is hereby amended to include a new sub-consultant, Gary, Greer, Shelby & Vaughn, as follows:

FIRM NAME	HOME OFFICE OVERHEAD RATE	FIELD OFFICE OVERHEAD RATE
Gray, Greer, Shelby & Vaughn	N/A	N/A

3. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

4. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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

CITY	CONTRACTOR
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
By:  Ivar E. Satero, Airport Director	 Authorized Signature <u>MICHAEL B. SMITH</u> <u>FOR</u> Paul J. Evans Interim Chief Executive Officer Hill International, Inc. One Commerce Square 2005 Market Street, 17th Floor Philadelphia, PA 19103
Approved as to Form: Dennis J. Herrera City Attorney	<u>215-309-7802</u> Telephone Number <u>0000018823</u> City Supplier Number <u>20-0953973</u> Federal Employer ID Number
By:  Heather Wolnick  Deputy City Attorney	

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

Modification No. 2

Contract No. 10401.45
Capital Program Support Services
For The
Airport Capital Improvement Program

THIS MODIFICATION (this "Modification") is made as of **April 16, 2018**, in San Francisco, California, by and between **Hill International, Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "Commission."

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On October 17, 2017, by Resolution No. 17-0251, the Commission awarded this Agreement to the Contractor for one (1) year of service in a not-to-exceed amount of \$8,500,000; and
- C. On March 1, 2018, the City and Contractor administratively modified the Agreement to add a new sub-consultant through Modification No. 1; and
- D. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to add a new sub-consultant; and
- E. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 40890-14/15 on February 6, 2017; and

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

1. Definitions. The following definitions shall apply to this Modification:

a. Agreement. The term "Agreement" shall mean the Agreement dated October 17, 2017 between Contractor and City, as amended by the:

Modification No. 1, dated **March 1, 2018.**

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

2. Appendix B, Calculation of Charges, is hereby amended as follows:

a. Paragraph 3.1.3 is hereby amended to update the Program Advisor III's labor rate as follows:

Position/Classification	Direct Labor Rate Range	
	Low	High
Program Advisor III	\$80.00	\$105.00

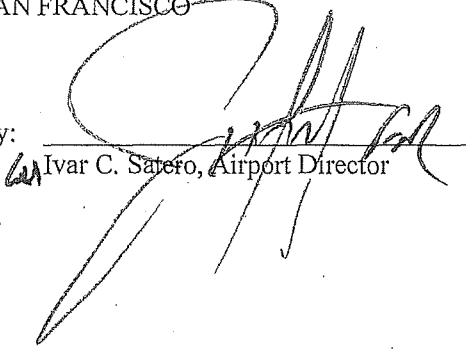
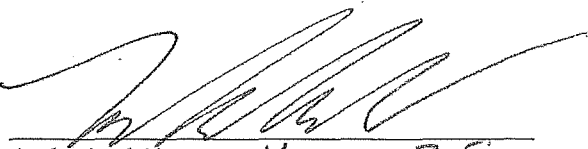

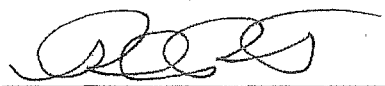
- b. Paragraph 3.2.1 is hereby amended to include a new sub-consultant, gkkworks – CannonDesign, as follows:

FIRM NAME	HOME OFFICE OVERHEAD RATE	FIELD OFFICE OVERHEAD RATE
gkkworks – CannonDesign	182.00%	150.00%

3. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

4. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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

CITY	CONTRACTOR
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
By:  Ivar C. Satero, Airport Director	 Authorized Signature Michael B. Smith
Approved as to Form:	Paul J. Evans  Interim Chief Executive Officer Hill International, Inc. One Commerce Square 2005 Market Street, 17th Floor Philadelphia, PA 19103
Dennis J. Herrera City Attorney	215-309-7802 Telephone Number
By:  Heather Wolnick Deputy City Attorney	0000018823 City Supplier Number
	20-0953973 Federal Employer ID Number

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

Modification No. 3

Contract No. 10401.45
Capital Program Support Services for the
Airport Capital Improvement Program

THIS MODIFICATION (this "Modification") is made as of October 16, 2018, in San Francisco, California, by and between **Hill International, Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. On October 17, 2017, by Resolution No. 17-0251, the Commission awarded this Agreement to the Contractor for one (1) year of service in a not-to-exceed amount of \$8,500,000; and
- C. On March 1, 2018, City and Contractor administratively modified the Agreement to add a new sub-consultant through Modification No. 1; and
- D. On April 16, 2018, City and Contractor administratively modified the Agreement to add a new sub-consultant through Modification No. 2; and
- E. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the agreement, increase the contract amount, and update the labor rates; and
- F. On October 16, 2018, by Resolution No. 18-0350, the Commission approved this Modification No. 3 to extend the term of the agreement for services through June 30, 2019 and increase the amount by \$1,450,000 for a new not-to-exceed amount of \$9,950,000; and
- G. Approval for this Agreement was obtained when the Department of Human Resources approved Modification No. 2 to PSC No. 40890-14/15 on September 24, 2018; and

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

1. Definitions. The following definitions shall apply to this Modification:

a. Agreement. The term "Agreement" shall mean the Agreement dated October 17, 2017 between Contractor and City, as amended by the:

Modification No. 1, dated March 1, 2018, and
Modification No. 2, dated April 16, 2018.

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

2. **Section 2. Term of the Agreement** is hereby amended to extend the term of the contract for services through **June 30, 2019**.

3. **Section 5. Compensation** is hereby amended to increase the total compensation payable by an amount not to exceed **One Million Four Hundred Fifty Thousand Dollars (\$1,450,000)** for a new total not to exceed amount of **Nine Million Nine Hundred Fifty Thousand Dollars (\$9,950,000)**.

4. **Appendix B, Calculation of Charges**, is hereby amended as follows:

a. **Paragraph 3.1.3** is hereby deleted in its entirety and replaced with the following:

Effective November 16, 2018, the approved base direct labor rates are as follows:

Position/Classification	Direct Labor Rate Range	
	Low	High
Team Lead	\$90.00	\$115.00
Program Control Manager (Process and Tools)	\$75.00	\$97.85
Program Controls Manager (Project Management)	\$75.00	\$105.00
Program Controls Manager (A&E)	\$75.00	\$95.00
Cost Engineer I	\$60.00	\$75.00
Cost Engineer II	\$75.00	\$85.00
Schedule Manager	\$60.00	\$88.00
Schedulers	\$50.00	\$70.00
Process & Procedures Manager	\$60.00	\$70.00
Program Controls Trainer	\$50.00	\$80.00
Reporting Coordinator	\$40.00	\$65.00
Reporting Manager	\$50.00	\$70.00
Unifier Administrator	\$50.00	\$76.00
Unifier Developer	\$65.00	\$80.00
Unifier Support Team	\$35.00	\$80.00
Office Engineer I	\$35.00	\$60.00
Office Engineer II	\$45.00	\$55.00
Office Engineer III	\$55.00	\$65.00
Safety Manager	\$55.00	\$80.00
QA/QC	\$60.00	\$80.00
CALM Manager	\$70.00	\$80.00
Construction Coordination / Field Manager	\$50.00	\$75.00

Management Services	\$70.00	\$80.00
Procurement & Contract Support	\$40.00	\$70.00
Certified Payroll Tracking	\$20.00	\$35.00
Stakeholder Engagement Process Manager	\$35.00	\$60.00
Sustainability Manager	\$50.00	\$70.00
Document Control Manager	\$35.00	\$45.00
Administrative Support	\$20.00	\$40.00
Chief Estimator	\$80.00	\$95.00
Cost Engineer	\$45.00	\$74.60
Lead Estimator	\$75.00	\$95.00
Senior Cost Engineer	\$60.00	\$91.80
Senior Estimator	\$55.00	\$86.00
Senior MEP Estimator	\$70.00	\$95.00
Program Advisor I	\$60.00	\$70.00
Program Advisor II	\$70.00	\$80.00
Program Advisor III	\$80.00	\$105.00
GIS Project Director	\$54.00	\$73.00
Senior GIS SME	\$44.00	\$56.00
GIS Data Interoperability SME	\$51.00	\$65.00

- b. Paragraph 3.2.1 is hereby deleted in its entirety and replaced with the following:

3.2.1 The Airport shall pay the lesser of a firm's current audited overhead rates, or the maximum approved overhead rates as follows:

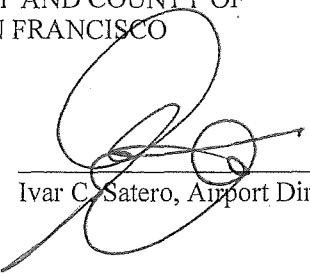


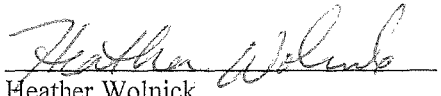
FIRM NAME	HOME OFFICE OVERHEAD RATE	FIELD OFFICE OVERHEAD RATE
Hill International, Inc.	146.51%	103.95%
ABA Global	160.00%	135.00%
Chaves & Associates	N/A	145.00%
C M Pros, Inc.	169.43%	158.27%
DRMcNatty & Associates	208.60%	168.52%
M Lee Corporation	136.50%	117.20%
Montez Group, Inc.	135.00%	132.00%
Mott MacDonald, LLC	160.16%	137.70%
OrgMetrics, LLC	N/A	N/A
Saylor Consulting Group	125.12%	118.01%
TranSystems Corporation	149.90%	124.97%
UDC, LLC	150.00%	N/A
Woolpert	181.32%	155.00%
Gray, Greer, Shelby & Vaughn	N/A	N/A

Gkkworks – CannonDesign	182.00%	150.00%
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5. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

6. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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

CITY	CONTRACTOR
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
 By: _____ Ivar C. Satero, Airport Director	 _____ Authorized Signature
Attest:  By _____ C. Corina Monzon, Secretary Airport Commission	Raouf Ghali Chief Executive Officer Hill International, Inc. One Commerce Square 2005 Market Street, 17th Floor Philadelphia, PA 19103
Resolution No: 18-0350	Telephone Number: 215-309-7801
Adopted on: October 16, 2018	City Supplier Number: 0000018823
Approved as to Form: Dennis J. Herrera City Attorney	Federal Employer ID Number: 20-0953973
By  _____ Heather Wolnick Deputy City Attorney	

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0251

AWARD OF PROFESSIONAL SERVICES CONTRACT NO. 10401.45 CAPITAL PROGRAM SUPPORT SERVICES FOR THE AIRPORT CAPITAL IMPROVEMENT PROGRAM, TO HILL INTERNATIONAL, INC., IN AN AMOUNT NOT TO EXCEED \$8,500,000 FOR THE FIRST YEAR OF SERVICES

WHEREAS, the Capital Program Support Services consultant will assist the Airport in deliverance of its Capital Improvement Program by performing tasks and services including program controls, scheduling, budgeting, estimating, document control, preparation of progress reports, and other program management services; and

WHEREAS, on March 7, 2017, by Resolution No. 17-0048, the Commission authorized the Director to issue a Request for Qualifications/Proposals (RFQ/RFP) for Capital Program Support Services for the Airport Capital Improvement Program and to negotiate with the highest-ranked proposer; and

WHEREAS, on May 1, 2017, Staff issued a RFQ/RFP for Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program; and

WHEREAS, on June 19, 2017, the Airport received six proposals in response to the RFQ/RFP; and

WHEREAS, the Airport convened a four-member Selection Panel that thoroughly reviewed the responsive proposals, interviewed the firms and key personnel, and determined that Hill International, Inc. is the highest-ranked proposer; and

WHEREAS, Staff negotiated the scope of services, contract terms and conditions, and fee with Hill International, Inc., for this contract. The agreed upon initial contract amount for the first year of services is \$8,500,000; and

WHEREAS, since the contract will be a multi-year contract, Staff estimates that the total contract amount for Hill International, Inc., will be \$40,000,000 with a total contract duration of 60 months; and

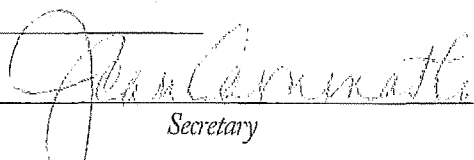
WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise sub-consultant participation requirement of 21% for this Contract and Hill International, Inc., has committed to meeting that requirement; now, therefore, be it

RESOLVED, that the Commission hereby awards Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program to Hill International, Inc. in an amount not to exceed \$8,500,000 for the first year of services.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____

Oct 17 2017


Secretary



San Francisco International Airport

MEMORANDUM

October 17, 2017

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenheimer
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Award of Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program

DIRECTOR'S RECOMMENDATION: AWARD PROFESSIONAL SERVICES CONTRACT NO. 10401.45, CAPITAL PROGRAM SUPPORT SERVICES FOR THE AIRPORT CAPITAL IMPROVEMENT PROGRAM, TO HILL INTERNATIONAL, INC. IN AN AMOUNT NOT TO EXCEED \$8,500,000 FOR THE FIRST YEAR OF SERVICES.

Executive Summary

Transmitted herewith for your approval is a proposed Resolution awarding Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program (CIP), to Hill International, Inc., in an amount not to exceed \$8,500,000 for the first year of services.

The Contract will provide Capital Program Support Services to assist the Airport with deliverance of its Capital Improvement Program. Tasks and services include program controls, scheduling, budgeting, estimating, document control, preparation of progress reports, and other program management services. Other services may include oversight and management of Airport initiatives, as deemed necessary, to support the CIP.

Background

The Airport is undergoing a significant investment in its assets and will be implementing over \$7.1 billion in capital projects in the coming decade. To maintain consistency in reporting and cost controls, it is critical that all project teams track and report costs using a comprehensive, consistent approach. Similarly, it is important that the Airport be able to understand the overall schedule and budget of the CIP in order to plan resources, plan project funding, and manage risk. Finally, Staff will need to be augmented with a variety of specialized personnel, studies and services for the delivery of the CIP.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

IVAR C. SATERO
AIRPORT DIRECTOR

THIS PRINT COVERS CALENDAR ITEM NO. 4

Throughout implementation of the CIP, the Contractor will work together with Airport staff and a variety of external project management consultants, construction management consultants, and design and construction teams. The CIP is made up of a large number of projects varying in complexity, size, and cost, which will be delivered using a variety of project delivery methods.

On March 7, 2017, by Resolution No. 17-0048, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals (RFQ/RFP) for Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program and to negotiate with the highest-ranked proposer.

On June 19, 2017, the Airport received six proposals. All six proposers met or exceeded the 21% LBE requirement. There were no joint venture proposals submitted.

The Airport convened a four-member selection panel, consisting of two Airport Commission employees and two members of the aviation and/or project management industry, to review and score the proposals in accordance with the criteria stated in the RFQ/RFP. On August 23, 2017, the Selection Panel interviewed the three highest-ranked proposers, including key personnel, and thoroughly appraised their qualifications. Based on the results of the evaluation of the proposals and oral interviews, the final rankings are as follows:

	Final Evaluation Score (500 max.)
1. Hill International, Inc.	392.13
2. STV Construction	370.38
3. Arcadis	320.38
4. Faithful + Gould	183.88
5. WTP America LLC DBA WT Partnership	147.00
6. Turner & Townsend	143.75

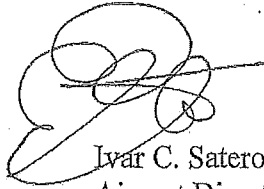
Staff negotiated the scope of services, contract terms and conditions, and fee with Hill International, Inc. for this contract. The agreed upon initial contract amount for the first year of services is \$8,500,000. Since the contract will be a multi-year contract, Staff estimates that the total contract amount for Hill International, Inc. will be \$40,000,000 with a total contract duration of 60 months.

The contract will be renewed each year based on Hill International, Inc.'s performance. If modified to exceed \$10,000,000, this contract will be subject to approval by the Board of Supervisors as required by San Francisco Charter Section 9.118(b).

The City's Contract Monitoring Division (CMD) reviewed the RFQ/RFP documentation, proposals and scoring, and has determined that the selection process is in compliance with Chapter 14B requirements. CMD has approved a 21% Local Business Enterprise sub-consultant participation requirement for this Contract. Hill International, Inc. has committed to meeting this requirement.

Recommendation

Based on the above, I recommend that the Commission award Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program, to Hill International, Inc. in an amount not to exceed \$8,500,000 for the first year of services.



Ivar C. Satero
Airport Director

Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Attachment

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 18-0350

**APPROVAL OF MODIFICATION NO. 3 & 4 TO PROFESSIONAL SERVICES
CONTRACT NO. 10401.45, CAPITAL PROGRAM SUPPORT SERVICES FOR THE
AIRPORT CAPITAL IMPROVEMENT PROGRAM WITH HILL INTERNATIONAL,
INC., FOR A NEW NOT-TO-EXCEED AMOUNT OF \$40,000,000, AND A NEW
CONTRACT DURATION OF SIX YEARS.**

WHEREAS, the Capital Program Support Services consultant assists the Airport in deliverance of its Capital Improvement Program by performing tasks and services including program controls, scheduling, budgeting, estimating, preparation of progress reports, development, implementation, and maintenance of a web-based centralized project management and project controls system, and other program management services to support the dynamic needs of the CIP; and

WHEREAS, on October 17, 2017, by Resolution No. 17-0251, the Commission awarded a Contract to Hill International, Inc. for Capital Program Support Services for the Airport Capital Improvement Program, in the not-to-exceed amount of \$8,500,000 for the first year of services; and

WHEREAS, on June 22, 2018, administrative Modification Nos. 1 and 2 were executed to adjust the range of allowable labor rates and add new sub-consultants to the Contract with no changes made to the Contract amount or duration; and

WHEREAS, this Modification No. 3 increases the Contract not-to-exceed amount by \$1,450,000 for a total not-to-exceed amount of \$9,950,000 to allow services to continue through June 30, 2018; and

WHEREAS, Modification No. 4 increases the Contract to the full Contract not-to-exceed amount of \$40,000,000 for a total of six years of services; and

WHEREAS, the City's Contract Monitoring Division has approved a Local Business Enterprise subcontractor participation goal of 21% for this Contract and Hill International, Inc. has committed to meeting that goal; now, therefore, be it


RESOLVED, that the Commission hereby approves Modification No. 3 to Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program with Hill International, Inc. in the amount of \$1,450,000 for a new not-to-exceed amount of \$9,950,000 for services through June 30, 2019; and, be it further

RESOLVED, that the Commission hereby approves Modification No. 4 to this Contract for a new not-to-exceed amount of \$40,000,000 for six years of services; and, be it further

RESOLVED, that this Commission hereby directs the Commission Secretary to seek Board of Supervisors approval of Modification No. 4 to this Contract consistent with San Francisco Charter Section 9.118(b).

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____


OCT 16 2018

Secretary



San Francisco International Airport

MEMORANDUM

October 16, 2018

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenhime
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of Modification No. 3 & 4 to Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 3 & 4 TO PROFESSIONAL SERVICES CONTRACT NO. 10401.45, CAPITAL PROGRAM SUPPORT SERVICES FOR THE AIRPORT CAPITAL IMPROVEMENT PROGRAM WITH HILL INTERNATIONAL, INC., FOR A TOTAL CONTRACT NOT-TO-EXCEED AMOUNT OF \$40,000,000 AND A TOTAL CONTRACT DURATION OF SIX YEARS.

Executive Summary

Transmitted herewith for your approval is a proposed Resolution approving Modification No. 3 & 4 to Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program (CIP) with Hill International, Inc., for a total contract not-to-exceed amount of \$40,000,000 and a total contract duration of six years.

This proposed action approves the full not-to-exceed Contract amount of \$40,000,000 and the full Contract duration of six years of services through two modifications to accommodate approval by the Board of Supervisors.

The Contract provides Capital Program Support Services to assist the Airport with deliverance of its CIP. Tasks and services include program controls, scheduling, budgeting, estimating, preparation of progress reports, development, implementation, and maintenance of a web-based centralized project management and project controls system, and other program management services to support the dynamic needs of the CIP. Other services may include oversight and management of Airport initiatives as deemed necessary to support the CIP.

Background

On October 17, 2017, by Resolution No. 17-0251, the Commission awarded this Contract to Hill International, Inc., in a not-to-exceed amount of \$8,500,000 for the initial year of services. At the time of Contract award, the total contract forecast was \$40,000,000 with a forecasted contract duration of five years. Administrative Modification Nos. 1 and 2 were executed on June

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

THIS PRINT COVERS CALENDAR ITEM NO. 14

LONDON N. BREED
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

IVAR C. SATERO
AIRPORT DIRECTOR

22, 2018 to adjust the range of allowable billing rates and add new sub-consultants to the Contract. Modification Nos. 1 and 2 did not change the Contract amount or duration.

Together, Modification Nos. 3 and 4 increase the Contract to the full not-to-exceed amount of \$40,000,000 for six years of services.

Because this Contract will exceed \$10 million, San Francisco Charter Section 9.118(b) requires approval by the Board of Supervisors. Staff recommends approving Modification No. 3 and Modification No. 4 to allow services to continue while Staff seeks Board approval of the full not-to-exceed amount of \$40,000,000. In recent discussions with the Budget Analyst's Office, there has been a request to align Board of Supervisors approvals of professional service contract amounts and durations, to match the authorization approved by the Commission. As such, Staff is seeking approval for the full contract amount and duration.

By the terms of the awarded Contract, the Airport has the right to terminate for convenience or cause in the event performance does not meet the expectations of the Airport. Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the CIP. Performance will be evaluated based on retention of key personnel and the proficiency of the team to provide Program Management Support Services to assist in the delivery of the Capital Plan on budget and on schedule. Staff will report to the Commission bi-annually on the performance of this consultant team through an off-calendar Memorandum.

The full not-to-exceed Contract amount is equal to the budget amount for this Contract and is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

The City's Contract Monitoring Division has approved a 21% Local Business Enterprise sub-consultant participation requirement for this Contract and Hill International, Inc. has committed to meeting this requirement.

Recommendation

I recommend the Commission approve Modification No. 3 & 4 to Professional Services Contract No. 10401.45, Capital Program Support Services for the Airport Capital Improvement Program with Hill International, Inc., for a total not-to-exceed amount of \$40,000,000 with a total contract duration of six years. I also recommend the Commission to direct the Commission Secretary to seek Board of Supervisors approval of this Contract consistent with San Francisco Charter Section 9.118(b).



Ivar C. Satero
Airport Director

Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Attachments

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
October 16, 2018

Contract No. 10401.45 - Capital Program Support Services for the Airport Capital Improvement Program

Hill International, Inc.

Authorization of Not-to-Exceed Contract Amount

Date	Modification No.	Resolution No.	Description	Scope	Amount
10/17/2017	-	17-0251	Award of Contract	First Year of Services	\$8,500,000
6/22/2018	1	-	Administrative Modification	Addition of Sub-Contractor and Update of Approved Range of Rates	\$0
6/22/2018	2	-	Administrative Modification	Addition of Sub-Contractor and Update of Approved Range of Rates	\$0

Contract As-Modified to Date	\$8,500,000
Proposed Increase for Not-to-Exceed Contract Amount	<u>\$31,500,000</u>
Proposed Not-to-Exceed Contract Amount	\$40,000,000



San Francisco International Airport

Ms. Angela Calvillo
Clerk of the Board
Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

November 8, 2018

Subject: Contract Modification No. 4 – Hill International, Inc. – Capital Program Support Services for the Airport Capital Improvement Program – Not-to-Exceed \$40,000,000

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding to the Board of Supervisors, a proposed Resolution approving modification of a contract between the City and County of San Francisco, by and through its Airport Commission ("Commission"), and Hill International, Inc., for Capital Program Support Services. The Airport originally estimated the contract to be over \$10 million, and the proposed Modification No. 4 will cause the Contract to exceed the threshold stated in Section 9.118.

The Commission awarded this contract by Resolution 17-0251 on October 17, 2017 to Hill International, Inc. Modification Nos. 1 and 2 were administrative in nature, executed by the Airport Director.

By Resolution 18-0350, dated October 16, 2018, the Commission approved Modification No. 3 and Modification No. 4 to this Contract. The Commission authorized a not-to-exceed amount of \$40,000,000 for a total of six years of services, to commence on October 17, 2017, through November 15, 2023.

One (1) set of the following documents are enclosed for review:

- Proposed Board of Supervisors Resolution; (two copies attached)
- Adopted Airport Commission Resolution No. 17-0251;
- Memorandum recommending Resolution No. 17-0251;
- Adopted Airport Commission Resolution No. 18-0350;
- Memorandum recommending Resolution No. 18-0350;
- Form SFEC-126 for the Board of Supervisors;
- Form SFEC-126 for Mayor Breed;
- Copy of Airport Contract No. 10401.45 with Hill International, Inc. for Capital Program Support Services;
- Certified Modification No. 1;
- Certified Modification No. 2;
- Certified Modification No. 3;
- Modification No. 4

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

IVAR C. SATERO
AIRPORT DIRECTOR

Please contact Cathy Widener, Airport Governmental Affairs Manager, at (650) 821-5023 if you have questions or concerns regarding this matter.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a series of loops and a horizontal stroke.

Corina Monzón
Commission Secretary

Enclosures

Cc: Cathy Widener
Julia Katz
Olga Perez
Katarina Sy

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

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

Contractor Information <i>(Please print clearly.)</i>
Name of contractor: Hill International, Inc.
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>
<u>Hill International, Inc.</u> (1) Members of the contractor's board of directors; Craig L. Martin, Executive Chairman Paul Evans, Interim Chief Executive Officer and Director Raouf S. Ghali, President and Chief Operating Officer Camille S. Andrews, Director Brian W. Clymer, Director Steven R. Curtis, Director Alan S. Fellheimer, Director Charles M. Gillman, Director David Soro, Director (2) The contractor's chief executive officer, chief financial officer and chief operating officer; Paul Evans, Interim Chief Executive Officer and Director Raouf S. Ghali, President and Chief Operating Officer Marco Martinez, Senior Vice President and Interim Chief Financial Officer (3) Any person who has an ownership of 20 percent or more in the contractor; None (4) Any subcontractor listed in the bid or contract; ABA Global Chaves & Associates C M Pros, Inc. DRMcNatty & Associates Gray, Greer, Shelby & Vaughn gkkworks – CannonDesign M Lee Corporation Montez Group, Inc. Mott MacDonald, LLC OrgMetrics, LLC Saylor Consulting Group TransSystems Corporation UDC, LLC Woolpert (5) Any political committee sponsored or controlled by the contractor. None
Contractor address: Hill International, Inc.: 201 Mission Street, Suite 1200, San Francisco, CA 94105 ABA Global: 222 Wawona Street, 1 st Floor, San Francisco, CA 94127 Chaves & Associates: 5 Third Street, Suite 505, San Francisco, CA 94103

C M Pros, Inc.: 1061 Market Street, Suite 516, San Francisco, CA 94103
DRMcNatty & Associates: 1390 Willow Pass Road, Suite 200, Concord, CA 94520
Gray, Greer, Shelby & Vaughn: 4400 Keller Avenue, Suite 377, Oakland CA 94605
gkkworks – CannonDesign: 2355 Main Street, Suite 220, Irvine, CA 92164

M Lee Corporation: 601 Montgomery Street, Suite 2040, San Francisco, CA 94111
Montez Group, Inc.: 1 Avenue of the Palms, Suite 407, San Francisco, CA 94130
Mott MacDonald, LLC: 4301 Hacienda Drive, Suite 300, Pleasanton, CA 94588
OrgMetrics, LLC: 291 McLead Street, Livermore, CA 94550
Saylor Consulting Group: 71 Stevenson Street, Suite 400, San Francisco, CA 94105
TransSystems Corporation: 2000 Center Street, Suite 303, Berkeley, CA 94704
UDC, LLC: 1369 Sacramento Street, Suite 3, San Francisco, CA 94109
Woolpert: 4454 Idea Center Boulevard, Dayton, OH 45430

Date that contract was approved:

Amount of contract:

Not-to-exceed \$40,000,000

Describe the nature of the contract that was approved: The contractor will provide capital program support services to assist the Airport for the Capital Improvement Program (CIP) in a coordinated and methodical manner. Specific areas of expertise required include: program controls, scheduling, budgeting, estimating, preparation of progress reports, development and implementation of a web-based centralized project management and project controls system, and other program management services. The Airport is undergoing a significant investment in its assets and will be implementing over \$7.1 billion in capital projects in the coming decade. To maintain consistency in reporting and cost controls, it is critical that all project teams track and report costs using a comprehensive, consistent approach. Similarly, it is important that the Airport be able to understand the overall schedule and budget of the CIP in order to plan resources, plan project funding, and manage risk.

Comments: Requesting Board of Supervisors to approve the Professional Services Agreement for Airport Contract 10401.45 – Capital Program Support Services for the Airport Capital Improvement Program between Hill International, Inc. and the City and County of San Francisco with a final contract value not-to-exceed \$40,000,000 for services through November 15, 2023.

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