

1 [WSIP Agreement No. CS-963, Program Construction Management Services.]

2
3 **Resolution authorizing the General Manager of the San Francisco Public Utilities**
4 **Commission to execute the Water System Improvement Program-funded Agreement No.**
5 **CS-963, Program Construction Management Services, with AECOM WATER, for an**
6 **amount not to exceed \$26,000,000 with a term of up to seven (7) years, pursuant to San**
7 **Francisco Charter Section 9.118, if the Board of Supervisors has approved an ordinance**
8 **waiving procurement requirements of San Francisco Administrative Code Section 6.40**
9 **and 6.41, and that ordinance is effective.**

10
11 WHEREAS, On July 11, 2005, by Resolution 536-05, the Board of Supervisors
12 authorized the San Francisco Public Utilities Commission (SFPUC) to award and execute the
13 Water System Improvement Program Program / Project / Pre-Construction Management
14 (PPPCM) Services Agreement No. CS-765 to Parsons Water and Infrastructure Inc.
15 (Parsons), for an amount not to exceed \$38 million; and

16 WHEREAS, On November 13, 2007, by Resolution No. 07-0193, the SFPUC approved
17 a \$19,000,000 amendment (Amendment No. 1) to the PPPCM Agreement to provide
18 additional program, project and pre-construction management services through July 25, 2010;
19 and

20 WHEREAS, On March 5, 2008, the Board of Supervisors directed SFPUC staff to lower
21 the amount of Amendment No. 1 and undertake a competitive selection process to address
22 the remaining program management consulting needs of the Water System Improvement
23 Program (WSIP); and

1 WHEREAS, On July 10, 2008, the SFPUC advertised a request for proposals (RFP) for
2 CS-940, Program Management for the Water System Improvement Program, and proposals
3 were received on September 19, 2008, from two firms: Program Delivery Partners, a joint
4 venture between Parsons and AECOM WATER (AECOM), and CH2M HILL; and

5 WHEREAS, Program Delivery Partners was the highest-ranking proposer for CS-940;
6 and

7 WHEREAS, In the proposal, Program Delivery Partners divided the tasks included in
8 CS-940 so that Parsons would perform pre-construction program management related tasks
9 and AECOM would perform construction management related tasks; and

10 WHEREAS, On August 4, 2008, the City Attorney's Office advised the SFPUC that
11 awarding CS-940 entirely to Parsons would present a potential conflict of interest that could
12 result in a void contract between the SFPUC and Parsons for those services; and

13 WHEREAS, even though the City Attorney's Office identified a potential conflict of
14 interest arising from Parsons' prior participation in the development of program construction
15 management services for WSIP, the City Attorney's Office stated that, based upon its
16 understanding of the facts and circumstances at that time, there was no indication that
17 Parsons acted in bad faith or attempted to steer CS-940 to itself; and

18 WHEREAS, It is essential to provide additional contracting capacity to the WSIP to
19 avoid a break in the continuity of essential program management services required to
20 successfully deliver the WSIP on schedule; and

21 WHEREAS, Consultant assistance is required to supplement existing internal
22 resources (unplanned work and augmentation during peak work load), or provide sufficient
23 qualifications or experience that are not available through SFPUC/City resources (specialized
24 work); and

1 WHEREAS, On November 12, 2008, the SFPUC rejected all proposals submitted in
2 response to the RFP for CS-940, and authorized an amendment to the existing CS-765
3 Agreement with Parsons to obtain the necessary consulting services for pre-construction
4 program management tasks only, subject to Board of Supervisors approval, and authorized
5 an award of a new agreement to AECOM for program construction management services,
6 subject to Board of Supervisors approval; and

7 WHEREAS, the SFPUC decision on November 12, 2008 was intended to achieve the
8 following: secure required program management services without any further delay, which is
9 critical to the successful implementation of the program; alleviate the potential conflict of
10 interest with Parsons; honor the results of the competitive process conducted for CS-940; and
11 provide much needed continuity in the management of the WSIP during a very critical time
12 when the WSIP as a whole is about the start transitioning to construction; and

13
14 WHEREAS, SFPUC Resolution No. 08-0205 approved Amendment No. 2 to
15 Agreement No. CS-765, San Francisco Water System Improvement Program –
16 Program/Project/Pre-Construction Management Services, with Parsons Water and
17 Infrastructure, Inc., and authorized the General Manager of the Public Utilities Commission to
18 execute this amendment, upon Board of Supervisors approval, increasing the Agreement by
19 \$19,000,000, for a total Agreement amount of \$64,000,000, with a time extension of five (5)
20 years, for a total agreement duration of ten (10) years, which matter is pending before this
21 Board of Supervisors; and

22 WHEREAS, SFPUC Resolution 08-0206 approved an award of a program-level
23 construction management contract to AECOM contingent upon the Board of Supervisors'
24 adopting an ordinance, granting a waiver of the competitive procurement requirements of San
25

1 Francisco Administrative Code Sections 6.40 and 6.41, and approving the contract in the
2 amount of \$26,000,000, with a term of up to seven (7) years, pursuant to Charter Section
3 9.118; and

4 WHEREAS, The Board of Supervisors action on this Resolution authorizing execution
5 of the contract is contingent upon Board adoption and final effectiveness of Ordinance No.
6 22-09, authorizing a waiver of the competitive procurement requirements of San
7 Francisco Administrative Code sections 6.40 and 6.41; and

8 WHEREAS, A Human Rights Commission (HRC) Local Business Enterprise (LBE)
9 participation goal of 11% of the total contract value has been established and approved for
10 this contract; and

11 WHEREAS, The services to be provided under this Agreement will be paid using both
12 program and project-specific WSIP funds; now, therefore be it

13 ;

14 RESOLVED, That the Board of Supervisors authorizes the General Manager to
15 execute the Water Enterprise Water System Improvement Program-funded Agreement No.
16 CS-963, Program Construction Management Services with AECOM, for an amount not to
17 exceed \$26,000,000 with a term of up to seven (7) years, pursuant to San Francisco Charter
18 Section 9.118, if the Board of Supervisors has approved Ordinance No. 22-09, and
19 that Ordinance is effective, authorizing a waiver of the competitive procurement requirements
20 of San Francisco Administrative Code sections 6.40 and 6.41.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 081536

Date Passed:

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute the Water System Improvement Program-funded Agreement No. CS-963, Program Construction Management Services, with AECOM WATER, for an amount not to exceed \$26,000,000 with a term of up to seven (7) years, pursuant to San Francisco Charter Section 9.118, if the Board of Supervisors has approved an ordinance waiving procurement requirements of San Francisco Administrative Code Sections 6.40 and 6.41, and that ordinance is effective.

January 27, 2009 Board of Supervisors — CONTINUED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell, Mirkarimi

February 3, 2009 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Avalos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell, Mirkarimi

Noes: 1 - Campos

File No. 081536

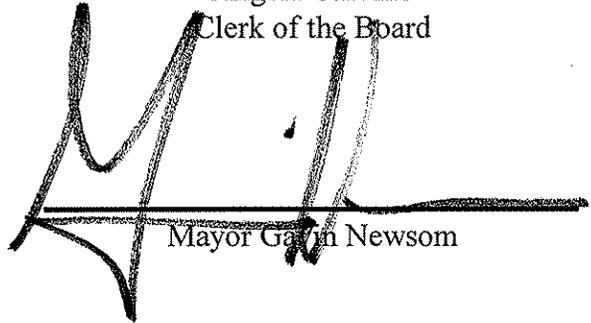
I hereby certify that the foregoing Resolution was ADOPTED on February 3, 2009 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board

2/13/09

Date Approved



Mayor Gavin Newsom