



Meeting Date: September 10, 2024

To: Public Works Commission

Through: Carla Short, Public Works Director
Albert Ko, Deputy Director and City Engineer

From: Denny Phan, Acting Manager, Infrastructure Task Force

Subject: Potrero Power Station Financial Consulting Services - Contract Modification

Director's Recommendation: Approve an increase of \$500,000 to the Financial Consulting Services contract for the Potrero Power Station development project with Harris & Associates, Inc. and extend the contract duration by 1,461 days, for a total contract amount of \$599,000 and duration of 1,645 days.

Contract Background: On April 19, 2024, San Francisco Public Works executed Contract No. 1000032068 (Contract) with Harris and Associates, Inc. (Contractor) to provide financial consulting services and reimbursement review services for the Potrero Power Station joint development project (Project). The Project is a major Development Agreement project that will transform a 29-acre site on the Central Waterfront from a former PG&E Power Station to a new mixed-use neighborhood that will provide approximately 2,601 dwelling units (30% below market rate), 6.9 acres of new open space and parks, new commercial, retail, and community facilities, and access to the waterfront. Pursuant to the Development Agreement and subsequent Acquisition Agreements, the City created and will utilize a Community Facilities District (CFD) and an Enhanced Infrastructure Facilities District (EIFD) to acquire and reimburse the developer for the Actual Costs of public improvements and privately-owned community facilities. In this context, Harris & Associates, Inc. has advised the City on financial terms and conditions related to the implementation of the CFD and EIFD, reviewing and recommending approval of developer reimbursement requests, and provided financial reporting and various related technical guidance on the Project.

Reason for Modification: An extension of the Contractor's financial consulting services and reimbursement review services are needed to continue supporting the City in the implementation of the Community Facilities District (CFD) and Enhanced Infrastructure Financing District (EIFD) Acquisition Agreements for the anticipated infrastructure scope to be acquired throughout the duration of Project's Development Agreement. At the time the original contract was executed, the Contractor's scope was limited to an early draft version of the CFD and EIFD Acquisition Agreements. In July 2024, the Board of Supervisors approved final versions of the Acquisition Agreements that detailed the final infrastructure scope to be acquired and set the terms, conditions, and timeline for reimbursement review. This contract modification extends the Contractor's services to cover the additional infrastructure scope, terms, conditions, and timelines of the executed version of the CFD and EIFD Acquisition Agreements.

Contract Details:

Contract Title:	Potrero Power Station Financial Consulting Services
Personal Services Contract No. (Required for Professional Services Only):	PSC No. 20956-23/24 obtained approval on December 29, 2023, by the Department of Human Resources on behalf of the Civil Service Commission. PSC modification 1 pending approval, anticipated September 2024
Contract Original Award Amount:	\$99,000
Contract Original Duration:	184 days
Contractor Name:	Harris & Associates, Inc.

Summary of Total Amounts:

	Contract Amount	Contract Duration	Contract Dates
Original Contract Amount:	\$99,000.00	184 days	4/19/24 – 10/20/24
Previous Approved Modifications:	-	-	-
Proposed Modification:	\$500,000.00	1,461 days	4/19/24 – 10/20/28
Total Contract Values:	\$599,000.00	1,645 days	4/19/24 – 10/20/28

Previously Approved Modifications:

Modification	Amount	Extension (days)	Description
N/A	N/A	N/A	N/A

Contract Funding Sources:	General Fund, Developer Reimbursement
Compliance Information:	12B, 12C, 12F
Related Commission Actions:	N/A
Additional Information:	N/A
Attachments:	Attachment 1: Resolution Attachment 2: Contract Monitoring Division Memorandum Modification Approval Attachment 3: Personal Services Contract Modification Approval

**PUBLIC WORKS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. _____

WHEREAS, On April 19, 2024, City and Harris & Associates, Inc. (Contractor) entered into Contract No. 1000032068 for Contractor to provide financial consulting services and reimbursement review services for the Potrero Power Station joint development project (Project); and

WHEREAS, In order to enable Contractor to continue advising City in the implementation of the Community Facilities District (CFD) and Enhanced Infrastructure Facilities District (EIFD) for the Project, reviewing and recommending approval of developer reimbursement requests, and providing financial reporting and various related technical guidance on the Project; and

WHEREAS, Public Works is seeking expedited approval of this modification from the Contract Monitoring Division and Civil Service Commission; now, therefore, be it

RESOLVED, That this Commission approves this first modification to increase Contract No. 1000032068 by \$500,000 and 1,461 days for a new Contract value of \$599,000 and duration of 1,645 days, on the condition that approval of this modification is received from the Contract Monitoring Division and the Civil Service Commission.

I hereby certify that the foregoing resolution was adopted by the Public Works Commission at its meeting of _____.

Commission Affairs Manager
Public Works Commission