



108-0102023-002

Agenda Item **No. 5(b)**
Meeting of May 2, 2023

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Authorizing a Second Amendment to the Personal Services Contract with Forster & Kroeger Landscape Maintenance, Inc., a California corporation, to increase the contract contingency expenditure authority by \$20,000, for a total contingency expenditure authority of \$54,480 and an overall contract expenditure authority not to exceed \$571,104 to provide continued landscape maintenance services in Community Facilities District No. 1 (South Beach); Former Rincon Point-South Beach Redevelopment Project Area

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco ("Successor Agency") administers community facilities districts established by the former San Francisco Redevelopment Agency ("Former Agency"). This includes Community Facilities District No. 1 (South Beach) ("CFD 1"), established by the Former Agency in 1988 to fund the cost of installation and maintenance of streetscape and plaza improvements constructed in the former Rincon Point South Beach Redevelopment Project Area. In furtherance of this maintenance obligation, the Commission authorized a contract in 2017 with Forster & Kroeger Landscape Maintenance, Inc. ("Contractor") to provide maintenance services within CFD 1 (and as amended by the Commission in 2020, the "Current Contract") with a budget of \$551,104 and a contingency of \$34,840.

The Commission-approved Current Contract budget authorizes contingency ("Contingency") expenditures for unforeseen repair and maintenance activities not identified in the Contract's Scope of Services. The Contingency has been spent down over the life of the Contract.

London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Alex Ludlum
Tamsen Drew
Dr. Carolyn Ransom-Scott
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The final \$21,900 of the Contingency authorization has been expended to address recent weather-related damage to CFD 1 facilities and deferred maintenance accrued during the COVID-19 pandemic. An amendment to the Current Contract is necessary to authorize additional funding for Contingency expenditures, so that staff and the Contractor may address unforeseen repair or maintenance issues arising before the end of the Current Contract (October 31, 2023). This does not increase the on-going maintenance budget (\$516,264), and would not be expended if no unforeseen repair issues arise before the end of the Current Contract.

Staff recommends authorizing a Second Amendment to the Personal Services Contract with Forster & Kroeger Landscape Maintenance, Inc., a California corporation ("Second Amendment"), to increase the Current Contract's total Contingency expenditure authority by \$20,000, to a total of \$54,840, which will result in overall contract expenditure authority of \$571,104.

BACKGROUND

In 1988, by Resolution Nos. 186-88 through 191-88, the Former Agency established CFD 1 pursuant to California Government Code Section 53311 et seq. (the Mello-Roos Community Facilities District Act). Special taxes paid by private property owners within CFD 1 funded the construction, and now fund the maintenance, of four plazas, streetscape improvements, and irrigation and lighting systems located in the South Beach portion of the Rincon Point South Beach Redevelopment Project Area. The CFD 1 area is bounded by The Embarcadero, Beale, Bryant, Federal, Brannan, CP Kelly and Townsend Streets. The improvements funded by CFD 1 are a highly visible amenity for the South Beach area and provide significant benefit to residents and visitors.

In 2012, the State of California dissolved all redevelopment agencies, including the Former Agency under California Health and Safety Code §§ 34170 et seq. (the "Redevelopment Dissolution Law"). Under the Redevelopment Dissolution Law and San Francisco Ordinance No. 215-12 (Oct. 4, 2012) (establishing the Successor Agency Commission ("Commission") and delegating to it state authority under the Redevelopment Dissolution Law), the Successor Agency administers obligations of the Former Agency.

Although the Former Agency exercised state authority under the Mello-Roos Act (rather than Community Redevelopment Law) in forming CFD 1 and funding its facilities and services, the Commission, as successor to the Former Agency, also administers the Former Agency's obligations under CFD 1. This includes annually reviewing and approving the level of special taxes collected from CFD 1 to fund operations, and authorizing contracts for maintenance of the CFD 1 facilities.

Thus, after a competitive solicitation process, the Commission (by Resolution No. 37-2017 (October 3, 2017) approved the selection of the Contractor to provide maintenance services within CFD 1, and authorized the Executive Director to enter into the Current Contract with Contractor to provide said services, for an initial three-year term beginning November 1, 2017, and one three-year additional term ending October 31, 2023. The original contract did not specify budget authority for the additional term,

so on October 6, 2020, by Resolution No. 25-2020, the Commission authorized the Current Contract with a total additional expenditure budget authority of \$276,668 (which reflected a total Contingency expenditure authority of \$34,840).

DISCUSSION

Cumulative budget authority for the six-year term of the Current Contract is a not-to-exceed amount of \$551,104, which includes \$516,264 ¹ for maintenance expenditures associated with Contractor's established Scope of Services, and a maximum of \$34,840 Contingency expenditure authority (with \$9,480 of that amount spent prior to the Commission's adoption of the Current Contract, leaving a net remaining Contingency expenditure authority of \$25,000) (see Table 1 below).

Table 1: Contingency Expenditures Under CFD 1 Current Contract

Work Performed	Cost	Remaining Contingency
Repair irrigation leak	\$2,740	\$32,100
Repair paver trip hazards and dead tree limbs/trees	\$7,100	\$25,000
Repair non-functioning pedestrian-level light fixtures, upgrade to LED	\$3,900	\$21,900
Winter-related damage repair (tree removal, electrical repairs to Beale Plaza light system), and COVID-deferred repairs (repair paver trip hazards and damaged curb replacements)	\$21,900	\$0

In 2021, OCII authorized expenditure of \$3,100 in Contingency funds for upgrades of non-functioning pedestrian-level light fixtures. Now, necessary repair of weather-related damage to CFD 1 facilities and deferred maintenance accrued during the pandemic have resulted in contingency costs of \$21,900. This work includes removal of a downed tree, several repairs to the Brannan/Beale Plaza lights electrical system, repairs to multiple sections of decorative pavers and tree wells and a section of damaged parking curb. This work is ongoing, with some already completed and the remainder to be completed by June 2023. This work will deplete the maximum Contingency expenditure authority in the Current Contract.

To retain the ability for staff and the Contractor to address further unforeseen repair or maintenance issues until the end of the Contract (October 31, 2023), an amendment to the Current Contract is necessary to authorize additional Contingency expenditures. Authorized but unspent funds will return to the CFD 1 fund balance, to be available to the future contractor.

¹ This dollar figure was established under the 2020 Commission authorization, as an estimate of future expenditures for the additional three-year term; the actual maintenance expenditures for the additional term will be approximately \$2,000 less than the estimated expenditure authority.

Thus, staff recommends authorizing a Second Amendment to the Personal Services Contract with Forster & Kroeger Landscape Maintenance, Inc., a California Corporation, to increase the Current Contract's total Contingency expenditure authority by \$20,000, to a total of \$54,840, and an overall contract budget of \$571,104.

SMALL BUSINESS ENTERPRISE AND WORKFORCE COMPLIANCE

The Contractor is a minority-owned business certified by the State of California, Department of General Services (DGS) as a Small Business Enterprise ("SBE") and is compliant with OCII's Nondiscrimination in Contracts and Benefits, Minimum Compensation, and Health Care Accountability Policies.

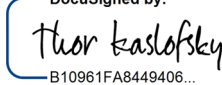
CALIFORNIA ENVIRONMENTAL QUALITY ACT

Authorization of the Second Amendment is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15301(h), because it authorizes funding for the continued operation, repair, maintenance or minor alteration of existing community facilities or topographical features with negligible or no expansion of existing uses and will not independently result in a significant physical effect on the environment.

STAFF RECOMMENDATION

Staff recommends authorizing a Second Amendment to the Personal Services Contract with Forster & Kroeger Landscape Maintenance, Inc., a California corporation, to increase the Current Contract's total Contingency expenditure authority by \$20,000, to a total of \$54,840, and an overall contract expenditure authority of \$571,104.

*(Originated by Marie Munson, Senior Development Specialist and Aaron Foxworthy,
Deputy General Counsel & Real Estate Manager)*

DocuSigned by:

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Thor Kaslofsky
Executive Director

Attachment A: Second Amendment to the Personal Services Contract with Forster & Kroeger Landscape Maintenance, Inc.

Attachment B: Personal Services Contract with Forster & Kroeger Landscape Maintenance, Inc and First Amendment to Personal Services Contract with Forster & Kroeger Landscape Maintenance, Inc.

**Second Amendment to the Personal Services Contract
with Forster & Kroeger Landscape Maintenance, Inc.**

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO

SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT

This SECOND AMENDMENT to the Personal Services Contract (“**Second Amendment**”) is entered into as of _____ (the “**Effective Date**”) by and between the OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, organized and existing under the laws of the State of California (“**OCII**”), and Forster & Kroeger Landscape Maintenance, Inc, a California Corporation (“**Contractor**”).

RECITALS

This Second Amendment is made with reference to the following facts and circumstances:

A. Community Facilities District No.1 (South Beach) (“**CFD No. 1**”) was established in 1988 by the former Redevelopment Agency of the City and County of San Francisco (“**Former Agency**”) Resolution Nos. 186-188 through 191-88 pursuant to the Mello-Roos Act to fund construction and maintenance of certain improvements including plazas, streetscape improvements, and lighting and irrigation systems within the boundaries of the CFD No. 1 geographic area, which is bounded by Embarcadero, Beale, Bryant, Federal, Brannan, CP Kelly and Townsend Streets and located in the South Beach portion of the Rincon Point-South Beach Redevelopment Project Area. The CFD No. 1 improvements are a highly visible amenity for the area and represent a significant capital investment to the property owners and OCII.

B. OCII has responsibility for providing landscape maintenance services within the CFD No. 1 area. The Successor Agency Commission (“**Commission**”) first approved a personal services contract with Forster & Kroeger Landscape Maintenance, Inc., a California Corporation (“**Contractor**”), to provide landscape maintenance services to CFD No.1 on October 3, 2017, by Resolution 37-2017, and approved a first amendment to the contract on October 6, 2020 by Resolution No. 17-2020 (as amended, the “**Original Contract**”).

C. The Original Contract provides a contingency expenditure authority of \$34,840 for unforeseen maintenance and repairs under the Contract and extra work not specified in the Scope of Services, Attachment A to the Contract (“**Scope of Services**”). OCII has authorized the expenditure of the full \$34,840 contingency amount. A second amendment (“**Second Amendment**”) to the Original Contract is necessary to increase the total contingency expenditure authority to allow OCII and the Contractor to address any unforeseen additional maintenance and

Attachment A

repairs and extra work not included in the Scope of Services until the end of the Original Contract in October 2023.

D. Therefore, OCII and Contractor seek to enter into this Second Amendment to increase the not-to-exceed contingency expenditure authority of the Contract by \$20,000, to a total of \$54,840, upon the basis of the terms, covenants, and conditions set forth below. Together, the Original Contract and this Second Amendment comprise the “**Contract**.”

AGREEMENT

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

1. The Original Contract shall be amended as follows:
 - a. Section 3A. Compensation is amended as follows:

A. Compensation:

The maximum amount payable under this Contract is FIVE HUNDRED ~~SEVENTYFIFTY~~ ONE THOUSAND ONE HUNDRED AND FOUR DOLLARS (\$~~57~~51,104). Payment shall be made according to the schedule and terms described herein.

<u>Year</u>	<u>Date</u>	<u>Monthly</u>	<u>Annual</u>
Year 1	11/1/2017-10/31/2018	\$6,725	\$80,700
Year 2	11/1/2018-10/31/2019	\$6,907	\$82,884
Year 3	11/1/2019-10/31/2020	\$7,025	\$84,300
Year 4	11/1/2020-10/31/2021	\$7,236*	\$86,829*
Year 5	11/1/2021-10/31/2022	\$7,453*	\$89,434*
Year 6	11/1/2022-10/31/2023	\$7,676*	\$92,117*

Contingency for change orders (payable only to the extent of any change orders)	\$ 5 34,840 ¹
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Total	\$ 57 51,104
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* = approximation

At the conclusion of each 12-month service period there will be an annual Consumer Price Index (“CPI”) change in the compensation paid to Contractor. The chart above shows approximations for Years 4, 5 and 6 assuming an annual 3% increase. The actual Years 4, 5 and 6 annual compensations (to be prorated and paid monthly) will be calculated using the 12-month percent change in CPI-U for All Urban Consumers published by the U.S. Bureau of Labor Statistics for August.

¹ As of the date of this Second Amendment, \$20,000 remains unallocated and available for future contingency work.

Attachment A

All expenses of Contractor are included in the amounts payable pursuant to **Attachment B, Budget**, and no expenses shall be reimbursed separately. Contractor will submit monthly billing invoices to OCII. OCII staff will review and approve these invoices for payment.

- b. The first sentence of **ATTACHMENT B: BUDGET** is amended as follows:

The maximum amount payable under this contract is \$~~57~~51,104.

2. Miscellaneous

- a. This Second Amendment constitutes a part of the Contract and any reference to the Contract shall be deemed to include a reference to the Original Contract as amended by this Second Amendment.
- b. Except as otherwise amended hereby, all terms, covenants, conditions and provisions of the Contract shall remain in full force and effect.
- c. The Second Amendment shall be binding upon and inure to the benefit of the successors and assigns for OCII and the Contractor, subject to the limitations set forth in the Contract.
- d. This Second Amendment may be executed in any number of counterparts, all of which, together, shall constitute the original agreement.

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Attachment A

IN WITNESS WHEREOF OCII and Contractor have executed this Second Amendment as of the date first above written.

FORSTER & KROEGER LANDSCAPE
MAINTENANCE, INC., a California corporation

By: _____
Raul Garcia
President
Federal Tax Identification No. 68-0407551

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public
body, organized and existing under the laws of the
State of California

By: _____
Thor Kaslofsky
Executive Director

APPROVED AS TO FORM:

By: _____
James B. Morales
General Counsel

Authorized by Resolution No. _____, adopted _____.

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO

PERSONAL SERVICES CONTRACT

This PERSONAL SERVICES CONTRACT ("Contract") is entered into as of November 1, 2017 by and between the OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE (OCII)/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic ("OCII"), and FORSTER & KROEGER LANDSCAPE MAINTENANCE, INC., a California corporation ("Contractor").

RECITALS

- A. The Community Facilities District No. 1 (South Beach) ("CFD-1" or District") is in need of landscape maintenance and other related services in the Rincon Point-South Beach area. The District is bounded by Embarcadero, Beale, Bryant, Federal, Brannan, CP Kelly and Townsend Streets (See Map 1 for more detailed description).
- B. CFD-1 consists of four plazas, namely the Townsend Plaza (Map 1), First Plaza (Map 2), Brannan/ Beale Plaza (Map 3) and Bryant Plaza and Steps (Map 4). Moreover, the District improvements include approximately 455 street trees, 12,100 square feet of lawn cover, 2,400 square feet of ground cover, 866 square feet of shrub, 500 square feet of annuals, 15,400 square feet of irrigation and lighting system, and 41,000 square feet of litter and weed control area.
- C. On June 21, 2017, staff issued a Request for Proposals ("RFP") in accordance with the Office of Community Investment and Infrastructure's Purchasing Policy and Procedures, inviting proposals to provide landscape maintenance and related services
- D. OCII staff determined that Forster & Kroeger Landscape Maintenance, Inc. ("Forster & Kroeger") is well qualified to provide landscape maintenance and related services for CFD-1 Rincon Point/South Beach based on its qualifications, proven experience and complete proposed budget. Forster & Kroeger currently is under contract to provide landscape maintenance services and has performed well throughout the term of the existing personal services contract. This Contract will allow the Contractor to continue to provide such services.
- E. The Office of Community Investment and Infrastructure, as administrator of CFD-1, seeks to retain the Contractor to provide landscape maintenance and other related services as well as to perform at the direction of OCII such additional landscape work as may be needed which may include but are not limited to the replacement

and/or repair of bollards, pavers, trees, cobbles, stakes and ties. This latter work will be included, if at all, in change orders signed by the Executive Director of OCII during the term of the Contract.

NOW, THEREFORE, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, OCII and the Contractor agree as follows:

1. SCOPE OF SERVICES

Contractor shall perform all services required under this Contract in connection with CFD-1, and shall carry out in satisfactory and proper manner as determined by OCII, the services described in Attachment 1, Scope of Services (the "Work"), attached hereto and made a part of this Contract. A consistently high standard of performance will be required of landscape maintenance workers, training personnel, supervisors and managers, and any subcontractors of Contractor, all of whom shall have appropriate licenses for the work they undertake pursuant to this Contract.

Contractor must maintain the availability of qualified and trained landscape maintenance workers and supervisory staff. Contractor shall assign personnel to the CFD-1.

OCII reserves the right to order changes in the Work to be performed hereunder by altering, adding to or deducting from the Work. All such changes shall be incorporated in written change orders executed by the Contractor and OCII's Executive Director which shall specify the changes ordered and any adjustment of compensation and/or completion time required by such change. Any Work added to the scope of this Contract by a change order shall be executed under all the applicable conditions of this Contract. No claim for additional compensation or extension of time shall be recognized unless contained in a change order duly executed by OCII and the Contractor.

2. TIME OF COMPLETION

A. Initial Term

The work under this Contract shall begin on November 1, 2017 and end on October 31, 2020 at midnight (the "Initial Term"), unless earlier terminated pursuant to Section 19, Termination.

B. Option to Extend Contract Term

At the option of the Executive Director of OCII, this Contract may be extended for one additional three-year term on all of the same terms and conditions. If OCII exercises this option, it will give Contractor written notice of exercise to Contractor not later than 30 days before the expiration of the term then in effect.

3. COMPENSATION AND METHOD OF PAYMENT

A. Compensation:

The maximum amount payable under this Contract is Two Hundred Seventy-Four Thousand Four Hundred Thirty-Six Dollars (\$274,436.00). Payment shall be made according to the schedule and terms described herein.

<u>Year</u>	<u>Date</u>	<u>Monthly</u>	<u>Annual</u>
Year 1	Nov 1, 2017 - Oct 31, 2018	\$ 6,725	\$ 80,700
Year 2	Nov 1, 2018 - Oct 31, 2019	\$ 6,926.75*	\$ 83,121*
Year 3	Nov 1, 2019 - Oct 31, 2020	\$ 7,134.55*	\$ 85,615*
Contingency for change orders (payable only to the extent of any change orders)			\$ 25,000
Total			\$ 274,436

* = approximation

At the conclusion of each 12-month service period there will be an annual Consumer Price Index ("CPI") increase in the compensation paid to Contractor. The chart above shows approximations for years two and three based on an annual 3% CPI increase. The actual Year 2 and 3 annual compensations (to be prorated and paid monthly) will be calculated using the 12-month percent change in CPI-U for All Urban Consumers published by the U.S. bureau of Labor Statistics for August.

All expenses of Contractor are included in the amounts payable pursuant to **Attachment B**, "Budget", and no expenses shall be reimbursed separately. Contractor will submit monthly billing invoices to OCII. OCII staff will review and approve these invoices for payment.

B. Taxes.

No payroll or employment taxes of any kind will be withheld or paid by OCII on behalf of Contractor. OCII will not treat Contractor as an employee with respect to the Contract services for any purpose, including federal and state tax purposes. Contractor understands and agrees that it is Contractor's responsibility to pay all taxes required by law, including self-employment social security tax. OCII will issue an IRS 1099 Form, or other appropriate tax-reporting document, to Contractor for the Contract services.

C. Benefits.

Contractor will not be eligible for, and will not participate in, any health, pension, or other benefit of OCII which exists solely for the benefit of OCII employees during the Contract Term.

D. Payment Does Not Imply Acceptance of Work.

The granting of any payment by OCII, or the receipt thereof by Contractor, shall in no way lessen the liability of Contractor to replace unsatisfactory work, equipment or materials may not have been apparent or detected at the time such payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Contract may be rejected by OCII and in such case must be replaced by Contractor without delay.

4. NO PERSONAL LIABILITY

No member, official or employee of OCII shall be liable personally to Contractor or any successor in interest in the event of any default or breach by OCII or for any amount which may become due to Contractor or any successor or on any obligation under the terms of this Contract.

5. ASSIGNMENT OF CONTRACT OR SUBCONTRACTING

Contractor shall not assign this Contract, or any part thereof, or hire any subcontractor to perform work under this Contract, without the prior express written consent of OCII.

6. INTENTIONALLY OMITTED (TERMS AND CONDITIONS-CDBG FUNDED CONTRACTS)

7. NON-FEDERAL LABOR STANDARDS

Contractor agrees that any employees performing work or services for Contractor shall be subject to the State and local laws governing prevailing wage rates, hours and working conditions, and benefits applicable to similar work or services performed in San Francisco. Contractor further agrees that the inclusion of the above provision in this Contract shall not be construed to relieve Contractor or any subcontractor from the pertinent requirements of any applicable Federal labor standards provision. Where minimum rates of pay required under State or local law are higher than the minimum rates of pay required by or set forth in applicable Federal labor standards, said State or local minimum rates shall be the applicable minimum rates of pay for such classifications.

8. INDEMNIFICATION

To the fullest extent allowable by law, Contractor shall hold harmless, defend at its own expense and indemnify OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees against any and all liability, claims, losses, damages or expenses, including reasonable attorney's fees, arising directly or indirectly from all acts or omissions to act of contractor or its officers, agents or

employees in rendering services under this contract; excluding, however, such liability, claims, losses, damages or expenses arising from Agency's gross negligence or willful acts 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 officers, agents or employees. In addition to Contractor's obligation to indemnify Agency, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend Agency 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 Agency and continues at all times thereafter. This section does not apply to contracts for construction design services provided by a design professional, as defined in California Civil Code Section 2782.8.

9. INDEPENDENT CONTRACTOR

Contractor hereby declares that it is engaged in an independent business and agrees to perform its services as an independent contractor and not as the agent or employee of OCII. Contractor has and hereby retains the right to exercise full control and supervision of the services and work to be provided under this Contract and full control over the employment, direction, compensation and discharge of all persons assisting it in the performance of the services and work hereunder. Contractor agrees to be solely responsible for all matters relating to payment of employees, including, but not limited to, compliance with all federal, state and local payroll tax and withholding requirements, workers' compensation requirements and all regulations governing such matters. Contractor agrees to be solely responsible for its own acts and those of its subordinates and employees during the term of the Contract.

10. INSURANCE

A. Contractor must procure and maintain for the duration of the Contract, including any extensions, insurance against claims for injuries to person or damages to property which may arise from or in connection with the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors. If the Contractor maintains additional coverages and/or higher limits than the minimums shown in this Article 10, OCII requires and shall be entitled to the additional coverage and/or the higher limits maintained by the Contractor.

B. Minimum Scope of Insurance. Coverage must be at least as broad as:

- (1) Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01).
- (2) Insurance Services Office Automobile Liability coverage, code 1 (form number CA 00 01- any auto).
- (3) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(4) Intentionally Omitted.

C. Minimum Limits of Insurance. Contractor must maintain limits no less than:

(1) General Liability:

- a. For contracts not involving demolition or construction, or during phases of contracts prior to demolition or construction: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit (\$4,000,000). Applicable Umbrella or Excess Liability limits may be used to meet the terms of this paragraph.
- b. For contracts involving demolition or construction or during phases involving demolition or construction: \$5,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit (\$10,000,000). Applicable Umbrella or Excess Liability limits may be used to meet the terms of this paragraph.

(2) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the State of California and Employer's Liability limits of \$1,000,000 for bodily injury by accident and \$1,000,000 per person and in the annual aggregate for bodily injury by disease. (Required only if Contractor has employees).

(4) Professional Liability Insurance: Intentionally Omitted

D. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by OCII. At the option of OCII, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees; or Contractor shall provide a financial guarantee satisfactory to OCII guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- (1) The "Office of Community Investment and Infrastructure/Successor Agency to the Redevelopment Agency of the City and County of San Francisco, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees" are to be covered as additional insureds as respects: liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and liability arising out of work or operations performed by or on behalf of the Contractor.
- (2) For any claims-related to this Contract, the Contractor's insurance coverage must be primary insurance as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents, and employees. Any insurance or self-insurance maintained by OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees shall be in excess of Contractor's insurance and shall not contribute with it.
- (3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees.
- (4) Each insurance policy required by this clause must be endorsed to state that coverage will not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to OCII.
- (5) Contractor hereby grants to OCII a waiver of any right to subrogation which any insurer of said Contractor may acquire against OCII by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not OCII has received a waiver of subrogation endorsement from the insurer.
- (6) If any of the required policies provide coverage on a claims-made basis:
 - a. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the contract of work.

- c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five years after completion of contract work.

F. Acceptability of Insurers. Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII, unless otherwise approved by OCII's Risk Manager.

G. Verification of Coverage. Contractor must furnish OCII with certificates of insurance and with original endorsements evidencing coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by OCII. All certificates and endorsements are to be received and approved by OCII before work commences. OCII reserves the right to require complete, certified copies of all required insurance policies, including endorsements demonstrating the coverage required by these specifications at any time.

H. Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all the requirements stated herein.

11. RECORDS, REPORTS AND AUDITS

A. Records

- (1) Records shall be established and maintained in accordance with Agency requirements, and U.S. Department of Housing and Urban Development ("HUD") requirements if the Contract is funded with HUD Community Development Block Grant ("CDBG") funds, with respect to all matters covered by this Contract. Except as otherwise authorized by OCII, such records shall be maintained for a period of four years from the date of the termination of the Contract; except that records that are the subject of audit findings shall be retained for four years or until such audit findings have been resolved, whichever is later.
- (2) All costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to this Contract shall be clearly identified and readily accessible.

B. Reports and Information

At such times and in such forms as OCII, the City and County of San Francisco or HUD, if the Contract is funded with CDBG funds, may require, there shall be furnished to OCII or its

designated representative such statements, records, reports, data and information as OCII, the City and County of San Francisco or HUD may request pertaining to matters covered by this Contract.

C. Audits and Inspections

At any time during normal business hours and as often as OCII, the City and County of San Francisco or HUD, and/or the Comptroller General of the United States, if the Contract is funded with CDBG funds, may deem necessary, there shall be made available to OCII or its representatives for examination all records with respect to all matters covered by this Contract and Contractor will permit OCII, the City and County of San Francisco, HUD and/or the Comptroller General of the United States to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Contract.

12. CONFLICTS

Except for approved eligible administrative or personnel costs, no employee, agent, contractor, officer or official of OCII who exercises any functions or responsibilities with respect to this Contract or who is in a position to participate in a decision making process or gain inside information with regard to it, shall obtain a personal or financial interest in or benefit from any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom they have family or business ties, during his or her tenure or for two years thereafter. The term "Contractor" also includes the employees, officers (including board members), agents and subcontractors of a Contractor under this Contract. In order to carry out the purposes of this Section, Contractor shall incorporate, or cause to be incorporated, in all contracts and subcontracts relating to activities pursuant to this Contract, a provision similar to that of this Section.

13. CONTRACTOR'S DUTY OF LOYALTY

Contractor for itself and subcontractors, if any, agrees to abide by OCII's duty of loyalty, which appears at Section IX.H. (Prohibited Activities of Present and Former Employees, Commissioners and Consultants) of OCII's Personnel Policy and which states in part the following: "Unless approved in advance in writing by OCII, no present or former employee, Commissioner or consultant of OCII shall knowingly act for anyone other than OCII in connection with any particular matter in which OCII is a party, or has a direct and substantial interest, and in which he or she participated personally and substantially as an Agency employee, Commissioner or consultant whether through decisions, recommendations, advice, investigation or otherwise. Violation of this section by a present employee, consultant or Commissioner may, in the case of an employee or consultant, be grounds for discharge or termination of the consultant contract, and in the case of a Commissioner, be considered misconduct in office pursuant of California Health and Safety Code Section 33115."

14. LIMITATIONS ON CONTRIBUTIONS

Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with OCII 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) the Mayor or members of the Board of Supervisors, (2) a candidate for Mayor or Board of Supervisors, or (3) a committee controlled by such office holder or candidate, 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. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that 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. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in section 1.126.

Finally, Contractor agrees to provide to OCII the names of 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 not sponsored or controlled by Contractor.

15. CONFIDENTIALITY/PROPERTY OF AGENCY

All of the reports, information, data or other materials prepared or assembled by Contractor under this Contract, including Contractor's opinions and conclusions based upon such items, are confidential. Contractor agrees that such reports, information, opinions or conclusions shall not be made available to or discussed with any individual or organization, including the news media, without the prior written approval of OCII. Unless otherwise stated in the Scope of Services, all such reports, information, data or other materials and work product shall become the property of OCII, but are subject to disclosure under the Public Records Act, Cal. Gov't Code §§ 6250 et seq., and the Agency Public Records Policy, Agency Resolution No. 182-2005 (Nov. 1, 2005).

16. COMPLIANCE WITH CALIFORNIA GOVERNMENT CODE

It is understood and agreed that Contractor shall comply with California Government Code Section 7550. California Government Code Section 7550 provides in part that when the total cost for work performed for a local agency by nonemployees of such agency exceeds \$5,000.00, any document or written report prepared in whole or in part by nonemployees for such agency shall contain, in a separate section, the numbers and dollar amount of all contracts and subcontracts relating to the preparation of such document or written report.

17. NONDISCRIMINATION AND EQUAL BENEFITS

A. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the performance of this Contract. Contractor will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) or other protected class status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations to clients or the general public.

B. Contractor will, in all solicitations or advertisements for employees placed by it or on its behalf, state it is an equal opportunity employer.

C. Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

D. Contractor agrees not to discriminate in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, and shall comply fully with all provisions of OCII's Nondiscrimination in Contracts Policy ("Policy"), adopted by Agency Resolution No. 175-97, as such Policy may be amended from time to time.

E. Contractor shall provide all services to the public under this Contract in facilities that are accessible to persons with disabilities as required by state and federal law and execute **Attachment C** "Nondiscrimination in Contracts and Benefits Form".

18. COMPLIANCE WITH SMALL BUSINESS ENTERPRISE PROGRAM

OCII implements a Small Business Enterprises ("SBE") Program that was adopted by Agency Resolution No. 43-2015 and that requires consideration in awarding contracts in the following order: 1) Project Area SBEs, 2) San Francisco-based SBEs (outside an Agency Project Area), and 3) All other SBEs. Non San Francisco-based SBEs should be used to satisfy participation goals only if Project Area SBEs or San Francisco-based SBEs are not available, qualified, or if their bids or fees are significantly higher than those of non San Francisco-based SBEs (see **Attachment D** "SBE Agreement").

Under the SBE Program, the Contractor, in awarding subcontracts, must make good faith efforts to achieve SBE participation of 50 % for professional, personal services, and construction contracts; provided, however, that this goal may vary depending on the extent of subcontracting opportunities under OCII contract and the availability of SBE subcontractors capable of providing goods or services required by the contract; and provided further, that OCII has the sole discretion

to modify the 50 % SBE participation goal consistent with the SBE Program, as specified in the SBE Agreement.

OCII relies on the information that a business may have provided to qualify under another public entities' business certification program in determining whether that business qualifies as an SBE under OCII's SBE Program. Those other programs include: City and County of San Francisco Local Disadvantaged Business Enterprises (LBE) certification, *information available at* - <http://sfgsa.org/index.aspx?page=5364>; and State of California – Small Business Enterprises certification – <http://www.dgs.ca.gov/pd/Programs/OSDS/GetCertified.aspx>. OCII retains the discretion, however, to determine if the information provided for those other programs meets SBE eligibility under OCII's SBE Program.

19. COMPLIANCE WITH MINIMUM COMPENSATION POLICY AND HEALTH CARE ACCOUNTABILITY POLICY

Contractor agrees, as of the date of this Contract and during the term of this Contract, to comply with the provisions of OCII's Minimum Compensation Policy and Health Care Accountability Policy (the "Policies"), adopted by Agency Resolution 168-2001, as such policies may be amended from time to time (See **Attachment E** "Minimum Compensation Policy" and **Attachment F** "Health Care Accountability Policy"). Such compliance includes providing all "Covered Employees," as defined under Section 2.7 of the Policies, a minimum level of compensation and offering health plan benefits to such employees or to make payments to the City and County of San Francisco's Department of Public Health, or to participate in a health benefits program developed by the City and County of San Francisco's Director of Health.

20. TERMINATION

OCII may terminate this Contract at any time without cause upon written Notice of Termination to the Contractor; provided, however, that in the event of such termination, OCII shall compensate the Contractor for work completed to the satisfaction of OCII as of the date of such notice or the date of termination specified in and directed by such notice.

21. MISCELLANEOUS PROVISIONS

A. Notices

All notices, demands, consents or approvals required under this Contract shall be in writing and shall be deemed given when delivered personally or by facsimile transmission or three (3) business days after being deposited in the U.S. Mail, first class postage prepaid, return receipt requested, addressed as follows:

If to OCII:	Office of Community Investment and Infrastructure/Successor Agency to the San Francisco Redevelopment Agency One South Van Ness Avenue, Fifth Floor San Francisco, CA 94103 Attention: Executive Director
-------------	---

If to Contractor: Forster & Kroeger Landscape Maintenance, Inc.
77 Larkspur Street
San Rafael, CA 94901
Attention: Raul Garcia

or to such other addresses as the parties may designate by notice as set forth above.

B. Time of Performance

- (1) Time is of the essence in the performance of all the terms and conditions of this Contract.
- (2) All performance and cure periods expire at 5 p.m., San Francisco, California time, on the applicable date.
- (3) A performance or cure date which otherwise would be a Saturday, Sunday or Agency holiday shall be extended to the next Agency working day.

C. Successors and Assigns

This Contract shall be binding upon and inure to the benefit of the successors and assigns of OCII and the Contractor. Where the term "Contractor" or "Agency" is used in this Contract, it shall mean and include their respective successors and assigns; provided, however, that OCII shall have no obligation under this Contract to, nor shall any benefit of this Contract accrue to, any unapproved successor or assign of Contractor where Agency approval of a successor or assign is required by this Contract.

D. Modification, Waiver and Amendment

Any modification, waiver or amendment of any of the provisions of this Contract must be in writing and signed by both OCII and Contractor.

E. Entire Contract

This Contract represents the complete agreement between the parties as to the matters described herein, and there are no oral understandings between Contractor and OCII affecting this Contract not set forth herein. This Contract supersedes all previous negotiations, arrangements, agreements and understandings between Contractor and OCII with respect to the subject matter hereof.

F. Severability

If any provision of this Contract shall be determined to be illegal or unenforceable, such determination shall not affect any other provision and all such other provisions shall remain in full force and effect.

G. Governing Law

This Contract shall be governed by the laws of the State of California. It is the responsibility of Contractor to be informed of local, state and federal laws and requirements applicable to this Contract and to perform all work in compliance with those laws and requirements.

H. Headings

Titles of parts or sections of this Contract are inserted for convenience only and shall be disregarded in construing or interpreting its provisions.

I. Attorneys' Fees

In any action or proceeding arising out of this Contract, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

J. Authority

The undersigned represents and warrants that he or she has full power and authority to enter into this Contract and to bind the Contractor in accordance with its terms.

K. Designated Representative

The initial designated representative for OCII for this Contract is Hilde Myall or her designee, OCII representative's phone number is (415) 749-2468. The initial Contractor designated representative for this Contract is Raul Garcia, the Contractor's designated representative's phone number is (415) 456-6684

IN WITNESS WHEREOF OCII and Contractor have executed this Contract as of the date first above written.

FORSTER & KROEGER LANDSCAPE MAINTENANCE, INC.
a California corporation

By: _____

Raul Garcia
President

Federal Tax Identification No. 68-0407551

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public body, organized and existing under the laws of
the State of California

By: _____

Nadia Sesay
Interim Executive Director
OCII

APPROVED AS TO FORM:

By: _____

James B. Morales
Agency General Counsel

Authorized by Resolution No. 37-2017, adopted 10/3/2017.

ATTACHMENTS

- Attachment A: Scope of Services
- Attachment B: Budget
- Attachment C: Nondiscrimination in Contracts and Benefits Form
- Attachment D: Small Business Enterprise Agreement
- Attachment E: Minimum Compensation Policy Declaration
- Attachment F: Health Care Accountability Policy Declaration

ATTACHMENT A

SCOPE OF SERVICES

1. GENERAL REQUIREMENTS

All improvements and plantings are to be maintained in at least as good a condition as at the start of the Contract. Good horticultural practices shall be applied to the rejuvenation of plantings that are failing to thrive. Contractor is required to report promptly those items of maintenance or repair beyond its direct responsibility. In addition, Contractor agrees to comply with and provide the following:

- a. **City Standards:** All of the work of this Contract shall conform to the standards and requirements of the San Francisco Bureau of Urban Forestry unless specifically described otherwise in these specifications. See Exhibit A, Urban Forestry Ordinance.
- b. **Inspection:** All of the work of this Contract shall be done in consultation with and to the satisfaction of the Office of Community Investment and Infrastructure (OCII). The contractor shall advise the Agency immediately of any necessary repair or replacement of landscape items.

Problems identified during inspections shall be corrected by the contractor in a timely manner.
- c. **Planting Replacement:** Any plantings which die or decline due to actions or neglect by the contractor shall be replaced by the contractor with plantings of the same species, size, quality and quantity as the original at the Contractor's sole expense.
- d. **Maintenance Schedule:** Within 45 days after execution of the Contract, the contractor shall submit an annual maintenance schedule covering all of the work of the Contract by specific locations and an annual tree pruning/thinning schedule. Maintenance and pruning shall be in accordance with the Tree Pruning Guidelines and American National Standards Institute (ANSI Z1331.1 & ANSI A300) protocols. Work on the Contractor shall conform to the approved schedule.
- e. **Response:** The Contractor shall make available an office phone number and phone numbers of representatives directly in charge of irrigation and maintenance.
- f. **Equipment, Materials and Supplies:** Except as specifically provided otherwise, it is the Contractor's responsibility to furnish all equipment, materials and supplies needed to perform the services in this Scope of Services. Water is

supplied through quick-coupler valves at the plaza locations. Contractor is to furnish and pay for water and water trucks for watering street trees.

2. COMMUNITY FACILITIES DISTRICT NO.1- GEOGRAPHIC AREA

The geographic area included in the Scope of Services for Community Facilities District No. 1 ("CFD No. 1") includes four plazas, containing 95 trees, 12,000 square feet of lawn, 2,400 square feet of ground cover, 8,666 square feet of shrubbery, 500 square feet of annuals, 41,000 square feet of litter and weed control, 15,400 square feet of irrigation and lighting systems, 360 street trees, 41 bollards and nine benches. (All quantities listed are approximate only. No adjustment will be made in contract price if the actual square footage differs.)

Townsend Plaza (Map 1)

Townsend Plaza is located between Townsend Street and The Embarcadero in front of the South Beach Marina Apartment.

First Plaza (Map 2)

First Plaza is bounded by the Embarcadero and the South Beach Marina Apartment's property line running between the edge of the South Beach Marina Apartments entrances, the back of the curb of the Delancey Street (First Street) cul-de-sac, and to the edge of the Delancey Street Foundation entrance.

Brannan/Beale Plaza (Map 3)

Brannan/Beale Plaza is bounded by Brannan Street, The Embarcadero, the Beale Street cul-de-sac and the back of the sidewalk along the Bayside Village Apartments.

Bryant Plaza and Steps (Map 4)

Bryant Plaza and Steps are located at the corner of Delancey Street (First Street) and Bryant Street.

Street Tree Maintenance (Map 5)

The street trees in the service area are along one or both sides of all or some of the following streets:

- Townsend Street between Second and The Embarcadero;
- Colin P. Kelly Jr. Street between Townsend and Brannan;
- Delancey Street (First Street) between First Plaza and Bryant;
- Brannan Street between Delancey Street (First Street) and The Embarcadero;
- Federal Street between Rincon and Delancey Street (First Street);
- Bryant Lane between Delancey Street (First Street) and Beale; and
- Beale Street between Brannan/Beale Plaza and Bryant.

3. TECHNICAL PROVISIONS

a. Tree Maintenance

- (1) General. The work consists of maintaining in a vigorous and healthy state all trees designated within the Contract area and controlling litter and weeds in the pavers around them. The contractor shall provide all materials, labor, and equipment necessary to ensure continued healthy growth throughout the Contract period. The Scope of Work includes cutting back roots and installing root barriers between tree well and pavers as needed, watering, disease and insect control, pruning, thinning, fertilizing, weed control, litter control and maintenance of tree stakes and ties, straightening of tree guards and leveling of tree well covers, raking and replenishment of pea gravel.
- (2) Watering. Watering of plaza trees shall be by existing irrigation systems. The contractor shall be responsible for supplemental watering by deep probe as needed. Watering of street trees not serviced by the irrigation system shall be by deep probe by water truck as needed and a minimum of six times during the dry season.
- (3) Fertilizer. All trees shall be fertilized at a rate and frequency determined by manufacturer's specifications and soil analysis shall be undertaken by contractor at least twice a year.
- (4) Integrated Pest Management. Based on weekly inspections, any diseases or pests discovered shall be controlled by approved methods under the direction of a licensed Agricultural Pest Control Operator. Contractor shall select control strategies that are effective, long lasting but least disruptive to the environment. Only the least-toxic chemical controls should be used, and only as a last resort.
- (5) Weeding. Areas at the base of trees and in the surrounding pavers shall be kept free of weeds by hand weeding or chemical controls under the direction of a licensed Agricultural Pest Control Operator.
- (6) Stakes and Ties. Stakes and ties shall be inspected weekly and repaired, replaced, removed or adjusted as needed.
- (7) Pruning. All trees shall be pruned as needed but not less than at least once a year in December or January to create and maintain an attractive, strong, healthy, and hazard-free branching structure. Pruning shall include removal of suckers. All pruned material shall be properly disposed of off-site by a certified environmental recycling compost operation.

b. **Lawn Maintenance**

- (1) **General.** Lawn maintenance shall consist of all those items necessary to maintain existing lawn areas in a healthy condition. The contractor shall furnish all necessary materials, supplies and labor to ensure this condition. Contractor shall be responsible for watering, mowing, trimming, fertilizing, weed control, disease and pest control and maintenance of the irrigation system.
- (2) **Mowing.** The grass shall be kept to a maximum height of two inches by mowing **at least** once a week during the growing season (April-October) and as needed at other times during the year. At each mowing, Contractor shall inspect lawn for any needed weed, disease or pest control and for necessary adjustment of the irrigation system.
- (3) **Watering.** The Contractor is responsible for periodic and regular watering of the lawn area by use of the existing irrigation systems. The rates of application and frequencies shall be determined and adjusted by the contractor in accordance with plant growth needs. Excessive watering shall not be permitted.
- (4) **Fertilizer.** The Contractor shall apply standard lawn fertilizer at a rate and frequency determined by manufacturer's specifications and soil analysis, at least four times a year preferably once each quarter.
- (5) **Litter Control.** At each mowing, the Contractor shall remove all litter, including plant clippings and trash, accumulated in, around, and on the lawn areas. This litter shall be disposed of properly outside the Contract area at contractor's expense.
- (6) **Weed Control.** The Contractor shall maintain the lawns reasonably free of broad leaf weeds and noxious grasses by hand weeding or chemical controls under the direction of a licensed Agricultural Pest Control Operator.
- (7) **Disease and Pest Control.** The Contractor shall apply appropriate disease and pest control measures as needed to maintain the vigorous growth of the lawns, under the direction of a licensed Agricultural Pest Control Operator.
- (8) **Trimming.** Grass along paved areas, curbs, groundcover areas and around trees shall be trimmed or edged each time the lawn is mowed.
- (9) **Thatching/Aerations.** Lawn shall be thatched at least once a year, prior to fertilizing and aerated as needed to maintain healthy growth but not less than once a year and not to exceed four times a year.

c. Groundcover Maintenance

- (1) General. Groundcover maintenance shall consist of all items listed under lawn maintenance, excepting mowing and thatching.
- (2) Cutting. At least twice a year, all groundcover shall be trimmed or cut back to a height which will re-invigorate growth and maintain a neat appearance.
- (3) Cultivation. Groundcover areas shall be lightly cultivated at least twice a year, prior to fertilizing. Cultivation shall be done so as not to damage the roots of the groundcover.

d. Shrub Maintenance

- (1) General. Shrub maintenance shall consist of all items listed under tree maintenance, except staking and pruning.
- (2) Trimming. Shrubs shall be trimmed as necessary to maintain vigorous growth and a neat appearance at least four times a year.

e. Annuals

- (1) General. Maintenance of annuals shall consist of all items necessary to install appropriate seasonal annuals and maintain them in a vigorous and attractive state. Watering, fertilizing, litter control, weed, disease and pest control and cultivating shall be as described under "Groundcover Maintenance" above.
- (2) Installation. The Contractor shall purchase and install appropriate seasonal annuals from flats or larger sized plants, rotating at least twice yearly. The choice of annuals must be approved by Agency staff.
- (3) Trimming. Annuals shall be trimmed, including the removal of all dead flowers and foliage, as necessary, to maintain vigorous growth and a neat appearance.

f. Irrigation and Lighting Systems

- (1) General. It is the Contractor's responsibility to maintain existing irrigation and lighting systems in an operating condition. Unless contractor possesses the appropriate license, contractor shall have a licensed electrical contractor perform electrical work. Contractor shall provide all necessary manpower, equipment and service to maintain these systems including fuse ballast and bulb replacements for lighting systems.

- (2) Plumbing Repairs. The Contractor shall insure the integrity of the plumbing for the irrigation systems. Included shall be the adjustment of sprinkler heads to proper effective height and coverage. Replacement of sprinkler heads, underground piping, and other items damaged by the Contractor's operation shall be at the contractor's expense. The Contractor's responsibility shall extend from the street meter (but not including the meter) to the furthest sprinkler head. Repairs shall be made by a qualified plumber. The Contractor shall promptly report any damage to the system to Agency staff. All damage shall be repaired immediately.

g. General Litter, Weed Control and Maintenance

The Contractor shall remove and dispose of all litter and debris and shall control weeds in the plaza areas, tree wells, and "bump outs." ("Bump outs" are the areas between the widened curb and the standard concrete sidewalk that generally contain street trees, bollards and granite pavers.) The tree wells and bump outs which are included are those which contain trees maintained under this Contract.

The Contractor shall remove graffiti in a timely manner. Lens covers on the bollards will be cleaned, repaired and painted as needed. Contractor will inspect pavement for lifted, separated, cracked or damaged paving. Street benches shall be cleaned and treated with a preservative twice a year and the wrought iron armrest repainted as needed.

h. Repairs and Other

Extra work not included in the Contract is to be done only upon written direction by Agency staff.

i. Reporting

Uneven or cracked sidewalks and like items which are not the direct responsibility of the Contractor to repair, shall be reported promptly to Agency staff who may authorize repair as extra work under "Repairs and Other."

ATTACHMENT B: BUDGET

The maximum amount payable under this contract is \$274,436. Compensation shall be made based upon a mutually accepted agreement upon "Scope of Services" (Attachment A). All expenses of the Contractor are included, and no expenses shall be reimbursed separately.

Forster & Kroeger's Budget is as follows:

- | | |
|---|-------------------|
| 1. Personal Services: 4 workers 1 time per week and
1 irrigation technician as needed | \$4,400 per month |
| 2. Materials & Supplies: Truck and landscape equipment,
Irrigation supplies, bricks, pavers, sand and safety equipment | \$ 400 per month |
| 3. Subcontractors: Fahy Tree Service | \$1,000 per month |
| 4. Insurance | \$ 400 per month |
| 5. Overhead: Gas, rent, office staff | \$ 525 per month |

Total: \$ 6,725.00 per month

Additional Comments: Annual monthly rent will be adjusted in accordance with CPI.

ATTACHMENT C

	OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE (OCII) (SUCCESSOR TO THE SAN FRANCISCO REDEVELOPMENT AGENCY) DECLARATION FORM Nondiscrimination in Contracts and Benefits
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Section A

Is your company/organization currently certified by the City and County of San Francisco in compliance with Administrative Code 12B Equal Benefits Ordinance and will your company/organization ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts? If yes, please indicate below, skip Section B, and execute the Declaration in Section C. If no, please skip Section A and complete Sections B and C.

- ☒ My company/organization is certified and compliant with the 12B Equal Benefits Ordinance of the City and County of San Francisco and there has been no change in our 12B Declaration since certification. My company/organization agrees to ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts. (Please check box to affirm, if applicable)

Section B**1. Nondiscrimination—Protected Classes**

- a. Is it your company/organization's policy that you will not discriminate against your employees, applicants for employment, employees of the Office of Community Investment and Infrastructure (successor to the San Francisco Redevelopment Agency) (Agency), or City and County of San Francisco (City), or members of the public for the following reasons:

- | | | |
|---------------------------|------------------------------|-----------------------------|
| • Race | ☐ Yes | ☐ No |
| • color | ☐ Yes | ☐ No |
| • Creed | ☐ Yes | ☐ No |
| • Religion | ☐ Yes | ☐ No |
| • ancestry | ☐ Yes | ☐ No |
| • national origin | ☐ Yes | ☐ No |
| • Age | ☐ Yes | ☐ No |
| • sex | ☐ Yes | ☐ No |
| • sexual orientation | ☐ Yes | ☐ No |
| • gender identity | ☐ Yes | ☐ No |
| • marital status | ☐ Yes | ☐ No |
| • domestic partner status | ☐ Yes | ☐ No |
| • Disability | ☐ Yes | ☐ No |
| • AIDS or HIV status | ☐ Yes | ☐ No |

- b. Do you agree to insert a similar nondiscrimination provision in any subcontract you enter into for the performance of a substantial portion of the contract that you have with the Agency or the City?

☐ Yes ☐ No

If you answered "no" to any part of Question 1a or 1b, the Agency or the City cannot do business with you.

2. Nondiscrimination—Equal Benefits (Question 2 does not apply to subcontracts or subcontractors)

- a. Do you provide, or offer access to, any benefits to employees with spouses or to spouses of employees?

☐ Yes ☐ No

- b. Do you provide, or offer access to, any benefits to employees with domestic partners (Partners) or to domestic partners of employees?

☐ Yes ☐ No

If you answered "no" to both Questions 2a and 2b, skip 2c and 2d, and sign, date and return this form. If you answered "yes" to Question 2a or 2b, continue to 2c.

- c. If "yes," please indicate which ones. This list is not intended to be exhaustive. Please list any other benefits you provide (even if the employer does not pay for them).

ATTACHMENT C

Benefit	Yes, for Spouses	Yes, for Partners	No
• Medical (health, dental, vision)	☐	☐	☐
• Pension	☐	☐	☐
• Bereavement	☐	☐	☐
• Family leave	☐	☐	☐
• Parental leave	☐	☐	☐
• Employee assistance programs	☐	☐	☐
• Relocation and travel	☐	☐	☐
• Company discounts, facilities, events	☐	☐	☐
• Credit union	☐	☐	☐
• Child care	☐	☐	☐
• Other _____	☐	☐	☐
• Other _____	☐	☐	☐

- d. If you answered "yes" to Question 2a or 2b, and in 2c indicated that you do not provide equal benefits, you may still comply with the Policy if you have taken all reasonable measures to end discrimination in benefits, have been unable to do so, and now provide employees with a cash equivalent.

- (1) Have you taken all reasonable measures? ☐ Yes ☐ No
- (2) Do you provide a cash equivalent? ☐ Yes ☐ No

3. Documentation for Nondiscrimination in Benefits (Questions 2c and 2d only)

If you answered "yes" to any part of Question 2c or Question 2d, you must attach to this form those provisions of insurance policies, personnel policies, or other documents you have which verify your compliance with Question 2c or Question 2d. Please include the policy sections that list the benefits for which you indicated "yes" in Question 2c. If documentation does not exist, attach an explanation, e.g., some of your personnel policies are unwritten. If you answered "yes" to Question 2d(1) complete and attach form SFRA/CC-103, "Nondiscrimination in Benefits—Reasonable Measures Affidavit," which is available from the Agency. You need not document your "yes" answer to Question 1a or Question 1b.

Section C

I declare (or certify) under penalty of perjury that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 5 day of September, 2017, at San Rafael, CA.
(City) (State)

Name of Company/Organization: Forster & Kroeger Landscape Maintenance, Inc.

Doing Business As (DBA): _____

Also Known As (AKA): _____

General Address: _____

Remittance Address (if different from above): _____

Name of Signatory: _____

Raul Garcia

(Please Print)

Title: President

Signature: _____

Phone Number: 415-720-3631

Federal Tax Identification Number: 68-0407551

Approximate number of employees in the U.S.: 40

Vendor Number: _____
(if known)

- ☐ Check here if your address has changed.
- ☐ Check here if your organization is a non-profit.
- ☐ Check here if your organization is a governmental entity.

THIS FORM MUST BE RETURNED WITH THE ORIGINAL SIGNATURE

Please return this form to: Office of Community Investment and Infrastructure (successor to the San Francisco Redevelopment Agency), One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103

ATTACHMENT D

SMALL BUSINESS ENTERPRISE AGREEMENT

The company or entity executing this Small Business Enterprise Agreement, by and through its duly authorized representative, hereby agrees to use good faith efforts to comply with all of the following:

I. PURPOSE. The purpose of entering into this Small Business Enterprise Program agreement (“**SBE Program**”) is to establish a set of Small Business Enterprise (“SBE”) participation goals and good faith efforts designed to ensure that monies are spent in a manner which provides SBEs with an opportunity to compete for and participate in contracts by or at the behest of the Successor Agency to the San Francisco Redevelopment Agency (“**Agency**”) and/or the Agency-Assisted Contractor. A genuine effort will be made to give First Consideration to Project Area SBEs and San Francisco-based SBEs before looking outside of San Francisco.

II. APPLICATION. The SBE Program applies to all Contractors and their subcontractors seeking work on Agency-Assisted Projects on or after November 17, 2004 and any Amendment to a Pre-existing Contract.

III. GOALS. The Agency’s SBE Participation Goals are:

CONSTRUCTION	50%
PROFESSIONAL SERVICES	50%
SUPPLIERS	50%

IV. TRAINEE HIRING GOAL. In addition to the goals set forth above in Section III, there is a trainee hiring goal for all design professionals (architects, engineers, planners, and environmental consultants) on contracts or subcontracts over \$100,000. The trainee hiring goal requires architects, engineers and other design professionals only to hire qualified San Francisco residents as trainees. The trainee hiring goal is based upon the total amount of the design professional’s contract as follows:

<u>Trainees</u>	<u>Design Professional Fees</u>
0	\$ 0 – \$99,000
1	\$ 100,000 – \$249,999
2	\$ 250,000 – \$499,999
3	\$ 500,000 – \$999,999
4	\$1,000,000 – \$1,499,999
5	\$1,500,000 – \$1,999,999
6	\$2,000,000 - \$4,999,999
7	\$5,000,000 - \$7,999,999
8	\$8,000,000 – or more

A. Procedures For Trainee Hires

1. Compliance with the Trainee Hiring Goal

Design professionals will be deemed in compliance with this Agreement by meeting or exceeding the trainee hiring goal or by take the following steps in good faith towards compliance.

2. Execution and Incorporation of this Agreement to Sub-agreements

The Agency-Assisted Contractor shall execute this Agreement and shall incorporate by reference or attach this Agreement to its contract(s) with the architects, engineers and other design professionals. Thus, each design professional (regardless of tier) will be obligated to comply with the terms of this Agreement. The Agency-Assisted Contractor and/or the design professionals shall retain the executed Agreements and make them available to the Agency Compliance Officer upon request.

3. Contact Educational Institutions

Each design professional shall call the City and County of San Francisco Office of Economic and Workforce Development (OEWD) or educational institution(s) and request referrals for the required trainee positions. The request will indicate generally: (1) the number of trainees sought; (2) the required skills set (keeping in mind that these are trainee positions); (3) a brief description of job duties; (4) the duration of the trainee period; and (5) any other information that would be helpful or necessary for the educational institution or OEWD to make the referral. The minimum duration of assignment is part-time for one semester. However, design professionals are strongly encouraged to offer longer trainee employment periods to allow a more meaningful learning experience. (For example, a half-time or full-time assignment over the summer.) Although the initial contact shall be made by phone, the educational institution(s) or OEWD may require the design professionals to send a confirming letter or complete its form(s). Each design professional is required to timely provide all of the information requested by the OEWD or educational institution(s) in order to get the referrals.

4. Response from Educational Institutions

Each educational institution may have a different way of referring applicants, such as: sending resumes directly to the design professional; having the applicant contact the design professional by phone; require design professionals to conduct on-campus interviews; or some other method. The timing and method of the response will normally be discussed with the design professional during the initial phone request. The design professional is required to follow the process set by the educational institution(s) in order to get the referrals.

5. Action by Design Professionals When Referrals Available

The design professional shall interview each applicant prior to making the decision to hire or not to hire. The design professional shall make the final determination whether the applicant is qualified for the trainee position and the ultimate hiring decision. The Agency strongly encourages the design professional to hire a qualified San Francisco resident referred by the educational institution(s). The design professional shall notify the educational institution in writing of the hiring decision.

6. Action by Design Professionals When Referrals Unavailable

If after contacting two or more educational institutions the design professional is informed that no San Francisco residents are currently available, then the design professional should wait thirty (30) days and contact the educational institutions a second time to inquire whether qualified San Francisco residents are currently available for hire as trainees. If no qualified San Francisco residents are currently available after the second request, then the design professional has fulfilled its obligation under this Agreement, provided that the design professional has acted in good faith. The design professional must retain its file on all of the steps it took to comply with this Section IV and submit a copy of its file to the Agency Compliance Officer upon request.

7. Action by Design Professional When No Response From Educational Institutions

If a design professional has not received a response to its request for referrals from any of the

educational institutions within five (5) business days after the design professional has fully complied with the procedures, if any, set by the educational institution(s) for obtaining referrals, then the design professional should immediately advise the Agency Compliance Officer by phone, fax or email. The Agency Compliance Officer or his/her designee shall cause the educational institution(s) to respond to the design professional within five (5) business days of the Agency Compliance Officer being notified. If the design professional still has not received a response from the educational institution(s) after this additional five (5) business day period has run, then the design professional has fulfilled its obligation under this Section IV, provided that the design professional has acted in good faith. Each design professional must retain its file on all of the steps it took to comply with this Agreement and submit a copy of its file to the Agency Compliance Officer upon request.

8. Termination of Trainee for Cause

If at any time during the Term, it becomes necessary to terminate for cause a trainee who was hired under this Agreement and the design professional has not met the minimum duration requirements under this policy, then the design professional shall hire a new trainee by following the process set forth above.

B. Reporting Requirements For Trainee Hires

1. Reporting

Upon completion of the Term of the Agreement or the term of the design professional's contract with the Agency-Assisted Contractor, whichever is less, the design professional (i.e. Employer) shall fax or email a report to the Agency Compliance Officer stating in detail: (1) the names of the San Francisco resident(s) interviewed for trainee positions; (2) the date(s) of each interview; (3) the reasons for not hiring the San Francisco resident(s) interviewed; (4) the name, address, gender and racial/ethnic background of the successful candidate for the trainee position; and (5) the number of San Francisco residents hired as trainees.

2. Report on Terminations

In the event a San Francisco resident hired pursuant to this Agreement is terminated for cause, the responsible design professional shall within five (5) days fax or email a termination report to the Agency Compliance Officer stating in detail: (1) the name of the trainee(s) terminated; (2) his/her job title and duties; (3) the reasons and circumstances leading to the termination(s); and (4) whether the design professional replaced the trainee(s).

V. TERM. The obligations of the Agency-Assisted Contractor and/or Contractor(s) with respect to SBE Program shall remain in effect until completion of all work to be performed by the Agency-Assisted Contractor in connection with the original construction of the site and any tenant improvements on the site performed by or at the behest of the Agency-Assisted Contractor unless another term is specified in the Agency-Assisted Contract or Contract.

VI. FIRST CONSIDERATION. First consideration will be given by the Agency or Agency-Assisted Contractor in awarding contracts in the following order: (1) Project Area SBEs, (2) San Francisco-based SBEs (outside an Agency Project or Survey Area, but within San Francisco), and (3) Non-San Francisco-based SBEs. Non-San Francisco-based SBEs should be used to satisfy participation goals only if Project Area SBEs or San Francisco-based SBEs are not available, qualified, or if their bids or fees are significantly higher than those of non-San Francisco-based SBEs.

VII. ASSOCIATIONS AND JOINT VENTURES (JV). OCII will recognize JVs and Associations between non-SBE firms and SBE firms where the SBE partner performs at least 35% of the work defined in the JV or Association agreement, and receives at least 35% (or a proportionate share, whichever is higher) of the dollars to be earned by the JV or Association. Under this arrangement, OCII will deem the JV or Association to be an SBE for the purposes of meeting the SBE goal. Due to the technical nature of the disciplines and the various standards of each industry, OCII will not require a standardized agreement. However, each JV and Association agreement must be in writing and contain, at a minimum, the following terms:

- Define the management of the agreement between the parties;
- Define the technical and managerial responsibilities of each party;
- Define the scope of work to be performed by each party, and where possible identify the percentage and break-down of scope of work for each party;
- Identify any additional subcontractors or consultants that will perform the work under the agreement;
- Define the schedule, duration, and deliverable of the agreement;
- Detail the fee schedule, fee breakdown, or division of compensation;
- Specify insurance requirements and/or if each party shall maintain its own insurance;
- Specify how additional work or changes in scope shall be negotiated or determined and which party shall be responsible for notifying OCII of the changes;
- Specify how claims and disputes will be resolved.

A copy of the JV or Association agreement must be provided to OCII for approval in order for the JV or Association to be recognized.

VIII. CERTIFICATION. The Agency no longer certifies SBEs but instead relies on the information provided in other public entities' business certifications to establish eligibility for the Agency's program. Only businesses certified by the Agency as SBEs whose certification has not expired and economically disadvantaged businesses that meet the Agency's SBE Certification Criteria will be counted toward meeting the participation goals. The SBE Certification Criteria are set forth in the SBE Policy.

IX. INCORPORATION. Each contract between the Agency, Agency-Assisted Contractor or Contractor on the one hand, and any subcontractor on the other hand, shall physically incorporate as an attachment or exhibit and make binding on the parties to that contract, a true and correct copy of this SBE Agreement.

X. DEFINITIONS. Capitalized terms not otherwise specifically defined in this SBE Agreement have the meaning set forth in the Agency's SBE Policy adopted on November 16, 2004 and amended on July 21, 2009 ("**Policy**") or as defined in the Agency-Assisted Contract or Contract. In the event of a conflict in the meaning of a defined term, the SBE Policy shall govern over the Agency-Assisted Contract or Contract which in turn shall govern over this SBE Agreement.

Affiliates means an affiliation with another business concern is based on the power to control, whether exercised or not. Such factors as common ownership, common management and identity of interest (often found in members of the same family), among others, are indicators of affiliation. Power to control exists when a party or parties have 50 percent or more ownership. It may also exist with considerably less than 50 percent ownership by contractual arrangement or when one or more parties own a large share compared to other parties. Affiliated business concerns need not be in the same line of business.

Agency-Assisted Contract means, as applicable, the Development and Disposition Agreement (“DDA”), Land Disposition Agreement (“LDA”), Lease, Loan and Grant Agreements, and other similar contracts, and agreement that the Agency executed with for-profit or non-profit entities.

Agency-Assisted Contractor means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed an Agency-Assisted Contract.

Agency Contract means personal services contracts, purchase requisitions, and other similar contracts and operations agreements that the Agency executes with for-profit or non-profit entities.

Amendment to a Pre-existing Contract means a material change to the terms of any contract, the term of which has not expired on or before the date that this Small Business Enterprise Policy (“SBE Policy”) takes effect, but shall not include amendments to decrease the scope of work or decrease the amount to be paid under a contract.

Annual Receipts means “total income” (or in the case of a sole proprietorship, “gross income”) plus “cost of goods sold” as these terms are defined and reported on Internal Revenue Service tax return forms. The term does not include net capital gains or losses; taxes collected for and remitted to a taxing authority if included in gross or total income, such as sales or other taxes collected from customers and excluding taxes levied on the concern or its employees; proceeds from transactions between a concern and its domestic or foreign affiliates; and amounts collected for another by a travel agent, real estate agent, advertising agent, conference management service provider, freight forwarder or customs broker. For size determination purposes, the only exclusions from receipts are those specifically provided for in this paragraph. All other items, such as subcontractor costs, reimbursements for purchases a contractor makes at a customer's request, and employee-based costs such as payroll taxes, may not be excluded from receipts. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts. If a concern has not been in business for three (3) years, the average weekly revenue for the number of weeks the concern has been in business is multiplied by 52 to determine its average annual receipts.

Arbitration Party means all persons and entities who attend the arbitration hearing pursuant to Section XIII, as well as those persons and entities who are subject to a default award provided that all of the requirements in Section XIII.L. have been met.

Association means an agreement between two parties established for the purpose of completing a specific task or project. The associate agreement shall provide the SBE associate a significant project management role and the SBE associate shall be recognized in marketing and collateral material. The Association shall be distinguished from traditional subcontracting arrangements via a written Association agreement that defines the management of the agreement, technical and managerial responsibilities of the parties, and defined scopes and percentages of work to be performed by each party with its own resources and labor force. Unlike the more formal Joint Venture, an Association does not require formation of a new business enterprise between the parties. The Associate agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

Commercially Useful Function means that the business is directly responsible for providing the materials, equipment, supplies or services in the City and County of San Francisco (“City”) as required by the solicitation or request for quotes, bids or proposals. Businesses that engage in the business of providing brokerage, referral or temporary employment services shall not be deemed to perform a “commercially useful function” unless the brokerage, referral or temporary employment services are required and sought by the Agency.

Contract means any agreement between the Agency and a person(s), firm, partnership, corporation, or combination thereof, to provide or procure labor, supplies or services to, for, or on behalf of the Agency.

Contractor means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed a Contract.

Joint Venture means an entity established between two parties for the purposes of completing a venture or project. The Joint Venture agreement typically creates a separate business entity and requires acquisition of additional insurance for the newly created joint business entity. The Joint Venture agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

Non-San Francisco-based Small Business Enterprise means a SBE that has fixed offices located outside the geographical boundaries of the City.

Office or **Offices** means a fixed and established place(s) where work is performed of a clerical, administrative, professional or production nature directly pertinent to the business being certified. A temporary location or movable property or one that was established to oversee a project such as a construction project office does not qualify as an "office" under this SBE Policy. Work space provided in exchange for services (in lieu of monetary rent) does not constitute an "office." The office is not required to be the headquarters for the business but it must be capable of providing all the services to operate the business for which SBE certification is sought. An arrangement for the right to use office space on an "as needed" basis where there is no office exclusively reserved for the business does not qualify as an office. The prospective SBE must submit a rental agreement for the office space, rent receipt or cancelled checks for rent payments. If the office space is owned by the prospective SBE, the business must submit property tax or a deed documenting ownership of the office.

Project Area Small Business Enterprise means a business that meets the above-definition of Small Business Enterprise and that: (a) has fixed offices located within the geographical boundaries of a Redevelopment Project or Survey Area where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a Project Area or Survey Area business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in a Project Area or Survey Area for at least six months preceding its application for certification as a SBE; and (e) has a Project Area or Survey Area office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a SBE. Post office box numbers of residential addresses alone shall not suffice to establish a firms' location in a Project Area or Survey Area.

Project Area means an area of San Francisco that meets the requirements under Community Redevelopment Law, Health and Safety Code Section 33320.1. These areas currently include the Bayview Industrial Triangle, Bayview Hunters Point (Area B), Hunters Point Shipyard, Mission Bay (North), Mission Bay (South), Rincon Point/South Beach, South of Market, and Transbay.

San Francisco-based Small Business Enterprise means a SBE that: (a) has fixed offices located within the geographical boundaries of the City where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a San Francisco business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in the City for at least six months preceding its application for certification as a SBE; and (e) has a San Francisco office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a

SBE. Post office box numbers or residential addresses alone shall not suffice to establish a firm's status as local.

Small Business Enterprise (SBE) means an economically disadvantaged business that: is an independent and continuing business for profit; performs a commercially useful function; is owned and controlled by persons residing in the United States or its territories; has average gross annual receipts in the three years immediately preceding its application for certification as a SBE that do not exceed the following limits:

Industry	OCH SBE Size Standard
Construction Contractors	\$20,000,000
Specialty Construction Contractors	\$14,000,000
Suppliers (goods/materials/ equipment and general services)	\$10,000,000
Professional Services	\$2,500,000
Trucking	\$3,500,000

In addition, an economically disadvantaged business shall meet the other certification criteria described in Exhibit I of the SBE Policy in order to be considered an SBE by the Agency.

In order to determine whether or not a firm meets the above economic size definitions, the Agency will use the firm's three most recent business tax returns (i.e., 1040 with Schedule C for Sole Proprietorships, 1065s with K-1s for Partnerships, and 1120s for Corporations) to calculate the firm's three year average annual gross receipts. In addition, the calculation of a firm's size shall include the receipts of all affiliates.

Once a business reaches the 3-year average size threshold for the applicable industry the business ceases to be economically disadvantaged, it is not an eligible SBE and it will not be counted towards meeting SBE contracting requirements (or goals).

Specialty Construction Contractor means a contractor licensed by the Contractors State License Board under the "C" classification license pursuant to California Business and Professions Code Section 7058.

Survey Area means an area of San Francisco that meets the requirements of the Community Redevelopment Law, Health and Safety Code Section 33310. These areas currently include the Bayview Hunters Point Redevelopment Survey Area C.

XI. GOOD FAITH EFFORTS TO MEET SBE GOALS Compliance with the following steps will be the basis for determining if the Agency-Assisted Contractor and/or Consultant has made good faith efforts to meet the goals for SBEs:

A. Outreach. Not less than 30 days prior to the opening of bids or the selection of contractors, the Agency-Assisted Contractor or Contractor shall:

1. **Advertise.** Advertise for SBEs interested in competing for the contract, in general circulation media, trade association publications, including timely use of the ***Bid and Contract Opportunities*** newsletter published by the City and County of San Francisco Purchasing Department and

media focused specifically on SBE businesses such as the *Small Business Exchange*, of the opportunity to submit bids or proposals and to attend a pre-bid meeting to learn about contracting opportunities.

2. **Request List of SBEs.** Request from the Agency's Contract Compliance Department a list of all known SBEs in the pertinent field(s), particularly those in the Project and Survey Areas and provide written notice to all of them of the opportunity to bid for contracts and to attend a pre-bid or pre-solicitation meeting to learn about contracting opportunities.

B. Pre-Solicitation Meeting. For construction contracts estimated to cost \$5,000 or more, hold a pre-bid meeting for all interested contractors not less than 15 days prior to the opening of bids or the selection of contractors for the purpose answering questions about the selection process and the specifications and requirements. Representatives of the Contract Compliance Department will also participate.

C. Follow-up. Follow up initial solicitations of interest by contacting the SBEs to determine with certainty whether the enterprises are interested in performing specific items involved in work.

D. Subdivide Work. Divide, to the greatest extent feasible, the contract work into small units to facilitate SBE participation, including, where feasible, offering items of the contract work which the Contractor would normally perform itself.

E. Provide Timely and Complete Information. The Agency-Assisted Contractor or Contractor shall provide SBEs with complete, adequate and ongoing information about the plans, specifications and requirements of construction work, service work and material supply work. This paragraph does not require the Agency-Assisted Contractor or Contractor to give SBEs any information not provided to other contractors. This paragraph does require the Agency Assisted Contractor and Contractor to answer carefully and completely all reasonable questions asked by SBEs and to undertake every good faith effort to ensure that SBEs understand the nature and the scope of the work.

F. Good Faith Negotiations. Negotiate with SBEs in good faith and demonstrate that SBEs were not rejected as unqualified without sound reasons based on a thorough investigation of their capacities.

G. Bid Shopping Prohibited. Prohibit the shopping of the bids. Where the Agency-Assisted Contractor or Contractor learns that bid shopping has occurred, it shall treat such bid shopping as a material breach of contract.

H. Other Assistance. Assist SBEs in their efforts to obtain bonds, lines of credit and insurance. (Note that the Agency has a Surety Bond Program that may assist SBEs in obtaining necessary bonding.) The Agency-Assisted Contractor or Contractor(s) shall require no more stringent bond or insurance standards of SBEs than required of other business enterprises.

I. Delivery Scheduling. Establish delivery schedules which encourage participation of SBEs.

J. Utilize SBEs as Lower Tier Subcontractors. The Agency-Assisted Contractor and its Contractor(s) shall encourage and assist higher tier subcontractors in undertaking good faith efforts to utilize SBEs as lower tier subcontractors.

K. Maximize Outreach Resources. Use the services of SBE associations, federal, state and local SBE assistance offices and other organizations that provide assistance in the recruitment and

placement of SBEs, including the Small Business Administration and the Business Development Agency of the Department of Commerce. However, only SBEs certified by the Agency shall count towards meeting the participation goal.

L. Replacement of SBE. If during the term of this SBE Agreement, it becomes necessary to replace any subcontractor or supplier, the Agency's Contract Compliance Specialist should be notified prior to replacement due to the failure or inability of the subcontractor or supplier to perform the required services or timely delivery the required supplies, then First Consideration should be given to a certified SBE, if available, as a replacement.

XII. ADDITIONAL PROVISIONS

A. No Retaliation. No employee shall be discharged or in any other manner discriminated against by the Agency-Assisted Contractor or Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to enforcement of this Agreement.

B. No Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the performance of an Agency-Assisted Contract or Contract. The Agency-Assisted Contractor or Contractor will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) or other protected class status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations.

C. Compliance with Prompt Payment Statute. Construction contracts and subcontracts awarded for \$5,000 or more shall contain the following provision:

“Amounts for work performed by a subcontractor shall be paid within seven (7) days of receipt of funds by the contractor, pursuant to California Business and Professions Code Section 7108.5 *et seq.* Failure to include this provision in a subcontractor or failure to comply with this provision shall constitute an event of default which would permit the Agency to exercise any and all remedies available to it under contract, at law or in equity.”

In addition to and not in contradiction to the Prompt Payment Statute (California Business and Professions Code Section 7108.5 *et seq.*), if a dispute arises which would allow a Contractor to withhold payment to a subcontractor due to a dispute, the Contractor shall only withhold that amount which directly relates to the dispute and shall promptly pay the remaining undisputed amount, if any.

D. Submission Of Electronic Certified Payrolls. For any Agency-Assisted Contract which requires the submission of certified payroll reports, the requirements of Section VII of the Agency's Small Business Enterprise Policy shall apply. Please see the Small Business Enterprise Policy for more details.

XIII. PROCEDURES

A. Notice to Agency. The Agency-Assisted Contractor or Contractor(s) shall provide the Agency with the following information within 10 days of awarding a contract or selecting subconsultant:

1. the nature of the contract, e.g. type and scope of work to be performed;
2. the dollar amount of the contract;
3. the name, address, license number, gender and ethnicity of the person to whom the contract was awarded; And
4. SBE status of each subcontractor or subconsultant.

B. Affidavit. If the Agency-Assisted Contractor or Contractor(s) contend that the contract has been awarded to a SBE, the Agency-Assisted Contractor or Contractor(s) shall, at the same time also submit to the Agency a SBE Application for Certification and its accompanying Affidavit completed by the SBE owner. However, a SBE that was previously certified by the Agency shall submit only the short SBE Eligibility Statement.

C. Good Faith Documentation. If the 50% SBE Participation Goals are not met in each category (Construction, Professional Services and Suppliers), the Agency-Assisted Contractor or Contractor(s) shall meet and confer with the Agency at a date and time set by the Agency. If the issue of the Agency-Assisted Contractor's or Contractor's good faith efforts is not resolved at this meeting, the Agency-Assisted Contractor or Contractor shall submit to the Agency within five (5) days, a declaration under penalty of perjury containing the following documentation with respect to the good faith efforts ("**Submission**"):

1. A report showing the responses, rejections, proposals and bids (including the amount of the bid) received from SBEs, including the date each response, proposal or bid was received. This report shall indicate the action taken by the Agency-Assisted Contractor or Contractor(s) in response to each proposal or bid received from SBEs, including the reasons(s) for any rejections.
2. A report showing the date that the bid was received, the amount bid by and the amount to be paid (if different) to the non-SBE contractor that was selected. If the non-SBE contractor who was selected submitted more than one bid, the amount of each bid and the date that each bid was received shall be shown in the report. If the bidder asserts that there were reasons other than the respective amounts bid for not awarding the contract to an SBE, the report shall also contain an explanation of these reasons.
3. Documentation of advertising for and contacts with SBEs, contractor associations or development centers, or any other agency which disseminates bid and contract information to small business enterprises.
4. Copies of initial and follow-up correspondence with SBEs, contractor associations and other agencies, which assist SBEs.
5. A description of the assistance provided SBE firms relative to obtaining and explaining plans, specifications and contract requirements.
6. A description of the assistance provided to SBEs with respect to bonding, lines of credit, etc.

7. A description of efforts to negotiate or a statement of the reasons for not negotiating with SBEs.
8. A description of any divisions of work undertaken to facilitate SBE participation.
9. Documentation of efforts undertaken to encourage subcontractors to obtain small business enterprise participation at a lower tier.
10. A report which shows for each private project and each public project (without a SBE program) undertaken by the bidder in the preceding 12 months, the total dollar amount of the contract and the percentage of the contract dollars awarded to SBEs and the percentage of contract dollars awarded to non-SBEs.
11. Documentation of any other efforts undertaken to encourage participation by small business enterprises.

D. Presumption of Good Faith Efforts. If the Agency-Assisted Contractor or Contractor(s) achieves the Participation Goals, it will not be required to submit Good Faith Effort documentation.

E. Waiver. Any of the SBE requirements may be waived if the Agency determines that a specific requirement is not relevant to the particular situation at issue, that SBEs were not available, or that SBEs were charging an unreasonable price.

F. SBE Determination. The Agency shall exercise its reasonable judgment in determining whether a business, whose name is submitted by the Agency-Assisted Contractor or Contractor(s) as a SBE, is owned and controlled by a SBE. A firm's appearance in any of the Agency's current directories will be considered by the Agency as prima facie evidence that the firm is a SBE. Where the Agency-Assisted Contractor or Contractor(s) makes a submission the Agency shall make a determination, as to whether or not a business which the Agency-Assisted Contractor or Contractor(s) claims is a SBE is in fact owned and controlled by San Francisco-based SBEs. If the Agency determines that the business is not a SBE, the Agency shall give the Agency-Assisted Contractor or Contractor a Notice of Non-Qualification and provide the Agency-Assisted Contractor or Contractor with a reasonable period (not to exceed 20 days) in which to meet with the Agency and if necessary make a Submission, concerning its good faith efforts. If the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to Section XIII.

G. Agency Investigation. Where the Agency-Assisted Contractor or Contractor makes a Submission and, as a result, the Agency has cause to believe that the Agency-Assisted Contractor or Contractor has failed to undertake good faith efforts, the Agency shall conduct an investigation, and after affording the Agency-Assisted Contractor or Contractor notice and an opportunity to be heard, shall recommend such remedies and sanctions as it deems necessary to correct any alleged violation(s). The Agency shall give the Agency-Assisted Contractor or Contractor a written Notice of Non-Compliance setting forth its findings and recommendations. If the Agency-Assisted Contractor or Contractor disagrees with the findings and recommendations of the Agency as set forth in the Notice of Non-Compliance, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to this SBE Agreement.

XIV. ARBITRATION OF DISPUTES.

A. Arbitration by AAA. Any dispute regarding this SBE Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

B. Demand for Arbitration. Where the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Agency-Assisted Contractor or Contractor shall have seven (7) business days, in which to file a Demand for Arbitration,** unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying any entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Agency-Assisted Contractor and Contractor fail to file a timely Demand for Arbitration, the Agency-Assisted Contractor and Contractor shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.

C. Parties' Participation. The Agency and all persons or entities who have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Agency-Assisted Contractor or Contractor made an initial timely Demand for Arbitration pursuant to Section XIII.B. above.

D. Agency Request to AAA. Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

E. Selection of Arbitrator. One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

F. Setting of Arbitration Hearing. A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

G. Discovery. In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

H. Burden of Proof. The burden of proof with respect to SBE status and/or Good Faith Efforts shall be on the Agency-Assisted Contractor and/or Contractor. The burden of proof as to all other alleged breaches by the Agency-Assisted Contractor and/or Contractor shall be on the Agency.

I. California Law Applies. Except where expressly stated to the contrary in this SBE Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

J. Arbitration Remedies and Sanctions. The arbitrator may impose only the remedies and sanctions set forth below:

1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.

2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Agency-Assisted Contract or this SBE Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Agency-Assisted Contract or this SBE Agreement, other than those minor modifications or extensions necessary to enable compliance with this SBE Agreement.

3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the SBE Program requirements in the Agency-Assisted Contract or this SBE Agreement. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars (\$50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this SBE Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

K. Arbitrator's Decision. The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

L. Default Award; No Requirement to Seek an Order Compelling Arbitration. The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

M. Arbitrator Lacks Power to Modify. Except as otherwise provided, the arbitrator shall

have no power to add to, subtract from, disregard, modify or otherwise alter the terms of the Agency-Assisted Contract, this SBE Agreement or any other agreement between the Agency, the Agency-Assisted Contractor or Contractor or to negotiate new agreements or provisions between the parties.

N. Jurisdiction/Entry of Judgment. The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

O. Exculpatory Clause. Agency-Assisted Contractor or Contractor (regardless of tier) expressly waive any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Agency-Assisted Contractor or Contractor (regardless of tier) acknowledge and agree that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this SBE Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

P. Severability. The provisions of this SBE Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this SBE Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this SBE Agreement or the validity of their application to other persons or circumstances.

Q. Arbitration Notice: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

Agency

Agency-Assisted Contractor

XV. AGREEMENT EXECUTION

I, hereby certify that I have authority to execute this SBE Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's 50% SBE Participation Goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

Signature

Date

Print Your Name

Title

Foster & Knauer Landscape Maintenance, Inc.
Company Name and Phone Number

ATTACHMENT E

MINIMUM COMPENSATION POLICY (MCP) DECLARATION

What the Policy does. The Office of Community Investment and Infrastructure (OCII) (Successor Agency to the San Francisco Redevelopment Agency) adopted the Minimum Compensation Policy (MCP), which became effective on September 25, 2001. The MCP requires contractors and subcontractors to provide the following to their employees covered by the MCP on OCII contracts and subcontracts for services: for Commercial Business MCP the wage rate is \$13.64 per hour effective January 1, 2017; for Nonprofit MCP the wage rate is \$13.00 per hour effective July 1, 2016. The Minimum Compensation rate is adjusted on January 1 each year. In addition, the San Francisco minimum wage will increase to \$14.00 on July 1, 2017. All contractors (both for-profit and non-profit) in San Francisco will need to comply with the minimum wage of July 1, 2017. Furthermore, 12 paid days off per year (or cash equivalent) and 10 days off without pay per year shall be offered.

The OCII may require contractors to submit reports on the number of employees affected by the MCP.

Effect on OCII contracting. For contracts and amendments signed on or after September 25, 2001, the MCP will have the following effect:

- in each contract, the contractor will agree to abide by the MCP and to provide its employees the minimum benefits the MCP requires, and to require its subcontractors subject to the MCP to do the same.
- if a contractor does not provide the MCP minimum benefits, OCII can award a contract to that contractor only if the contract is exempt under the MCP, or if the contract has received a waiver from OCII.

What this form does. Your signed declaration will help OCII's contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the MCP to your covered employees, and will ensure that your subcontractors also subject to the MCP do the same.

If you cannot make this assurance now, please do not return this form.

For more information, please see the complete text of the MCP, available from the OCII's Contract Compliance Department at (415) 749-2400 or <http://sfocii.org/policies-and-procedures>.

Routing. Return this form to: Contract Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness, Fifth Floor, San Francisco, CA 94103.

Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the MCP to our covered employees, and will ensure that our subcontractors also subject to the MCP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Signature

Raul Garcia

Print Name

Date

9/5/17

Company Name

Forster & Knapp Landscape Maintenance, Inc.

Phone

415-456-6684

ATTACHMENT F

HEALTH CARE ACCOUNTABILITY POLICY (HCAP) DECLARATION

What the Policy does. The Office of Community Investment and Infrastructure ("OCII") (as Successor Agency to the Redevelopment Agency) adopted the San Francisco Health Care Accountability Policy (the "HCAP"), which became effective on September 25, 2001. The HCAP requires contractors and subcontractors that provide services to OCII, contractors and subcontractors that enter into leases with OCII, and parties providing services to tenants and sub-tenants on OCII property to choose between offering health plan benefits to their employees or making payments to OCII or directly to their employees.

Specifically, contractors can either: (1) offer the employee minimum standard health plan benefits approved by the OCII Commission; (2) pay OCII \$4.65 per hour for each hour the employee works on the covered contract or subcontract or on property covered by a lease (but not to exceed \$186 in any week) and OCII will appropriate the money for staffing and other resources to provide medical care for the uninsured (rates and amounts effective July 1, 2016 and subject to annual change).

The OCII may require contractors to submit reports on the number of employees affected by the HCAP.

Effect on OCII contracting. For contracts and amendments signed on or after September 25, 2001, the HCAP will have the following effect:

- in each contract, the contractor will agree to abide by the HCAP and to provide its employees the minimum benefits the HCAP requires, and to require its subcontractors to do the same.
- if a contractor does not provide the HCAP's minimum benefits, OCII can award a contract to that contractor **only** if the contract is exempt under the HCAP, or if the contract has received a waiver from OCII.

What this form does. Your signed declaration will help OCII's contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII's contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the HCAP to your covered employees, and will ensure that your subcontractors also subject to the HCAP do the same.

If you cannot make this assurance now, please do not return this form.

For more information, please see the complete text of the HCAP, available from the OCII's Contract Compliance Department at: (415) 749-2400.

Routing. Return this form to: Contract Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103.

Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the HCAP to our covered employees, and will ensure that our subcontractors also subject to the HCAP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Signature

Print Name

Date

Company Name

Phone

**First Amendment to the Personal Services Contract
with Forster & Kroeger Landscape Maintenance, Inc.**

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO

FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT

This FIRST AMENDMENT to the Personal Services Contract (“**First Amendment**”) is entered into as of October 6, 2020 (the “**Effective Date**”) by and between the OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic (“**OCII**” or “**Successor Agency**”), and Forster & Kroeger Landscape Maintenance, Inc, a California Corporation (“**Contractor**”).

RECITALS

This First Amendment is made with reference to the following facts and circumstances:

A. Community Facilities District No.1 (South Beach) (“**CFD No. 1**”) was established in 1988 by the former Redevelopment Agency of the City and County of San Francisco (“**Former Agency**”) Resolution Nos. 186-188 through 191-88 pursuant to the Mello-Roos Act to fund construction and maintenance of certain improvements including plazas, streetscape improvements, and lighting and irrigation systems within the boundaries of the CFD No. 1 geographic area, which is bounded by Embarcadero, Beale, Bryant, Federal, Brannan, CP Kelly and Townsend Streets and is the South Beach portion of the Rincon Point-South Beach Redevelopment Project Area. The CFD No. 1 improvements are a highly visible amenity for the area and represent a significant capital investment to the property owners and the Office of Community Investment and Infrastructure (“**OCII**”), as the successor agency to the Former Agency.

B. OCII has responsibility for providing landscape maintenance services within the CFD No. 1 area. On October 3, 2017, OCII approved a personal services contract (“**Original Contract**”) with Forster & Kroeger Landscape Maintenance, Inc., a California Corporation (“**Contractor**”) to provide landscape maintenance services to CFD No.1 for an initial three-year term, with one three-year option to extend, for a total not-to-exceed expenditure authority of \$274,436.

C. The initial term of the Original Contract began on November 1, 2017 and ends on October 31, 2020 (“**Initial Term**”). The three-year extension term begins on November 1, 2020 and ends on October 31, 2023 (“**Extension Term**”). Concurrently with approval of funding for the Extension Term, OCII will exercise its option to extend the Contract. The \$274,436 Original Contract expenditure authority covered the Initial Term’s costs. The total not-to-exceed amount of the Original Contract is not sufficient to cover the budget for the Extension Term. An amendment

to the Contract is necessary to allow the Contractor to continue to provide landscaping maintenance services to CFD No. 1 during the Extension Term (“**First Amendment**”).

D. The Original Contract will continue to require landscaping maintenance services over the Extension Term. Therefore, OCII and Contractor seek to enter into this First Amendment to increase the not-to-exceed expenditure authority of the Contract upon the basis of the terms, covenants, and conditions set forth below. Together, the Original Contract and this First Amendment comprise the “**Contract**”.

AGREEMENT

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

1. The Original Contract shall be amended as follows:
 - a. Section 3A. Compensation is deleted in its entirety and replaced with the following:

A. Compensation:

The maximum amount payable under this Contract is FIVE HUNDRED FIFTY-ONE THOUSAND ONE HUNDRED AND FOUR DOLLARS (\$551,104). Payment shall be made according to the schedule and terms described herein.

Year	Date	Monthly	Annual
Year 1	11/1/2017-10/31/2018	\$6,725	\$80,700
Year 2	11/1/2018-10/31/2019	\$6,907	\$82,884
Year 3	11/1/2019-10/31/2020	\$7,025	\$84,300
Year 4	11/1/2020-10/31/2021	\$7,236*	\$86,829*
Year 5	11/1/2021-10/31/2022	\$7,453*	\$89,434*
Year 6	11/1/2022-10/31/2023	\$7,676*	\$92,117*

Contingency for change orders (payable only to the extent of any change orders)	\$34,840
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Total	\$551,104
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* = approximation

At the conclusion of each 12-month service period there will be an annual Consumer Price Index (“CPI”) change in the compensation paid to Contractor. The chart above shows approximations for Years 4, 5 and 6 assuming an annual 3% increase. The actual Years 4, 5 and 6 annual compensations (to be prorated and paid monthly) will be calculated using the 12-month percent change in CPI-U for All Urban Consumers published by the U.S. Bureau of Labor Statistics for August.

All expenses of Contractor are included in the amounts payable pursuant to **Attachment B, Budget**, and no expenses shall be reimbursed separately. Contractor will submit monthly billing invoices to OCII. OCII staff will review and approve these invoices for payment.

b. The first sentence of **ATTACHMENT B: BUDGET** is amended as follows:

The maximum amount payable under this contract is ~~\$551,104~~\$274,436.

2. Miscellaneous

- a. This First Amendment constitutes a part of the Contract and any reference to the Contract shall be deemed to include a reference to the Contract as amended by this First Amendment.
- b. Except as otherwise amended hereby, all terms, covenants, conditions and provisions of the Contract shall remain in full force and effect.
- c. The First Amendment shall be binding upon and inure to the benefit of the successors and assigns for OCII and the Contractor, subject to the limitations set forth in the Contract.
- d. This First Amendment may be executed in any number of counterparts, all of which, together, shall constitute the original agreement.

[Remainder of Page Intentional Left Blank]

IN WITNESS WHEREOF OCII and Contractor have executed this First Amendment as of the date first above written.

Forster & Kroeger Landscape Maintenance, Inc., a California corporation

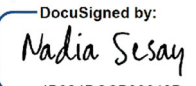
By: _____


Raul Garcia
President

Federal Tax Identification No. 68-0407551

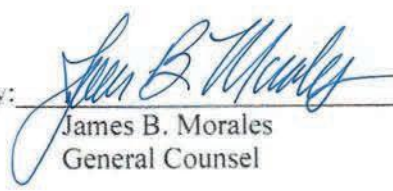
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public body, organized and existing under the laws of
the State of California

By: _____

DocuSigned by:

4B924DCCB39648D...
Nadia Sesay
Executive Director

APPROVED AS TO FORM:

By: _____


James B. Morales
General Counsel

Authorized by Resolution No. 25-2020, adopted October 6, 2020