




MEMORANDUM

April 8, 2022

TO: MEMBERS, PORT COMMISSION
Hon. Willie Adams, President
Hon. Doreen Woo Ho, Vice President
Hon. Kimberly Brandon
Hon. John Burton
Hon. Gail Gilman

FROM: Elaine Forbes
Executive Director 

SUBJECT: Report on Local Business Enterprise Contracting Activity for Quarter 1 and 2 for Fiscal Year 2021-2022 (July 1, 2021 through December 31, 2021) and Contracting Recommendations

DIRECTOR'S RECOMMENDATIONS: Information Only – No Action Required

EXECUTIVE SUMMARY

This report provides the Port Commission with information on contracting activity for Quarters 1 and 2 for Fiscal Year 2021-2022 ("FY") (July 1, 2021 through December 31, 2021) and the Contract and Procurement team outcomes for Local Business Enterprise ("LBE") engagement during the same time period.

Total Value of New Contracts: \$0.3 million (2 contracts) During the first two quarters of FY 2021-2022, the Port Commission approved two professional services contracts with a cumulative value of \$259,750. One of the two contracts (50%) was awarded to an LBE exceeding the Port Commission's informal policy to award a minimum of 20% of contracts to LBE firms.

Total payments to active and open Port contracts with LBE requirements: \$7.7 million including \$3.7 million (49%) to LBE Primes and LBE subcontractors. During the first two quarters of FY 2021-2022, payments to LBE prime contractors was \$0.9 million (13%) and payments to LBE subcontractors \$2.8 million (36%). Total payment to LBE contractors was \$3,730,470 (49%).

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Port projects continue to meet Local Hire Ordinance compliance requirements.

The Port currently manages eight public works and private development contracts, subject to the Local Hire Ordinance. The Office of Workforce and Economic Development (“OEWD”) has deemed all eight contracts compliant with this Ordinance.

The Port continued to implement a comprehensive LBE strategy and is integrating equity principles beyond the LBE program in the systems and practices of the Port. Port contracts and procurement staff completed all deliverables in the Port’s Racial Equity Action Plan (“REAP”) that were due by July 1, 2021 and will continue integration of LBE equity work into the Port’s REAP.

The Board of Supervisors passed an ordinance in November 2021 amending the Administrative Code to increase contracting thresholds to expand the use of micro-LBE set aside contracts. This change prompted Port staff to assess the Port Executive Director’s delegated contract authority leading to recommendations for contracting changes.

I. BACKGROUND

The Port engages in a variety of contractual transactions that includes leases, developer agreements, construction contracts, general service contracts and professional services contracts.

The Port must comply with federal, state and local laws concerning nondiscrimination in contracting. Construction contracts, general services contracts, and professional services contracts are subject to the San Francisco Administrative Code Chapter 14B LBE subcontracting participation requirements. The LBE program applies to City and County of San Francisco (“City”) contracts, including many Port contracts.

Prior to the adoption of Chapter 14B, the City and County of San Francisco implemented Chapter 12D, Minority/Women/Local Business Utilization Ordinance between 1989 until 2006. In 2006, the City and County of San Francisco was enjoined by the San Francisco Superior Court from enforcing certain provisions of Chapter 12D (benefits and preferences for minority and women businesses.¹) due to conflicts with California Proposition 209, a measure that amended the state constitution to prohibit state and local government from considering race, sex, or ethnicity in areas of public employment, public contracting and public education.

The successor ordinance to Chapter 12D is Chapter 14B, the Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance, first adopted by the Board of Supervisors in 2006. This ordinance expanded contracting opportunities and benefits for certified small San Francisco based firms, which are defined and categorized (micro or small) based on gross receipts by type of industry. The Contract Monitoring Division (“CMD”), a division of the City Administrator’s Office, oversees compliance with and

¹ Chapter 14B: Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance, 14.5.1.(B)(5)

adherence to Chapter 14B. CMD accepts and reviews applications and certifies qualifying local firms as LBEs. Once a business is certified as an LBE, it is also classified as a Minority Owned Enterprise (“LBE-MBE”), Woman Owned Enterprise (“LBE-WBE”), Other Business Enterprise (“LBE-OBE”) or Non-Profit Enterprise (“LBE-NPE”). As summarized in Chart 1, as of July 1, 2021 (the most recent data available from CMD) there were 1,022 certified micro and small LBE firms. Of these firms, 358 are certified LBE-MBEs. The ethnicity breakdown of all LBEs is shown in Chart 2.

Chart 1: Certified Small and Micro LBEs as of as of June 30, 2021

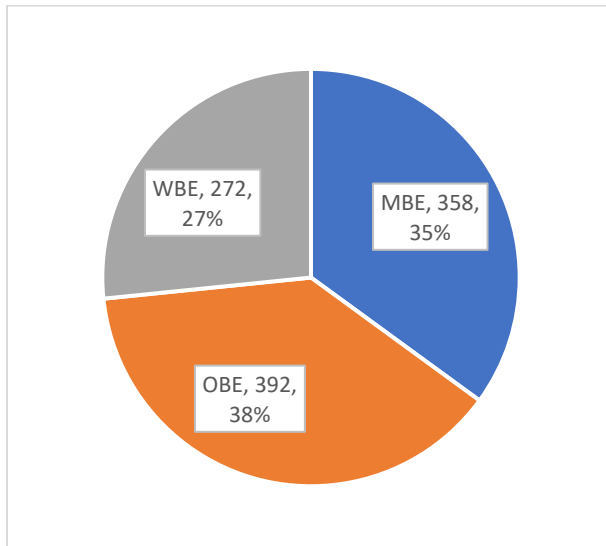
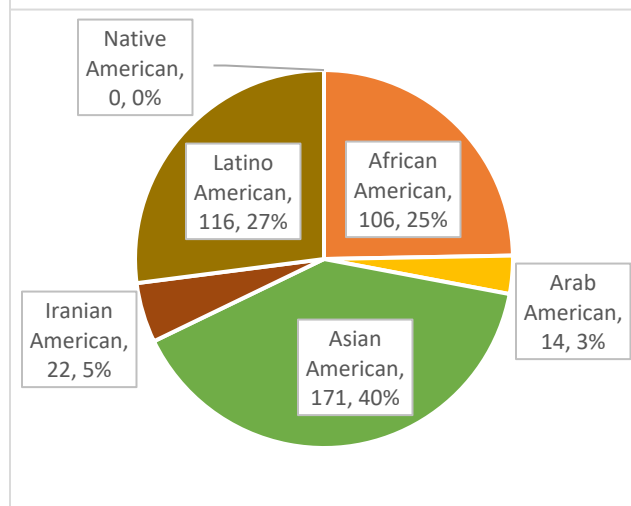


Chart 2: Certified Micro and Small LBEs with a Minority Owner as of June 20, 2021²



When establishing LBE requirements for a contract, CMD reviews the scope of a project and the nature of the work and determines the availability of City-certified LBEs for the contract. CMD also determines compliance with the subcontracting requirement at contract close-out.³ When bidding as a prime contractor or as part of a joint venture, LBE firms receive bid discounts for construction bids and point bonuses in the case of professional service Requests for Proposals (“RFP”) and Request for Qualifications (“RFQ”).

Not all City contracts include an LBE subcontracting requirement. If 1) the contract value is less than the threshold amounts of \$64,500 for professional service contracts and \$353,000 for construction contracts, or 2) Federal law prohibits the use of local preferences, or 3) a waiver is obtained from CMD (such as in the case of an emergency

² Chart 2 includes ethnicity for both LBE-MBEs and LBE-WBEs that have a minority owner.

³ LBE subcontracting requirements are calculated based on the contract amount. Following CMD Policy, contract allowances, alternates or contingencies are not factored into calculating final LBE participation rates. CMD reviews on a case-by-case basis contract amendments that result in a cumulative increase in the total contract amount of 30% or more. CMD may apply LBE subcontracting goals to these contract amendments based on a review of the additional work.

contract, a sole source contract, lack of subcontracting opportunities, or lack of LBE availability for the specific scopes of work), then an LBE subcontracting requirement is not included.⁴

Prior to soliciting bids and/or responses to requests for proposals/qualifications, Port staff engage CMD to review the availability of LBE firms and CMD independently determines the LBE subcontracting requirement for inclusion in the solicitation or RFQ/RFP.

Chapter 14B was amended by Ordinance 203-21 and signed by Mayor London Breed on November 12, 2021. These amendments will:

- 1) Increase the LBE certification size thresholds and create automatic increases based on the consumer price index
- 2) Change the LBE threshold calculation for application of the LBE subcontracting requirements and size maximum for Micro Set-Aside solicitations.
- 3) Increase penalties for non-compliance from 10% to 25%.
- 4) Require LBE subcontractor payment requests to be completed within 30 days of invoicing to Prime
- 5) Authorize separate LBE subcontracting participation requirements for micro, small and SBA-LBEs
- 6) Extend bonding assistance to City-funded construction projects
- 7) Authorize CMD director to initiate additional pilot programs
- 8) Increase contracting threshold amount and minimum competitive amounts.

The increase in certification size thresholds is already effective, but the other amendments have an effective date of July 1, 2022.

II. Contract Activity Update

During the first two quarters of FY 2021-2022, the Port awarded two new contracts subject to the LBE program totaling \$259,750. The Port awarded one of the two (50%) contracts to an LBE primes. The Port paid \$7,679,565 on contracts with LBE requirements and \$3,730,470 (49%) of that amount to LBEs.

A. **New Contracts (\$259,750, 2 contracts)**: As summarized in Table 1 and detailed in Attachment 1, in the first two quarters of FY 2021-2022, the Port issued two professional services contracts with a cumulative value of \$259,750. One of the two (50%) contracts was awarded to an LBE.

⁴ The LBE program threshold amounts were adjusted effective January 1, 2020 when the Chapter 6 and Chapter 21 minimum competitive amounts were adjusted by the Controller. The next increase in the threshold amounts will occur on July 1, 2022.

Table 1. Contracts Awarded from July 1, 2021-December 31, 2021

| Type of Contracts | Total # of Contracts | Total Dollar Amount | LBE Award Amount (Prime & Subs) | Total LBE% of \$ Awarded |
|-----------------------|----------------------|---------------------|---------------------------------|--------------------------|
| Professional Services | 2 | \$259,750 | \$79,750 | 31% |
| Total | 2 | \$259,750 | \$79,750 | 31% |

1. *Use of Delegated Authority (\$59,750; 1 contracts):* The Port awarded 1 contract totaling \$59,750 in the reporting period through the Executive Director’s Delegated Departmental Authority.

On December 15, 2021 the Port awarded Next Steps Marketing, a WBE-MBE, a \$59,750 contract for Aquatic Parks Stakeholder Engagement Outreach Planning. The Port conducted a mini-RFP among LBE firms prequalified in the Office of the Controller’s prequalified pool CON|RFQ2019-10 Service Area 1 for stakeholder outreach services. This contract has no LBE requirement, but 100% of the work will be performed by the LBE Prime.

2. *Port Commission Approved (\$200,000: 1 contract)* The Port Commission awarded one contract valued at \$200,000 in the reporting period. All contracts were issued through formal contracting guidelines under Administrative Code Chapters 6, 21, and/or 14B.

On October 26, 2021, the Port Commission awarded a \$200,000 contract to Deloitte & Touche LLP to provide services for implementation of government accounting standards board statement number 87. Deloitte & Touche LLP met the 10% LBE subcontracting requirement through a subcontract to Ross Financial Services (LBE-OBE) in the amount of \$20,000.

B. **Contract Payments:** As shown in Table 2, during the first 2 quarters of FY 2021-2022,

Port contract payments totaled \$7,679,565 for contracts governed by the LBE program. LBE firms were paid \$3,730,470 (49%), including \$943,675 (13%) to LBE primes contractors and \$2,786,795 (36%) to LBE subcontractors. The Port and CMD staffs monitor payments to LBEs to ensure that Port contractors honor their contract commitments.

Table 2: Contract Payments and LBE Participation from July 1, 2021 – December 31, 2021

| Type | Total Payments | Prime LBE Payments | Sub LBE Payments | Total LBE Payment | Overall % | Sub % |
|-----------------------|--------------------|--------------------|--------------------|--------------------|------------|------------|
| As-Needed | \$1,627,025 | \$405,746 | \$209,438 | \$615,184 | 38% | 13% |
| Construction | \$2,012,543 | \$333,138 | \$947,750 | \$1,280,890 | 64% | 47% |
| Professional Services | \$4,039,996 | \$204,789 | \$1,629,606 | \$1,834,396 | 45% | 40% |
| Grand Total | \$7,679,565 | \$943,675 | \$2,786,795 | \$3,730,470 | 49% | 36% |
| Non-14B Contracts | \$735,533 | | | | | |

1. As Needed Contracts: The Port managed 17 active as-needed contracts that received \$1,627,025 in payments in the first two quarters of FY 2021-2022. As detailed in Attachment 2, LBE contractors received \$615,185 (38%) of all as-needed contract payments. The as-needed real estate contracts paid \$28,980 (45%) of contract dollars to LBE contracts while the as-needed engineering contracts paid \$415,102 (48%) of overall funds during the reporting period to LBEs. The as-needed environmental contracts paid \$171,103 (47%) of contract dollars to LBEs and the as-needed waste contracts did not make payments to LBEs.

- Real Estate – Payments made on the as-needed real estate contracts totaled \$264,418. Payments made to LBEs during the reporting period totaled 45%.
- Engineering – Payments made on the as-needed engineering contracts totaled \$866,865 during the reporting period. Payments made to LBEs during the reporting period totaled 48%.
- Environmental Services – Payments made on the as-needed environmental services totaled \$365,527. During the reporting period 47% of payments were paid to LBEs consultants.
- Hazardous Waste – Payments made on the as-needed hazardous materials disposal contracts was \$330,214. There were no payments made to LBE in this time period as the LBE scopes of work were not used.

2. Construction Contracts. In the reporting period, the Port managed four contracts with LBE requirements. As detailed in Attachment 4, LBE contractors received \$1,280,889 (64%) in total payments.

- Crane Cove Park: The Crane Cove Park project was completed by Gordon N. Ball, the project's non-LBE contractor in Fall of 2020. The LBE requirement was 21%. There were no payments to LBEs in this reporting period, but the contractor made 26% of payments to LBEs over the life of the project, exceeding the requirement.
- Crane Cove Park Building 49: This project is being completed by Wickman Development and Construction (LBE-OBE). The LBE requirement is 20% and 42% of payments went to LBEs.
- Heron's Head Park Path and Electrical Improvements: This project is being completed by CF Contracting (LBE-OBE). The LBE requirement was 20% and 87% of payments were made to LBEs.
- 19th and Georgia Construction: This project was completed by Cazadoro Construction, a LBE-WBE contractor. This project includes federal funding so there is no LBE requirement, but 84% of payments were made to LBEs.

3. Professional Services Contracts. During the reporting period, the Port managed eight open professional services projects governed by the LBE ordinance. As detailed in Attachment 4, LBE contractors received \$3,563,050 (37%) in total payments during the reporting period.

- *Crane Cove Park Design*: The Crane Cove Design Project led by AECOM Technical Services, a non-LBE firm, made 40% of payments to LBE subcontractors.
- *Seawall Resiliency Project*: CH2M Hill/Jacobs, non-LBE project lead for the Seawall Earthquake Safety Program, has committed 21% LBE subcontracting requirement and payment to LBE subconsultants was 41% during the reporting period.
- *Seawall Communications*: The Seawall Earthquake Safety Program Public Relations and Media Services contract led by Civic Edge Consulting an LBE-WBE firm has a 21% subcontracting goal. 97% of payments went to LBE subconsultants and 100% of payments to LBEs.
- *Waterfront Land Use Plan and Environmental Review*: The environmental review of the Waterfront Lane Use Plan is led by Environmental Science Associates, a non-LBE firm. The contract has an 18% LBE goal and 31% of payments were made to LBE subconsultants.
- *Technical Support for Pier 70*: The technical support for private developments at Pier 70 and Mission Rock contract led by Hollins Consulting, LBE-MBE, has a 24% LBE subcontracting goal. Payments to LBE subcontractors were 23% and 100% when payments to the prime are included.

4. Exempt Contracts. The Port has twelve contracts that are exempt from the provisions of the LBE Ordinance due to their contract size, funding source requirements, LBE subcontracting waiver granted by CMD, or emergency contract. While these contracts are exempt from LBE subcontracting requirements, Attachment 5 includes information about the contracts to provide a complete picture of the Port's overall contracting activity.

C. **Port Development Agreements**: The Port oversees two development projects at Pier 70 and Mission Rock. While these development agreements are not subject to the Chapter 14B LBE program, the Port and the developers established a specialized LBE utilization plan to govern each project's local business inclusion and participation.

1. Pier 70: The Pier 70 project led by Brookfield has a 17% LBE participation goal. Attachment 6 outlines the contracts awarded through the first two quarters of 2021-2022. Through the reporting period, Pier 70 has awarded \$216.97 million in contracts, of which \$62.0 million (25%) has been awarded to small, micro or SBA-LBEs.

2. Mission Rock: The Mission Rock Development Project led by Mission Rock Development Partners has a 10% participation goal for pre-construction work and a 20% participation goal for construction. In the reporting period, construction work began with site preparation. Attachment 7 shows Mission Rock has awarded \$553.6 million in contracts to date, of which \$65.9 million (16%) has been awarded to small, micro or SBA-LBEs.

D. **Compliance with Local Hire Requirements**: The San Francisco Local Hire Policy for Construction applies to construction projects advertised for bid after March 25, 2011, for public works or improvements that are City funded with an engineer's estimate above the threshold amount which is \$706,000 as of January 1, 2020 (increasing to \$1,000,000 in July 2022). The Local Hire Ordinance is in Chapter 82 of the San Francisco Administrative Code and requires contractors and their subcontractors to attain a minimum of 30% work hours by trade per project using San Francisco residents.⁵ The ordinance also requires that 50% of apprentice hours per trade be performed by disadvantaged San Francisco residents. The program is managed by the Office of Economic and Workforce Development ("OEWD"). The Port currently maintains four active construction contracts and three private development projects that are subject to the requirements of the Local Hire Ordinance. OEWD staff advises that the projects are compliant and the overall total works hours for these Port projects is 27% and total apprentice hours is 49%. The Port public works projects' overall total work hours is 60% and total apprentice hours is 86%. See Attachment 7 for additional information.

In some instances, contractors' use of Local Hire falls below initial estimates. Under the Local Hire Ordinance, OEWD staff may authorize conditional waivers and exemptions, including exemptions for marine related pile driving, asbestos removal, operating engineering work and other specialized trades. For example, the majority of the work in the Port's maintenance dredging contract is exempt from the Local Hire Ordinance given the specific nature of dredging work.

E. **Prime Contractors Performance Outcomes**:

No formal construction contracts closed out during this time period.

III. Outreach and Community Engagement

In addition to the formal administration of Port contracts, Port staff continued its efforts to increase opportunities and technical services to local businesses. This work is designed to support and expand the Port's LBE community through outreach, one-on-one engagement and targeted technical support to increase contractor capacity.

⁵ Local Hire Requirements increased from 20% to 25% on applicable contracts solicited after March 2012, and to 30% for contracts solicited after March 2013.

July 2021 and ongoing – The Port of San Francisco Micro-LBE Emergency Relief Program finalized its loan approach and engaged the service provider Main Street Launch. The Port contacted all LBEs on its outreach list and contracted with RDJ Enterprises to provide additional outreach and technical assistance for applicants. The program’s application portal was launched in December 2020. To date the program has approved 24 loans with \$866,000 of program funds deployed. Port has contacted all borrowers about the early payment provision to ensure requirements for loan forgiveness.

July 2021 – Contracts and Procurement Team participated in the Northern California Procurement Technical Assistance Center annual Gov2Biz matchmaker event. Potential suppliers scheduled one-on-one meetings with the Port and connected with Port staff about potential opportunities. The Port met 15 firms and connected these organizations to both Port and other City and County of San Francisco firms. The Port assisted one new supplier through the City supplier compliance process.

August 2021 – The Port was the guest host for an hour-long meeting with the Black and Latino Contractors Association. Port staff met the members of the organization to engage in dialogue about the Port and answer questions and concerns about Port opportunities.

July - August 2021 – The Port planned to lead three in-person workshops at the Black Business Week Summit. Due to a COVID-19 surge in cases, the African American Chamber of Commerce cancelled the event the day before summit start date.

October 2021 – The Port was a speaker at the San Francisco Small Business Summit hosted by the Office of City Administrator. This website <https://sf.gov/san-francisco-small-business-summit> was created as an archive of the two-day event and includes the Port presentation. The Port developed an outreach list for the event of licensed construction firms near the waterfront and throughout San Francisco. This list was to expand outreach for the LBE program among eligible non-LBEs. Among those who preregistered for the event 73 of the 600 (12%) of pre-registered participants were contacts from the Port outreach list.

July – December 2021 – The Port continued to offer monthly drop-in office hours. Office hours provide one-on-one opportunities for small business to engage in direct conversation with Port staff. Since office hours was initiated, Port staff have met with 35 small businesses.

IV. LBE Engagement Strategy

1. Progress on Lines of Effort and Deliverables for Quarters 1 and 2 FY 2021-2022

The Port's ongoing LBE efforts align with the four strategy areas staff presented in the October 23, 2020 report to the Port Commission on LBE strategy for 2020-21. Staff made good progress in advancing these strategies. The four LBE strategy areas are:

Improve internal practices: The Port will work within the divisions to build on strengths, identify challenges and make short, medium and long-term plans for stronger LBE practices. The Contracts and Procurement Team will convene internal stakeholders to identify the common needs for tools and provide central support.

Listen and partner with the LBEs, community, City and regional stakeholders: The Port's efforts and impact are amplified when the engagement includes asking questions, listening to answers, and acting together. The LBE strategy will evolve as engagement supports new opportunities and projects.

Partner to mitigate barriers for LBEs: The barriers to the small business community can be actively addressed through technical assistance workshops, a robust network of referrals, and a continued recognition of obstacles and solutions.

Merge LBE strategy with REAP. The REAP has become the guiding document for the Port's racial equity strategy. Historically, the Contracts and Procurement Team focused on LBE efforts as the primary equity strategy for contracting. The implementation of the REAP will enable Port staff to approach equity with a wider lens including strategies that support non-certified minority-owned firms in San Francisco and minority firms with owners outside of San Francisco.

In support of these strategies, Port staff has completed or made significant process on all deliverables presented in the November 2021 contracting update.

- Implement LBE payment data improvements with divisions.
- Improve Contract closeout process for Professional Services As-Needed Contracts.
- Brief Port Commission on Long-Term LBE Loan/Security Program framework.
- Complete REAP deliverables

Deliverable 1: Implement LBE payment data improvements with divisions.

and

Deliverable 2: Improve contract closeout process for professional services as-needed contracts.

Contracts and Procurement is circulating quarterly reports of LBE payments within Port divisions to ensure staff has a contract-long, annual and quarterly review of LBE utilization. Contracts and procurement is also meeting with interested prime contractors for LBE monitoring during the contracts. The contracts and procurement team is now monitoring all contracts monthly to identify contracts that may be near closeout and proactively coordinating with the project manager, accounting and CMD to resolve potential issues such as low LBE participation and use of the City and County of San Francisco supplier portal.

Deliverable 3: Brief Port Commission on Long-Term LBE Loan/Security Program framework.

This deliverable has been delayed as the Port has begun to collaborate with the City and County of San Francisco Treasurer and Tax Collector (TTX) on program development. As the City’s banking expert, TTX has agreed to lead the effort to solicit a financial institution to provide a secured line of credit for LBEs and is also soliciting interest among other City departments to participate in the program. Once the program is established, the Port expects to contribute funding to secure lines of credit to support its LBE community.

Deliverable 4: Complete REAP deliverables.

The Contracts and Procurement team have made progress on the below REAP items

| | |
|-------|---|
| 8.1.1 | Advertise all contracting events to racially diverse business, LBE, DBE, and non-certified minority owned businesses. |
| 8.1.2 | Conduct early targeted outreach to MBE, DBE and non-certified minority owned businesses |
| 8.1.3 | Engage with technical service providers on common barriers |
| 8.2.4 | Evaluate feasibility for pool (similar to public works job order contracting) to increase capacity of small minority businesses |
| 8.3.1 | Collaborate with CityBuild and development partners to create training programs to increase pool of qualified candidates of Black, Indigenous and other people of color |
| 8.4.1 | Fund Youth Employment Program |
| 9.1.2 | Establish Port’s loan and grant program for LBEs, specifically tenants and businesses from the Black, Indigenous, and people of color communities |

V. Executive Director’s Delegated Authority

The Port Commission has delegated authority to the Port Executive Director to streamline the Port’s contract approval process to be consistent with the San Francisco Administrative Code and practice of other City departments. Delegated authority allows the Port’s Executive Director to execute and award public works and professional

service contracts and contract service orders without Port Commission Review and approval. This delegated authority ensures the department can quickly respond to the community and project needs, a key objective of the Port's economic recovery initiative. This delegation is in Port Resolutions no. 09-29, 09-27 and 10-60.

In November 2021 the Board of Supervisors and the Mayor approved amendments to Chapters 6, 21 and 14B of the City's Administrative Code with the goal of increasing the number contracts awarded to LBEs. Among other actions, the amendment increased LBE certification thresholds and created automatic increases based on the consumer price index. The Executive Director's delegated authority is no longer in alignment with these thresholds and staff has assessed what changes to delegated authority would be necessary to meet the spirit of the Administrative Code amendments.

A. Ordinance Increasing Informal Thresholds

The Port's Executive Director's authority under Administrative Code Chapter 6 for procurement of public works, including procurement of professional design, engineering consulting and construction management is delegated by ordinance. Under Section 6.1(2), contracts at an amount less than or equal to the threshold amount are awarded when the Department Head signs the contract or issues an order of award. Contracts above the threshold amount are awarded when the Port Commission adopts a resolution awarding the contract. The current threshold amount is \$706,000.

The Port Executive Director's authority under Administrative Code Chapter 21 for procurement of goods and services, including non-construction professional service contracts, requires the final approval of the Office of Contract Administration. Under Resolution 10-60, the Port Commission's approval is required for contracts greater than \$100,000. At the time of resolution 10-60, \$100,000 was the value of the minimum competitive amount. The minimum competitive amount is presently \$129,000.

The November 2021 amendments to the LBE ordinance (Ordinance 203-21) increased the threshold amounts to expand use of the micro-LBE set-aside contracting vehicle. Effective July 1, 2022, the contracting thresholds in Chapter 6 contracts will increase from \$706,000 to \$1,000,000. The Chapter 21 professional service contracts minimum competitive amount will increase from \$129,000 to \$200,000.⁶ The Port Executive Director's delegated authority for Chapter 6 contracts will increase by ordinance on July 1, but the delegated authority for Chapter 21 professional services will not increase unless the Port Commission takes action.

B. Contract Service Order (CSO) Value

To define the scope of work for as-needed contracts, the Port issues a contract service order ("CSO"). Under Resolution 09-29 and 09-37, the Port Commission set the Executive Director's authority to issue a CSO at \$500,000. At the time of the resolutions

⁶ [City and County of San Francisco - File #: 210835 \(legistar.com\)](#)

in 2009, the Chapter 6 threshold amount was \$500,000. The current threshold amount is \$706,000 and the threshold amount will increase to \$1,000,000 on July 1, 2022.

C. Contracts with Other Public Entities

Administrative Code section 21.04 authorizes the Executive Director to enter into agreements with other public entities for the purpose of fulfilling their governmental functions, which may include the provision or exchange of commodities or services incident to the purpose of the contract. These contracts do not require the approval of the Office of Contract Administration. The Executive Director's delegated authority for these contracts is currently the same as the Chapter 21 professional services authority, \$100,000.

D. Staff Recommendation

The recent amendments to the Chapter 6 threshold and Chapter 21 minimum competitive amount provide an opportunity for the Port to align the Executive Director's delegated authority with the Administrative Code limits. Updating the Executive Director's delegated authority reflects inflationary increases to contracting and professional service costs since 2009 and 2010, will increase timeliness of contracting, and align the Port with the City's goal of increasing LBE contract awards.

Attachment 9 includes Resolution 22-XX with the staff recommendations. These recommendations include:

- Align the Executive Director's delegated authority to recommend award of Chapter 21 professional services contracts to the Chapter 21 minimum competitive amount. This would result in a change on July 1, 2022 from \$100,000 to \$200,000.
- Align the Executive Director's authority to enter into a CSO with the Chapter 6 minimum threshold amount. This would result in a change from \$500,000 to \$706,000 and another increase to \$1,000,000 on July 1, 2022.
- Align the Executive Director's authority to enter into public entities under Chapter 21.04 authority to the threshold amount.

Conclusion

In the first two quarters of FY 2021-2022, the Port awarded two contracts totaling \$259,760 of which 50% was awarded to an LBEs. The Port made \$7.7 million in contract payments for contracts with LBE requirements, of which \$3.7 million were paid to LBEs. Most contracts are on track to meet or exceed their contractually obligated CMD requirements based on overall contract spending to date.

In FY 2021-2022, Port staff will continue to implement the LBE strategy and integrate the LBE equity work into the Port-wide Racial Equity Action Plan.

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cc: Contract Monitoring Division, Melinda Kanios

Appendix A: General Contract Terms & Port Thresholds
Attachment 1: Contracts Awarded Quarter 1 and 2 Fiscal Year 2021-2022
Attachment 2: As-Needed Contracts, Quarter 1 and 2 Fiscal Year 2021-2022
Attachment 3: Construction Contracts, Quarter 1 and 2 Fiscal Year 2021-2022
Attachment 4: Professional Service Contract, Quarter 1 and 2 Fiscal Year 2021-2022
Attachment 5: Non-Chapter 14-B Contracts, Quarter 1 and 2 Fiscal Year 2021-2022
Attachment 6: Pier 70 Development LBE Participation
Attachment 7: Mission Rock LBE Participation
Attachment 8: Office of Economic and Workforce Development Local Hire Participation, July 1, 2021 – December 31, 2021
Attachment 9: Resolution 22-XX, Alignment of Executive Director Authority

APPENDIX A

General Contract Terms and Port Thresholds

A. Use of Professional Services Contracts: Professional Services are those services which require the exercise of discretion and independent judgment in their performance, and/or the application of an advanced, specialized type of knowledge, expertise, or training. Examples of professional service providers include architects, engineers, and software developers. The City's Civil Service Commission must review all Professional Services contracts to determine whether City employees could perform the requested services and, if so, whether the Department can justifiably contract out the services. The Port contracts for professional services only when Port employees or other City employees cannot perform the work because of the limited nature of the work, peak workload obligations, lack of specific expertise, or other unusual circumstances such as mitigation of financial risk, funding or other legal requirements.

B. As-Needed Contracts: As-Needed contracts are Professional Services contracts which the Port uses for services that recur but are not consistent or predictable enough to justify full time staff. Currently the Port maintains as-needed services contracts for architecture and design services, economic analysis, environmental services, and hazardous materials disposal. Master Agreements for as-needed services are negotiated upon Contractor pre-qualification through formal, competitive RFQ processes. These agreements usually have a three-year term.

As-needed services are typically construction-related professional services, such as engineering services. Following the requirements of Administrative Code Chapter 6.64, the Port tasks contractors with individual projects through the issuance of Contract Service Orders ("CSO"). LBE subcontracting requirements may apply to each Master Agreement or for each CSO. The Port's practice is to have an overall goal for the as-needed contracts and to manage individual CSOs to ensure overall compliance.

C. Delegated Authority: To streamline the Port's contract approval process and to be consistent with the San Francisco Administrative Code and the practice of other City departments, the Port Commission has delegated the following authority to the Executive Director (Resolution Nos. 09-29, 09-37 and 10-60):

- Contract Service Orders \$500,000
- Construction contracts \$706,000
- Professional services contracts \$100,000

Delegated authority allows the Port's Executive Director to execute and award public works and improvement and professional services CSOs and contracts at or under the threshold limits without Port Commission review and approval.

Attachment 1
Awarded Contracts, Quarters 1 and 2 Fiscal Year 2021-22

| Project Title | Vendor Name | Contract Amount | LBE Sub Req % | LBE Prime Contract | Total LBE Sub Awarded | Total LBE Awarded |
|------------------------------------|--------------------------------|------------------|---------------|--------------------|-----------------------|-------------------|
| Professional Services | | | | | | |
| Implementation of GASB 87 | Deloitte & Touche (Non-LBE) | \$200,000 | 10% | \$0 | \$20,000 | \$20,000 |
| Aquatic Parks Stakeholder Planning | Next Steps Marketing (WBE-LBE) | \$59,750 | n/a | \$59,750 | \$0 | \$59,750 |
| Total Professional Services | | \$259,750 | n/a | \$59,750 | \$20,000 | \$79,750 |

Awarded Contracts, Quarters 1 and 2 Fiscal Year 2021-22

| Ethnicity | Number of Contracts | Prime and Subcontractor Contract Amount |
|-------------------|---------------------|---|
| Non-Minority | 1 | \$59,750 |
| Ethnicity Unknown | 1 | \$200,000 |

Attachment 2
As Needed Annual Contracts, Quarter 1 and 2 Fiscal Year 2021-2022

| Contractor | Total Contract Amount | LBE Req % | Total Payments in FY | Total Non-LBE | LBE Prime Payments | LBE Sub Payments | Total LBE Payment | Overall LBE% | Sub LBE% |
|---|-----------------------|-----------|----------------------|--------------------|--------------------|------------------|-------------------|--------------|------------|
| 1. AS NEEDED CONTRACTS | | | | | | | | | |
| Real Estate | | | | | | | | | |
| ECONOMIC & PLANNING SYSTEMS INC (Non-LBE) | \$750,000 | 13% | \$36,175 | \$35,305 | \$0 | \$870 | \$870 | 2% | 2% |
| SEIFEL CONSULTING INC (LBE-WBE) | \$750,000 | 13% | \$28,243 | \$133 | \$23,280 | \$4,830 | \$28,110 | 100% | 17% |
| Subtotal, Real Estate Services | \$1,500,000 | | \$64,418 | \$35,438 | \$23,280 | \$5,700 | \$28,980 | 45% | 9% |
| Engineering & Related | | | | | | | | | |
| ARCADIS LOTUS WATER (JV - OBE) | \$3,000,000 | 20% | \$187,042 | \$74,682 | \$4,320 | \$108,040 | \$112,360 | 60% | 58% |
| JOE HILL CONSULTING ENGINEERS (LBE-OBE) | \$1,000,000 | N/A | \$4,032 | \$192 | \$0 | \$3,840 | \$3,840 | 95% | 95% |
| MOFFATT & NICHOL & AGS JV (JV-MBE) | \$1,500,000 | 20% | \$73,634 | \$73,244 | \$390 | \$0 | \$390 | 1% | 0% |
| PARSONS RJSD (JV-OBE) | \$3,000,000 | 20% | \$88,705 | \$38,287 | \$50,418 | \$0 | \$50,418 | 57% | 0% |
| STANTEC MCGOVERN MACDONALD (JV-WBE) | \$3,000,000 | 19% | \$317,086 | \$111,559 | \$149,641 | \$55,887 | \$205,527 | 65% | 18% |
| TERRA ENGINEERS | \$3,000,000 | 19% | \$196,366 | \$153,800 | \$39,478 | \$3,088 | \$42,566 | 22% | 2% |
| Subtotal ,Engineering & Related | \$14,500,000 | | \$866,865 | \$451,764 | \$244,247 | \$170,855 | \$415,102 | 48% | 20% |
| Environmental & Related | | | | | | | | | |
| AEW ENGINEERING (Prime LBE) | \$1,000,000 | 22% | \$7,356 | \$159 | \$1,907 | \$5,290 | \$7,197 | 98% | 72% |
| AEW ENGINEERING (Prime LBE) | \$2,000,000 | 22% | \$11,521 | \$7,385 | \$4,136 | \$0 | \$4,136 | 36% | 0% |
| ESA CDIM Joint Venture (JV-LBE Prime) | \$2,000,000 | 22% | \$213,211 | \$78,840 | \$116,099 | \$18,272 | \$134,371 | 63% | 9% |
| NORTHGATE & AGS (JV-LBE Prime) | \$1,000,000 | 22% | \$21,104 | \$21,104 | \$0 | \$0 | \$0 | 0% | 0% |
| SCA Environmental (LBE-MBE) | \$1,000,000 | 22% | \$8,300 | \$5,422 | \$1,904 | \$974 | \$2,878 | 35% | 12% |
| SCA Environmental (LBE-MBE) | \$2,000,000 | 12% | \$104,035 | \$81,515 | \$14,173 | \$8,348 | \$22,521 | 22% | 8% |
| Subtotal, Environmental & Related | \$9,000,000 | | \$365,527 | \$194,424 | \$138,219 | \$32,884 | \$171,103 | 47% | 9% |
| Hazardous Materials Disposal | | | | | | | | | |
| CLEAN HARBOS ENVIRONMENTAL SERVICE, INC (Non-LBE) | \$300,000 | 6.75% | \$224,799 | \$224,799 | \$0 | \$0 | \$0 | 0% | 0% |
| ENVIRONMENTAL LOGISTICS (Non-LBE) | \$300,000 | 6.75% | \$14,103 | \$14,103 | \$0 | \$0 | \$0 | 0% | 0% |
| SILVERADO CONTRACTORS INC (Non-LBE) | \$300,000 | 6.75% | \$91,313 | \$91,313 | \$0 | \$0 | \$0 | 0% | 0% |
| Subtotal, Hazardous Materials Disposal | \$900,000 | | \$330,214 | \$330,214 | \$0 | \$0 | \$0 | - | 0% |
| Total As-Needed Contracts | \$26,521,000 | | \$1,627,025 | \$1,011,840 | \$405,746 | \$209,439 | \$615,185 | 38% | 13% |

**Attachment 3
Construction Contracts, Quarter 1 and 2 Fiscal Year 2021-2022**

| 14B Contracts | Description | Total Contract Amount | Total Payments in FY | Total Non-LBE | LBE Prime Payments | LBE Sub Payments | Total LBE Payment | Overall LBE% | Sub LBE% |
|--|--|-----------------------|----------------------|------------------|--------------------|------------------|--------------------|--------------|------------|
| CAZADORO CONSTRUCTION, INC (LBE-WBE) | 19th and Georgia St Construction | \$3,072,609 | \$222,274 | \$35,255 | \$171,939 | \$15,080 | \$187,019 | 84% | 7% |
| CF CONTRACTING INC (LBE-OBE) | Heron's Head Park Path and Electrical Improvements | \$1,282,769 | \$669,152 | \$38,040 | \$161,200 | \$469,913 | \$631,112 | 94% | 70% |
| GORDON N BALL (Non-LBE) | Crane Cove Park | \$19,525,304 | \$18,500 | \$18,500 | \$0 | \$0 | \$0 | 0% | 0% |
| WICKMAN DEVELOPMENT & CONSTRUCTION (LBE-OBE) | Crane Cove Park Renovate Bldg 49 | \$1,933,282 | \$1,102,617 | \$639,859 | \$0 | \$462,758 | \$462,758 | 42% | 42% |
| Total | | \$63,609,264 | \$2,012,543 | \$731,654 | \$333,139 | \$947,751 | \$1,280,890 | 64% | 47% |

**Attachment 4
Professional Service Contracts, Quarter 1 and 2 Fiscal Year 2021-2022**

| Contractor | Description | Total Contract Amount | Total Payments in FY | Total Non-LBE | LBE Prime Payments | LBE Sub Payments | Total LBE Payment | Overall LBE% | Sub LBE% |
|--|---|-----------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------|------------|
| AECOM TECHNICAL SVC (Non-LBE) | Pier 70 Crane Cove Park Project | \$4,079,396 | \$7,258 | \$4,373 | \$0 | \$2,885 | \$2,885 | 40% | 40% |
| BACKSTROM MCCARLEY BERRY & CO LLC | Fund Balance Research | \$100,000 | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | 0% |
| CH2M HILL ENGINEERS, INC (Non-LBE) | Seawall Resiliency Project | \$55,684,130 | \$3,452,169 | \$2,020,077 | \$0 | \$1,432,092 | \$1,432,092 | 41% | 41% |
| CIVIC EDGE CONSULTING LLC (PRIME LBE) | Seawall Environmental Consulting | \$1,695,205 | \$53,848 | \$0 | \$1,430 | \$52,418 | \$53,848 | 100% | 97% |
| COWI OLMM JV (JV-MBE) | Mission Bay Ferry Landing | \$4,766,535 | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | 0% |
| ENVIRONMENTAL SCIENCE ASSOCIATES (Non-LBE) | Environmental Review on Waterfront Land Use Plan | \$1,000,000 | \$261,671 | \$181,151 | \$0 | \$80,520 | \$80,520 | 31% | 31% |
| HOLLINS CONSULTING (MBE-LBE) | As-Needed Technical Support Services for Pier 70 and Mission Rock Special Use Districts | \$2,400,000 | \$265,051 | \$0 | \$203,360 | \$61,691 | \$265,051 | 100% | 23% |
| Total | | | \$4,039,996 | \$2,205,600 | \$204,790 | \$1,629,606 | \$1,834,396 | 45% | 40% |

**Attachment 5
Non-Chapter 14B Contracts Quarter 1 and 2 Fiscal Year 2021-2022**

| Contractor | Description | Non-Chapter 14B Reason | Total Contract Amount | Total Payments in FY | Total Non-LBE | LBE Prime Payments | LBE Sub Payments | Total LBE Payment | Overall LBE% | Sub LBE% |
|--|---|------------------------|-----------------------|----------------------|------------------|--------------------|------------------|-------------------|--------------|----------|
| COCHRAN MARINE (Non-LBE) | Annual Testing & Re-commissioning Pier 27 Shore Power System | Waiver | \$280,000 | \$63,460 | \$63,460 | \$0 | \$0 | \$0 | 0% | 0% |
| GOODWIN CONSULTING GROUP IN (Non-LBE) | SWL337 Mission Rock - Special Tax Consultant Services | Below Threshold | \$99,000 | \$1,674 | \$1,674 | \$0 | \$0 | \$0 | 0% | 0% |
| HOLLINS CONSULTING (LBE-MBE) | Construction Management Services for Pier 45 Fire | Emergency | \$175,024 | \$38,070 | \$0 | \$38,070 | \$0 | \$38,070 | 100% | 0% |
| HOLLINS CONSULTING (LBE-MBE) | Construction management for jack and repair of the damaged truss at Pier 35 | Emergency | \$31,473 | \$30,138 | \$30,138 | \$0 | \$0 | \$0 | 0% | 0% |
| Larkin Street Youth Services (Non-LBE) | Youth Employment Program | Waiver | \$530,000 | \$9,787 | \$9,787 | \$0 | \$0 | \$0 | 0% | 0% |
| Literacy for Environmental Justice (LBE - Nonprofit) | Grow, plant, and maintain native wetland plants at Heron's Head Park | Waiver | \$256,844 | \$7,103 | \$7,103 | \$0 | \$0 | \$0 | 0% | 0% |
| Macchiatto (LBE-OBE) | Design services and design construction support for interpretive signage program along Islais Creek | Micro Set-Aside | \$78,300 | \$43,050 | \$0 | \$43,050 | \$0 | \$43,050 | 100% | 0% |
| POWER ENGINEERING CONSTRUCTION CO (Non-LBE) | New floating dock system at Hyde Street Harbor for the SFPD Marine unit | Federal | \$1,440,245 | \$55,988 | \$19,988 | \$0 | \$36,000 | \$36,000 | 64% | 64% |
| POWER ENGINEERING CONSTRUCTION CO (Non-LBE) | Pier 35 Emergency Truss Repair | Emergency | \$163,900 | \$158,532 | \$158,532 | \$0 | \$0 | \$0 | 0% | 0% |
| R D J Enterprises LLC (LBE-MBE) | Youth Employment Program | Waiver | \$529,823 | \$83,175 | \$60,946 | \$0 | \$22,228 | \$22,228 | 27% | 27% |
| ROSALES BUSINESS PARTNERS LLC (LBE-MBE) | Training and facilitation to staff on racial equity | Waiver | \$99,440 | \$40,873 | \$22,223 | \$0 | \$18,650 | \$18,650 | 46% | 46% |
| SILVERADO CONTRACTORS INC (Non-LBE) | Demolition of Fire Damage at Pier 45 Shed C | Emergency | \$2,367,680 | \$203,685 | \$132,179 | \$0 | \$71,506 | \$71,506 | 35% | 35% |
| | | | Subtotal | <u>\$735,533</u> | <u>\$506,029</u> | <u>\$81,120</u> | <u>\$148,384</u> | <u>\$229,504</u> | | |

Attachment 6

Pier 70 Development Contract Awards Through Quarter 1 and 2 Fiscal Year 2021-2022

| Amount Awarded | \$216,970,862 | Percentage |
|------------------------------|----------------------|-------------------|
| Awarded to Small & Micro LBE | \$53,775,868 | 25% |
| Awarded to SBA-LBE | \$8,258,490 | 4% |
| Awarded to Non-LBE | \$154,936,504 | 71% |
| | | |
| LBE Award by Size | \$62,034,358 | |
| Awarded to Micro-LBE | \$26,158,374 | 12% |
| Awarded to Small-LBE | \$27,617,494 | 13% |
| Awarded to SBA-LBE | \$8,258,490 | 4% |
| | | |
| LBE Award by Type | \$62,034,358 | |
| Awarded to MBE-LBE | \$18,507,592 | 9% |
| Awarded to WBE-LBE | \$6,017,294 | 3% |
| Awarded to OBE-LBE | \$37,509,472 | 17% |

Pier 70 Development Contract Awards to Minority-Owned LBEs Through Quarter 1 and 2 Fiscal Year 2021-2022

| | Amount Awarded |
|------------------|-----------------------|
| African-American | \$4,702,694 |
| Arab-American | \$17,000 |
| Asian-American | \$7,752,588 |
| Iranian-American | \$3,348,570 |
| Latino-American | \$4,900,025 |
| Native-American | \$320,770 |

Attachment 7

Mission Rock Development Contract Awards Through December 31, 2021

| Amount Awarded | \$550,655,939 | Percentage |
|--------------------------------------|----------------------|-------------------|
| Awarded to Small & Micro LBE | \$74,934,366 | 14% |
| Awarded to SBA LBE (incl. Graduated) | \$8,282,581 | 2% |
| Awarded to Non-LBE | \$467,438,991 | 85% |
| | | |
| LBE Award by Size | \$83,216,948 | Percentage |
| Awarded to Micro LBE | \$34,170,919 | 6% |
| Awarded to Small LBE | \$40,763,448 | 7% |
| Awarded to SBA-LBE (incl. Graduated) | \$8,282,581 | 2% |
| | | |
| LBE Award by Type | \$83,216,948 | Percentage |
| Awarded to MBE-LBE | \$35,917,412 | 7% |
| Awarded to WBE-LBE | \$25,802,235 | 5% |
| Awarded to OBE-LBE | \$21,497,300 | 4% |

Mission Rock Development Contract Awards to Minority-Owned LBEs Through December 31, 2021

| Minority-Owned: LBE's | Amount Awarded |
|------------------------------|-----------------------|
| African-American | \$20,286,986 |
| Arab-American | \$6,968 |
| Asian-American | \$9,886,059 |
| Latino-American | \$11,767,823 |

Attachment 8

**Office of Economic Workforce and Development Data. Active Port Projects
July 1, 2021 – December 31, 2021**

| Active Projects July 1, 2021 - December 31, 2021 | Total Work Hours | | | Total Apprentice Hours | | |
|--|------------------|--------------|------------|------------------------|-----------------------|-------------|
| | 30% Requirement | | | 50% Requirement | | |
| | Total Hours | Local Hours | Local % | Total App Hours | Total Local App Hours | Local App % |
| 2795 Heron's Head Park Path & Electrical Improvements | 1,767 | 1,476 | 84% | 424 | 424 | 100% |
| 2812 Crane Cove park Construction Package 2 | 273 | 0 | 0% | 16 | 0 | 0% |
| 2814 Building 49 Crane Cove Park | 6,931 | 2,473 | 36% | 762 | 87 | 11% |
| TOTAL (public works projects awarded by the Port) | 8,971 | 3,949 | 44% | 1,202 | 511 | 43% |

| Pier 70 | 30% Requirement | | | 30% Requirement | | |
|--|-----------------|---------------|------------|-----------------|--------------|------------|
| Pier 70 Forest Cities Development: Building 12 | 90,469 | 20,488 | 23% | 18,996 | 6,460 | 34% |
| Pier 70 Total Hours | 90,469 | 20,488 | 23% | 18,996 | 6,460 | 34% |

| Mission Rock | 30% Requirement | | | 30% Requirement | | |
|---------------------------------|-----------------|---------------|------------|-----------------|---------------|------------|
| Mission Rock Parcel A | 114,614 | 17,426 | 15% | 20,951 | 8,923 | 43% |
| Mission Rock Parcel B | 32,217 | 9,603 | 30% | 5,359 | 2,572 | 48% |
| Mission Rock Parcel G | 119,663 | 29,580 | 25% | 17,095 | 8,325 | 49% |
| Mission Rock Horizontal | 34,366 | 12,946 | 38% | 2,125 | 1,750 | 82% |
| Mission Rock Total Hours | 300,860 | 69,555 | 23% | 45,530 | 21,569 | 47% |

| | | | | | | |
|---|----------------|---------------|------------|---------------|---------------|------------|
| TOTAL (including Pier 70 and Mission Rock) | 400,299 | 93,991 | 23% | 65,727 | 28,540 | 43% |
|---|----------------|---------------|------------|---------------|---------------|------------|

Attachment 9

**Port Commission
City and County of San Francisco
RESOLUTION NO. 22-XX**

- WHEREAS, on November 10, 2021, Mayor London Breed approved amendments to Chapters 6, 21, and 14B of the San Francisco Administrative Code, which, among other things, increased the dollar threshold for department heads to execute contracts; and
- WHEREAS, the Port of San Francisco is a department within the City and County of San Francisco required to comply with the Administrative Code as adopted by the Mayor and the Board of Supervisors; and
- WHEREAS, pursuant to Section B3.581 of the City Charter, the Port Commission may confer on the Port Director (Executive Director) such powers and authority “as it may see fit;” and
- WHEREAS, the Port Commission has not increased the Executive Director’s authority to execute contracts since its August 19, 2010 Resolution No. 10-60 involving the encumbrance of Port funds not to exceed \$100,000; and
- WHEREAS, the Port Commission has not increased its Executive Director’s authority to issue Contract Service Orders (CSOs) under such Master Contracts since its July 14, 2009 Resolution 09-37 establishing a maximum CSO value of \$500,000; and
- WHEREAS, on average, inflation has increased prices by 32 percent since 2009, reducing the value the current delegated authority thresholds; and
- WHEREAS, the Port Commissions supports contracts to foster development, maintain Port infrastructures and support economic recovery; and
- WHEREAS, the Port Commission desires to increase efficiency in executing contracts to foster development, maintain Port infrastructure and support economic recovery; and
- WHEREAS, section 6.2 of the City’s Administrative Code authorizes certain departments, including the Port, to enter into contracts for public works or improvements or professional services related to a public work or improvement, and Section 6.3(A) of the Administrative Code authorizes heads of those departments including the Port

Executive Director to award such contracts for amounts less than or equal to the “Threshold Amount” as defined in Section 6.1 of the Administrative Code, which is currently \$706,000 and will increase to \$1,000,000 on July 1, 2022; and

WHEREAS section 6.4 (a) of the City’s Administrative code establishes a “minimum competitive amount” for professional services, which is currently \$129,000 and will increase to \$200,000 on July 1, 2022; and

WHEREAS the San Francisco Port Commission authorized the Port Executive Director to award contracts, not to exceed the Threshold Amount approved for a Department Head in Section 6.3(a) of the Administrative Code for public works or improvements or professional services related to a public work or improvement, and for such greater amounts commensurate with such Threshold Amount as it may be amended from time to time; now therefore, be it

RESOLVED that that the Port Commission authorizes the Port Executive Director to award and amend contracts related to professional services (non-construction/non-public works) in amount equal to the “minimum competitive amount” as defined by Section 6.4(a) of the Administrative Code as it may be amended from time to time; and be it further

RESOLVED that the Port Commission hereby approves and authorizes the Executive Director to issue Contract Service Orders (CSOs) under master contracts pursuant to Administrative Code Chapter 6 and 21, provided that such CSOs under each master contract shall not cumulatively exceed the threshold amount without further Port Commission authorization.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting on April XX, 2022.

Secretary