

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF PUBLIC WORKS
AND
THE SAN FRANCISCO PUBLIC LIBRARY
FOR THE
BRANCH LIBRARY IMPROVEMENT PROGRAM

MAY 9, 2008

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**MEMORANDUM OF UNDERSTANDING
BRANCH LIBRARY IMPROVEMENT PROGRAM**

This Memorandum of Understanding (“MOU”) between the Department of Public Works (“DPW”) and the San Francisco Public Library (“SFPL”) is established as of May 9, 2008. The purpose of this MOU is to memorialize the responsibilities of DPW and SFPL, two departments of the City and County of San Francisco, with respect to the Branch Library Improvement Program (“BLIP” or “Program”). This MOU does not confer any rights or benefits on any third parties nor does it delegate any authority that rests with DPW pursuant to Chapter 6 of the San Francisco Administrative Code.

1. BACKGROUND.

- 1.1 In 2002, SFPL and DPW signed an MOU outlining the process for financial management of the BLIP. In September 2007, the Office of the Controller’s City Services Auditor division issued a report regarding program management of the BLIP. One recommendation of the Controller’s report was to “[r]eplace the current MOU with one that describes in detail specific activities necessary for each agency to meet its obligation to efficiently and effectively manage the bond program.” Accordingly, this MOU hereby supersedes the 2002 MOU.
- 1.2 Sources of Funding.
 - 1.2.1 Funding sources for the BLIP are listed in *Attachment A: A.1 Revenue* and described below.
 - 1.2.2 In November 2000, the voters of San Francisco approved a \$105,865,000 general obligation bond measure (Proposition A) for improvement and renovation of the San Francisco Public Library branch libraries.
 - 1.2.3 In the 2001/2002 Annual Appropriation Ordinance, \$2,400,000 in Public Safety Improvement Bond funds were appropriated to the BLIP.
 - 1.2.4 In December 2004, SFPL was awarded a total of \$9,710,784 of State of California Proposition 14 grant for partial funding of the Ingleside and Richmond branch library projects.
 - 1.2.5 The Board of Supervisors approved appropriations from the General Fund portion of the Library Preservation Fund (LPF) to supplement the BLIP.
 - 1.2.6 Bond interest proceeds have been appropriated to the BLIP in the amount of \$5,352,613.
 - 1.2.7 Rent monies have been generated from two buildings that were purchased with BLIP Funds and rented back to the previous owner until construction

could begin: the Support Services facility at 190 9th Street and the supermarket that will be the site of the new Visitacion Valley Branch. These funds have been regularly appropriated and returned to the BLIP program. To date, \$280,372 has been appropriated.

- 1.2.8 The Board of Supervisors has authorized SFPL to accept and expend up to \$16 million from the Friends of the San Francisco Public Library (“Friends”) for furniture, fixtures, equipment and other costs related to the BLIP.
- 1.2.9 SFPL anticipates receiving approximately \$2 Million from "impact" fees paid by private developers to augment budgets for eligible projects.
- 1.2.10 In November 2007, San Francisco voters approved Proposition D, a renewal of the property tax set aside (“Library Preservation Fund” or LPF) which allows the City to issue debt to be repaid from the LPF to complete the renovation and new construction projects detailed in the BLIP.

1.2 Program Scope.

- 1.2.1 As contemplated in 2000, the BLIP would accomplish the renovation of 19 branch libraries, the replacement of 4 leased facilities with newly-constructed City owned libraries, the construction of one new branch in the Mission Bay neighborhood, and the purchase and renovation of a support services facility.
- 1.2.2 On March 1, 2007, the Library Commission approved scope changes for the remaining projects in the Program. The revised Program Scope consists of 17 renovations, 7 new buildings, and the completed support services facility. This revised scope responds to critical service needs and community input processes throughout the city with expanded projects in many neighborhoods. The revised Program Scope appears in *Attachment A.2 Approved Project Budget and Scope*.

1.3 Program Schedule.

- 1.3.1 Originally, the BLIP was scheduled to be completed by 2010.
- 1.3.2 In March 1, 2007, the Library Commission approved a revised schedule for the remainder of the BLIP showing full completion by 2012. The revised estimated Program Schedule is detailed in *Attachment A: A.3 Schedule*.

1.4 Program and Project Budgets.

- 1.4.1 BLIP project budget amounts are shown in *Attachment A2. Approved Project Budget and Scope*. This document shows the following:
- The original budgets (Baseline) established in October 2001
 - The revised budgets in the June 2002 MOU
 - The current approved budgets approved by the Library Commission in April 2008

Attachment A4 Budget Actions summarizes all budgetary changes approved by the Library Commission since 2001.

2. ROLES AND RESPONSIBILITIES

2.1 SFPL roles and responsibilities.

2.1.1 Finance.

SFPL will provide fiscal oversight of BLIP finances. This oversight shall include:

- Review and approval of budgets and any budget changes following the procedure set forth in Section 3.4;
- Periodic review of expenditures as reported in DPW's Monthly Management Reports (Section 2.2.5)
- Requesting appropriations, accept-and-expend resolutions, and acceptance of gift resolutions from the Board of Supervisors
- Transferring approved budget funds to DPW pursuant to the City Controller's Work Authorization process

2.1.2 Building Program.

SFPL shall deliver a Building Program for each branch project to DPW. This document specifies the space and key adjacencies required to meet staff and operational priorities, achieve ideal functionality, and provide public services (including collections) to meet community needs. The use of the Building Program is detailed in Section 3.1.2.

2.1.3 Furniture, Fixtures and Equipment.

SFPL is responsible for supplying furniture, fixtures and equipment (FF&E) in compliance with requirements of the Americans with Disabilities Act (ADA). SFPL will approve furniture layouts as part of its design review process and ensure that FF&E is procured and delivered at the appropriate point in the project timeline. This process is described in Section 3.2.

2.1.4 Dedicated Staff

SFPL shall maintain two management positions whose primary tasks include facilitation of Library stakeholder involvement and related library activities, such as closure and opening of branch facilities.

2.2 DPW roles and responsibilities.

2.2.1 Finance.

DPW is responsible for managing BLIP funds transferred to it by SFPL in accordance with the approved budgets; complying with all funding source requirements as identified by SFPL; and reporting costs weekly, monthly, and quarterly as set forth in Sections 2.2.4, 2.2.5, and 2.2.6.

2.2.2 Program Management.

DPW is responsible for completion of the design and construction of the BLIP. The BLIP Program Manager is responsible for:

- Ensuring that the architects (public and private consultants) complete their designs on time and within budget
- Establishing and monitoring budgets and project schedules based on direction from SFPL

The BLIP Project Manager is responsible for overseeing design teams to meet client standards and building programs, coordinating work of multi-disciplinary technical teams across organizational boundaries, monitoring and controlling project budgets and schedules prepared by others, and ensuring timely submittals that respond fully to client requests. The BLIP Project Manager's duties include:

- Incorporating client standards as they change in the most efficient and cost effective manner possible
- Overseeing programming and planning phase reports, surveys and assessments
- Coordinating project budgets for FF&E to ensure appropriate use of bond funds and adherence to bond program budgets
- During construction, coordinating change orders and client requested changes with design teams, client and construction managers
- Ensuring timely and accurate responses by design teams so as not to delay construction completion
- Overseeing changes that occur in the field for potential impacts to client needs, function or FF&E
- Assisting the BLIP Program Manager as needed in presentations and reports given to communities, legislators, regulatory agencies, special-interest groups, funding agencies and other departments
- Informing project architects of the FF&E design and approval process, detailed in Section 3.2.

2.2.3 Regulatory Approvals.

The BLIP Project Manager will oversee the building permit application process, monitor permit activity to ensure timely approvals and oversee other necessary permit applications such as tree removal and street encroachment and ensure posting of required notices.

DPW will coordinate communications with project architects, designers or consultants and regulatory agencies who have responsibility for permit approvals.

2.2.4 Weekly Reports: Project Schedule.

DPW will meet weekly with SFPL to provide and review Project Schedules for active, upcoming, and remaining projects in the sample format provided in *Attachment C: C5 Project Schedule*.

In addition to the Project Schedules, DPW shall also provide the following documents for each branch project that is discussed at a weekly meeting:

- *Attachment C2 Project Cost Control Report*
- *Attachment C3 Design Development Cost Estimate*

In the case of a completed branch project, DPW shall, within 6 months of final completion date, provide a detailed cost breakdown in the sample format shown in *Attachment C4 Completed Project Cost Breakdown Report*. DPW will maintain the project active until the warranty period expires and the notice of final completion is filed with the Recorder's Office. DPW shall provide SFPL with retroactive *Completed Project Cost Breakdown Reports* for the Excelsior, West Portal, Sunset, and Marina libraries by June 30, 2008.

2.2.5 Monthly Management Reports.

DPW will prepare Monthly Management Reports for the Library Commission's BLIP meetings, typically third Thursdays of each month. The Monthly Management Report shall include the *Summary Schedule [Attachment A3]* and *Budget Report [Attachment C6]*.

2.2.6 Quarterly Reports.

The BLIP Program Manager will present quarterly reports to the Library Commission.

2.2.7 Consultant Contracts.

DPW is responsible for selecting and hiring professional consultants to provide architectural and engineering services. The BLIP Program Manager negotiates the scope of services, schedule of deliverables and fees with each consultant. Once the fee and scope of services are agreed to by DPW and consultants, the BLIP Program Manager will furnish this information to the City Librarian, thus forming the basis for monitoring expenses for professional services. If and when there is a need to modify the consultants' contracts to increase or decrease their services, the BLIP Program Manager will utilize the Revision Authorization Form and process set forth in Section 3.4.

2.2.8 Sustainable Building.

Although the BLIP is not subject to Environment Code Section 707, SFPL desires its facilities to meet or exceed the standards for City buildings set forth in Section 707. To the extent practicable, and in consultation with the Department of the Environment, DPW shall (1) ensure that the design and construction of remaining projects (Anza, Bayview, Golden Gate Valley, Merced, North Beach, Ortega, Park, Parkside, Presidio, and Visitacion Valley) achieve a level of environmental performance of a LEED Silver building and (2) evaluate all BLIP projects already bid and or constructed (Bernal Heights, Eureka Valley, Excelsior, Glen Park, Ingleside, Marina, Mission Bay, Noe Valley, Portola, Potrero, Richmond, Sunset, West Portal, and Western Addition) and all other SFPL facilities for opportunities to enhance their environmental performance to meet or achieve the same performance as LEED Silver.

2.3 SFPL and DPW Joint Responsibilities

2.3.1 Weekly Coordination Meetings.

SFPL and DPW will meet weekly to discuss project developments and progress and the weekly reports set forth in Section 2.2.4. Any proposed revisions will be discussed, as detailed in Section 3.4.

2.3.2 Design Oversight.

A Technical Advisory Committee (“TAC”) for each branch project is comprised of representatives from DPW and SFPL (Administration, Branch Division, Facilities, Information Technology, and Children and Youth Services). The TAC is responsible for reviewing and providing input regarding proposed design standards, building designs, FF&E and maintenance procedures and expectations to ensure that they meet SFPL standards for effective use of space, support of library functions, and ease of future maintenance. This process is detailed in Sections 3.1 and 3.2.

2.3.3 Design Review and Approvals.

At each phase of design, described in Section 3.1, DPW shall provide SFPL with a design submittal (drawings, schedules and cost estimates). The TAC shall review design submittals and provide written comments to DPW within two weeks of receipt and a minimum of three working days before a scheduled design review meeting. DPW will gather and deliver responses to all TAC comments and, when all comments have been satisfactorily addressed, SFPL will provide written approval and DPW will proceed to the next phase.

SFPL and DPW are each responsible for providing timely approvals and authorization at specific points throughout project design and construction. These processes are described in Sections 3.1.3 (Building Design

Approval); 3.2.1 (FF&E Design Process); 3.3 (Bid and Award Phase); and 3.5 (Construction Phase).

2.3.4 Community Involvement.

SFPL and DPW share responsibility for facilitating processes that ensure community involvement and engagement. Via a series of community meetings, the public reviews the design plans and provides input on each branch project.

SFPL's BLIP Design Excellence Program Guidelines detail the processes for: selection of architecture/engineering teams; design review (including "Peer Review" at the Library Commission meetings); and public review for each branch project. [See *Attachment B1 Design Excellence Program Guidelines*]

Strategies for addressing community issues are developed in the weekly meetings referenced in Section 2.3.1. Management of each branch project may involve the following public engagement opportunities:

- Community surveys
- Community meetings
- Community sponsored events
- Library Commission meetings
- Peer Reviews
- Public hearings
- Opening, closing, and ground breaking celebrations

SFPL and DPW share responsibility for creating community notices, fact sheets, and other informational materials as needed as well as maintaining a Branch Renovations & Construction [BLIP] web page. BLIP Program staff and Chief of Branches staff work with the SFPL Public Affairs Office to develop these materials.

3. PROJECT COORDINATION

This Section further describes SFPL and DPW's project coordination responsibilities during the following five phases of branch construction: (1) Building Design Phase, (2) Furniture, Fixture and Equipment Design, (3) Bid and Award Phase, (4) Schedule, Budget and Scope Revisions, and (5) Construction Phase.

3.1 Building Design Phase.

3.1.1 Building Design Coordination.

The TAC, defined in Section 2.3.2, reviews design submittals and provides stakeholder input in response to proposed designs at regularly scheduled meetings throughout the building design phase.

DPW facilitates the exchange of information between consultants (architects, contractors) and DPW and SFPL representatives. The Chief of Branches makes decisions related to selection of building materials and space planning allocations that may affect the branch library operations or maintenance.

3.1.2 Building Design Process.

SFPL creates a Building Program for each Branch Library project (Section 2.1.2) and provides this program to DPW. DPW convenes a meeting of the TAC to provide input on the early conceptual design. At each design phase (Conceptual Design, Schematic Design, Design Development, and Construction Document Development), the TAC meets to review plans and provide input as described in Section 2.3.3.

At the conclusion of peer review presentations before the Library Commission and community meetings, SFPL will give written direction indicating which comments should be incorporated in the design. DPW will direct the design teams to make the changes approved by SFPL.

3.1.3 Building Design Approval.

Building design approval proceeds in the following four stages:

- **Approval of Conceptual Design and Notice to Proceed to Schematic Design:**
Generally, DPW provides more than one conceptual design to SFPL for review. DPW shall advise SFPL of potential schedule and budget impacts resulting from design changes and obtain SFPL approval before directing the design teams to proceed with changes. Upon receipt of SFPL written approval of one conceptual design, DPW shall issue a notice to proceed to Schematic Design.
- **Approval of Schematic Design and Notice to Proceed to Design Development:**
SFPL shall provide DPW with written approval of schematic design when all written comments from the TAC, community meetings, peer review, and the Library Commission have been satisfactorily incorporated or addressed.

DPW shall advise SFPL of potential schedule and budget impacts resulting from design changes and seek approval from SFPL before directing the design teams to proceed with changes. Upon receipt of SFPL approval, DPW shall issue to the design team a notice to proceed to Design Development.
- **Approval of Design Development and Notice to Proceed to Construction Documents Phase:**

SFPL shall provide DPW with written approval of design development when all written comments from the TAC, community meetings, peer review, and the Library Commission have been satisfactorily incorporated or addressed. Upon receipt of SFPL approval, DPW shall issue a notice to proceed to Construction Documents Phase.

- Approval of Construction Document and Notice to Advertise for Bids: At this phase, SFPL completes a final review of the bid documents. DPW confirms that previous comments from SFPL have been resolved. Upon receipt of SFPL approval, DPW shall issue a Notice to Advertise for Bids.

3.2 Furniture, Fixture & Equipment (FF&E) Design.

3.2.1 FF&E Design Process.

Along with the design submittals, the architects provide the TAC with an FF&E package consisting of drawings, cut sheets and specifications. The TAC reviews this FF&E package and provides written comments and approvals in the manner outlined in Section 2.2.3. DPW provides responses to each comment and, upon receiving approval from SFPL, issues a notice to proceed to the next phase.

Approval of FF&E occurs at each of the following points during branch design:

- 100% Design Development (DD) – full FF&E package includes samples and furniture layout floor plan showing the accessible path of travel and location of ADA compliant FF&E.
- 50% Construction Documents (CD) – second review includes samples of non-standard furniture or items not in the SFPL FF&E Standards, and any new or altered finishes.
- 75-90% Construction Documents (CD) - final review includes furniture plans to scale, spreadsheet listing all furniture specifications with cut sheets, furniture finishes with samples, specific size/dimensions for ADA furniture, and final floor plans indicating ADA FF&E locations. DPW will acquire approval of ADA furniture plans from the DPW ADA Coordinator before the submittal is presented to SFPL.

Eight months prior to a scheduled branch opening, the TAC verifies that furniture layouts will work with as-built conditions. At this time, the TAC reviews the submittal and the architect makes revisions as needed due to construction changes.

3.2.2 Donor Signage.

The location of signage at each branch is determined by SFPL in collaboration with the project architect. After the location has been

determined, SFPL shall inform DPW of the selected location. Installation of donor signage may be completed by the general contractor for each project, if this work is included in the construction contract. Otherwise, installation of donor signage is managed by SFPL Facilities. [See *Attachment B2: SFPL Gift Recognition Policy*].

3.3 Bid and Award Phase.

At this phase, DPW solicits public bids by advertising the project in accordance with City regulations.

3.3.1 Determining Add Alternate Order of Priority.

Before the bids are opened, SFPL approves the priority order of proposed add alternates. If the base bid is lower than the available budget, the add alternates are awarded in priority order.

3.3.2 Awarding/Rejecting the Bid.

Upon receiving the project bid results, DPW shall notify the City Librarian or his designee. If the apparent low bidder submits a bid that is determined to be responsible and responsive, within the approved budget, DPW is authorized to award the contract.

If the bids are over budget or DPW receives no bids, DPW will meet with SFPL to analyze the bid results and discuss a strategy for moving forward. Upon approval from SFPL, DPW will either reject the bids and work with SFPL to re-bid the project or assist SFPL in requesting that the Library Commission increase the project budget.

If DPW receives no bids or one single bid over budget, DPW has authority to negotiate the contract and report results back to SFPL. DPW will discuss this option with SFPL and pursue this option with consent of SFPL.

3.4 Schedule, Budget and Scope Revisions.

DPW shall present any revisions to project schedule, budget, or scope for discussion and approval at the Weekly Coordination Meetings described in Section 2.3.1.

For any revision to project schedule, budget or scope that exceeds 5% of the approved base budget and schedule or requires formal approval by the Library Commission, DPW shall use the *BLIP Revision Authorization Form* [Attachment *CI*]. The Form must be signed by representatives of both SFPL and DPW and will be kept on file in the City Librarian's Office.

3.5 Construction Phase.

During the construction phase, DPW chairs a weekly construction meeting with SFPL, the Construction Manager, and Resident Engineers. At this meeting, the

Construction Manager shall inform DPW and SFPL of any differing site conditions, changes to the schedule, and change orders. For any change that may affect the budget or schedule in excess of 5% of the construction contract amount, DPW shall present the request to SFPL for approval using the *BLIP Revision Authorization Form [Attachment C1]* described in Section 3.4.

3.5.1 Change Order Sign-Off Procedure.

DPW has authority to approve change order requests that are within approved budgets. DPW shall present change order requests at the weekly construction meetings. For any change order request that may affect the budget in excess of 5%, DPW shall present the request to SFPL for approval using the *BLIP Revision Authorization Form [Attachment C1]* described in Section 3.4.

3.5.2 Punch List Sign-Off Procedure.

Within two business days of receipt of the general contractor's written notice that the construction work is substantially complete, DPW and SFPL will complete a walk-through to generate a list of deficient items that need to be corrected or completed (the "punch list") before DPW considers the project substantially complete. During the walk-through, DPW will determine if items are contractual and eligible for the "punch list," related to a valid warranty, or categorized as a future "wish list" or additional scope to be completed outside of the construction contract. DPW will compile final "punch list" items and coordinate directly with the general contractor to address them.

Once the general contractor has completed the punch list, DPW will schedule a final "walk-through" with SFPL to determine if final sign-off is warranted. Sign-off will take place only when each of the following has occurred:

1. All punch list items have been completed or otherwise resolved with SFPL approval.
2. Open or outstanding warrantee items have been corrected.
3. All operating and instruction manuals required by the contract have been received.
4. Training of SFPL staff required to operate all building systems has been completed.
5. All "as-built" items required by the contract have been completed and delivered.

Until SFPL verifies that the above items have been completed, DPW shall not make final payment to the Contractor, unless this requirement is waived in writing for any reason by SFPL.

- 3.5.3 Final Contingency Spending.
Following substantial completion, DPW may use remaining contingency funds to address additional scope or “wish list” items generated during the punch list review outlined in Section 3.5.2. However, if an individual item in the “wish list” exceeds \$10,000, or if the total dollar amount of multiple lesser items exceeds \$20,000, DPW must obtain approval from the City Librarian or his designee. Any additional work to be completed after Substantial Completion may be done by another General Contractor or by City staff.
- 3.5.4 Project Budget Close-out Procedure.
For six months following final completion of each project, DPW and SFPL may use remaining project funds to address needs at the branch. If additional work exceeds \$10,000 for a single item, or if the total dollar amount of multiple lesser items exceeds \$20,000, DPW must obtain approval from the City Librarian or his designee. Following this six month period, DPW will bring an action to the Library Commission to transfer remaining dollars into general project reserve and/or allocate all/part of these funds to specific outstanding projects.
- 3.5.5 Warranty Tracking.
During the 12 months following final completion, SFPL will collect and address warranty issues. Two months prior to warranty expiration, SFPL will coordinate a branch “walk-through” to identify any potential outstanding warranty items and coordinate directly with vendors.

4. TERMS AND CONDITIONS

4.1 Term.

This MOU shall terminate upon the final completion of construction on all branch libraries in the BLIP.

4.2 Modification to MOU.

Any modification to this MOU shall be in writing and signed by the City Librarian and the Director of Public Works or their designees.

4.3 Representatives of the Parties; Notices.

SFPL and DPW shall designate herein a representative to provide effective contact to address issues related to their respective departments and responsibilities. The initial representatives shall be:

San Francisco Public Library:

Jill Bourne
Deputy City Librarian
Phone (415) 557-4243
JBourne@sfpl.org

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BLIP PROGRAM DATA

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ATTACHMENT B

RELATED POLICIES AND PROCEDURAL DOCUMENTS

B1. Design Excellence Program Guidelines

B2. SFPL Gift Recognition Policy

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