

File No. 161096

Committee Item No. 3

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date November 30, 2016

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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OTHER

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Completed by: Linda Wong

Date November 22, 2016

Completed by: Linda Wong

Date _____

1 [Emergency Declaration - Airport Runways 19L and 19R Seawall Erosion - Estimated Cost of
2 Repairs Exceeds \$250,000]

3 **Resolution approving the Airport Director's declaration of an emergency for seawall**
4 **erosion at the ends of Airport Runways 19L and 19R, estimated to cost more than**
5 **\$250,000 to repair, pursuant to Administrative Code, Section 6.60(b).**

6
7 WHEREAS, The Airport is protected from flooding by a bayside seawall system; and

8 WHEREAS, On July 18, 2016, Airport staff observed significant erosion damage to the
9 seawall at the ends of runways 19L and 19R; and

10 WHEREAS, A geotechnical consultant assessed the condition of the wall and found
11 erosion and seepage problems and a potential sinkhole at the end of runways 19L and 19R;
12 and

13 WHEREAS, The geotechnical consultant concluded that this portion of the seawall
14 needs immediate repair or the Airport risks flooding of the airfield during the upcoming storm
15 season; and

16 WHEREAS, The Airport Director has determined these circumstances constitute an
17 imminent threat to Airport property that may interrupt aircraft arrival and departures and
18 impact the general public; and

19 WHEREAS, Under authority granted by Administrative Code, Section 6.60(b), the
20 Airport Director declared an emergency on September 6, 2016, and gave notice of the
21 emergency declaration to the Board of Supervisors, Mayor, Controller, and Airport
22 Commission; and

23 WHEREAS, Airport staff has analyzed the circumstances extensively and determined
24 that repair work estimated to cost approximately \$1,500,000 is required to ensure safety and
25 minimize impact of the airfield operation; and

1 WHEREAS, Pursuant to Administrative Code, Section 6.60(d), the Airport Director has
2 secured the written approval of the President of the Airport Commission prior to authorizing
3 the commencement of emergency work as the estimated cost of the work is in excess
4 of \$250,000, and

5 WHEREAS, The Airport anticipates executing an emergency contract with The Dutra
6 Group for repairs of the seawall erosion at the end of Runways 19L and 19R; and

7 WHEREAS, The Controller has certified that funds are available for this emergency
8 contract; now, therefore, be it

9 RESOLVED, That Board of Supervisors approves the emergency declaration for
10 seawall erosion made by the Airport Director on September 6, 2016; and, be it

11 FURTHER RESOLVED, That within thirty (30) days of an emergency contract being full
12 executed by all parties, the Airport shall provide a copy of the contract to the Clerk of the
13 Board for inclusion into the official file.

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Item 3 File 16-1096	Department: San Francisco International Airport
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objective</p> <ul style="list-style-type: none"> • The proposed resolution would approve the Airport Director’s Declaration of Emergency due to seawall erosion at the ends of Airport Runways 19L and 19R in accordance with Administrative Code Section 6.60, which requires Board of Supervisors approval of emergency work with estimated costs of more than \$250,000. The Airport Director declared a state of emergency due to the seawall erosion and seepage in a letter to the Airport Commission President on September 6, 2016. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The Airport’s runways are protected by a bayside seawall system from flooding by tides, high waves and surges. On July 18, 2016, Airport staff observed significant erosion damages at the end of runways 19L and 19R. The Airport hired AGS, a multidisciplinary engineering firm, to assess the damage. AGS concluded that the section of seawall was in “critical condition” and needed immediate repair before the rain season, during which the seawall was likely to fail and allow flooding. • According to Airport staff, because the competitive bidding process for the Airport usually takes six to nine months, which would not allow for the seawall repair to be begin prior to the rain season, Airport staff selected the Dutra Group, a marine construction and dredging firm, on a sole source basis, to conduct the seawall erosion repairs. According to Airport staff, the Dutra Group was selected after staff research and the geotechnical consultant’s recommendations. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The estimated cost to fix the erosion and seepage problems of the seawall, as well as a potential sinkhole, is approximately \$1,500,000. The funds would come from the Airport Capital Improvement Project. <p style="text-align: center;">Policy Consideration</p> <ul style="list-style-type: none"> • The Airport has been intermittently inspecting the seawall over the past decades. They are currently developing an inspection program with more regularity as part of a larger, long-term capital plan program. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT

Administrative Code Section 6.60 provides that City contracts entered into for emergency work may be executed in the most expeditious manner. However, declarations of emergencies where the repair work is anticipated to be \$250,000 or more are subject to Board of Supervisors approval. Section 6.60(d) also states that if the emergency does not permit Board of Supervisors approval of the emergency before work is commenced or the contract(s) entered into, such approvals from the Board of Supervisors shall be obtained as soon as possible, with the proposed resolution approving the emergency determination submitted to the Board of Supervisors within 60 days of the department head's emergency declaration.

BACKGROUND

The San Francisco International Airport's (Airport) runways are protected by a bayside seawall system from flooding by tides, high waves and surges. On July 18, 2016, Airport staff observed significant erosion damages at the end of runways 19L and 19R. The Airport hired AGS, a multidisciplinary engineering firm, to assess the damage. A geotechnical consultant from AGS observed the site conditions on August 3, 2016, and a later geotechnical engineering analysis assessed the erosion and found seepage problems and a potential sinkhole. AGS concluded in their report that the section of seawall was in "critical condition" and needed immediate repair before the rain season, during which the seawall was likely to fail and allow flooding. According to Ms. Geri Rayca, a manager at the Planning, Design and Construction division at the Airport, the flooding could occur on all eight of the Airport's runways and taxiways and could disrupt all airline operations.

The Airport Director declared a state of emergency due to the seawall erosion and seepage in a letter to the Airport Commission President on September 6, 2016. The Airport submitted the resolution, declaring a state of emergency, to the Board of Supervisors on October 28, 2016.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve the Airport Director's Declaration of Emergency for repair work pertaining to seawall erosion at the ends of Airport Runways 19L and 19R in accordance with Administrative Code Section 6.60.

The Airport Director declared an emergency for the seawall erosion as it was determined by AGS that the seawall repair work needed to begin before the rain season, which usually begins in November. According to Ms. Rayca, the competitive bidding process for the Airport usually takes six to nine months, which would not allow for the seawall repair to begin prior to the rain season. Therefore, Airport staff selected the Dutra Group, a marine construction and dredging firm, on a sole source basis, which is permissible under the emergency provisions of the Administrative Code, to conduct the seawall erosion repairs and negotiated a new emergency contract in the amount of \$1,500,000 with the Dutra Group. According to Ms. Rayca, the Dutra Group was selected after staff research and the geotechnical consultant's recommendations.

The Controller has certified that funds are available for this emergency contract.

FISCAL IMPACT

The estimated cost of the emergency work to the seawall erosion of Airport runways 19L and 19R, including a \$300,000 contingency¹, is \$1,500,000, shown in Table 1 below. Cost estimates are based on estimates provided by the geotechnical consultant, AGS, and a scoping meeting between the Airport and the Dutra Group to determine the construction phasing.

Table 1: Estimated Expenditures for Repairs of the Seawall Erosion

Purpose	Estimate Cost
Placement of 2,000 feet of rip rap along seawall using barge and crane	\$1,050,000
Asphalt pavement repair to eliminate seepage and prevent sinkholes	<u>150,000</u>
Subtotal	1,200,000
Contingency (25 percent)	300,000
Total Cost Estimate	\$1,500,000

The funds for the emergency work will come from the Airport's capital improvement program.

POLICY CONSIDERATION

According to information provided by Ms. Rayca, the Airport has intermittently inspected the seawall over the past decades. Currently, Airport Engineering is researching and coordinating with the Federal Emergency Management Agency (FEMA) and the Port to develop an inspection program to monitor the eight miles of seawalls along the shoreline that will be consistent with the Port and FEMA regulations. The objective is to provide periodic inspection of the seawalls and to have a regular inspection program.

This emergency repair project is an interim repair. For a long-term solution, the Airport is currently pursuing the procurement of environmental permits and design services for a Shoreline Protection Project to provide protection against a 100-year flood. The estimated cost of the Shoreline Protection Project is \$60,000,000. However, the Shoreline Protection Project cannot meet the current schedule required for this emergency repair. The costs of the Shoreline Protection Project are funded through the Airport's capital improvement programs, and include the cost of ongoing maintenance for this seawall erosion repair.

RECOMMENDATION

Approve the proposed resolution.

¹ According to Airport staff, the contingency of 25 percent of the estimated costs of \$1,200,000, which is included in the budget total of \$1,500,000 shown in Table 1 above, is a standard contingency cost for emergency projects and accounts for construction phasing and tide constraints.

San Francisco International Airport

September 6, 2016

Mr. Larry Mazzola
 President, Airport Commission
 San Francisco International Airport
 P. O. Box 8097
 San Francisco, CA 94128

Subject: Emergency Contract for Seawall Erosion Repair at End of Runways 19L and 19R

Dear Commissioner Mazzola:

This letter is to advise you that I am declaring an emergency due to unforeseeable and unexpected erosion damages to the seawall at the end of runways 19L and 19R and to request your approval for the San Francisco International Airport (Airport) to begin emergency work, as described in more detail below. This work will address the immediate erosion issues identified in the attached report. The preliminary estimated cost of the emergency construction work is \$1,500,000. The amount of the construction estimate necessitates approvals by the San Francisco Airport Commission (Commission) President and the San Francisco Board of Supervisors.

The emergency work is essential to addressing an imminent threat to the seawall in a critical section at the end of runways 19L and 19R. For a long-term solution, the Airport is currently pursuing the procurement of environmental permits and design services for a Shoreline Protection Project (SPP) to provide protection against a 100-year flood. The estimated cost of the SPP is \$60,000,000. However, the SPP cannot meet the schedule required for this emergency repair.

Background

The Airport is protected by a bayside seawall system from flooding by king tides, high waves, and storm surges. The section of the seawall at the end of runways 19L and 19R was last constructed in 1983 with earth fill, bedding stones, and rip rap on top of existing solid debris. The berm was lined with shotcrete in 2006 to minimize seepage.

On July 18, 2016, Airport staff observed significant erosion damages at the end of runways 19L and 19R. A geotechnical consultant has assessed the erosion and found seepage problems and a potential sinkhole. The consultant concluded that this section of the seawall needs immediate repair. If this repair is not completed before the rain season, the seawall may fail and flooding is likely to occur. These circumstances constitute an imminent threat to Airport property which may interrupt aircraft arrival and departures and impact the general public. This repair is required to prevent further erosion of the seawall system and safeguard the airfield from flooding during the upcoming storm season.

Airport staff has analyzed the circumstances and determined that the following repair work is necessary to be completed by November 30, 2016, prior to the rain season, under an emergency contract.

1. Placement of about 2,000 feet of rip rap along seawall using a barge and crane from bay side to minimize air traffic interruption.
 Estimated cost: *\$1,050,000*
2. Asphalt pavement repair to eliminate seepage and prevent sinkholes.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE
 MAYOR

LARRY MAZZOLA
 PRESIDENT

LINDA S. CRAYTON
 VICE PRESIDENT

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

IVAR C. SATERO
 AIRPORT DIRECTOR

Commissioner Mazzola
September 6, 2016
Page 2 of 2

Estimated cost: \$150,000

3. Construction phasing/constructability/night work premium/contingency: \$300,000

The total preliminary estimate for the repair work described above is \$1,500,000.

Emergency Declaration and Required Approvals

Administrative Code Section 6.60, subdivision (b) grants the Airport Director the authority to declare an emergency with immediate notice to the Board of Supervisors, the Mayor, the Controller, and the Commission. Section 6.60, subdivision (c), defines "emergency" to include: an unforeseeable and unexpected occurrence involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of or damage to life, health, property, or essential public services. Examples include weather conditions and tidal flooding necessitating immediate emergency repair to safeguard lives or property of the City. I have determined that the erosion damages meet these requirements and, on that basis, I am declaring an emergency.

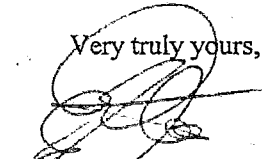
As President of the Commission, your authorization is required before the Airport may commence emergency work because the cost of the work is estimated to exceed \$250,000. Airport Staff will also prepare a proposed Resolution for the Board of Supervisors to approve this emergency declaration. The proposed Resolution will be submitted to the Board within sixty (60) days of the date of this letter in conformance with Section 6.60, subdivision (d).

The Airport Planning Division will secure the necessary regulatory permits from the US Army Corps of Engineers and San Francisco Bay Conservation and Development Commission in order to perform this emergency repair. Both permitting processes have emergency permitting procedures.

Request for Approval

I respectfully request your approval to commence the proposed emergency work described. If you should have any questions or would like to discuss this matter, please do not hesitate to call me.

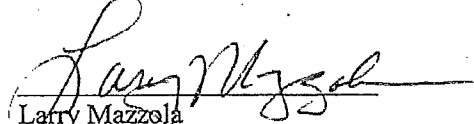
Very truly yours,



Ivar C. Satero
Airport Director

cc: Mayor Edwin M. Lee
Controller Ben Rosenfield
San Francisco Board of Supervisors
San Francisco Airport Commission

APPROVED:



Larry Mazzola
President
San Francisco Airport Commission



San Francisco International Airport

October 6, 2016

Ms. Angela Calvillo
Clerk of the Board
Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2016 OCT -7 PM 1:11
AK

Subject: Approval of Airport Director's Declaration of an Emergency for Seawall Erosion

Dear Ms. Calvillo:

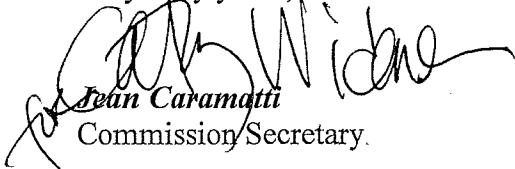
Pursuant to Administrative Code Section 6.60, the Airport is requesting the approval of an emergency declaration for seawall erosion made by the Airport Director on September 6, 2016.

The original and two (2) sets of the following documents are enclosed for review:

- Proposed Board of Supervisors Resolution;
- Airport Director's letter to Airport Commission President with declaration of an emergency, description of emergency work required to address the emergency, and Commission President's approval;

Please contact Cathy Widener, Airport Governmental Affairs Manager at (650) 821-5023 if you have questions or concerns regarding this matter.

Very truly yours,


Cathy Widener
Commission Secretary

Enclosures

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information (Please print clearly.)	
Name of City elective officer(s): Members, SF Board of Supervisors	City elective office(s) held: Members, SF Board of Supervisors

Contractor Information (Please print clearly.)	
Name of contractor: The Dutra Group	
Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary. The Dutra Group	
Board of Directors: PLEASE SEE ATTACHED	
Chief Executive Officer (CEO): BILL T. DUTRA	
Chief Financial Officer (CFO): JAMES M. HAGOOD	
Chief Operating Officer (COO): HARRY K. STEWART, SENIOR VICE PRESIDENT	
Any person who has 20% Ownership or more in the Contractor: BILL T. DUTRA, CEO/PRESIDENT/CHAIRMAN	
Subcontractors Listed in Bid: Watertight Restoration	
Any Political Committee Sponsored or Controller by the Contractor: NONE	
Contractor address: 2350 Kerner Boulevard, Suite 200, San Rafael, California 94901-5595	
Date that contract was approved: 9/6/16	Amount of contract: Not-to-Exceed \$1,165,200
Describe the nature of the contract that was approved: Emergency Response Contract to provide emergency seawall repair off of Runways 19R and 19L at the San Francisco International Airport.	
Comments:	

This contract was approved by (check applicable):

- the City elective officer(s) identified on this form
 a board on which the City elective officer(s) serves San Francisco Board of Supervisors

Print Name of Board

- the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

Effective as of June 13, 2013

Current Officers of THE DUTRA GROUP	
Bill T. Dutra	Chief Executive Officer, President, Chairman
Harry K. Stewart	Senior Vice President
James M. Hagood	Chief Financial Officer
Molly F. Jacobson	Secretary and General Counsel

Current Officers of DUTRA CONSTRUCTION CO., INC.	
Bill T. Dutra	Chief Executive Officer, Chairman
Harry K. Stewart	President, Chief Operating Officer
James M. Hagood	Chief Financial Officer
Molly F. Jacobson	Secretary and General Counsel

Current Officers of DUTRA DREDGING COMPANY	
Bill T. Dutra	Chief Executive Officer, Chairman
Harry K. Stewart	President, Chief Operating Officer
James M. Hagood	Chief Financial Officer
Molly F. Jacobson	Secretary and General Counsel

Current Officers of SAN RAFAEL ROCK QUARRY, INC.	
Bill T. Dutra	Chief Executive Officer, Chairman
Harry K. Stewart	President, Chief Operating Officer
James M. Hagood	Chief Financial Officer
Molly F. Jacobson	Secretary and General Counsel

Current Officers of DCC ENGINEERING CO., INC	
Bill T. Dutra	Chief Executive Officer, President, Chairman
Gil R. Labrie	Vice President
Harry K. Stewart	Vice President
James M. Hagood	Chief Financial Officer
Molly F. Jacobson	Secretary and General Counsel

