



MEMORANDUM

October 3, 2025

TO: MEMBERS, PORT COMMISSION
Hon. Gail Gilman, President
Hon. Stephen Engblom, Vice President
Hon. Willie Adams
Hon. Steven Lee
Hon. Ken McNeely

FROM: Elaine Forbes
Executive Director

SUBJECT: Request approval to execute an amendment to the professional services contract with CH2M HILL Engineers, Inc., for planning, engineering, and environmental services for the Waterfront Resilience Program, which includes the Embarcadero Seawall Program, the U.S. Army Corps of Engineers Flood Resiliency Study and related activities, to increase the contract by \$500,000, resulting in an amended contract amount not to exceed \$60,477,071 with a term of ten years and the Port's option to extend the term for one additional year.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 25-68

EXECUTIVE SUMMARY

Port staff seeks authorization to execute an amendment to the professional services contract with CH2M HILL Engineers, Inc. (CH2M) for planning, engineering, and environmental services for the Waterfront Resilience Program (PEC Contract) by \$500,000, from \$59,977,071 to \$60,477,071. CH2M was acquired by Jacobs Engineering in December 2017, after the Port awarded the PEC Contract to CH2M.

Port staff have relied on this contract to advance the Waterfront Resilience Program since 2017, including support for the U.S. Army Corps of Engineers (USACE) San Francisco Waterfront Coastal Flood Study (Flood Study). The PEC Contract provides expert planning, engineering, environmental, and USACE support services, but contract capacity is nearly exhausted.

THIS PRINT COVERS CALENDAR ITEM NO. 11A

On November 25, 2024, the Port Commission authorized Port staff to advertise a request for proposals for a 5-year, \$40 million Program Advisory Services contract, with an option to extend for up to 5 years and up to an additional \$40 million, to support the Waterfront Resilience Program. Port staff is currently in the procurement process for this new contract; staff anticipate the contract will not be effective until early 2026.

To bridge the gap between now and early 2026 and keep the Flood Study on track for completion and potential Flood Study authorization in the 2026 Water Resources and Development Act, staff recommends amending the PEC Contract to add up to \$500,000 of additional capacity.

If approved by the Port Commission, Port staff will utilize the additional contract capacity to respond to USACE agency technical review comments, policy review comments, and complete the Flood Study, including the technical appendices, over the next four months, after which the Port expects the new consultant contract to be in place.

San Francisco Charter Section 9.118(b) permits the Port Commission to amend an existing professional services contract previously approved by the Board of Supervisors without further Board of Supervisors approval by up to \$500,000.

STRATEGIC OBJECTIVES

The contract will support the goals of the Port's Strategic Plan as follows:

Engagement:

By leading an inclusive stakeholder process to develop a shared vision, principles, and goals for the Waterfront Resilience Program and Flood Study.

Equity:

By developing a program-wide equity strategy that is integrated into the Port's Racial Equity Action Plan, focused on centering voices of marginalized communities through robust engagement, developing resilience projects to serve these communities, and ensuring equitable hiring and contracting to support the Program.

Resiliency:

By leading the City's efforts to address threats from earthquakes and flood risk through research and infrastructure improvements to the entire Port shoreline and adjoining buildings and other infrastructure.

Evolution:

By developing adaptation options with a long time horizon as well as near-term actions, envisioning strategies to adapt the waterfront and its uses over time, and recognizing that decisions made today influence the options available to future generations who will be addressing different environmental and social conditions.

Sustainability:

By incorporating nature-based features into the USACE draft plan for coastal flood defenses (Draft Plan) and early projects to reduce earthquake risk, enhance emergency response, and reduce early flood risk (Early Projects), to enhance the quality of the Bay water and habitat.

Productivity and Economic Recovery:

Through the investment of Proposition A Seawall Earthquake Safety Bond funding and other Port and public funding sources, and by developing strategies to defend or floodproof Port maritime and industrial facilities.

BACKGROUND

The Waterfront Resilience Program (WRP) is charged with reducing earthquake and flood risks along the Port waterfront. The WRP is managed by a dedicated group of Port staff supported by expert consultants. The WRP includes what was formerly named the Embarcadero Seawall Resiliency Project and the United States Army Corps of Engineers San Francisco Flood Study. The Flood Study is nearing completion. The Flood Study is expected to recommend a plan for coastal flood defenses for San Francisco spanning 7.5 miles of Port property with a projected cost of more than \$13 billion.

On August 8, 2017, by Resolution 17-36, the Port Commission authorized award of the existing contract to CH2M in the amount of \$36,349,740, and an additional contingency amount of \$3,634,974 (10% of \$36,349,740) for a total contract authorization of \$39,984,714, to support the Embarcadero Seawall Resiliency Project and early work with USACE to assess coastal flood risk.¹

At the time of the original contract, the Port was working with USACE to secure a General Investigation New Start to initiate the Flood Study. Congress awarded the New Start for the Flood Study in 2018. On August 14, 2018, by Resolution 18-46², the Port Commission authorized the Port Executive Director to enter into a Feasibility Cost Sharing Agreement (FCSA) with USACE for a 50-50% cost-shared study of coastal flood resilience for the Port's entire 7½ mile jurisdiction under the USACE General Investigation program.

After USACE and Port staff scoped the Flood Study, Port staff asked the Port Commission to amend the PEC Contract to provide planning, coastal engineering, geotechnical engineering, engineering for coastal flood defense systems, economic

¹ August 8, 2017 Port Commission Staff Report:

<https://www.sfport.com/meetings/san-francisco-port-commission-august-8-2017>

² August 14, 2018 Port Commission Staff Report and Resolution:

<https://www.sfport.com/meetings/san-francisco-port-commission-september-24-2019>

analysis, construction cost estimating, constructability assessment, and strategic advice to support the Flood Study and other WRP efforts.

On September 24, 2019, by Resolution 19-41, the Port Commission authorized staff to amend the existing contract amount by \$19,334,390, resulting in an amended contract amount to CH2M of \$55,684,130, and an increase to the existing contract contingency by \$657,967, resulting in an amended not-to-exceed contract amount of \$59,977,071.³

These services have been performed efficiently and with significant expertise, resulting in high-quality deliverables to support the Flood Study and other Program work, including the Embarcadero Seawall Multi-Hazard Risk Assessment and development of Embarcadero Early Projects funded by Proposition A, the 2018 Seawall Earthquake Safety Bond. On December 12, 2023, Port staff provided the Port Commission with an overview of the use of the PEC Contract and the services provided under the contract⁴.

On November 25, 2024, by Resolution 24-54, the Port Commission authorized staff to advertise a request for proposals for a 5-year, \$40 million contract, with an option to extend for up to 5 years and up to an additional \$40 million, to support the Waterfront Resilience Program.⁵ The proposed contract, called Program Advisory Services, will support the Program by providing many of the same services as the CH2M Hill contract, including technical support to complete the USACE Flood Study. The procurement is well underway; however, staff anticipate it may take until late 2025 or early 2026 to complete the procurement and execute the contract.

On December 10, 2024, by Resolution 24-61, the Port Commission authorized the Executive Director to execute amendments to the FCSA to authorize a cost-shared \$19.2 million, 8-year Flood Study consistent with Study guidance and scoping authorized by USACE and the Assistant Secretary of the Army.⁶

Staff anticipates the current contract with CH2M will reach the maximum contract value in October 2025. This will leave staff without the necessary consultant support to complete the USACE Flood Study at a critical time.

During the period between October and the anticipated effective date of the new contract, the Flood Study will advance through two critical reviews that are part of the federal process: Agency Technical Review (starting in November) and Policy Review (starting in January). During these reviews, the Flood Study project delivery team, which

³ September 24, 2109 Port Commission Staff Report: <https://www.sfport.com/meetings/san-francisco-port-commission-september-24-2019>.

⁴ December 12, 2023 Port Commission Staff Report: <https://www.sfport.com/media/9240/download?inline=>

⁵ November 25, 2024 Port Commission Staff Report: <https://www.sfport.com/media/10110/download?inline=>

⁶ December 10, 2024 Port Commission Staff Report: <https://www.sfport.com/media/10134/download?inline=>

consists of USACE staff, Port staff, and PEC consultant team members, will be required to respond to technical and policy comments to the Flood Study on the path to a final report.

To successfully provide these responses and keep the multiyear Flood Study on its path to completion, Port staff is therefore recommending an amendment to the existing CH2M Contract of up to \$500,000, increasing the contract from \$59,977,071 to \$60,477,071, to continue to provide expert consulting services and strategic advice until the new contract procurement is complete and the new consultant team is under contract and working on the Program.

San Francisco Charter Section 9.118(b) permits the Port Commission to amend an existing professional services contract previously approved by the Board of Supervisors without further Board of Supervisors approval by up to \$500,000.

SCOPE OF WORK

Staff proposes to increase the CH2M Contract amount by \$500,000 to include the scope of services described below in support of the Flood Resiliency Study and the Waterfront Resilience Program and related services:

- Technical and policy comment response, incorporation of editorial and technical information for engineering, plan formulation, urban design, Engineering with Nature (EWN), environmental, Hazardous, Toxic, and Radioactive Waste (HTRW), and cultural disciplines
- Cost estimate review and comparison to other WRP program estimates (Downtown Coastal Resilience Project or South Beach Coastal Resilience Project)
- Construction schedule and implementation sequence documentation and review
- Budget and cashflow forecasting for program implementation scenarios
- Subject matter expertise pertaining to urban design, EWN, geotechnical, structural, coastal, utility, interior drainage, and civil disciplines
- Support development of plan justification narrative utilizing comprehensive benefits approach and revisions to the benefit-cost ratios
- Provide strategic guidance pertaining to approach for congressional authorization, Water Resource and Development Act amendments, and funding plan
- Support consultation with regulatory agencies and provide additional environmental analysis required for completion of National Environmental Policy Act or consultation work required during feasibility study phase

- Support for communications and stakeholder engagement

See Exhibit A for the existing scope of services for the PEC Contract.

LOCAL BUSINESS ENTERPRISE (LBE) PARTICIPATION

CH2M committed to an LBE subcontracting participation amount of 21% that was incorporated in the contract requirements. At 99.9% contract completion, the current LBE authorization amount is 27.5% (\$16,497,529 through August 2025). The proposed not-to-exceed \$500,000 amendment to the PEC Contract represents a 0.833% increase in contract capacity.

Due to the dollar amount of the proposed contract amendment, any increase to the LBE percentage will be within 0.0% - 0.5%. CMD has been notified of the amendment under consideration. The proposed increase falls below the percentage threshold that requires CMD approval.

FUNDING

Funding for the proposed \$500,000 amendment will come from the third issuance of the Proposition A Seawall Earthquake Safety Bond, as authorized by the Port Commission by Resolution 24-55 adopted on November 25, 2024⁷.

RECOMMENDATION

Port staff requests that the Port Commission authorize Port staff to execute a contract amendment to the professional services contract with CH2M HILL Engineers, Inc., to continue the USACE Flood Resiliency Study and related activities, to increase the contract amount by \$500,000, resulting in an amended contract from \$59,977,071 to an amount not to exceed \$60,477,071. Under San Francisco Charter Section 9.1118, this amendment only requires Port Commission approval and is not subject to approval of the Board of Supervisors.

Prepared by: Carlos Colón
Waterfront Resilience Contracts Manager

Steven Reel
Waterfront Resilience Program Deputy Program Manager
Engineering & Project Delivery

⁷ November 25, 2024 Port Commission Staff Report:
<https://www.sfport.com/media/10111/download?inline=>

For: Meghan Wallace
Interim Deputy Director
Finance & Administration

Brad Benson
Waterfront Resilience Program Director

Exhibit A: PEC Contract – Existing Scope of Services

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 25-68

WHEREAS, On August 8, 2017 by Resolution 17-36, the Port Commission authorized Port staff to award to, and execute a professional services contract with CH2M to provide planning, engineering, and environmental services for the Seawall Resiliency Project (PEC Contract) in the amount of \$36,349,740, and with a term of ten years, with an option to extend the term for one additional year in the Port's discretion, and authorized Port staff to increase the contract amount, if needed for unanticipated contingencies, by an additional \$3,634,974, for a total contract authorization not to exceed \$39,984,714; and

WHEREAS, On August 14, 2018, by Resolution 18-46, the Port Commission authorized the Port Executive Director to enter into a Feasibility Cost Sharing Agreement (FCSA) with the United States Army Corps of Engineers (USACE) for study of coastal flood resilience on for the Port's entire 7½ mile jurisdiction under the USACE General Investigation program (Flood Study); and

WHEREAS, On September 24, 2019 by Resolution 19-41, the Port Commission authorized Port staff to amend the PEC Contract to provide professional services to support the Flood Study and related services, increasing contract capacity by \$19,334,390, resulting in an amended contract amount to CH2M of \$55,684,130, and an increase to the existing contract contingency by \$657,967 resulting in an amended not to exceed contract amount of \$59,977,071; and

WHEREAS, The Port Commission has subsequently authorized a series of amendments to the FCSA, culminating with an amendment authorizing a \$19.2 million, 8-year, 2-month cost-shared Flood Study authorized on December 10, 2024, by Resolution 24-61; and

WHEREAS, On November 25, 2024, by Resolution 24-54, the Port Commission authorized staff to advertise a request for proposals for a 5-year, \$40 million Program Advisory Services contract, with an option to extend up to 5 years and up to an additional \$40 million, to support the Waterfront Resilience Program; and

WHEREAS, Staff anticipates that the PEC Contract will be exhausted by the end of October 2025; and

WHEREAS, A new Program Advisory Services contract is subject to approval by the Port Commission and the Board of Supervisors and is not expected to be in place until early 2026; and

WHEREAS, During the period from November 2025 to January 2026, the Flood Study will undergo important USACE technical and policy reviews; and

WHEREAS, To obtain the professional services required to support completion of the Flood Study, Port staff now recommends that the Port Commission authorize an amendment to the PEC Contract, including the scope of services described in the staff report attached to this resolution, and authorize necessary funds to pay for such additional services; and

WHEREAS, Port staff has negotiated with CH2M an amount not to exceed \$500,000 for these additional planning, engineering, and environmental services, which represent a fair and reasonable value in staff's determination given the important nature and scope of the proposed services; and

WHEREAS, Under San Francisco Charter Section 9.118, this amendment only requires Port Commission approval and is not subject to approval of the Board of Supervisors; and

WHEREAS, Funding for the services under the PEC Contract amendment will come from the third issuance of the Proposition A Seawall Earthquake Safety Bond, authorized by the Port Commission by Resolution 24-55 on November 25, 2024; and

WHEREAS, The PEC Contract amendment has been submitted to the Contract Monitoring Division but does not require approval; now, therefore be it

RESOLVED, That the San Francisco Port Commission hereby authorizes Port staff to execute an amendment to the existing contract with CH2M Engineers, Inc., for the USACE Flood Study and related activities to increase the contract amount by \$500,000, resulting in an amended contract amount of \$60,477,071, with no change in the contract term or duration.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 7, 2025.

DocuSigned by:

Jenica Lin
Secretary

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Exhibit A: PEC Contract – Existing Scope of Services

TASK	DESCRIPTION	AUTHORIZED	AMENDMENT	TOTAL
PLANNING				
1.01.00	Management and Coordination of Services, Phase 1	\$8,385,456		\$8,385,456
1.02.00	Community Planning and Stakeholder Engagement, Phase 1	\$1,277,256		\$1,277,256
1.03.00	Data Collection, Review, and Existing Conditions	\$3,568,597		\$3,568,597
1.04.00	Multi-Hazard Risk Assessment	\$6,461,735		\$6,461,735
1.05.00	Alternatives Formulation, Analysis, and Program Development	\$11,973,503		\$11,973,503
1.06.00	City Staff Training, Phase 1	\$32,420		\$32,420
1.07.00	Seismic Peer Review Panel, Phase 1	\$876,577		\$876,577
1.08.00	PORT Alignment Workshop	\$60,225		\$60,225
1.09.00	USACE Feasibility Study	\$8,084,105	\$400,000	\$8,484,105
1.10.00	Workforce Development and Local Business Enterprise (LBE) Support Services	\$831,471		\$831,471
TOTAL PLANNING		\$41,551,345	\$400,000	\$41,951,345
PRELIMINARY DESIGN & ENGINEERING, INITIAL PROJECTS				
2.01.00	Management and Coordination of Services, Phase 2	\$6,622,004	\$100,000	\$6,722,004
2.02.00	Community Planning and Stakeholder Engagement, Phase 2	\$2,376,680		\$2,376,680
2.03.00	Preliminary Design & Engineering	\$8,619,154		\$8,619,154
2.04.00	Pilot Projects	\$527,215		\$527,215
2.05.00	Emergency Projects, Final Design/Engineering & Construction Support	\$0		\$0
2.06.00	CEQA/NEPA/Permitting	\$124,190		\$124,190
2.07.00	City Staff Training, Phase 2	\$0		\$0
2.08.00	Seismic Peer Review Panel, Phase 2	\$156,484		\$156,484
TOTAL PRELIMINARY DESIGN & ENGINEERING, INITIAL PROJECTS		\$18,425,727	\$100,000	\$18,525,727
TOTAL		\$59,977,071	\$500,000	\$60,477,071