



## MEMORANDUM

February 5, 2021

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

**FROM:** Elaine Forbes  
Executive Director 

**SUBJECT:** Request authorization, subject to Board of Supervisors' approval, to accept a donation of material valued at approximately \$417,000 to be used in construction of the Heron's Head Park Shoreline Resilience Project from Hanson Aggregates, a Port tenant

**DIRECTOR'S RECOMMENDATION:** Approve Attached Resolution No. 21-04

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### **EXECUTIVE SUMMARY**

The Port of San Francisco created Heron's Head Park over 20 years ago. Over the past two decades, the park has evolved with the addition of the EcoCenter in 2010 and expansion and improvement of the park in 2012. Over time, the tidal wetlands in the park have experienced significant erosion and invasion by non-native plants, resulting in decreased size and ecological value. The Port is implementing the Heron's Head Park Shoreline Resilience project, which includes construction of a living shoreline and wetland habitat restoration, to mitigate these impacts.

The Heron's Head Park Shoreline Resilience project requires placement of coarse sand, gravel, cobble, and rock to protect the shoreline from erosion. During the Port's community outreach regarding the project, staff of the Port and Hanson Aggregates Mid-Pacific Inc., a Port tenant (Hanson), recognized an opportunity to use a Hanson byproduct as Port's construction material, thereby reducing project construction cost by an estimated \$417,000 and reducing truck travel and related emissions associated with importing an alternative construction material. Hanson has offered to donate and Port staff seeks Port Commission authorization to accept such material in accordance with

the terms of a Memorandum of Understanding (MOU), a draft of which is attached as Exhibit B to this report.

### **Strategic Objectives**

The MOU with Hanson supports the Heron's Head Park Shoreline Resilience project, which advances the Port's strategic objectives as follows:

**Goal #4 Equity:** *Ensure Port activities advance equity and public benefit and attract a diversity of people to the Waterfront.* Protecting and enhancing the wetland habitat at Heron's Head Park will preserve a valuable public asset that is used by a diversity of users seeking healthy activities and connection to nature in an area of the City where there is less access to such benefits.

**Goal #5 Sustainability, Objective #2:** *Enact measures to protect the Bay and its ecosystems:*

- a) *Explore natural infrastructure alternatives (e.g. wetlands, horizontal levees, and "living shorelines") in all shoreline stabilization and improvement projects.*
- b) *Implement City Biodiversity Goals and best sustainable practices in all open space improvement projects.*

The Heron's Head Park Shoreline Resilience project is a natural infrastructure solution for shoreline stabilization and will protect and improve biodiversity.

**Goal #7 Stability, Objective #3:** *Expediently deliver capital projects.*

Receiving donated material from a local source will also reduce project cost and impacts on traffic and air quality.

### **Background**

In the 1970s, the Port began placing fill in San Francisco Bay (the Bay) to construct a proposed "Pier 98" cargo terminal. The construction was discontinued, and fill was left unimproved for decades. In the late 1990s, the Port worked with the San Francisco Bay Conservation and Development Commission (BCDC) to resolve regulatory issues related to the fill by developing a beneficial use, expanding and enhancing tidal wetlands that had naturally established at the site over 20 years since construction ceased, and constructing park amenities including a 1/3-mile spur of the San Francisco Bay Trail, picnic areas, and native plant landscapes. In 1998, the former Pier 98 opened to the public as Heron's Head Park. In 2010, the EcoCenter at Heron's Head Park opened. In 2012, the Port used general obligation bond funds to expand the park to include a new picnic area, paved walking paths, an off-leash dog play area, and improved parking.

Heron's Head Park is an approximately 21-acre peninsula, comprised of seven acres of wetlands and tidal ponds, and 14 acres of public open space. It is a highly valued resource for both wildlife and people: it is home to or visited by over 100 species of migratory and resident birds, two endangered species, and thousands of San Francisco Bay Area residents annually.

The shoreline at Heron's Head Park has experienced subsidence, erosion from wind-waves

and tidal flows, and a low supply of suspended sediment in Bay waters that is needed to replenish the marsh. The wetland plant habitat that is the basis of the site's ecological function has decreased in size and suffers from invasion by non-native plants. To address these impacts, the Port has developed the Heron's Head Park Living Shoreline project to achieve the following objectives:

1. Stabilize the southern shoreline and protect it from continued erosion.
2. Restore native plant vegetation to enhance biodiversity and ecological function.
3. Create a resilient shoreline that can adapt to a moderate amount of sea level rise through 2050.
4. Create youth employment and community engagement opportunities through hands-on involvement in park restoration activities.

Over the past three years, Port staff has presented the Heron's Head Park Shoreline Resilience project on multiple occasions to the Port's Southern Waterfront Advisory Committee, the EcoCenter Advisory Committee, Bayview Residents Improving Their Environment, and the Golden Gate Audubon Society. The most recent of these presentations was provided to the Port's Southern Advisory Committee on August 19, 2020. Committee members and members of the public attending the meeting spoke in support of the project.

At the Port Commission's August 11, 2020 meeting, Port staff presented an overview of the Heron's Head Park Shoreline Resilience project, including shoreline stabilization and wetland habitat enhancement. At its August 25, 2020 meeting, the Port Commission authorized Staff to, subject to Board of Supervisors approval, accept and expend \$297,000 in grant funds from the San Francisco Bay Restoration Authority and enter into a sole-source contract with Literacy for Environmental Justice to use the grant funds for the wetland habitat enhancement element of the project. The Board of Supervisors authorized the Port to accept and expend the San Francisco Bay Restoration Authority grant funds at its September 30, 2020 meeting (Resolution 20-42).

### **Hanson Operation and Proposed Donation**

Hanson leases approximately 127,300 square feet of unimproved land at Pier 92 for its sand processing facility. At this facility Hanson processes sand dredged from central San Francisco Bay and screens it to sort by particle size, producing sand that is used in the manufacture of concrete and asphalt which Hanson sells. The screening process yields a byproduct material comprised of coarse sand, gravel and shell ("Beach Material") that is not suitable for commercial or industrial use under current market conditions. Hanson currently has this Beach Material hauled from its Pier 92 facility to another building materials supplier who uses it for other purposes.

The shoreline stabilization component of the Heron's Head Park Shoreline Resilience project calls for placement of sand, gravel, cobble, and rock of various sizes to be placed along the shoreline in specific configuration and elevations to create a coarse gravel beach stabilized by rock and cobble groynes that extend perpendicular to the shoreline. It will require approximately 12,000 cubic yards of coarse material that has the same physical properties as Beach Material. During the Port's community outreach regarding the Heron's Head Park Shoreline Resilience Project, Port and Hanson staff recognized an opportunity to

use Hanson's byproduct as Port's construction material, thereby reducing project construction cost by an estimated \$417,000 and reducing truck travel and related emissions associated with importing Port's required construction material.

Hanson proposes to donate up to 12,000 cubic yards of Beach Material to the Port by delivering it to an area at Seawall 352 adjacent to Hanson's leased premises ("Storage Site", see EXHIBIT A).

Under the proposed MOU, Hanson would deliver the Beach Material to the Storage Site as it is generated. Hanson estimates that it will take 10 to 12 months to generate the specified volume required for the project, depending upon Hanson's rate of sand production. If the Heron's Head Park Shoreline Resilience Project is not constructed in the upcoming seasonal window of opportunity (August 2021 through January 2022) then the stockpiled Beach Material would remain at the Storage Site until the next seasonal window during which construction is allowed (August 2022 through January 2023).

If the Port determines that it does not need the Beach Material for the shoreline at Heron's Head Park, it may terminate the agreement with Hanson for convenience at any time. The Port may use the Beach Material for other purpose. For example, the Beach Material meets the criteria for cover material over unpaved soil at Pier 70 and could be used to meet the Port's obligation to install such cover in portions of the former Pier 70 Shipyard. The Beach Material is also suitable for re-use in the bay, such as for capping contaminated sediment. The Port purchased and placed similar material over an area of contaminated sediment offshore of Crane Cove Park and may have similar need to cap sediment offshore of the Pier 70 Shipyard.

The Port has tested the Beach Material to confirm that it meets the grain-size profile specified for shoreline construction and that it does not contain potentially hazardous constituents. The San Francisco Bay Regional Water Quality Control Board, Army Corps of Engineers, Bay Conservation and Development Commission, and the natural resource agencies that advise them have authorized use of the Beach Material for shoreline construction at Heron's Head Park.

The Heron's Head Shoreline Resilience Project is categorically exempt from the California Environmental Quality Act under Class #33 for small habitat restoration projects. The Categorical Exemption Case No. 2019-003714ENV was approved by the lead agency, City of San Francisco Planning Department, on August 25, 2020 and the Notice of Exemption was filed with California Department of Fish & Wildlife on November 12, 2020.

### **Agreement Regarding Donation of Material**

Port Staff, in consultation with the City Attorney's Office and City Risk Manager, have drafted an MOU (entitled "Agreement Regarding Donation of Material", Exhibit B) that includes the following key provisions:

1. Hanson will endeavor to donate, and Port intends to accept the entire 12,000 cubic yards of Beach Material needed for shoreline stabilization at Heron's Head Park, but neither is obligated to donate or accept the full amount.
2. The Port has access and right to inspect, sample, and analyze the Beach Material as it deems warranted, and can reject any material that does not meet

- the specified criteria or does not suit Port's purpose.
3. Hanson will deliver Beach Material to the Storage Site and place it in stable stockpiles. From the point of unloading, the Port owns the Beach Material.
  4. Hanson may not bring any material other than Beach Material to the Storage Site or use the Storage Site for any purpose other than unloading Beach Material.
  5. Neither Port nor Hanson indemnifies the other; both parties release and waive claims against the other except for third-party claims. Hanson carries insurance as required for its leased premises (adjacent to the Storage Site), including workers compensation insurance, but no additional coverage will be required. The City Risk Manager has reviewed and supports the MOU provisions regarding liability and insurance.
  6. Either party can terminate for convenience with 30 days' notice.

### **Schedule**

With Port Commission approval, Port staff propose to bring the MOU to the Board of Supervisors in April 2021 and anticipate execution of the MOU upon Board of Supervisors' approval in the April/May timeframe

### **Recommendation**

For the reasons set forth above, Port staff requests Port Commission authorization to accept the donation of the Beach Materials on the terms and conditions described in this Memorandum, subject to Board of Supervisors approval.

Prepared by: Carol Bach  
Environmental Affairs Manager

For: Diane Oshima  
Deputy Director, Planning & Environment Division

**PORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION NO 21-04**

- WHEREAS Hanson Aggregates Mid-Pacific Inc., a Port tenant (Hanson), extracts material from the San Francisco Bay floor, processes the material at its leased facility at the Port's Seawall Lot 352, and generates, as a byproduct of its operations, coarse sand and gravel that does not have commercial value to Hanson (Beach Materials); and
- WHEREAS the Port seeks resources to support implementation of its Heron's Head Park Shoreline Resilience project, design of which specifies placement of coarse sand and gravel from a natural source and having the same grain-size profile as the Beach Materials to stabilize the eroding shoreline; and
- WHEREAS Hanson and Port staff have drafted a Memorandum of Understanding that specifies terms and conditions under which Hanson would donate and Port would accept up to approximately 12,000 cubic yards of Beach Materials; and
- WHEREAS under the SF Administrative Code Section 10.100.305, the Port must obtain Board of Supervisors' approval to accept a donation with a market value of more than \$10,000; and
- WHEREAS the estimated market value of the donated Beach Materials is \$417,000; and
- WHEREAS the Heron's Head Shoreline Resilience Project is categorically exempt from the California Environmental Quality Act; now therefore be it
- RESOLVED, that the Port Commission authorizes the Port to accept the donation of the Beach Materials on the terms and conditions described in the Memorandum to the Port Commission dated February 5, 2021 and set forth in the Memorandum of Understanding with Hanson and authorizes the Executive Director to seek Board of Supervisors' acceptance of such gift; and be it further
- RESOLVED, that, upon Board of Supervisors' approval, the Port Commission authorizes the Executive Director or her designee to negotiate and execute a final Memorandum of Understanding and all other agreements and instruments necessary to effectuate the donation, in such form approved by the City Attorney.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of February 9, 2021.***

DocuSigned by:

*Carl Nicita*

Secretary

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