

AMENDMENT OF WHOLE IN COMMITTEE  
9/3/14

FILE NO. 140595

ORDINANCE NO.

1 [Professional Services Agreement - Waiving Competitive Solicitation Requirement to Procure  
2 Specialized Environmental Services - East Harbor Marina Sediment Remediation and Facility  
Renovation Project - Leidos, Inc. - Not to Exceed \$1,970,000~~2,000,000~~]

3 **Ordinance waiving the competitive solicitation requirement under Administrative Code,**  
4 **Section 6.40, and authorizing the General Manager of the Recreation and Park**  
5 **Department to enter into a professional services agreement with Leidos, Inc., in an**  
6 **amount not to exceed \$1,970,000 ~~2,000,000~~, for the purpose of performing specialized**  
7 **environmental services for the San Francisco East Harbor Marina Sediment**  
8 **Remediation and Facility Renovation Project, to commence following Board approval.**

9 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
10 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
11 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
12 **Board amendment additions** are in double-underlined Arial font.  
13 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
14 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
subsections or parts of tables.

15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. Background. The San Francisco Marina is composed of two harbors, the  
17 East Harbor and the West Harbor. The East Harbor covers approximately 600,000 square  
18 feet and is bounded by Fort Mason on the east, Marina Boulevard on the south, and the  
19 Marina Green on the west. While the San Francisco Marina has been in use since the 1920s,  
20 the current configuration of the East Harbor was constructed in 1963 when the facility was  
21 transferred to the City from the State. The East Harbor consists of a concrete sheet-pile  
22 breakwater, docks to accommodate 342 small water craft, and a fuel dock facility.

23 The East Harbor is located adjacent to the former site of a carbureted-manufactured  
24 gas plant known as the North Beach MGP ("MGP"). The MGP site operations included an  
25 area of land and wharf extending along the northern portion of the facility into what was  
historically known as Gashouse Cove, (now the East Harbor).

1 In 1994, the Recreation and Parks Department (“RPD”) initiated the approval process  
2 to acquire the regulatory permits necessary to perform maintenance dredging of the East  
3 Harbor. As part of this process, RPD commissioned a bathymetric survey and a sediment  
4 analysis required to secure various resource permits from the US Army Corps of Engineers,  
5 San Francisco Bay Conservation and Development Commission, and the Bay Area Regional  
6 Water Quality Control Board. ~~T~~he permits from the regulatory agencies. The associated  
7 sediment sampling identified elevated levels of polycyclic aromatic hydrocarbons (PAHs),  
8 which impacted RPD’s ability to secure the permits and to fund the work.

9 In 2001, the City ~~sued~~filed a lawsuit against Pacific Gas & Electric (“PG&E”), the  
10 successor entity to the North Beach MGP, to recover the cost of removing and disposing of  
11 the sediments in the East Harbor. In 2004, the case was dismissed without prejudice on the  
12 grounds that the nature and extent of damages were not defined. The City and PG&E  
13 subsequently entered into a cost sharing agreement (“Agreement”) whereby they agreed to  
14 share equally, up to a total of \$500,000, the costs of determining the nature and extent of the  
15 contamination of the sediment, and the costs of planning and permitting for any necessary  
16 remedial action. In 2007, the City, with the consent of PG&E, and pursuant to a competitive  
17 solicitation, contracted with Science Applications International Corporation (“SAIC”) to provide  
18 environmental consulting services under the terms of the Agreement. By March 2009, SAIC  
19 had completed four studies. SAIC’s results and recommendations were presented to the  
20 Recreation and Parks Commission in July 2009.

21 RPD subsequently~~At the same time as the above,~~ RPD put forward the San Francisco  
22 Marina Renovation Project (“Project”). The Project~~proposed project~~ encompassed a  
23 complete replacement of both waterside and landside facilities at the San Francisco Marina.  
24 On January 11, 2007, the ~~San Francisco~~ Planning Department certified the Final  
25 Environmental Impact Report for the ~~San Francisco Marina Renovation~~ Project. RPD divided

1 the ~~Project~~ into two phases for implementation: Phase 1 – West Harbor Renovation, and  
2 Phase 2 – East Harbor Renovation. ~~Phase I~~~~The West Harbor Renovation project~~ was  
3 completed in early 2014. RPD is now ready to begin Phase 2 ~~of the project~~. A critical  
4 component of Phase 2, however, is the performance of maintenance dredging.

5 On September 16, 2013, the City and PG&E executed an extension of the ~~Cost~~  
6 ~~Sharing~~ Agreement. Under the terms of the Agreement, the City and PG&E will continue to  
7 work cooperatively on and jointly cover the cost of sediment remediation work in the East  
8 Harbor.

9  
10 Section 2. Rationale for Waiver of Competitive Solicitation Requirement. ~~To~~~~in order to~~  
11 begin ~~the critical~~ Phase 2 of the ~~Marina Harbor Renovation~~ Project as scheduled, RPD must  
12 ~~first~~~~obtain~~ complete the required regulatory agency permits by Fall 2015. The services of a  
13 qualified environmental consulting firm are required to secure these permits. ~~To~~~~in order to~~  
14 complete the remediation permitting process by Fall 2015, the environmental consultant must  
15 begin sampling and analysis by August 2014.

16 Section 6.40 of the Administrative Code requires departments, when  
17 procuring~~Departments to procure~~ outside temporary professional design or consultant  
18 services for public work projects greater than \$100,000, to have ~~through~~ a competitive  
19 selection process. There are two reasons to waive this requirement and, in accordance with  
20 the desire of RPD, ~~desires to~~ award a professional services contract to Leidos, Inc. (“Leidos”)  
21 for not more than ~~for~~ \$1,970,000~~2,000,000~~ for two reasons. First, ~~because a typical~~  
22 competitive procurement for professional consultant~~architectural~~ services for public works  
23 projects can and often does take many months. Thus, adhering to the, a competitive  
24 solicitation process under Section 6.40 of the Administrative Code would likely impair the  
25 City's ability to secure all required environmental permits for Phase 2 of the Project and

1 ~~delay~~~~impair~~ the construction schedule by more than a year. Given the constraints on the  
2 maintenance dredging and marina renovation work imposed by the ~~marinemarina~~  
3 environment, construction activities must occur during certain times of the year ~~in order~~ to  
4 avoid impacting seasonal biological processes such as the herring breeding season. ~~Second,~~  
5 ~~Leidos Inc. is uniquely qualified to complete the environmental services work given their long~~  
6 ~~experience and knowledge with the area.~~

7 Second, Leidos, formerly SAIC, is uniquely qualified to perform the required services.  
8 Leidos has firsthand knowledge of the site issues, has performed a number of site-specific  
9 technical studies, including but not limited to characterization reports, and has performed  
10 detailed evaluations of sediment removal options. Further, while Section 6.40 of the  
11 Administrative Code expresses the City's strong policy in favor of competitive solicitation for  
12 contracts such as the contract that is the subject of this ordinance, it is noted that Leidos, in its  
13 earlier incarnation as SAIC, received its contract in 2007 for related work pertaining to  
14 sedimentation in the East Harbor through a competitive solicitation process.

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16 Section 3. Waiver of Competitive Solicitation Requirement. The Board of Supervisors  
17 hereby waives the competitive solicitation process requirement under Section 6.40 of the  
18 Administrative Code and authorizes the General Manager of the Recreation and Park  
19 Department to enter into a professional services agreement with Leidos, Inc. in an amount not  
20 to exceed ~~\$1,970,000~~\$2,000,000 for the ~~limited purpose, as explained above,~~ of providing  
21 specialized environmental consulting services for the San Francisco East Harbor Marina  
22 Sediment Remediation and Facility Renovation project.

23 Section 4. Effective Date. This ordinance shall become effective 30 days after  
24 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
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1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
2 of Supervisors overrides the Mayor's veto of the ordinance.

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4 Section 5. The Recreation and Park Department shall provide the final agreement  
5 entered into with Leidos pursuant to this ordinance to the Clerk of the Board for inclusion into  
6 the official file within thirty (30) days of the agreement being fully executed by all parties.

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8 APPROVED AS TO FORM:  
9 DENNIS J. HERRERA, City Attorney

10 By: \_\_\_\_\_  
11 Yadira Taylor  
12 Deputy City Attorney

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