

**ITEM 10**  
**Treasure Island Development Authority**  
**City and County of San Francisco**  
**Meeting of May 11, 2022**

**Subject:** Resolution Authorizing the Treasure Island Director to Execute a Sixth Amendment to the Agreement between the Treasure Island Development Authority and Langan Engineering for Environmental Engineering Consulting and Oversight of the Navy Remediation for the Treasure Island/Yerba Buena Island Development Project Increasing the Not-to-Exceed Amount of the Agreement to \$2,575,000

**Contact:** Robert Beck, Treasure Island Director

**SUMMARY**

The proposed amendment would continue the Agreement between the Treasure Island Development Authority (“TIDA” or the “Authority”) and Langan Engineering (the “Contractor”) to provide oversight of environmental remediation programs on Treasure Island through the completion of the current term of the Agreement.

**BACKGROUND**

On June 12, 2013, the Authority Board of Directors authorized execution of a Professional Services Contract between the Authority and Langan Engineering (the “Agreement”) to provide environmental engineering consulting and oversight of the U.S. Department of the Navy (“Navy”) remediation efforts on former Naval Station Treasure Island (the “Base”) and to provide certain other services in support of the Authority’s Treasure Island/Yerba Buena Island Development Project (the “Project”).

Under the Agreement the Contractor provides oversight of the Navy’s ongoing environmental remediation, assists the Authority in the property transfer and development processes, and updates the Authority’s Site Management Plan documenting and managing the Authority’s post-transfer monitoring obligations. This includes reviewing and analyzing technical documents produced primarily by the Navy and its agents relating to the environmental cleanup of contaminants on the Base and interfacing with the California Department of Toxic Substances Control (“DTSC”), the California Department of Public Health (“CDPH”) and the Regional Water Quality Control Board (“RWQCB”) in their regulatory roles for the Navy’s remediation efforts and the Authority’s post-transfer obligations.

The Contractor’s services are provided on an as-needed basis at the direction and request of Authority staff. The Authority is billed only for the actual services provided. The services that have been provided over the term of the Agreement fall into the following scope categories:

1. **Navy Environmental Program and Document Review:** Advise TIDA on technical documents including technical review and comment, distribution, and archiving.

2. **Land Transfer Process Environmental Support:** Support TIDA in review and negotiation of deeds, Findings of Suitability to Transfer, and Conditions Restricting the Use of Property; advise TIDA on controls for future property transfers
3. **Post-Transfer Environmental Support and Land Use Control Compliance:** Annual compliance and reporting, Land Use Control plan updates, Site Management Plan compliance during construction, 5-year review support, asbestos containing materials and lead based paint support
4. **Community and Resident Relations and Communication:** Produce or review education materials, prepare and/or make community presentations, respond to questions, support housing providers, etc.
5. **Meetings and City-Agency Environmental Consultation:** Participate in monthly Navy Base Closure Team meetings, other technical meetings, and provide support to other City agencies (SFPUC, Public Works, DPH) as needed.
6. **Other As-Needed Consultation**

### **INCREASED SCOPE AND SERVICE DEMANDS**

In May 2021, the Authority Board approved increasing the contract limit to Two Million, Two Hundred and Seventy-Five Thousand Dollars (\$2,275,000). Several unforeseen issues have arisen in the past year which increased the demand for the Contractor's support services.

The principal investigation site where field work is continuing is Site 12 which encompasses the existing residential neighborhood on Treasure Island. The Navy's future work in Site 12 continues to dictate the time that will be required for the Navy to complete its remediation efforts on the Base, and the former Solid Waste Disposal Area Westside (SWDA Westside) is the principal area within Site 12 requiring further remediation. Future Site 12 activities include additional supplemental investigations, a radiological work plan, and additional remediation contracts. The Contractor will review work plans and reports for Site 12 and participate in monthly Base Closure Team and Technical Working Group meetings with the Navy and State regulatory agencies.

The Navy efforts to investigate the possible presence of Polyfluoroalkyl Substances (PFAS) in groundwater expanded significantly over the past year and now entails monthly meetings with the Navy, the Contractor, and regulatory agencies specific to these investigations. An emerging contaminant of concern over the last few years, PFAS were not included in the Navy's initial environmental assessments in the 1990s. PFAS are used in a variety of applications, including – most importantly to Treasure Island – in foam materials used in fire suppression (known as Aqueous Film Forming Foam or “AFFF”). The PFAS investigations will entail regular meetings as noted, but also the review of multiple site investigation work plans, remedial investigation work plans, and associated completion reports.

Additionally, the Authority has entered into several leases over the past year where tenants agreed to demolish more than 10 derelict structures occupying several acres as a condition of the lease. All building demolitions require assessments of the surrounding soils for the presence of lead contamination arising from the potential use of lead-based paint over the life of the structure and the excavation and disposal of any contaminated soils. These demolitions and the required testing and disposals were not anticipated at the time of the fifth amendment.

Other areas where the level of effort required over the last year and the remaining term of the Agreement have or will exceed the services anticipated at the time of the fifth amendment include:

- Annual well protection inspections, reporting and replacement, including annual inspection of leased areas and drafting a Contingency Plan for review by DTSC and the RWQCB
- Annual water sampling at the Childcare Facility required per CA Health and Safety Codes
- Repair of epoxy coating remedies in Building 1 and Hangar 3 for compliance with environmental Land Use Controls
- Maher Ordinance application assistance and consultation for affordable housing developments
- As-needed indoor air sampling
- As-needed well protection, abandonment, and replacement support
- As-needed dumping or accidental spill assessments, including sampling, laboratory testing, analysis, and DTSC reporting

The increase in the authorized budget is sufficient to address the Authority's need for oversight and environmental consultant services including contingent as-needed services that may arise over the remaining term of the Agreement. Consistent with the terms of the Agreement, the Authority is billed only for the actual costs incurred. A breakdown of the projected scope of services and corresponding budget are included as Appendix B to the proposed Amendment.

### **NEXT STEPS**

The Navy annually produces a Site Management Plan (not to be confused with the Authority's Site Management Plan) which provides an overview of the Navy's petroleum, radiological and CERCLA (chemical) remediation programs. At the time that the Agreement was awarded, it was anticipated that the Navy would complete all programs on the Base by the end of 2021. The Navy's 2021 Site Management Plan, published in December 2021, projected that the schedule would extend through 2028 although recent discussions indicate the schedule could extend beyond that date.

The Authority will require continuing consultant support services to monitor the Navy's environmental program and to fulfill our post-transfer environmental obligations. Over the past decade, the Contractor has developed an irreplaceable depth of knowledge and experience of the Base's environmental issues, the Navy's many investigations and remediation efforts, and the Authority's post transfer obligations; however, rather than further amending the Agreement beyond the currently proposed Sixth Amendment, Staff propose to seek authorization through

the City's Contract Monitoring Division and Civil Service Commission to enter into a new sole source agreement with the Contractor for services beyond December 31, 2022.

### **RECOMMENDATION**

Staff recommends the Authority Board authorize the Director to execute a Sixth Amendment to the Agreement between the Treasure Island Development Authority and Langan Engineering for Environmental Engineering Consulting and Oversight of Navy Remediation increasing the total contract sum to an amount not to exceed \$2,575,000.

### **EXHIBITS**

- A Sixth Amendment to the Agreement between the Treasure Island Development Authority and Langan Engineering

Prepared by Liz Hirschhorn, Assistant Development Program Manager

The Authority has accepted five land transfers from the Navy comprising approximately seventy percent of the lands to be ultimately transferred to the Authority.

**City and County of San Francisco  
Treasure Island Development Authority**

**Sixth Amendment to the Agreement  
between the Treasure Island Development Authority and  
Langan Engineering**

This Sixth Amendment to the Agreement dated June 12, 2013, by and between Langan Engineering (formerly Treadwell & Rollo, a Langan Company), hereinafter referred to as “Contractor,” and the Treasure Island Development Authority, a California nonprofit public benefit corporation, hereinafter referred to as the “Authority” is made this April 13, 2022, in the City and County of San Francisco, State of California.

The parties agree to the following amendment:

**5. Compensation**

Compensation shall be made in monthly payments on or before the first day of each month for work, as set forth in Section 4 of this Agreement, that the Treasure Island Redevelopment Project Director ("Project Director"), in his or her sole discretion, concludes has been performed as of the first day of the immediately preceding month. In no event shall the total amount of this Agreement exceed ~~Two Million, Two Hundred Seventy Five Thousand Dollars (\$2,275,000.00)~~  
Two Million, Five Hundred Seventy-Five Thousand Dollars (\$2,575,000).

For the first fiscal year, through June 30, 2014, the maximum compensation made to the Contractor shall not exceed Two Hundred Fifty-Eight Thousand Dollars (\$258,000.00). For each subsequent fiscal year during the term of this Agreement, the Project Director shall notify Contractor of the maximum compensation appropriated for that year (or, if there is no such appropriation, the Project Director shall notify Contractor of the termination of this Agreement). The breakdown of costs associated with this Agreement appears in Appendix B, “Calculation of Charges,” attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Project Director as being in accordance with this Agreement. The Authority may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall the Authority be liable for interest or late charges for any late payments.

IN WITNESS WHEREOF, the parties hereto have executed this Fifth Amendment on the day first mentioned above.

<b>AUTHORITY</b>	<b>CONTRACTOR</b>
<p>TREASURE ISLAND DEVELOPMENT AUTHORITY</p> <p>By: _____ Robert Beck Treasure Island Director One Avenue of the Palms, Suite 241 San Francisco, CA 94130</p> <p>Approved as to Form:</p> <p>David Chui City Attorney</p> <p>By: _____ Deputy City Attorney</p>	<p>[name]</p> <p>By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.</p> <p>I have read and understood paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.</p> <p>By: _____ Dorinda Shipman, PG, CHG Principal/Vice President Langan Engineering 555 Montgomery Street Suite 1300 San Francisco, CA 94111</p> <p>City vendor number:</p>

**Appendices**

B: Revised Calculation of Charges

**Appendix B**  
**Revised Calculation of Charges**  
**Sixth Amendment**

Scope of Work Item		2018-2019 Budget	2019-2020 Budget	2020-2021 Budget	2021-2022 Budget	2022-2023 <sup>1</sup> Budget
1	<b>Navy Environmental Program and Document Review</b> Advise TIDA on technical documents including technical review and comment, distribution, and archiving	\$20,000	\$20,000	\$20,000	\$50,000	\$20,000
2	<b>Land Transfer Process Environmental Support</b> Finding of Suitability to Transfer, Conditions Restricting the Use of Property, and deed review and negotiation; advise TIDA on controls for future property transfers	\$25,000	\$20,000	\$20,000	\$15,000	\$5,000
3	<b>Post-Transfer Environmental Support and Land Use Control Compliance</b> Annual compliance and reporting, Land Use Control plan updates, provide Site Management Plan compliance during construction, 5-year review support, asbestos containing materials and lead based paint support	\$80,000	\$100,000	\$105,000	\$180,000	\$80,000
4	<b>Community and Resident Relations and Communication</b> Produce or review education materials, prepare and/or make community presentations, respond to questions, support housing providers, etc.	\$15,000	\$15,000	\$15,000	\$25,000	\$10,000
5	<b>Meetings and City-Agency Environmental Consultation</b> Participate in monthly Navy Base Closure Team meetings, other technical meetings, and provide support to other City agencies (SFPUC, Public Works, DPH) as needed	\$25,000	\$30,000	\$25,000	\$20,000	\$10,000
6	<b>As-needed Consultation</b>	\$20,000	\$60,000	\$60,000	\$60,000	\$15,000
7	<b>Recurring Post-Transfer Environmental Field Services<sup>2</sup></b>	\$0	\$0	\$100,000	\$245,000	\$165,000
<b>Annual Sub-Totals</b>		<b>\$185,000</b>	<b>\$245,000</b>	<b>\$345,000</b>	<b>\$595,000</b>	<b>\$305,000</b>
<b>Previously Authorized Sub-Total (Original Authorization and Amendments 1-5)</b>						<b>\$2,275,000</b>
<b>Amendment Sub-Total</b>						<b>\$300,000</b>
<b>Sixth Amendment Adjusted Contract Authority</b>						<b>\$2,575,000</b>

Note <sup>1</sup>: FY2022-2023 budget shown is for July 1 through December 31, 2022.

Note <sup>2</sup>: Task 7 includes recurring and contingency as-needed services related to Post-Transfer Environmental Support:

Recurring Tasks FY2021-22 include Site 30 recurring drinking water sampling, reporting, and notifications per CA Health and Safety Code; Annual well protection inspections, reporting and replacement (includes Contingency Plan annual review of leased areas); PCB/Epoxy related field efforts; Maher ordinance application assistance for affordable housing providers; Indoor air monitoring; Well replacement; Building demolition dripline assessment soil excavation; Contingency for other As-Needed Post-Transfer Support; and Consultation, Regulatory Coordination, and Project Management on Above Tasks

Recurring Tasks Estimates for FY2022-23 anticipated to include Site 30 recurring drinking water sampling, reporting, and notifications per CA Health and Safety Code; Annual well protection inspections, reporting and replacement (includes Contingency Plan annual review of leased areas); Building demolition dripline assessment soil excavation (up to 3 buildings); As-needed field efforts (i.e., indoor air sampling events, well abandonment, well replacement, or unknown stockpile events), and Consultation, Regulatory Coordination, and Project Management on Above Tasks



**Appendix B  
Revised Calculation of Charges  
Sixth Amendment**

Scope of Work Item		2018-2019 Budget	2019-2020 Budget	2020-2021 Budget	2021-2022 Budget	2022-2023 <sup>1</sup> Budget
1	<b>Navy Environmental Program and Document Review</b> Advise TIDA on technical documents including technical review and comment, distribution, and archiving	\$20,000	\$20,000	\$20,000	\$50,000	\$20,000
2	<b>Land Transfer Process Environmental Support</b> Finding of Suitability to Transfer, Conditions Restricting the Use of Property, and deed review and negotiation; advise TIDA on controls for future property transfers	\$25,000	\$20,000	\$20,000	\$15,000	\$5,000
3	<b>Post-Transfer Environmental Support and Land Use Control Compliance</b> Annual compliance and reporting, Land Use Control plan updates, provide Site Management Plan compliance during construction, 5-year review support, asbestos containing materials and lead based paint support	\$80,000	\$100,000	\$105,000	\$180,000	\$80,000
4	<b>Community and Resident Relations and Communication</b> Produce or review education materials, prepare and/or make community presentations, respond to questions, support housing providers, etc.	\$15,000	\$15,000	\$15,000	\$25,000	\$10,000
5	<b>Meetings and City-Agency Environmental Consultation</b> Participate in monthly Navy Base Closure Team meetings, other technical meetings, and provide support to other City agencies (SFPUC, Public Works, DPH) as needed	\$25,000	\$30,000	\$25,000	\$20,000	\$10,000
6	<b>As-needed Consultation</b>	\$20,000	\$60,000	\$60,000	\$60,000	\$15,000
7	<b>Recurring Post-Transfer Environmental Field Services<sup>2</sup></b>	\$0	\$0	\$100,000	\$245,000	\$165,000
<b>Annual Sub-Totals</b>		<b>\$185,000</b>	<b>\$245,000</b>	<b>\$345,000</b>	<b>\$595,000</b>	<b>\$305,000</b>
<b>Previously Authorized Sub-Total (Original Authorization and Amendments 1-5)</b>						<b>\$2,275,000</b>
<b>Amendment Sub-Total</b>						<b>\$300,000</b>

<b>Sixth Amendment Adjusted Contract Authority</b>		<b>\$2,575,000</b>
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Note <sup>1</sup>: FY2022-2023 budget shown is for July 1 through December 31, 2022.

Note <sup>2</sup>: Task 7 includes recurring and contingency as-needed services related to Post-Transfer Environmental Support:

Recurring Tasks FY2021-22 include Site 30 recurring drinking water sampling, reporting, and notifications per CA Health and Safety Code; Annual well protection inspections, reporting and replacement (includes Contingency Plan annual review of leased areas); PCB/Epoxy related field efforts; Maher ordinance application assistance for affordable housing providers; Indoor air monitoring; Well replacement; Building demolition dripline assessment soil excavation; Contingency for other As-Needed Post-Transfer Support; and Consultation, Regulatory Coordination, and Project Management on Above Tasks

Recurring Tasks Estimates for FY2022-23 anticipated to include Site 30 recurring drinking water sampling, reporting, and notifications per CA Health and Safety Code; Annual well protection inspections, reporting and replacement (includes Contingency Plan annual review of leased areas); Building demolition dripline assessment soil excavation (up to 3 buildings); As-needed field efforts (i.e., indoor air sampling events, well abandonment, well replacement, or unknown stockpile events), and Consultation, Regulatory Coordination, and Project Management on Above Tasks

1   **RESOLUTION AUTHORIZING THE TREASURE ISLAND DIRECTOR TO EXECUTE A**  
2   **SIXTH AMENDMENT TO THE AGREEMENT BETWEEN THE TREASURE ISLAND**  
3   **DEVELOPMENT AUTHORITY AND LANGAN ENGINEERING FOR ENVIRONMENTAL**  
4   **ENGINEERING CONSULTING AND OVERSIGHT OF NAVY REMEDIATION FOR THE**  
5   **TREASURE ISLAND/YERBA BUENA ISLAND DEVELOPMENT PROJECT INCREASING**  
6   **THE NOT-TO-EXCEED AMOUNT OF THE AGREEMENT TO \$2,575,000**

7           WHEREAS, Former Naval Station Treasure Island is a military base located on  
8   Treasure Island and Yerba Buena Island (together, the “Base”), which is currently owned by  
9   the United States of America (“the Federal Government”); and,

10          WHEREAS, The Base was selected for closure and disposition by the Base  
11   Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its  
12   subsequent amendments; and,

13          WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,  
14   authorizing the Mayor’s Treasure Island Project Office to establish a nonprofit public benefit  
15   corporation known as the Treasure Island Development Authority (the “Authority”) to act as a  
16   single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and  
17   conversion of the Base for the public interest, convenience, welfare and common benefit of  
18   the inhabitants of the City and County of San Francisco; and,

19          WHEREAS, The U.S. Department of the Navy (“Navy”) must assess and remediate  
20   environmental concerns on the property of the Base arising out of the Navy’s former  
21   occupancy and operation prior to transferring that property to the Authority; and,

22          WHEREAS, In February 2013, the Authority issued a Request for Proposals (“RFP”) for  
23   qualified consultants or consulting teams to provide environmental engineering consulting and  
24   oversight of the Navy’s remediation efforts on the Base and to provide certain other services  
25   in support of the Authority’s Treasure Island/Yerba Buena Island Development Project; and,

1 WHEREAS, Treadwell & Rollo, a Langan Company (“Langan”), was selected based on  
2 the RFP’s criteria to perform the requested services; and,

3 WHEREAS, On June 12, 2013, the Authority’s Board of Directors (the “Authority  
4 Board”) authorized the execution of an Agreement between the Authority and Langan for  
5 Environmental Engineering Consulting and Oversight of Navy Remediation for the Treasure  
6 Island/Yerba Buena Island Development Project for an initial three-year term; and,

7 WHEREAS, On January 8, 2014, the Authority Board authorized a First amendment to  
8 the Agreement revising the Scope of Services and budget for FY 2014/2015; and

9 WHEREAS, On April 13, 2016, the Authority Board authorized a Second amendment to  
10 the Agreement extending the term of the Agreement through FY2017/2018 and increasing the  
11 not-to-exceed budget to \$734,500; and

12 WHEREAS, On June 14, 2017, the Authority Board authorized a Third amendment  
13 increasing the not-to-exceed budget to \$900,000; and

14 WHEREAS, On February 14, 2018, the Authority Board authorized a Fourth  
15 amendment extending the term of the Agreement through December 31, 2022 and increasing  
16 the not-to-exceed budget to \$1,600,000; and

17 WHEREAS, On May 12, 2021, the Authority Board authorized a Fifth amendment  
18 increasing the not-to-exceed budget to \$2,275,000; and

19 WHEREAS, The Navy projects that its remediation efforts on the Base will continue  
20 beyond 2028; and

21 WHEREAS, More than seventy percent of the Navy lands have been transferred to the  
22 Authority and some of these lands have land use controls which require monitoring and/or  
23 maintenance; and

24 WHEREAS, Following the fifth amendment the Navy’s investigation of Polyfluoroalkyl  
25 Substances (PFAS) has expanded, the Authority’s post-transfer monitoring responsibilities

1 have increased, and the Authority has needed to address unanticipated services including the  
2 testing, documentation and disposal of soil dumped on the island, Maher Ordinance  
3 compliance, and indoor air testing; and

4 WHEREAS, The Authority requires continuing consultant support to monitor and  
5 oversee the work of the Navy and to comply with site management plan for the on-going  
6 monitoring of land use controls associated with transferred lands; and

7 WHEREAS, The Director recommends increasing the not-to-exceed budget by  
8 \$300,000 sufficient to cover the projected needs of the Project through December of 2022;  
9 now therefore be it

10 RESOLVED, That the Authority Board hereby authorizes the Director to execute  
11 a Sixth Amendment to the Agreement between the Authority and Langan for  
12 Environmental Engineering Consulting and Oversight of Navy Remediation for the  
13 Treasure Island/Yerba Buena Island Development Project to increase the contract sum  
14 to a not-to-exceed amount of \$2,575,000; and,

15 FURTHER RESOLVED, That the Authority Board hereby authorizes the Director to  
16 enter into any additions, amendments or other modifications to the Agreement that the  
17 Director, in consultation with the City Attorney, determines are in the best interests of the  
18 Authority, do not materially increase the obligations or liabilities of the Authority, do not  
19 materially reduce the rights of the Authority, and are necessary or advisable to complete the  
20 preparation and approval of the Fourth Amendment, such determination to be conclusively  
21 evidenced by the execution and delivery by the Director of the documents and any  
22 amendments thereto.

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**CERTIFICATE OF SECRETARY**

*I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on May 11, 2022.*

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**Mark Dunlop, Secretary**