

## RESOLUTION NO. 148-2010

*Adopted December 7, 2010*

**AUTHORIZING A PERSONAL SERVICES CONTRACT WITH  
CIRCLEPOINT, A CALIFORNIA CORPORATION, TO PROVIDE  
ENVIRONMENTAL INFORMATION SERVICES REGARDING  
REMEDICATION PLANS AT THE HUNTERS POINT SHIPYARD FOR A TERM  
OF ONE YEAR IN AN AMOUNT NOT TO EXCEED \$282,446, WITH A  
LIMITED WAIVER OF THE AGENCY'S DUTY OF LOYALTY, AND  
AUTHORIZING TWO 1-YEAR EXTENSION OPTIONS, EXERCISED AT THE  
EXECUTIVE DIRECTOR'S DISCRETION, FOR A TOTAL AGGREGATE  
AMOUNT NOT TO EXCEED \$847,338; HUNTERS POINT SHIPYARD  
REDEVELOPMENT PROJECT AREA**

### **BASIS FOR RESOLUTION**

1. On January 14, 2009, Agency staff issued a Request for Proposals ("RFP") offering a contract with the Redevelopment Agency of the City and County of San Francisco ("Agency") to provide the public, in particular the Bayview Hunters Point community ("BVHP"), with clear and responsive information about the remediation plans ("Environmental Information Services") at the Hunters Point Shipyard ("Shipyard"). The RFP was intended to solicit proposals from qualified consultants to provide clear, informative, and responsive environmental information about the remediation plans for the Shipyard. The outreach focuses on the residents and organizations in the portions of the 94124, 94134 and 94107 zip code areas that are located in District 10 of the Board of Supervisors of the City and County of San Francisco.
2. The personal services contract with the previous consultant who provided these services, Arc Ecology, expired on July 21, 2009. In accordance with the Agency's Purchasing Policy, the Agency offered publicly a new contract for Environmental Information Services.
3. A selection panel comprised of two Agency staff, two City staff, one technical environmental consultant (non-scoring member), and one Hunters Point Shipyard Citizens Advisory Committee ("CAC") member ("Selection Panel") evaluated the four RFP respondents and were unable to recommend a firm for a personal services contract ("Contract"). Instead, they recommended that the Agency withdraw the RFP to revise the scope of services and provide budget guidance for the Contract. On December 16, 2009, Agency staff solicited new proposals by re-issuing the Environmental Information Services RFP.
4. The Agency received five complete responses to the re-issued RFP and after an evaluation process, the Selection Panel's average scores for each applicant were: CirclePoint - 81.6; Arc Ecology - 81.4; Center for Creative Land Recycling - 64.9; Berg Davis Public Affairs - 69.4; and Bereans Environmental

Epidemiological Services - 33.9. The Selection Panel recommended Arc Ecology for the Environmental Information Services Contract. Staff presented this recommendation to the Commission at its September 7, 2010 meeting, but the Commission instead awarded the Contract to CirclePoint ("CirclePoint") because it determined that CirclePoint was more qualified than other applicants.

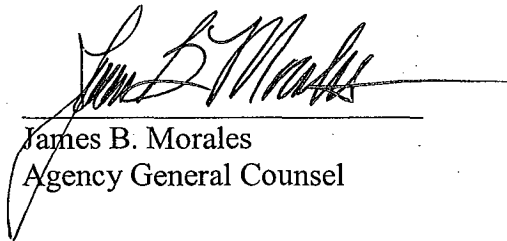
5. In submitting a proposal pursuant to the RFP, CirclePoint agreed to comply with all of the Agency policies, including the Agency's duty of loyalty, which appears at Section IX.H. (Prohibited Activities of Present and Former Employees, Commissioners and Consultants) of the Agency's Personnel Policy ("Duty of Loyalty"). This policy states in part the following: "Unless approved in advance in writing by the Agency, no present or former employee, Commissioner or consultant of the Agency shall knowingly act for anyone other than the Agency in connection with any particular matter in which the Agency is a party, or has a direct and substantial interest, and in which he or she participated personally and substantially as an Agency employee, Commissioner or consultant whether through decisions, recommendations, advice, investigation or otherwise. Violation of this section by a present employee, consultant or Commissioner may, in the case of an employee or consultant, be grounds for discharge or termination of the consultant contract, and in the case of a Commissioner, be considered misconduct in office pursuant of California Health and Safety Code Section 33115." The Duty of Loyalty applies to both the Agency's primary contractor and its subcontractors.
6. During the process of negotiating a Contract with CirclePoint, Agency staff became aware that John Scott Consulting, Inc. ("John Scott Consulting") (one of CirclePoint's SBE subconsultants) has a separate contract with HPS Development Co., LP, or "Lennar" (the "Lennar Contract") presenting a conflict with the Duty of Loyalty. John Scott Consulting's Lennar Contract essentially provides the following services: 1) maintain, at the Shipyard, a Contractor Liaison Office that will house plans, applications, and other information pertinent to the opportunities for contractors who are performing or wish to perform work at the Shipyard and that will work as part of the HPS Development Co., LP Shipyard Team; 2) assist local contractors who wish to work on projects during the different phases of construction at the Shipyard; and 3) develop a program to ensure that Shipyard-area truckers with business addresses in 94124, 94134 or 94107 are hired to provide the trucking services needed to complete the horizontal work on Phase 1 of the Shipyard. Scope of Work, General Agreement for Consulting Services, No. 10705172 OL, between HPS Development Co., LP, and John Scott Consulting, Inc. (Aug. 1, 2010 - Dec. 31, 2010).
7. John Scott Consulting sought a waiver from the Duty of Loyalty so that the firm could hold both a contract with Lennar and the Environmental Information Services Contract with the Agency. Agency staff took the request under consideration and analyzed the Lennar Contract and the Environmental Information Services Contract's scopes of service to see if there were any "incompatible activities" amongst the tasks.

8. Agency staff found that John Scott Consulting's small contractors' assistance work for Lennar was not necessarily an incompatible activity, but raised the potential for a conflict because the purpose of the Contract is to provide the community with environmental information that is authentic and reliable. John Scott Consulting's trucking work was deemed incompatible because trucking is one potential source of dust generation on the Shipyard and the Environmental Information Services contractor is to provide the CAC with analysis of dust monitoring data and Lennar's dust control program.
9. Agency staff negotiated a solution with CirclePoint and John Scott Consulting and recommends Commission approval of the following: 1) a waiver from the Duty of Loyalty for the small contractors' assistance work under the Lennar Contract and 2) a prohibition of John Scott Consulting from working on any dust control matters related to the Environmental Information Services Contract. To accomplish this separation, the scope of services for this Contract now explicitly states that John Scott Consulting whose main task is to work on, "community education, outreach, and meeting facilitation," will not work on any tasks related to Lennar's dust control program, the analysis of dust monitoring data, or dust control matters in general. A violation of this provision may be grounds for discharge or termination of the Contract. Any expansion of services provided under the Lennar Contract is subject to the review and consent of the Agency.
10. The Agency is now seeking to enter into a Contract with CirclePoint, for a term of one year, with two 1-year extension options, to be exercised at the Executive Director's discretion, to provide Environmental Information Services. CirclePoint's role will be to provide environmental and technical analysis, as well as outreach services to the CAC and the broader BVHP community, consistent with the Duty of Loyalty, regarding 1) the remediation program of the Shipyard parcels by the Navy and the subsequent transfer to the Agency and (2) environmental issues that arise during the Shipyard's development.
11. The Contract costs are reimbursable under the Shipyard's Phase One and Phase Two agreements with HPS Development Co., LP and CP Development Co., LP, a joint venture between Lennar and Scala Real Estate Partners, Hillwood, and Estein and Associates, USA (collectively, "Lennar" or the "Developer").
12. Agency authorization of the Contract with CirclePoint will facilitate the dissemination of environmental technical, public information to the CAC and the broader BVHP community. The provision of these services will not independently result in a physical change in the environment and is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3).

## RESOLUTION

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a Personal Services Contract, substantially in the form that is lodged with the Agency General Counsel, and that provides a limited waiver of the Duty of Loyalty, with CirclePoint, a California corporation, in an amount not to exceed \$282,446 for a term of one year, with two one-year extension options, exercised at the Executive Director's discretion, for a total aggregate amount not to exceed \$847,338 to provide environmental information services regarding remediation plans at the Hunters Point Shipyard.

**APPROVED AS TO FORM:**



James B. Morales  
Agency General Counsel