

THIS PRINT COVERS CALENDAR ITEM NO.: 10.4

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Office of Civil Rights

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute Modification No. 1 to San Francisco Municipal Transportation Agency Contract No. 1323, Job Order Contract for Federally Funded Projects, with Phoenix Electric Company, to increase the contract amount by an additional \$2,500,000, for a new total Contract amount of \$7,500,000, to perform work related to additional infrastructure and facility enhancement and maintenance projects, with no increase to the duration of the Contract.

SUMMARY:

- The San Francisco Municipal Transportation Agency (SFMTA) has developed a Job Order Contracting (JOC) program to perform minor construction and maintenance projects in an efficient and expeditious manner by negotiating task orders for individual projects.
- On February 21, 2023, the Board of Directors adopted Resolution No. 230221-015, which authorized the award of Contract No. 1323, Job Order Contract for Federally Funded Projects, to Phoenix Electric Company, for an amount not to exceed \$5,000,000 and for a term not to exceed five years.
- As authorized under Administrative Code Section 6.62(f), this Modification No. 1 will increase the contract amount to \$7,500,000 to perform work related to additional infrastructure and facility enhancement and maintenance projects.
- Federal, state and local sources will provide funding for the services on an “as-needed,” project-by-project basis.

ENCLOSURES:

1. SFMTAB Resolution
2. Contract Modification No. 1

APPROVALS:

DATE

DIRECTOR	<u><i>Kamini Lall</i></u>	<u>March 12, 2025</u>
SECRETARY	<u><i>[Signature]</i></u>	<u>March 12, 2025</u>

ASSIGNED SFMTAB CALENDAR DATE: March 18, 2025

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PURPOSE

Authorizing the Director of Transportation to execute Modification No. 1 to San Francisco Municipal Transportation Agency Contract No. 1323, Job Order Contract for Federally Funded Projects, with Phoenix Electric Company, to increase the contract amount by an additional \$2,500,000, for a new total Contract amount of \$7,500,000, to perform additional work related to additional infrastructure and facility enhancement and maintenance projects, with no increase to the duration of the Contract.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The Contract Modification would assist in the implementation of the following SFMTA Strategic Plan Goals:

Goal 4: Make streets safer for everyone.

Goal 5: Deliver reliable and equitable transportation services.

Goal 8: Deliver projects on-time and on-budget.

The Contract Modification would assist in the implementation of the following Transit First Policy principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

DESCRIPTION

Background

Job Order Contracting

The San Francisco Municipal Transportation Agency (SFMTA) has developed a Job Order Contracting (JOC) program to perform minor construction and maintenance projects in an efficient and expeditious manner.

The JOC contract is a unique, indefinite-quantity type of contract that enables the SFMTA to accomplish a large number of smaller repairs, maintenance and construction projects with a single contract. It eliminates the time and expense of completing the normal design-bid-construct cycle for each project, especially for small projects.

Job Order Contracting utilizes a Unit Price Book containing at least 60,000 to 100,000 unit prices covering material, equipment and labor costs for various units of construction, adjusted to current conditions.

The contractor is asked to perform a series of projects on an as-needed basis. When a project is

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identified, a joint scoping meeting is held between SFMTA staff and the contractor to define the scope and calculate the quantities of work to be used. The price for each project is the quantity multiplied by the pre-set unit prices and multiplied by the competitively bid adjustment factor. A task order is then issued for each project.

Contract No. 1323

On February 21, 2023, the San Francisco Municipal Transportation Agency (SFMTA) Board adopted Resolution No. 230221-015, which authorized the award of Contract No. 1323, Job Order Contract for Federally Funded Projects, to Phoenix Electric Company at a cost not to exceed \$5,000,000, and for a term not to exceed five years.

Ever since Contract No. 1323 was awarded, the SFMTA has been able to make use of the Contract to expedite the upgrade and repair of various facilities in the City. The SFMTA has identified infrastructure/facility enhancement and maintenance needs that will exceed the current \$5,000,000 contract amount. Under Section 6.62(f) of the Administrative Code, a JOC contract may be modified up to 150% of the original amount of the contract, but its term may not exceed five years.

To date, the SFMTA's contractor for Contract No. 1323 has performed the following tasks: Twin Peaks Tunnel ceiling inspection support, Van Ness BRT – Communication pull box replacement, additional electrical, lighting and uninterruptible power supply (UPS) system at Union/Market Station(UMS), Market Street trackway pavement repair between 3rd and Steuart Streets, Twin Peaks Tunnel structure and overhead catenary system (OCS) wood trough.

The SFMTA has identified additional infrastructure and facility enhancement and maintenance projects that will exceed the current \$5,000,000 contract amount. Specifically, the SFMTA anticipates to implement the following improvements and replacements very soon, including but not limited to:

- Central Subway
 - artwork fall protection and concourse beam bars
 - additional CCTV cameras at Union/Market Station (UMS)
 - repair damaged OCS wire between Harrison and Bryant Streets
 - install inspectors booth at south end of CTS platform area
- Civic Center Substation
 - repair CS-4 leakage defects along tunnel liner
 - red phone replacement at tunnel portals
- Conventional train control equipment removal – Phase 2
- Cameron Beach pull-in signal cable replacement
- Track switch machine replacement, and
- Upgrade project at Subway Tunnel II.

The SFMTA will distribute the task orders for this work to its JOC contractors, including

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Phoenix Electric Company.

This Modification No. 1 would increase Contract No. 1323 by an additional \$2,500,000 to accommodate the Agency's pressing needs.

Transit Impacts

At this time, staff does not anticipate any impact to transit operations due to work assigned with task orders under the Contract. If a future task order contains scope that may impact operations, staff will work with the SFMTA's Transit Division to mitigate those impacts and/or to schedule for them with least disturbance to the public.

STAKEHOLDER ENGAGEMENT

The SFMTA will perform internal and external stakeholder engagement as it issues additional task orders under the Contract. The level of stakeholder engagement will depend on and be commensurate with the scope of work for each task order.

ALTERNATIVES CONSIDERED

Two alternatives were considered. One was to seek a separate contract of \$2,500,000 to implement the additional work described above. The main disadvantage is the extra time involved to create a bid package and in going through a drawn-out bid and award process. Meanwhile the facilities requiring repair and maintenance would suffer further deterioration which in turn will affect operations. The other alternative considered was to perform the repair and maintenance work with in-house resources, but with the current limited staff resources and with the work being valued over the amount allowed to be performed in-house, this latter alternative also proved infeasible.

For smaller projects, the administrative costs of preparing bid documents and conducting a procurement process is prohibitively expensive. The JOC method of contracting has proven to be an effective and efficient method of completing smaller construction projects. Given the tight time frame to implement projects, staff believes exercising the option of increasing the current JOC contract amount up to an additional \$2,500,000 is the best approach.

FUNDING IMPACT

This modification is funded by Federal, state and local sources through existing projects on an as-needed basis. Each individual task order will identify the funding source for its respective project.

ENVIRONMENTAL REVIEW

On February 24, 2025, the SFMTA, under authority delegated by the Planning Department,

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determined that Modification No. 1 to SFMTA Contract No. 1323, Job Order Contract for Federally Funded Projects, with Phoenix Electric Company is not a “project” under the California Environmental Quality Act (CEQA) pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b). The adoption of this resolution does not constitute the approval of any specific project identified herein. For identified projects that have not yet undergone environmental review and are subject to CEQA, the SFMTA will not seek approval for such projects until compliance with CEQA And Chapter 31 of the San Francisco Administrative Code is completed.

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The City Attorney’s office has reviewed this Calendar Item.

The Contract Compliance Office (CCO) has reviewed this Calendar Item. A copy of the CCO determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

No other approvals are required for this Contract.

RECOMMENDATION

Staff recommends that the Board of Directors authorizes the Director of Transportation to execute Modification No. 1 to SFMTA Contract No. 1323, Job Order Contract for Federally Funded Projects, with Phoenix Electric Company, to increase the contract amount by an additional \$2,500,000, for a new total Contract amount of \$7,500,000, to perform additional work related to additional infrastructure and facility enhancement and maintenance projects, with no increase to the duration of the Contract.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) has developed a Job Order Contracting (JOC) program to perform minor construction and maintenance projects in an efficient and expeditious manner; and,

WHEREAS, The JOC contract is a unique, indefinite-quantity type of contract that enables the SFMTA to accomplish a large number of smaller repairs, maintenance and construction projects with a single contract. It eliminates the time and expense of completing the normal design-bid-construct cycle for each project, especially for small projects; and,

WHEREAS, On February 21, 2023, the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors adopted Resolution No. 230221-015, which authorized the award of Contract No. 1323, Job Order Contract for Federally Funded Contracts, to Phoenix Electric Company at a cost not to exceed \$5,000,000 and for a term not to exceed five years; and,

WHEREAS, Under Section 6.62(f) of the San Francisco Administrative Code, a JOC contract may be modified up to 150% of the original amount of the contract, but its term may not exceed five years; and,

WHEREAS, The SFMTA has identified urgent additional infrastructure and facility enhancement and maintenance projects that will exceed the current \$5,000,000 contract amount; and,

WHEREAS, On February 24, 2025, the SFMTA, under authority delegated by the Planning Department, determined that Modification No. 1 to SFMTA Contract No. 1323, Job Order Contract for Federally Funded Projects, with Phoenix Electrical Company is not a “project” under the California Environmental Quality Act (CEQA) pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and is incorporated herein by reference; now, therefore, be it,

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute Modification No. 1 to SFMTA Contract No. 1323, Job Order Contract for Federally Funded Projects, with Phoenix Electric Company, to increase the contract amount by an additional \$2,500,000, for a new total Contract amount of \$7,500,000, to perform additional work related to infrastructure and facility enhancement and maintenance projects, with no increase to the duration of the Contract.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of March 18, 2025.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

CONTRACT MODIFICATION NO. 1

San Francisco Municipal Transportation Agency Contract No. 1323

Job Order Contract

Contractor: Phoenix Electric Company
1350 Van Dyke Avenue
San Francisco, CA 94124

The Contract is modified as follows:

1. Section 1A.03 of the General Provisions of the Contract is amended to read as follows:

Unless the City elects to terminate this Agreement for any reason, the SFMTA intends that the Contractor receives the opportunity to perform Task Orders totaling at least the Minimum Contract Amount \$50,000 issued during the base period of the Contract. The City has no obligation to issue Task Orders in excess of Minimum Contract Amount.

The Contractor may be issued Task Orders totaling up to the Contract Amount of Seven Million, Five Hundred Thousand Dollars (\$7,500,000) during the term of the Contract. The Contractor is not guaranteed to receive the entire Contract Amount.

Total Amount of this Contract Modification	\$2,500,000
Previous Total Contract Amount	\$5,000,000
New Revised Contract Amount	\$7,500,000

Total Contract Time Added by this Contract Modification	None
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Contract Term	5 Years
New Contract Term	Same

2. This Modification is made in accordance with Article 1.08 of the Contract General Provisions.
3. Except as provided herein all previous terms and conditions of the Contract remain unchanged.
4. Contractor acknowledges and agrees that the modification shall be in full accord and satisfaction of all current and prospective costs incurred in connection with Contractor's performance of the work in this modification, without limitation. Contractor releases the City from all claims for which full accord and satisfaction is hereby made, as set forth above.

In Witness Whereof, the parties have executed this Modification in San Francisco, California, on the following date: _____.

PHOENIX ELECTRIC COMPANY

CITY & COUNTY OF SAN FRANCISCO

By: _____
 David Lau Date
 President
 Phoenix Electric Company

By: _____
 Julie Kirschbaum Date
 Director of Transportation
 Municipal Transportation Agency

Authorized By:
 SFMTA Board of Directors
 Resolution No. _____
 Adopted: _____
 Attest:

Secretary, SFMTA Board of Directors

APPROVED AS TO FORM:
 David Chiu, City Attorney

By: _____
 Isidro A. Jimenez Date

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