



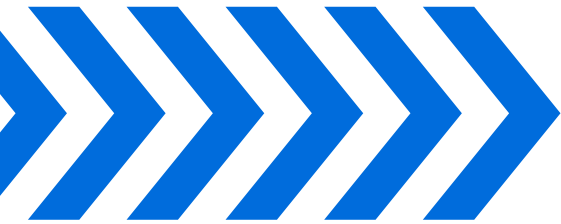
SFMTA

San Francisco Municipal Transportation Agency

# Policy & Procedure Reform

SFMTA Board of Directors

June 4, 2024



The SFMTA is dedicated to a continuous review process for its governmental operations.

The SFMTA's commitment to ongoing policy review is a comprehensive approach that **prioritizes efficiency, legal compliance, adaptability, and public trust.**

These elements are all fundamental pillars for a high-performing and successful agency.



The SFMTA Board of Directors held a public hearing on May 21, 2024, to review, inquire and provide direction on these policies and procedures. The hearing also served as the *public notice* of proposed rules changes.

These include:

- **SFMTA Board of Directors Rules of Order**
- **SFMTA Delegation Policy**
- **SFMTA Advertising Policy**

Direction received and feedback have been integrated into the proposed resolutions and attached policies.

The SFMTA Board requested two items from the public hearing on May 21, 2024.

These include:

- **#1** Question of total percent and number of current active contracts: \$1 million or less, \$1 million+ and between \$1 – 2 million.
- **#2** Request to be more transparent about Request for Proposals (RFPs) released for contracts using the proposed delegated authority policy.

**#1** Question of total percent and number of current active contracts: \$1 million or less, \$1 million+ and between \$1 – 2 million.

Using the data from the FY 2024 Quarter 3 report presented to the SFMTA Board on April 11, 2024:

- 147 total active contracts
  - **64** or 43.5% *under \$1 million*
  - **83** or 56.4% *were over \$1 million*
  - **13** or 8.8% *were between \$1 – 2 million*

**#2** Request to be more transparent about Request for Proposals (RFPs) released for contracts using the proposed delegated authority policy.

The Delegation Policy has been amended in Section F.4:

*“For each authorized Request for Proposals or Invitation for Bids, the Director will notify the SFMTA Board of Directors by issuing a Notification of Contracting Activity that informs the Board of the date of advertisement, a brief description, the funding allocation and source, and Local Business Enterprise Opportunities, as well as notifying the Directors that the Board of Director’s Communications Policy related to contact with prospective bidders or their representatives, approved by SFMTA Board Resolution No. 07-006, has gone into effect.”*

Reporting consistent with this new policy will begin with the FY 2025 Quarter 1 report.

Here are some planned upcoming items:

*Summer 2024*

- *Update on the 2024 Muni Rider Survey*
- *Transportation 2050 Update*

*Fall 2024*

- *Update on Fare Compliance Initiatives*
- *Approve an SFMTA Joint-Development Policy*

Other items from the MTA Board?

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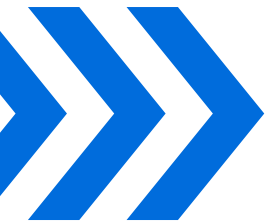
- Update on the *2024 Muni Rider Survey*
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*Fall 2024*

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Staff is requesting **approval of the three resolutions** and associated policies.

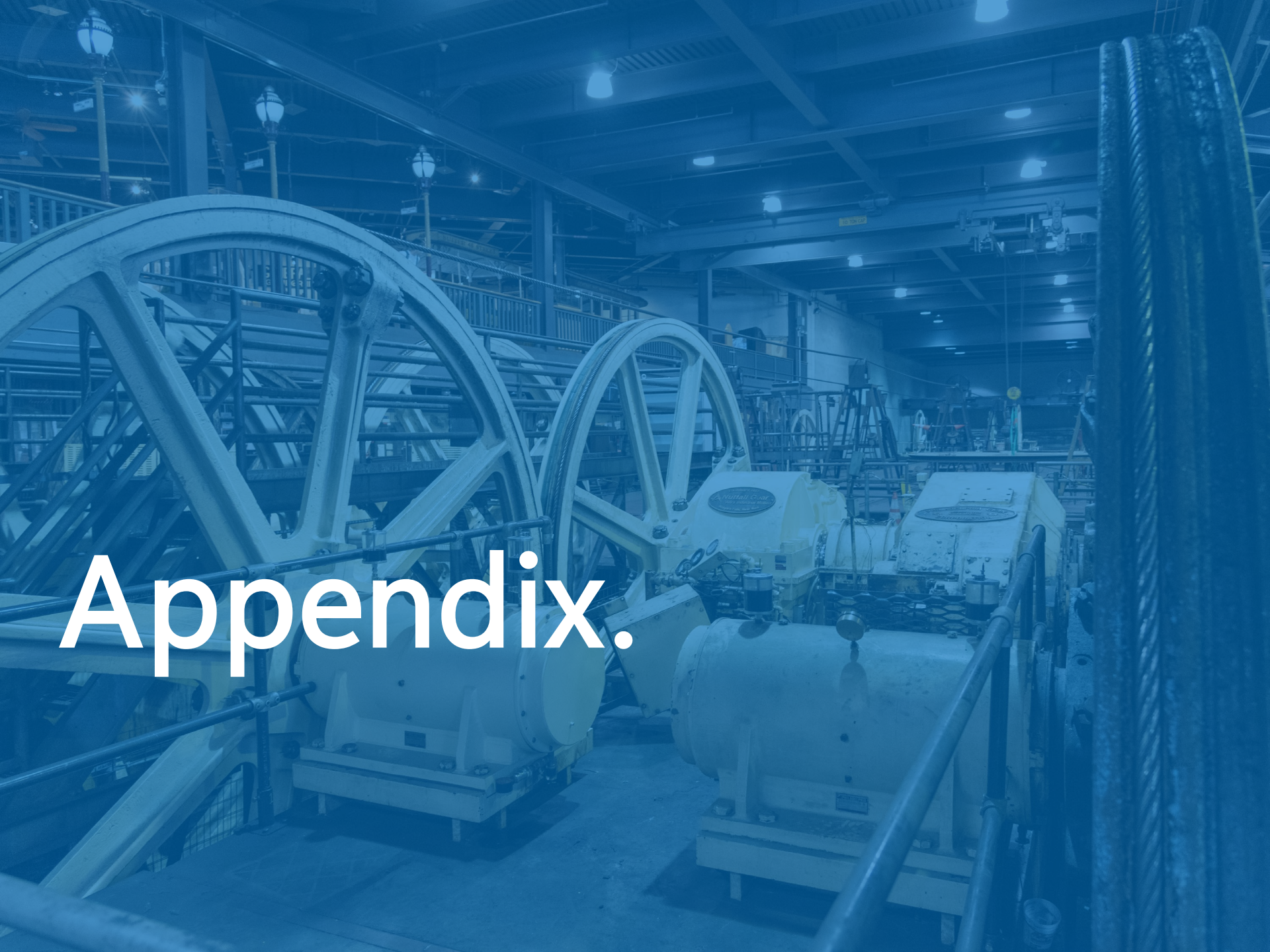
**New “staff reports”** will be rolled out for SFMTA Board Meetings beginning in September.

**Policy rationalization and standardization will continue** throughout the SFMTA through 2024.





Thank you.



# Appendix.

The SFMTA **Board of Directors Rules of Order** are intended to provide for the orderly conduct of Board meetings and appropriate authority in those procedural matters. They are reviewed by the Board and amended over time to improve the efficiency of meetings and improve the ability of the Board to deliver on its mandate.

## Proposed Changes:

### **Enhanced Board Meeting Interaction**

- The order of business for Board meetings is being adjusted.
- Board members will now can raise concerns or request updates from the Director of Transportation after hearing their report and the SFMTA Citizens Advisory Council (CAC) report.
- This allows for more informed discussions and ensures Board members can respond directly to information presented.
- Staff will be responsible for tracking and reporting on these follow-up items.

### **Simplified Public Notices**

- The process for notifying the public about changes to fares, fees, and fines is being streamlined.
- The revisions will ensure adherence to state law and the City Charter, but will also reduce costs and administrative burdens for the SFMTA.

### **Committee Restructuring & Parental Leave Policy**

- A new policy will be implemented to govern standing and select committees of the Board.
- Existing committees will be discontinued, except for the Vision Zero Committee and the Train Control Upgrade Project (TCUP) Committee. These two committees will continue their work.
- Additionally, a new Parental Leave Policy will be established consistent with the City and County of San Francisco's Administrative Code.

The **Delegation Policy** has existed since 2010, with all the various individual delegations consolidated in 2019.

The purpose of the policy is to reduce administrative paperwork and streamline processing of various agreements and low-dollar contracts and commodity purchases.

A completely new policy has been developed.

## Proposed Changes:

### **Enhanced Organization**

- The policy now groups delegated authorities into clear categories: Expenditure Contracts, Revenue Contracts, Real Property Contracts (new), Grant Agreements and Gifts Miscellaneous Agreements.

### **Increased Transparency**

- The policy includes relevant City Charter language for each category and definitions of key terms within the document.

### **Streamlined Approvals**

- To improve efficiency and adjust for inflation the policy raises raising spending thresholds for various contracts; the most significant increase is for non-construction expenditure contracts authority would increase from \$1 million to \$2 million.
- Some term extensions for shorter contracts (1-2 years) could be extended by up to 25% (previously 10%).

### **Consolidation & Efficiency**

- The revised policy addresses previously omitted or new items such as: Real Property Contracts subject to specific limitations outlined in the City Charter (Section 9.118) and Litigated Claims aligning SFMTA policy with the rest of the City by allowing the Director (with City Attorney approval) to settle litigated claims up to \$25,000.

### **Continued Oversight**

- The City Attorney's Office will report monthly on litigated claims settled under this provision.
- Quarterly reports from the Director will detail all contracts and amendments approved in the previous 90 days, including contractor names, contract details, and work descriptions.

# Major Delegation Adjustments

Type	Detail	Original - 2019	Proposed - 2024
Award of Expenditure Contracts	Original Expenditure Contract or a Task Order for the procurement of <b>General Services and Commodities</b>	max \$10 million	max \$10 million
Award of Expenditure Contracts	Original Expenditure Contract or a Task Order for the procurement of <b>goods or services</b> not involving General Services, Commodities, or Construction	max \$1 million	max \$2 million
Award of Expenditure Contracts	<b>Job Order Contracts</b>	max \$5 million	max \$5 million
Amendments to Expenditure Contracts	All <b>Non-Construction Contracts</b> with Amounts over \$10,000,000 - <b>amount increase</b>	max \$500,000	max \$1 million
Amendments to Expenditure Contracts	All <b>Non-Construction Contracts</b> with Amounts over \$10,000,000 - <b>time increase</b>	max 25%	max 25%
Amendments to Expenditure Contracts	Contracts for <b>General Services and Commodities</b> with Amounts up to \$10,000,000 - <b>amount increase</b>	max 10%	max 10%
Amendments to Expenditure Contracts	Contracts for <b>General Services and Commodities</b> with Amounts up to \$10,000,000 - <b>time increase</b>	max 10%	max 25%
Amendments to Expenditure Contracts	Other <b>Non-Construction Contracts</b> with Amounts up to \$2,000,000 - <b>amount increase</b>	max 50%	max 50%
Amendments to Expenditure Contracts	Other <b>Non-Construction Contracts</b> with Amounts up to \$2,000,000 - <b>time increase</b>	max 25%	max 25%
Amendments to Expenditure Contracts	Other <b>Non-Construction Contracts</b> with Amounts up to \$2 - \$10 million - <b>amount increase</b>	max 25%	max 25%
Amendments to Expenditure Contracts	Other <b>Non-Construction Contracts</b> with Amounts up to \$2 - \$10 million - <b>amount increase</b>	max 25%	max 25%
Construction Contracts	Construction Cotntracts Amounts under \$10 million - <b>amount increase</b>	max 25%	max 25%
Construction Contracts	Construction Amounts under \$10 million - <b>time increase</b>	max 25%	max 25%
Construction Contracts	Construction Amounts over \$10 million - <b>amount increase</b>	max 10%	max 10%
Construction Contracts	Construction Amounts over \$10 million - <b>time increase</b>	max 25%	max 25%
Indemnity Agreements	<b>Mutual indemnity</b> with another public agency	max \$2 million	max \$3 million
Indemnity Agreements	<b>Indemnity Risk Level</b>	max \$2 million	max \$3 million

The **Advertising Policy** has existed since 2004, being amended over time. The purpose of the policy Over time the Advertising Policy has been amended to clarify certain aspects and provide additional requirements and to prohibit advertisements that harmful or disruptive to the SFMTA's transit system or are adverse to the interests of the SFMTA.

## Proposed Changes:

### **Enhanced Clarity:**

- The revised policy aims to remove or clarify previously vague restrictions on advertising content. This will provide both advertisers and the SFMTA with a more consistent and understandable set of guidelines.

### **Compliance with First Amendment:**

- The revisions are tailored to comply with recent court rulings related to free speech. This likely involves removing restrictions on viewpoints expressed in advertisements.