

THIS PRINT COVERS CALENDAR ITEM NO.: 13.1

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Chief Strategy Officer

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute the Sixth Amendment to SFMTA Contract No. 2019-59 with WSP USA Inc. (WSP), Development and Delivery of the Zero Emission Facility and Fleet Transition Plan, for the purpose of extending the term of the Agreement for an additional six months until August 26, 2025, and delegating to the Director the authority to approve additional extensions totaling no more than one additional year to August 26, 2026, as necessary to complete the Zero Emission Vehicle Rollout Plan and related activities.

SUMMARY:

- Through the contract, WSP is providing a roadmap for the SFMTA's transition to zero emission facilities and transit fleet vehicles, including a Zero Emission Vehicle Rollout Plan.
- Delays caused by the COVID-19 pandemic and required revisions to the SFMTA's Facilities Framework have delayed the contractor's completion of an update to the Zero Emission Vehicle Rollout Plan.
- The contract will expire on February 26, 2025, if not amended to extend the term.
- The SFMTA Board must approve any further extensions of the contract term because the Director has already extended the term by the 25% authorized by the Board's Delegation of Authority Policy.
- Staff recommends approving a contract extension from the Board for an additional six months until August 26, 2025 to complete a required update to SFMTA's Zero Emission Vehicle Rollout Plan and related activities.
- In case other agencies issue policy changes or the SFMTA's significant financial challenges require further revisions to the Rollout Plan, staff also requests that the Director be authorized to approve additional extensions through August 26, 2026, if necessary to complete the Rollout Plan and related activities.

ENCLOSURES:

1. SFMTAB Resolution
2. SFMTA Contract No. 2019-59 Sixth Amendment, Zero Emission Facility and Fleet Transition Plan

APPROVALS:

DIRECTOR



SECRETARY



DATE

February 13, 2025

February 13, 2025

ASSIGNED SFMTAB CALENDAR DATE: February 18, 2025

PURPOSE

The purpose of this calendar item is to authorize the Director of Transportation to execute the Sixth Amendment to SFMTA Contract No. 2019-59 with WSP USA Inc. (WSP), Development and Delivery of the Zero Emission Facility and Fleet Transition Plan, for the purpose of extending the term of the Agreement for an additional six months until August 26, 2025, and to delegate to the Director the authority to approve additional extensions totaling no more than one additional year to August 26, 2026, as necessary to complete the Zero Emission Vehicle Rollout Plan and related activities.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This item aligns with the following SFMTA Strategic Plan Goals:

Goal 6: Eliminate pollution and greenhouse gas emissions by increasing use of transit, walking, and bicycling.

Goal 9: Fix things before they break, and modernize systems and infrastructure.

Goal 10: Position the agency for financial success.

This item supports 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.

2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.

10. The City and County shall encourage innovative solutions to meet public transportation needs wherever possible and where the provision of such service will not adversely affect the service provided by the Municipal Railway.

DESCRIPTION

On February 18, 2020, the Board authorized the Director to execute Contract No. SFMTA-2019-59 with WSP for a not-to-exceed amount of \$2,200,000 and a term of two years with two one-year options to extend at the discretion of the Director. The parties signed the contract on February 26, 2020. Since then, the Director has exercised both one-year options and an additional one-year extension to February 26, 2025 through the Director's delegated authority. In addition, the Director has increased the contract value to \$2,750,000 through the Director's delegated authority.

The contract requires WSP to prepare several deliverables to assist the SFMTA in meeting California Air Resources Board requirements for the SFMTA to transition to a zero-emission fleet by 2040. One deliverable is a Zero Emission Vehicle Rollout Plan, which SFMTA was required to submit to the state in 2021. WSP prepared the deliverable for the SFMTA to make this deadline. Updates to the Rollout Plan occurred in mid-2022.

WSP is required to prepare further updates to the Rollout Plan under this contract because:

- The current Rollout Plan does not include the SFMTA's plan for its paratransit vehicles, which the California Air Resources Board clarified was a requirement after submission of its prior updates.
- The current Rollout Plan relies on the 2017 Facilities Framework. At that time, the Framework was focused on the SFMTA's plan to modernize and expand its facilities.
- In 2019, the SFMTA faced a long-term operational deficit that was structural due to revenues not keeping up with inflation and costs, and a huge deficit in capital planning. The COVID-19 pandemic exacerbated these trends and the SFMTA has a better understanding of the pandemic's effects than in mid-2022.
- The SFMTA completed a 2024 Facilities Framework in November 2024. The Framework adds an additional goal related to electrifying facilities and accounts for the changing financial and ridership trends since COVID-19. It also includes updates to the bus procurement plan, options for a paratransit facility, and facilities construction schedule.
- The costs to transition to zero-emission facilities and fleet have increased.

Given that the SFMTA and another consultant under a separate contract did not complete the Facilities Framework until November 2024, the SFMTA is seeking a contract extension from February 26, 2025 to August 26, 2025 to ensure the contents in the updated Rollout Plan satisfy state regulatory requirements and are accurate (regarding, e.g., paratransit procurement numbers, facilities plan, and cost estimation).

Although staff is confident that the Rollout Plan as currently envisioned will be completed by August 26, 2025, it is also requesting that the Board delegate to the Director the authority to extend the contract one additional year, if needed, to complete the work. The Rollout Plan will be being completed during a period when significant policy changes are expected at the Federal Transit Administration. In addition, the SFMTA is facing significant fiscal challenges, which could also be affected by these and other policy changes. These policy changes and funding impacts could affect the Rollout Plan. Delegating this additional authority in advance would give the SFMTA the agility to respond quickly to those changes, if necessary.

STAKEHOLDER ENGAGEMENT

The SFMTA has also been in conversations with internal and external stakeholders regarding the zero-emission transition for several years, including Board hearings on this topic. Examples include the Board's adoption of the Zero Emission Vehicle Policy (in 2018, amended in 2023), Rollout Plan (in 2021), and discussions on individual projects (e.g., Potrero).

ALTERNATIVES CONSIDERED

Staff considered the alternative of allowing the contract to expire without completing the update to the Rollout Plan. But without the contract extension, the SFMTA is at risk of providing an inaccurate Plan to the California Air Resources Board and creating further delays to

implementation of the Rollout Plan.

Staff also considered the alternative of conducting a procurement for a follow-on contractor to complete the Rollout Plan and related activities. The procurement would take several months and require staff time and costs to procure and lose the continuity that would be provided by WSP and its sub-consultants, who are very qualified and experienced, completing the update to the Rollout Plan and related activities. This makes it in the best financial interest in the SFMTA to extend the contract.

FUNDING IMPACT

Staff is not seeking any changes to the contract amount. The SFMTA has existing purchase orders in place for WSP to complete the remaining work.

ENVIRONMENTAL REVIEW

On November 8, 2019, the SFMTA, under authority delegated by the Planning Department, determined that SFMTA Contract No. 2019-79, Zero Emission Facility and Fleet Transition Plan is not a “project” under CEQA pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b). On January 24, 2025, the SFMTA under authority delegated by the Planning Department, determined that the Sixth Amendment is also not a “project” under CEQA pursuant to the same provisions.

Copies of the CEQA determinations are on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The SFMTA Contract Compliance Office has approved this extension.

The City’s Civil Service Commission approved Contract number PSC # 4667 v. 1.01 for this contract on November 4, 2024.

The City Attorney has reviewed this calendar item.

RECOMMENDATION

Staff recommends that the SFMTA Board approve the request to authorize the Director of Transportation to execute the Sixth Amendment to SFMTA Contract No. 2019-59 with WSP USA Inc. (WSP), Development and Delivery of the Zero Emission Facility and Fleet Transition Plan, for the purpose of extending the term of the Agreement for an additional six months until August 26, 2025, and to delegate to the Director the authority to approve additional extensions totaling no more than one additional year to August 26, 2026, as necessary to complete the Zero Emission Vehicle Rollout Plan and related activities.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The California Air Resources Board's (CARB) adopted the Innovative Clean Transit (ICT) regulation in December of 2018, and it became effective October 1, 2019; and,

WHEREAS, The ICT regulation requires all public transit agencies in California to prepare a Zero Emission Buses Rollout Plan and is currently requiring all agencies to fully transition to zero emission fleets by 2040; and,

WHEREAS, In July 2019, the SFMTA issued a Request for Proposals for a Zero Emission Facility and Fleet Transition Plan; and,

WHEREAS, On February 18, 2020, the SFMTA Board of Directors authorized the Director of Transportation to execute Contract No. SFMTA-2019-59 with WSP USA Inc. (WSP) for a not-to-exceed amount of \$2,200,000 and a term of two years with two one-year options to extend at the discretion of the Director. The Contract provides for an in-depth facility and fleet assessment to support the SFMTA's facility and operational transition to a zero-emission BEB fleet. Since February 2020, the contract has been amended five times including increasing the amount to \$2,750,000 and extending the terms to February 26, 2025, under the authority delegated to the Director of Transportation; and,

WHEREAS, WSP completed the initial version of the Zero Emission Vehicle Rollout Plan in time for the deadline for submission to CARB in 2021, and completed updates to the Rollout Plan in mid-2022; and,

WHEREAS, On November 7, 2023, the SFMTA Board of Directors directed staff to amend SFMTA's Zero Emission Vehicle Policy to allow for the acquisition of zero emission vehicles including but not limited to battery electric buses and trolleybuses, and to extend the timeline for achieving a 100% zero emission fleet to align with CARB ICT regulation timeline, which is currently 2040; and,

WHEREAS, In 2024, the SFMTA updated the Facilities Framework, including to account for to rebuild and expand the SFMTA's facilities and to incorporate technologies to electrify the Agency's fleet in alignment with the SFMTA's Zero Emission Vehicle Policy; and,

WHEREAS, The updated Zero Emission Vehicle Policy and Facilities Framework made it necessary to prepare further revisions to the Rollout Plan which cannot be fully completed before the current contract expiration date of February 26, 2025, but which the SFMTA expects to be completed by August 26, 2025; and

WHEREAS, the SFMTA anticipates that other agencies may issue policy changes, including but not limited to the Federal Transit Administration, the SFMTA is facing significant financial challenges, and the SFMTA may require further revisions to the Rollout Plan that could require additional time to complete the Plan and related activities; and,

WHEREAS, On January 24, 2025, the SFMTA under authority delegated by the Planning Department, determined that the Sixth Amendment is also not a “project” under the California Environmental Quality Act (CEQA) pursuant to 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 the Sixth Amendment to SFMTA Contract No. 2019-59 with WSP USA Inc. (WSP), Development and Delivery of the Zero Emission Facility and Fleet Transition Plan, for the purpose of extending the term of the Agreement for an additional six months until August 26, 2025; and be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors delegates to the Director the authority to approve additional extensions totaling no more than one additional year to August 26, 2026, as necessary to complete the Zero Emission Vehicle Rollout Plan and related activities.

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

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

**City and County of San Francisco
Municipal Transportation Agency
One South Van Ness Ave., 7th Floor
San Francisco, California 94103**

Sixth Amendment

Contract No. SFMTA-2019-59

THIS SIXTH AMENDMENT (Amendment) is made as of _____, in San Francisco, California, by and between **WSP USA Inc.** (Contractor), and the City and County of San Francisco, a municipal corporation (City), acting by and through its Municipal Transportation Agency (SFMTA).

Recitals

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the Agreement by six months, until August 26, 2025.
- C. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals (RFP) issued on July 16, 2019, and this Amendment is consistent with the terms of the RFP and the awarded Agreement.
- D. This is a contract for Services, there is a 24.90 percent Local Business Enterprise (LBE) subcontracting participation commitment, and this Amendment is consistent with that requirement.
- E. Approval for this Amendment was obtained when the City's Civil Service Commission approved Modification No. 3 to Contract No. 49842-18/19, on November 4, 2024.

NOW, THEREFORE, Contractor and the City agree as follows:

Article 1 Definitions

The following definitions shall apply to this Amendment:

1.1 **Agreement.** The term "Agreement" shall mean the Agreement dated February 26, 2020, between Contractor and City, as amended by the:

- First Amendment, dated February 22, 2022,
- Second Amendment, dated February 25, 2023,
- Third Amendment, dated February 8, 2024,
- Fourth Amendment dated May 17, 2024, and
- Fifth Amendment dated November 19, 2024.

1.2 **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

Article 2 Modifications to the Agreement

The Agreement is modified as follows:

2.1 **Article 2: Term of the Agreement.** Article 2 of the Agreement currently reads as follows:

2.1 The term of this Agreement shall commence on the Effective Date and expire five years from the Effective Date, unless earlier terminated as otherwise provided herein. After February 26, 2024, no additional services will be ordered under Article 4.4, Task Requirements for as-needed task order services under Task 8, As-Needed Consulting Services, except through modifications of existing task orders that add services within the scope of those task orders.

Article 2 is amended to read as follows:

2.1 The term of this Agreement shall commence on the Effective Date and expire five years and six months from the Effective Date, unless earlier terminated as otherwise provided herein. After February 26, 2024, no additional services will be ordered under Article 4.4, Task Requirements for as-needed task order services under Task 8, As-Needed Consulting Services, except through modifications of existing task orders that add services within the scope of those task orders.

Article 3 Effective Date

The modifications set forth in Article 2 shall be effective on and after the date of this Amendment.

Article 4 Legal Effect

Except as expressly modified by this Amendment, all the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY	CONTRACTOR
San Francisco Municipal Transportation Agency	WSP USA Inc.
_____ Julie B. Kirschbaum Acting Director of Transportation	_____ Shalonda A. Baldwin Senior Vice President, Northern California Transportation Business Leader
Authorized By: Municipal Transportation Agency Board of Directors	City Supplier Number: 0000008028
Resolution No: _____	
Adopted: _____	
Attest: _____ Secretary to the Board	
Approved as to Form: David Chiu City Attorney	
By: _____ David F. Innis Deputy City Attorney	

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