



## Memorandum

### AGENDA ITEM 7

**DATE:** October 20, 2022

**TO:** Transportation Authority Board

**FROM:** Cynthia Fong – Deputy Director for Finance and Administration

**SUBJECT:** 11/8/2022 Board Meeting: Execute Contract Renewals and Options for Various Professional Services in an Amount Not to Exceed \$1,025,000

<p><b>RECOMMENDATION</b>      <input type="checkbox"/> Information      <input checked="" type="checkbox"/> Action</p> <p>Execute contract renewals and options for various professional services in an amount not to exceed \$1,025,000:</p> <ul style="list-style-type: none"> <li>• SPTJ Consulting (\$400,000 for 1-year term)</li> <li>• Meyers Nave; Nossaman LLP; and Fennemore LLP (\$325,000 for 1-year term)</li> <li>• Office of the City Attorney (\$300,000 for a three-year term)</li> </ul> <p>Authorize the Executive Director to modify contract payment terms and non-material contract terms and conditions.</p> <p><b>SUMMARY</b></p> <p>We annually contract for certain professional support services in areas where factors like cost, work volume, or the degree of specialization required would not justify the use of permanent in-house staff. The purpose of this memo is to present contract renewals and options for Fiscal Year (FY) 2022/23 and to seek approval. Attachment 1 provides summary information for the proposed contract options with brief descriptions of the recommended services and amounts in the memo below.</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Fund Allocation</li> <li><input type="checkbox"/> Fund Programming</li> <li><input type="checkbox"/> Policy/Legislation</li> <li><input type="checkbox"/> Plan/Study</li> <li><input type="checkbox"/> Capital Project Oversight/Delivery</li> <li><input type="checkbox"/> Budget/Finance</li> <li><input checked="" type="checkbox"/> Contract/Agreement</li> <li><input type="checkbox"/> Other: _____</li> </ul>
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### BACKGROUND

We annually contract for certain professional support services in areas where factors like cost, work volume, or the degree of specialization required would not justify the use of permanent in-house staff. Services requested from outside firms include computer network services and general legal counsel services. The contract amounts proposed are not-to-exceed amount limitations, as these professional support services are provided through contracts where costs are incurred only when the specific services are used.



**DISCUSSION**

Attachment 1 provides summary information for the proposed contract options. Below are brief descriptions of the recommended services and amounts.

<b>SPTJ Consulting</b>	<b>\$400,000</b>
<p>SPTJ Consulting provides information technology support services of our computer hardware and software, office networking equipment, telecommunications systems, servers, and disaster recovery preparation. In November 2018, through Resolution 19-26, we awarded a two-year consultant contract, with options to extend for three additional one-year periods to SPTJ Consulting, Inc. in an amount not to exceed \$480,000 for computer network and maintenance services. In September 2020, through Resolution 21-12, we approved the first contract option in an amount not to exceed \$325,000, for a total contract amount not to exceed \$805,000. In October 2021, through Resolution 22-15, we approved the second contract option in an amount not to exceed \$300,000, for a total contract amount not to exceed \$1,105,000. During FY 2022/23, we anticipate an elevated level of technology support in preparation for a potential upgrade to our enterprise resource planning system. The proposed action will exercise the third of three renewal options of the initial contract.</p>	
<b>Meyers Nave; Nossaman LLP; and Fennemore LLP</b>	<b>\$325,000</b>
<p>We maintain a bench of three legal firms experienced in matters related to the operation of public entities to provide on-call general legal counsel services. In July 2019, through Resolution 20-07 and based on the results of a competitive process, we awarded three-year professional services contracts to Meyers Nave (formerly Meyers Nave Riback Silver &amp; Wilson); Nossaman LLP; and Fennemore LLP (formerly Wendel Rosen LLP), with an option to extend for two additional one-year periods, in a combined amount not to exceed \$1,000,000, for on-call general legal counsel services. In November 2021, through Resolution 21-12, we approved the first of two additional one-year options, in a combined amount not to exceed \$1,325,000, for on-call legal counsel services. The proposed action will exercise the second of two renewal options of the initial contracts. Attachment 2 provides brief descriptions of the work assigned to the legal teams.</p> <p>Effective July 1, 2022, Wendel Rosen combined with the law firm of Fennemore LLP, and will be known as Fennemore Wendel. Contractual duties and obligations shall be assigned from Wendel Rosen LLP to Fennemore LLP. This change will not have any financial impacts.</p>	
<b>Office of the City Attorney</b>	<b>\$300,000</b>
<p>The Office of the City Attorney (City Attorney) provides verbal and written legal representation advice and counsel on matters related to the routing operations of the Transportation Authority contracts and interagency agreements labor matters, labor matters, Brown Act, and California Public Records Act. We also utilize the City Attorney for litigation activities when appropriate. At the request of the City Attorney, the contract term will increase from a one-year period to a three-year period, maintaining a \$100,000 annual rate.</p>	



## **FINANCIAL IMPACT**

The adopted Fiscal Year 2022/23 budget includes this year's activities and sufficient funds will be included in future budgets to cover the remaining cost of the contracts. The proposed contracts will be funded by a combination of federal and state grants, and Prop K funds.

## **CAC POSITION**

The Community Advisory Committee considered this item at its October 26, 2022 meeting and unanimously adopted a position of support for the staff recommendation.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 – Proposed Professional Services Expenditures
- Attachment 2 – Task Order Assignments
- Attachment 3 - Resolution

**Attachment 1:  
Proposed Professional Services Expenditures**

<b>Professional Services</b>	<b>Description of Services</b>	<b>Previous Year Contract</b>	<b>Increase/ (Decrease)</b>	<b>Proposed Amount (term)</b>	<b>Procurement Type/Contract Options</b>	<b>Contract Goal</b>	<b>Utilization to Date</b>
SPTJ Consulting, Inc.	Computer Network and Maintenance Services	\$300,000	\$100,000	\$ 400,000 (1-year)	Competitively bid. Third of three renewal options.	15% DBE, LBE or SBE	96% DBE/LBE
Meyers Nave; Nossaman LLP; and Fennemore LLP	On-call Legal Counsel Services	\$325,000	0	\$ 325,000 (1-year)	Competitively bid. Second of two renewal options.	0%	0%
Office of the City Attorney	General Counsel Services	\$100,000	\$200,000	\$300,000 <sup>1</sup> (3-year total)	Sole Source	N/A	N/A
	<b>Total</b>	<b>\$725,000</b>	<b>\$300,000</b>	<b>\$1,025,000</b>			

<sup>1</sup> At the request of the City Attorney, the contract term will increase from a one-year period to a three-year period, maintaining a \$100,000 annual rate, for a total amount not-to-exceed \$300,000.

## Attachment 2

### General Legal Counsel Services Assigned Task Orders (2019 to 2022)

Legal Firm	Task Order Description	Amount
Nossaman LLP	General Legal Services <sup>1</sup>	\$300,000
	Federal Legislative Services	\$84,000
	California Public Records Act	\$81,841
	Downtown Extension	\$50,000
	Sales Tax Reauthorization	\$43,200
	Streets and Freeways Corridor Study	\$9,386
	Yerba Buena Island Southgate Road Realignment	\$4,680
<b>Total Task Orders Awarded to Nossaman LLP</b>		<b>\$573,107</b>
Fennemore LLP	Yerba Buena Island Southgate Road Realignment	\$100,000
	Yerba Buena Island West-side Bridges	\$25,000
	General Legal Services <sup>1</sup>	\$25,000
	Treasure Island Transportation Plan	\$25,000
<b>Total Task Orders Awarded to Fennemore LLP</b>		<b>\$175,000</b>
Meyers Nave	General Legal Services <sup>1</sup>	\$100,000
	California Environmental Quality Act Analysis for Treasure Island	\$60,000
<b>Total Task Orders Awarded to Meyers Nave</b>		<b>\$160,000</b>
<b>Total Task Orders Awarded to Date</b>		<b>\$908,107</b>
<b>Total Contract Amount</b>		<b>\$1,325,000</b>

<sup>1</sup> General legal services encompass activities such as attending Board and Committee meetings, assistance on contracts, advising on records requests and personnel matters, as well as providing legal services for Transportation Authority initiatives not covered by separate task orders.



RESOLUTION EXECUTING CONTRACT RENEWALS AND OPTIONS FOR VARIOUS PROFESSIONAL SERVICES IN AN AMOUNT NOT TO EXCEED \$1,025,000 AND AUTHORIZING THE EXECUTIVE DIRECTOR TO MODIFY CONTRACT PAYMENT TERMS AND NON-MATERIAL CONTRACT TERMS AND CONDITIONS

WHEREAS, The Transportation Authority annually contracts for certain professional support services in areas where factors like cost, work volume, or the degree of specialization required would not justify the use of permanent in-house staff; and

WHEREAS, The Transportation Authority seeks general legal counsel services and computer networking and maintenance services; and

WHEREAS, On November 27, 2018, through Resolution 19-26, the Transportation Authority awarded a two-year professional services contract, with options to extend for three additional one-year periods in an amount not to exceed \$480,000 for computer networking and maintenance services to SPTJ Consulting, Inc.; and

WHEREAS, On September 22, 2020, through Resolution 21-12, the Transportation Authority exercised the first of three renewal contract options in an amount not to exceed \$325,000 for a total contract amount not to exceed \$805,000; and

WHEREAS, On November 16, 2021, through Resolution 22-15, the Transportation Authority exercised the second of three renewal contract options in an amount not to exceed \$300,000 for a total contract amount not to exceed \$1,105,000; and

WHEREAS, During Fiscal Year (FY) 2022/23, the Transportation Authority



anticipates an elevated level of technology support in preparation for a potential upgrade to its enterprise resource planning system; and

WHEREAS, Transportation Authority staff is recommending that the agency exercise the third of three renewal options in an amount not to exceed \$400,000 for a total contract amount not to exceed \$1,505,000; and

WHEREAS, On July 23, 2019, through Resolution 20-07, the Transportation Authority awarded a three-year professional services contract, with an option to extend for two additional one-year periods in a combined amount not to exceed \$1,000,000 for on-call general legal counsel services to Meyers Nave (formerly Meyers Nave Riback Silver & Wilson); Nossaman LLP; and Fennemore Wendel (formerly Wendel Rosen LLP); and

WHEREAS, On November 16, 2021, through Resolution 22-15, the Transportation Authority approved the exercise of the first of two additional one-year options in an amount not to exceed \$325,000 for a total contract amount not to exceed \$1,325,000; and

WHEREAS, The Transportation Authority maintains a bench of three legal firms experienced in matters related to the operation of public entities to provide on-call general legal counsel services; and

WHEREAS, Transportation Authority staff is recommending that the agency exercise the second of two one-year options in an amount not to exceed \$325,000 for a total contract amount not to exceed \$1,650,000; and

WHEREAS, In order to support its ongoing operations, the Transportation Authority staff is requesting approval to execute a professional services contract with the Office of the City Attorney for general legal services; and



WHEREAS, At the request of the Office of the City Attorney, Transportation Authority staff is proposing to increase the contract term from a one-year period to a three-year period, maintaining a \$100,000 annual rate, for a total contract amount not to exceed \$300,000; and

WHEREAS, The contract amounts proposed are limitations, as the subject professional support services are provided through contracts where costs are incurred only when the specific services are used; and

WHEREAS, The adopted FY 2022/23 budget includes this year's activities and sufficient funds will be included in future budgets to cover the remaining cost of the contracts; and

WHEREAS, The proposed contracts will be funded by a combination of federal grants, state grants and Prop K funds; and

WHEREAS, At its October 26, 2022 meeting, the Community Advisory Committee considered the proposed action to execute contract renewals and options for various professional services as summarized in Attachment 1 and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby authorizes the Executive Director to execute contract renewals and options for the aforementioned professional services in an amount not to exceed \$1,025,000; and be it further

RESOLVED, That the Executive Director is hereby authorized to negotiate contract payment terms and non-material contract terms and conditions; and be it further





RESOLVED, That for the purposes of this resolution, “non-material” shall mean contract terms and conditions other than provisions related to the overall contract amount, terms of payment, and general scope of services; and be it further

RESOLVED, That notwithstanding the foregoing and any rule or policy of the Transportation Authority to the contrary, the Executive Director is expressly authorized to execute agreements and amendments to agreements that do not cause the total agreement value, as approved herein, to be exceeded and that do not expand the general scope of services.

Attachment:

- Attachment 1 - Proposed Professional Services Expenditures