

STAFF REPORT FOR CALENDAR ITEM NO.: 9
FOR THE MEETING OF: July 9, 2026

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Authorize the Executive Director to execute the first amendment to the agreement for Janitorial Services with ABM Industry Groups, LLC, increasing the maximum compensation under the Service Contract by \$515,000 through September 30, 2026, to maintain continuity of janitorial services while a new procurement process is completed.

EXPLANATION:

On July 1, 2023, the TJPA and LPC West Transit Management LLC (“LPC”) entered into a new Asset Management Agreement (the “New AMA”) for the operation and management of the Salesforce Transit Center. Pursuant to the New AMA, ABM Industry Groups, LLC, a Delaware limited liability company (“ABM”), provided janitorial services at the Transit Center under a contract with LPC for a 30-month term commencing January 1, 2024, with a three-year option to extend.

On December 23, 2024, the TJPA elected to exercise its right to terminate the New AMA with LPC, without cause. In connection with that transition, the TJPA, LPC, and ABM entered into an Assignment and Novation dated December 20, 2024, under which the TJPA receives janitorial services directly from ABM under the same terms and conditions as the underlying Short Form Contract Agreement for Janitorial Services dated December 1, 2023 (as assigned and novated, the “Service Contract”), including the initial 30-month term for a total compensation amount of \$4,657,567 and the option to extend the term for three years.

The term of the Service Contract is scheduled to expire on June 30, 2026. The TJPA is undertaking a new competitive procurement for janitorial services at the Salesforce Transit Center. To maintain continuity of services while completing the procurement, staff propose Amendment No. 1, which would extend the term of the Service Contract by three months, through September 30, 2026, and increase the maximum compensation under the Service Contract by \$515,000 from \$4,657,567 to a new total maximum compensation of \$5,172,567.

ABM has performed satisfactorily under the Service Contract, and staff recommend retaining ABM to maintain uninterrupted janitorial services during the procurement period.

RECOMMENDATION:

Authorize the Executive Director to execute the first amendment to the agreement for Janitorial services with ABM Industry Groups, LLC for up to \$515,000 through September 30, 2026.

ENCLOSURES:

1. Resolution
2. Amendment No. 1

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, The Transbay Joint Powers Authority (TJPA) requires the services of a Janitorial Management firm to provide janitorial and cleaning services to Salesforce Transit Center and Park in support of the Transbay Program; and

WHEREAS, On July 1, 2023, the TJPA and LPC West Transit Management LLC (“LPC”) entered into a new Asset Management Agreement (the “New AMA”) for the operation and management of the Salesforce Transit Center, under which ABM Industry Groups, LLC, a Delaware corporation (“ABM”), provided janitorial services at the Transit Center pursuant to a contract with LPC for a 30-month term commencing January 1, 2024, with a three-year option to extend; and

WHEREAS, On December 23, 2024, the TJPA elected to terminate the AMA with LPC, without cause; and

WHEREAS, The TJPA, LPC, and ABM entered into an Assignment and Novation dated December 20, 2024, under which the TJPA receives janitorial services directly from ABM under the same terms and conditions as the Short Form Contract Agreement for Janitorial Services dated December 1, 2023 (as assigned and novated, the “Service Contract”), including the initial 30-month term and the option to extend the term three years; and

WHEREAS, The term of the Service Contract is scheduled to expire June 30, 2026, and the TJPA is undertaking a new competitive procurement for janitorial services at the Salesforce Transit Center and Park; and

WHEREAS, To maintain continuity of janitorial services pending completion of that procurement, staff recommend amending the Service Contract to extend its term through September 30, 2026, and to increase the maximum compensation under the Service Contract by \$515,000, from \$4,657,567 to a new total maximum compensation of \$5,172,567; and

WHEREAS, ABM has performed satisfactorily under the Service Contract; now, therefore, be it

RESOLVED, that the Transbay Joint Powers Authority Board of Directors authorizes the Executive Director to execute Amendment No. 1 to the Service Contract with ABM Industry Groups, LLC, in the form presented, to increase the maximum compensation under the Service Contract by \$515,000 for a new total maximum compensation not to exceed \$5,172,567 and to extend the term of the Service Contract through September 30, 2026, to maintain continuity of janitorial services at the Salesforce Transit Center while a new procurement process is completed.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of July 9, 2026.

Secretary, Transbay Joint Powers Authority

Amendment No. 01
Short Form Contract Agreement for Janitorial Services between
the Transbay Joint Powers Authority and
ABM Industry Groups, LLC

THIS Amendment No. 01 to the Short Form Contract Agreement for Janitorial Services dated December 1, 2023 (the “Original Agreement”), and the Assignment and Novation, dated December 20, 2024 (the Original Agreement, assigned and novated as specified herein, the “Service Contract”), is entered into effective as of the 1st day of July, 2026 in San Francisco, California, by and between the Transbay Joint Powers Authority (“TJPA”), and ABM Industry Groups, LLC, a Delaware Limited Liability Company (“Contractor”).

Recitals

- A. The TJPA and LPC West Transit Management LLC entered into that certain Asset Management Agreement dated July 1, 2023 (the “AMA”). The AMA had an Initial Term that was scheduled to expire June 30, 2026, and the option to extend for a Renewal Term that, if exercised, would expire June 30, 2029. Contractor entered the Original Agreement with LPC West Transit Management LLC pursuant to the AMA for a 30-month term commencing on January 1, 2024, with a 3-Year Option to Extend.
- B. The TJPA elected to exercise its right to terminate the AMA with LPC West Transit Management LLC, without cause, effective on December 23, 2024.
- C. The TJPA, LPC West Transit Management LLC, and Contractor entered the Assignment and Novation, assigning the Service Contract to TJPA , including the conditions and initial 30-month term through July 1, 2026, and the 3-Year option to extend the term.
- D. The TJPA and Contractor wish to amend the Service Contract to increase the maximum compensation amount under the Contract by \$515,000 for a new total compensation amount of \$5,172,567 and extend the term of the Service Contract to September 30, 2026, to maintain continuity of services while a new procurement process is completed.
- E. The TJPA and Contractor intend that this Amendment No.1 to the Service Contract complies with the regulations of the United States Department of Transportation (“USDOT”).

Terms and Conditions

Now, therefore, the TJPA and Contractor agree to amend the following sections of the Service Contract in their entirety to read as follows (deletions shown in strikeout, additions shown in bold, underline, italics):

- I. Article XI Compensation of the Service Contract is hereby modified as follows:

ARTICLE XI COMPENSATION: Subject to Article XIII below, ~~LPC~~ **the TJPA** agrees to pay the Contractor ~~the amounts as outlined in the Proposal~~ **the total compensation amount not to exceed Five Million, One Hundred Seventy Two Thousand, Five Hundred Sixty Seven Dollars (\$5,172,567)** (taxes included, where applicable), ~~which amounts are also set forth on Exhibit A-1.~~ Subject to Article XIII below, payment shall be issued to the Contractor by ~~LPC~~ **the TJPA** within forty-five (45) calendar days of receipt of invoice. Contractor shall itemize applicable charges and taxes

on invoice. ~~Final Lien Waivers, as supplied by LPC, shall be required from the Contractor for all invoices exceeding \$5,000.00, or as may be required by law, prior to release of payment.~~

II. Article XII Term of Agreement of the Service Contract is hereby modified as follows:

ARTICLE XII TERM OF AGREEMENT: The initial term of this Agreement shall ~~be for Thirty (30) months, commencing~~ commence on January 1, 2024 and ~~with a 3-Year Option to Extend~~ end on September 30, 2026. Contractor acknowledges that time is of the essence for this Agreement. ~~LPC~~ The TJPA may terminate this Agreement immediately without prior notice if the grounds for such termination are the failure by the Contractor to perform the Services required under this Agreement or acts of intentional misconduct by the Contractor's employees or sub-contractors. This Agreement may also be amended (by adding or deleting properties) or terminated by ~~LPC~~ the TJPA, without cause, and at no additional cost, upon thirty (30) days prior written notice/electronic correspondence to Contractor. This contract as stated is non-exclusive, on-call, as needed.

The Service Contract is amended only to the extent expressly provided herein; all other provisions of the Service Contract shall remain in full force and effect.

The individuals executing this Amendment No. 1 to the Service Contract represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties hereto have executed this contract Amendment No. 1 as of the day first mentioned above.

**TRANSBAY JOINT POWERS
AUTHORITY**

Adam Van de Water
Executive Director

Transbay Joint Powers Authority
Board of Directors
Resolution No. _____
Adopted: _____
Attest:

Secretary, TJPA Board

Approved as to Form by:

TJPA Legal Counsel

**CONTRACTOR
ABM INDUSTRY GROUPS, LLC**

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