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UNFINISHED BUSINESS

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Bill No: SB 272  
Author: Becker (D), et al.  
Amended: 8/20/25 in Assembly  
Vote: 21

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SENATE TRANSPORTATION COMMITTEE: 14-0, 3/25/25  
AYES: Cortese, Strickland, Archuleta, Arreguín, Blakespear, Cervantes,  
Gonzalez, Grayson, Limón, Menjivar, Richardson, Seyarto, Umberg, Valladares  
NO VOTE RECORDED: Dahle

SENATE FLOOR: 39-0, 4/1/25 (Consent)  
AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear,  
Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez,  
Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar,  
Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-  
Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener  
NO VOTE RECORDED: Reyes

ASSEMBLY FLOOR: 75-1, 8/28/25 – See last page for vote

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**SUBJECT:** San Mateo County Transit District: job order contracting: pilot  
program

**SOURCE:** San Mateo County Transit District

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**DIGEST:** This bill authorizes the San Mateo County Transit District (SamTrans)  
to enter into job order contracts (JOCs).

*Assembly Amendments of 8/20/25 were technical and added coauthors.*

**ANALYSIS:**

Existing law requires, pursuant to the Local Agency Public Construction Act (LAPC Act), local officials to invite bids for construction projects and then award contracts to the lowest responsible bidder under the traditional design-bid-build

project delivery system. Authorizes certain state and local agencies to enter into JOCs, including counties, school districts, community college districts, the California State University, the Santa Clara Valley Transportation Authority (VTA), the Los Angeles Metropolitan Transportation Agency (LA Metro) and the California Department of Transportation (Caltrans), as specified.

This bill:

- 1) Authorizes SamTrans to use the procurement method outlined in this bill for JOCs.
- 2) Prohibits SamTrans from contracting for work that is protected by applicable collective bargaining agreements. Requires all JOCs to comply with all SamTrans collective bargaining agreements.
- 3) Requires JOCs of SamTrans to be competitively bid and awarded to bidders providing qualified responsive bids. Requires JOCs to be for construction that is repetitive, for repair or remodeling, to be done according to unit prices. Prohibits JOC annual contracts from being awarded for new construction.
- 4) Requires JOCs to be subject to the project labor agreement (PLA) between SamTrans and the San Mateo Building Trades Council or an amendment or extension of that agreement.
- 5) Specifies requirements for solicitations for JOCs to progress. Requires SamTrans to develop a system for evaluating JOC bids for award of JOCs. Specifies requirements for the award of a JOC to progress.
- 6) Provides that the maximum total dollar amount that may be awarded under a single JOC shall not exceed \$5 million dollars in the initial contract term of the JOC. No single job order may exceed \$1 million.
- 7) Provides that JOCs may be executed for a contract term of no more than 12 months and may be extended or renewed for two subsequent annual terms and a maximum of \$10 million over the subsequent two terms of the contract. Prohibits work from being split or separated into smaller job orders for the purpose of evading the cost limitation provisions of this bill. Authorizes SamTrans to adjust the amounts in this bill to the California Consumer Price Index (CPI).

- 8) Requires a JOC to set forth in the general conditions of the JOC the party or parties responsible for seeing that existing law governing prevailing wages on public works projects, Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code, is complied with.
- 9) Requires, for purposes of job order contracting, prevailing wages to apply to all work ordered under the JOC regardless of thresholds set forth in Section 1771.5 of the Labor Code.
- 10) Requires the job order contractor to pay the prevailing wage in effect at the time the job order is issued by SamTrans and all increases as published by the Department of Industrial Relations (DIR) for the term of the JOC, including all overtime, holiday, and shift provisions published by the DIR. Requires SamTrans to designate one individual to act as a monitor to inspect job sites for labor compliance violations at the request of the designated labor representative in its PLA.
- 11) Requires, in order to prevent fraud, waste, and abuse, SamTrans to prepare for each individual job order developed under a JOC an independent cost estimate as specified. If SamTrans finds the job order contractor's bid to perform work for a given job order to be unreasonable, not cost effective, or undesirable, SamTrans may elect not to issue the job order to the job order contractor, and may, instead, utilize any other available procurement procedures or choose not to move forward with the work.
- 12) Requires SamTrans to submit to the appropriate policy and fiscal committees of the Legislature, on or before January 1, 2030, a report on the use of job order contracting under this bill, as specified.
- 13) Provides a sunset date of January 1, 2032.

## Comments

- 1) *Purpose of this bill.* According to the author, "SB 272 provides the San Mateo County Transit District (SamTrans) with a proven, cost-effective procurement tool Job Order Contracting (JOC) to expedite small maintenance and repair projects while maintaining full compliance with public contracting laws. Other transit agencies, including LA Metro and VTA, already use JOC to streamline project delivery, reduce administrative burdens, and save taxpayer dollars. By authorizing a pilot program for SamTrans, this bill ensures that critical transit

infrastructure can be maintained efficiently, improving service reliability and rider experience.”

- 2) *Who is SamTrans?* SamTrans operates 76 bus routes throughout San Mateo County and into parts of San Francisco and Palo Alto. It began operating bus service in 1976 after consolidating 11 municipal transit services in the county into a coordinated network. In mid-1977, SamTrans inaugurated its mainline service from Palo Alto to San Francisco, previously operated by Greyhound.

Also in 1977, SamTrans initiated service for persons with mobility impairments through its Redi-Wheels program more than a decade before the passage of the Americans with Disabilities Act. The service, provided by Redi-Wheels on the bayside and RediCoast on the coastside, regularly provides more than 1,000 trips in a day. SamTrans also serves as the administrative body for Caltrain commuter rail and the San Mateo County Transportation Authority, who have contracted with SamTrans to serve as their managing agency, under the direction of their appointed boards.

- 3) *What is Job Order Contracting?* A JOC is a competitively bid, fixed price, indefinite quantity contract for the performance of minor construction, as well as the renovation, alteration, painting, and repair of existing public facilities. A JOC is generally a multi-year contract that includes a base year and multiple "option years," and is awarded before the awarding agency has identified specific work that it needs the contractor to perform. A typical JOC involves a variety of tasks such as roofing, electrical work, plumbing, and painting that are required for all of a public agency's buildings for a period of years.

A JOC is a fixed price agreement in that it is based upon specified charges contained in a Unit Price Book (UPB), which is prepared by the public agency or by independent commercial sources. The UPB sets forth detailed repair and construction tasks, including task descriptions, specifications, units of measurement, and unit prices for each task. Unit price refers to the amount paid for a single unit of an item of work. A contractor's bid is expressed in terms of a percentage of the specified UPB charges. The UPB is then used to determine the costs of each proposed project during the term of the contract. As an example, if a procuring agency's per unit catalog price for an HVAC installation is \$1,000, and a contractor submits a bid to do that work with an adjustment factor of 1.13, the contractor is agreeing to install the HVAC for \$1,130.

The total JOC value may be specified as a range with a certain guaranteed minimum. The award of annual contracts on a unit price basis enables what would otherwise be multiple separately-bid projects to be combined into one bid. This contracting method is intended to reduce costs and accelerate completion of smaller projects. It is not generally viewed as an appropriate method of contracting for large, complex construction projects that require extensive or innovative design or are likely to encounter changes and revisions during construction. JOCs are typically used for well-defined, recurring or repetitive work where quick execution is essential, not for single larger projects.

- 4) *Job order contracting in California.* The Legislature has authorized multiple agencies to use job order contracting, some state and some local, including counties, school districts, community college districts, and the California State University system. California counties have enjoyed the authority to use job order contracting since 1983. Counties may award annual JOCs of up to \$3 million, adjusted annually to reflect the California CPI, to the lowest responsible bidder or using best value (for specified counties).

Additionally, as part of the 2021-2022 state budget, the Legislature authorized Caltrans to use JOC, but the authority was limited to the new Clean California Beautification Program. In 2023, as part of the Governor's Infrastructure package Caltrans' authority was expanded. SB 146 (Gonzalez, Chapter 58, Statutes of 2023), authorized Caltrans to use JOCs, through 2033, for general highway and traffic maintenance. Finally, the Legislature approved JOC authority for some regional transportation agencies including VTA in Santa Clara County, and most recently for LA Metro.

- 5) *SamTrans wants to join the party.* SB 272 authorizes SamTrans to develop a process for and use JOCs. Specifically, this bill authorizes SamTrans to enter into JOCs on a competitive basis for construction that is repetitive, for repair, or for renovation or modification. The maximum total dollar amount that may be awarded under a single JOC shall not exceed \$5 million dollars in the initial contract term, and no single job order may exceed \$1 million. JOCs may be executed for a contract term of no more than 12 months and may be extended or renewed for two subsequent annual terms and a maximum of \$10 million over the subsequent two terms of the contract. This bill also prohibits SamTrans from contracting for work that is protected by applicable collective bargaining agreements and requires all JOCs to comply with all SamTrans collective bargaining agreements. Finally, this bill requires SamTrans to submit to the appropriate policy and fiscal committees of the Legislature, on or before

January 1, 2030, a report on its use of job order contracting, as specified; and provides a sunset date of January 1, 2032.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: No Local: No

**SUPPORT:** (Verified 8/28/25)

San Mateo County Transit District (Source)  
American Society of Civil Engineers-Region 9  
Sourcewell

**OPPOSITION:** (Verified 8/28/25)

None received

**ARGUMENTS IN SUPPORT:** According to SamTrans, “The District intends to use JOC for jobs like painting, bus shelter repairs, concrete/asphalt repairs, fencing repair and installation, lighting repairs, and elevator repair and rehabilitation. Implementation of JOC would also provide benefits to our local workers, including consistent work, predictable income, and reliable jobs for construction and building trades, including small and emerging contractors.

“As transit agencies across the state look for ways to reduce costs, enhance operations, and support the local economy, the District believes the use of JOC would advance these goals.”

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8/28/25 16:49:58

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