

City and County of San Francisco
Daniel Lurie, Mayor



Office of the City Administrator
Carmen Chu, City Administrator
Sailaja Kurella, Director
Office of Contract Administration/Purchasing

Date: June 18, 2026
To: Angela Calvillo, Clerk of the Board
From: Sailaja Kurella, Director of Office of Contract Administration (OCA) and Purchaser
Subject: Resolution to approve First Amendment to Peoplesoft Contract ID 1000031880 (Term Contract 75001 – Plumbing Supplies)

Enclosed please find the proposed resolution authorizing the Office of Contract Administration (“OCA”) to amend Contract ID 1000031880 (Term Contract 75001) with Sigillo Supply Inc for plumbing supplies, extending the term by two years, for a term of December 1, 2024 to November 30, 2031, and increasing the contract amount by \$12,310,000 for a total not to exceed (“NTE”) amount of \$15,510,000.

Background

Contract ID 1000031880 was executed on December 1, 2024. From the contract start date through March 5, 2026, City departments have encumbered approximately \$2.5 million dollars for the purchase of plumbing supplies. The primary contract users are the San Francisco Public Utilities Commission (“PUC”), Department of Public Works (“DPW”), and Airport (“AIR”). Table 1 below provides a summary of total purchase order (“PO”) encumbrances by City departments.

Table 1: Total PO Encumbrances for Contract ID 1000031880 by City Departments from December 1, 2024 to March 5, 2026 for Plumbing Supplies

Department	December 1, 2024 to December 31, 2024	January 1, 2025 to December 31, 2025	January 1, 2026 to March 5, 2026	Grand Total
PUC	\$164,964	\$616,608	\$81,147	\$862,720
DPW	\$54,517	\$479,620	\$75,348	\$609,485
AIR	\$180,052	\$320,000		\$500,052
PRT		\$148,862	\$21,930	\$170,792
ADM	\$4,102	\$143,214	\$20,232	\$167,548
DPH	\$11,222	\$131,858	\$7,668	\$150,747
LIB		\$20,000		\$20,000
Grand Total	\$414,857	\$1,860,162	\$206,324	\$2,481,344

Invitation for Bids (Sourcing Event 000009352)

This contract was awarded pursuant to a solicitation (Sourcing Event 000009352) conducted on July 24, 2024 by OCA. The solicitation resulted in the award of five (5) contracts, with each supplier receiving specific line items and/or aggregates. Sigillo Supply Inc was deemed one of two lowest responsive Bidders for certain line items in Aggregate 1 and was awarded a contract based on specified percentage discounts off manufacturer’s list price. On December 1, 2024, OCA entered into a contract with Sigillo Supply Inc, setting an initial term from December 1, 2024 to November 30, 2029, and a NTE amount of \$3,200,000.

This amendment is authorized under this solicitation, which allows for the option to extend the term for two (2) additional years and the contract NTE to be increased in the event the City’s expenditures are greater than the initial anticipated NTE amount.

Contract NTE Calculations

As outlined in Table 2 below, the contract NTE amount is based on the City’s projected additional funds needed through the applicable contract end date. The amount is calculated based on the average monthly PO encumbrances from the contract start date of December 1, 2024 through March 5, 2026, multiplied by the approximately 69 months remaining to the end of the contract. A 15% contingency is included to account for potential price increases and increased usage, as permitted under the contract.

Table 2: Contract NTE Calculation for Contract ID 1000031880 with Sigillo Supply Inc

Description	Value
Current Executed Contract NTE	\$3,200,000
Avg Monthly PO Encumbrances Since Contract Start Date	\$164,450
Additional Funds Needed through Contract End Date (Before Adjustments)	\$11,330,929
Less Remaining Contract Balance (Current Executed Contract NTE - Total PO Encumbrances as of Report Run Date)	(\$718,656)
Plus 15% Contingency	\$1,699,639
Additional Funds Needed through Contract End Date (After Adjustments)	\$12,311,912
Proposed Revised Executed Contract NTE (Rounded to nearest ten thousand)	\$15,510,000

Recommendation

Plumbing supplies are critical to maintaining city infrastructure, disaster preparedness and water management. The City manages a vast network of public buildings, including hospitals and government offices. Plumbing supplies are essential for the maintenance, repair, and upgrading of water systems in these facilities. This includes everything from water supply lines to waste management, ensuring safe and hygienic conditions for employees and the public. PUC, in particular, relies heavily on plumbing supplies to operate efficiently and these supplies ensure the smooth functioning of water treatment facilities, sewage systems, and water distribution networks that are vital to public service operations and preventing health hazards. Plumbing supplies are also crucial to maintaining water lines and sewage systems during and after seismic events. For emergency response facilities such as fire departments, robust access to plumbing supplies ensure that these critical services continue to operate effectively during natural disasters. Lastly, easy access to plumbing supplies ensures City can continue to procure high-efficiency water fixtures and systems that support City’s water conservation efforts.

For these reasons, a timely approval of this resolution will provide City departments with continued access to acquiring plumbing supplies through this citywide plumbing supplies contract.

If you have any questions or require additional information, please contact Norman Liang on my team at (628) 652-1621.

Enclosures:

1. Contract 1000031880 Original Agreement
2. Contract 1000031880 Proposed First Amendment
3. Contract 1000031880 First Amendment Ethics Form 126(f)4
4. Contract 1000031880 First Amendment Resolution