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CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

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TO: Government Audit and Oversight Committee

FROM: Budget and Legislative Analyst



SUBJECT: May 19, 2016 Government Audit and Oversight Committee Meeting

TABLE OF CONTENTS

Item	File	Page
1	15-0682 Administrative Code – Telematic Vehicle Tracking Systems for City Vehicles	1

<p>Item 1 File 15-0682</p>	<p>Department: City Administrator (ADM)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed ordinance would amend the City’s Administrative Code to add to Section 4.10-2, to require that (i) by January 1, 2017, all non-exempt City Departments install and use vehicle telematics systems in all motor vehicles owned and leased by the City; and (ii) the City Administrator submit an annual report to the Mayor and the Board of Supervisors with aggregate data on motor vehicle use based on data collected from those systems. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • Vehicle telematics are vehicle tracking systems, such as global positioning systems (GPS). In June 2015, the Board of Supervisors approved an ordinance amending the City’s Environment and Administrative Codes (File 14-0950) which provided for but did not require the implementation of modern technology-based vehicle tracking systems, such as vehicle telematics, to measure the utilization of the City’s fleet and vehicle access. • The proposed ordinance would require installation of vehicle telematics in City vehicles by January 1, 2017. The proposed ordinance exempts vehicles used by the Police Department, the Sheriff’s Department, the Adult Probation Department, and the Juvenile Probation Department, and vehicles used by the District Attorney’s Office and the City’s Attorney’s office for investigations. Consistent with the Charter and all other applicable State and Federal Laws, the proposed ordinance does not apply to the Public Utilities Commission, Airport, Port, or Municipal Transportation Agency. • The City Administrator may grant waivers, in whole or in part, for the requirements of the proposed ordinance to Departments that submit a written application. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The Board of Supervisors previously appropriated \$500,000 in FY 2015-16 and \$1,691,114 for FY 2016-17 to the City Administrator for vehicle telematics hardware and installation. <p style="text-align: center;">Policy Consideration</p> <ul style="list-style-type: none"> • Currently, the City’s Environment and Administrative Codes state that the City Administrator will adopt and implement policies to use technology such as telematics and vehicle assignment systems, to the furthest extent practicable. The proposed ordinance would require that all non-exempt Departments install vehicle telematics systems on all vehicles leased or owned by the City by January 1, 2017, unless the City Administrator reviews a Department’s written waiver application and concludes that compliance with the requirements of the proposed ordinance would interfere with the Department’s ability to perform its official functions. <p style="text-align: center;">Recommendations</p> <ul style="list-style-type: none"> • Amend the proposed ordinance to require that City departments submit a list of vehicles for which exemptions would be requested, including the need or purpose of the exemption, to the City Administrator by no later than August 1, 2016. • Approve the proposed ordinance as amended. 	

MANDATE STATEMENT

According to Charter Section 2.105, all legislative acts shall be by ordinance and require the affirmative vote of at least a majority of the members of the Board of Supervisors.

BACKGROUND

Vehicle telematics, also known as black boxes or global positioning system (GPS) tracking, is viewed as an important tool to help the City achieve the goals of Vision Zero. Vehicle telematics would allow the City to track vehicles individually and collect and report data on their location, history, speed, mechanical diagnostics, safety, and other information.

In June 2015, the Board of Supervisors approved an ordinance amending the City's Environment and Administrative Codes (File 14-0950) to:

- (1) Transfer the fleet management and vehicle selection responsibilities detailed in the Healthy Air and Clean Transportation Ordinance (HACTO) from the Department of the Environment to the City Administrator;
- (2) Replace mandatory fleet reduction requirements with policies to optimize the size and use of the City's vehicle fleet, use technology to promote the safe and environmentally-friendly use of vehicles, and reduce average per-mile greenhouse gas emissions from City fleet vehicles;
- (3) Authorize master contracts for City use of car-sharing services; and
- (4) Make other technical and confirming changes; and affirming the Planning Department's determination under the California Environmental Quality Act.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would amend the City's Administrative Code to add Section 4.10-2, to require that (i) by January 1, 2017, all non-exempt City Departments install and use vehicle telematics systems in all vehicles owned and leased by the City; and (ii) the City Administrator submit an annual report to the Mayor and the Board of Supervisors with aggregate data on motor vehicle use based on data collected from those systems.

As per the proposed ordinance, the City Administrator and each Department director with jurisdiction over vehicles would be required to:

1. Monitor the use of all vehicles owned and leased by the City and use that information to analyze vehicle cost efficiency, use optimization, and post-incident investigation; and
2. Use the information gathered from the vehicle telematics system to promote potential benefits such as preventing waste and fraud, and encouraging safe driving practices.
3. Prepare a notice that telematics vehicle tracking systems have been installed in vehicles owned or leased by the City and disseminate that notice to affected employees at the same time the systems are installed.

The proposed ordinance also includes the following mandates:

4. At the end of each fiscal year, each Department director must submit a report to the City Administrator with aggregate telematics data for all vehicles owned and leased by the City, including but not limited to usage and mileage data; and
5. By October 1 of each fiscal year, the City Administrator must submit a report to the Mayor and to the Board of Supervisors on aggregate motor vehicle use to promote efficient and safe operation of the City's motor vehicle fleet.

The City Administrator may grant waivers, in whole or in part, for the requirements of the proposed ordinance to Departments that submit a written request for such waivers, if the City Administrator concludes that compliance with the requirements of the ordinance would interfere with the Department's ability to perform its official functions. The City Administrator, department heads, or other City officials with jurisdiction over the affected vehicles may not install telematics vehicle systems on vehicles undergoing a waiver review process.

Exempt City Departments

The proposed ordinance provides an exemption to vehicles used by the Police Department, the Sheriff's Department, the Adult Probation Department, and the Juvenile Probation Department. The proposed ordinance also exempts vehicles used by the District Attorney's Office and the City's Attorney's office for investigations. Each of these departments must submit a statement to the City Administrator identifying the vehicles for which an exemption is claimed and justify the need for the requested exemption.

By November 1, 2016, the City Administrator would submit a report to the Board of Supervisors on the feasibility of extending the requirements of the proposed ordinance to the exempt law enforcement departments. The report would address the City's ability to protect confidential and sensitive information connected with the use of vehicles for law enforcement and investigations.¹ In order for the City Administrator to have sufficient time to review the requested exemptions for law enforcement department's vehicles, the Budget and Legislative Analyst recommends amending the ordinance to require that City departments submit a list of vehicles for which exemptions would be requested, including the need or purpose of the exemption, to the City Administrator by no later than August 1, 2016.

Consistent with the Charter and all other applicable State and Federal Laws, the proposed ordinance does not apply to the Public Utilities Commission, Airport, Port, and Municipal Transportation Agency. According to Mr. Thomas Owen, Deputy City Attorney, the proposed ordinance grants an exemption to those four City departments because they are not legally bound by City-mandated policies regarding fleet operations and management. These City departments may choose to comply with the proposed ordinance, but solely at their discretion.

¹ The City Administrator would consult with the affected City Departments when preparing the report.

California Environmental Quality Act

The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.).

FISCAL IMPACT

The Board of Supervisors appropriated \$500,000 in FY 2015-16 and \$1,691,114 for FY 2016-17 to the City Administrator for vehicle telematics hardware and installation.

POLICY CONSIDERATION

Currently, the City's Environment and Administrative Codes state that the City Administrator will adopt and implement policies to use technology such as telematics and vehicle assignment systems, to the furthest extent practicable. The proposed ordinance would require that all non-exempt Departments install vehicle telematics systems on all vehicles leased or owned by the City by January 1, 2017, unless the City Administrator approves a Departmental waiver because compliance with the requirements of the proposed ordinance would interfere with the Department's ability to perform its official functions.

According to the Budget and Legislative Analyst's February 2015 report on a citywide vehicle telematics system, vehicle telematics systems have many advantages such as helping to correct and improve unsafe driving habits, reducing inappropriate use of City vehicles, and providing information to refute false claims against the City regarding vehicle accidents. Some other local governments have implemented vehicle telematics. For example, the City of Los Angeles has implemented a vehicle telematics pilot project on 50 police vehicles in January 2015.

RECOMMENDATIONS

1. Amend the proposed ordinance to require that City departments submit a list of vehicles for which exemptions would be requested, including the need or purpose of the exemption, to the City Administrator by no later than August 1, 2016.
2. Approve the proposed ordinance as amended.