

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

May 31, 2019


TO: Government Audit and Oversight Committee
FROM: Budget and Legislative Analyst 
SUBJECT: June 6, 2019 Government Audit and Oversight Committee Meeting

TABLE OF CONTENTS

Item	File	Page
3	17-0096 Administrative Code - Telematic Vehicle Tracking Systems for City Law Enforcement Vehicles.....	1

<p>Item 3 File 17-0096</p>	<p>Department: Administrative Services</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 Administrative Code to require installation and use of telematics vehicle tracking systems in all motor vehicles owner or leased by the City and used by law enforcement, subject to waiver by the City Administrator. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • In 2016, the Board of Supervisors approved an ordinance to 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. • The City’s Administrative Code Section 4.10-12 provides an exemption to vehicles used by the Police Department, the Sheriff’s Department, the Adult Probation Department, and the Juvenile Probation Department. The code also exempts vehicles used the by District Attorney’s Office and the City’s Attorney’s office for investigations. The proposed ordinance would require that these City departments install telematics in vehicles that are currently exempt under the Administrative Code. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • According to Fleet Management, there are currently 1,732 vehicles that are owned by the City that do not currently have telematics installed. Installing telematics in all those vehicles (upper bound estimate) would result in one-time costs ranging from \$342,806 to \$370,364. • In addition to the one-time costs, vehicle telematics require ongoing monthly subscription costs. Fleet Management estimates the annual subscription costs to be between \$442,000 and \$460,000. <p style="text-align: center;">Recommendations</p> <ul style="list-style-type: none"> • Amend the proposed ordinance to set the date to comply to a date subsequent to approval by the Board of Supervisors. • Approval as amended is a policy matter for the Board of Supervisors. 	

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 allow the City to track vehicles individually and collect and report data on their location, history, speed, mechanical diagnostics, safety, and other information.

In 2016, the Board of Supervisors approved an ordinance to 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.

The City's Administrative Code Section 4.10-12 provides an exemption to vehicles used by the Police Department, the Sheriff's Department, the Adult Probation Department, and the Juvenile Probation Department. The code 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.

According to the Annual Telematics Report submitted in February 2018, telematics devices were installed in 4,163 vehicles, or 54 percent of the City's total vehicle fleet at the time. As the ordinance exempts certain vehicles, the systems were not installed in the remaining 3,506 vehicles in the City fleet, including the 1,683 public safety and investigative service vehicles and 1,823 pieces of equipment such as lawn mowers, carts, and forklifts exempt from this regulation. According to Mr. Keigo Yoshida, Business Manager at Fleet Management, close to 100 percent of City vehicles that are currently mandated to have telematics are compliant with the Administrative Code.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would amend the Administrative Code to require installation and use of telematics vehicle tracking systems in all motor vehicles owned or leased by the City and used by law enforcement, subject to waiver by the City Administrator.

The proposed ordinance would also affirm the Planning Department's determination under the California Environmental Quality Act (CEQA).

Deadline for implementation

The proposed ordinance states that vehicles used by the Police Department, the Sheriff's Department, the Adult Probation Department, or the Juvenile Probation Department for law enforcement purposes, or by the District Attorney's Office or the City Attorney's Office for investigations, must comply with the ordinance by January 1, 2018. The proposed ordinance

was originally introduced in January 2017, and therefore, should be amended to set the date to comply to a date subsequent to approval by the Board of Supervisors.

CEQA Determination

In January 2017, the Planning Department determined that the proposed ordinance is not defined as a project under CEQA guidelines as it does not result in a direct or indirect physical change in the environment.

FISCAL IMPACT

One-time costs

According to Fleet Management, there are currently 1,732 vehicles that are owned by the City that do not currently have telematics installed, but should with the passage of the proposed ordinance. These vehicles are used on public roads and include sedans, pick-ups, SUVs, motorcycles, and three-wheeled carts used by the Municipal Transportation Agency. Fleet Management estimates that one-time installation costs would be approximately \$342,806, as shown in Table 1 below.

Table 1: Estimated One-Time Cost of Installation

Item	Unit Price	Quantity	Cost
5500 Telematics Device	\$85	1,587	\$134,895
Connection Harness	\$35	1,587	\$55,545
Asset Guard Telematics Device	\$150	145	\$21,750
Installation Labor	\$65	1,732	\$112,710
<u>Sales Tax (8.5% On Hardware)</u>			<u>\$18,036</u>
Total			\$342,806

In the past, departments have also chosen to install AssetGuards onto vehicles and equipment exempt from the ordinance, such as trailers, off-road equipment, and utility carts. If departments voluntarily installed AssetGuards onto their exempt devices, it would cost the City an additional \$27,558 in one-time costs, for a total of \$370,364.

On-going costs

In addition to the one-time costs, vehicle telematics require ongoing subscription costs. Fleet Management estimates the annual subscription costs to be between \$442,000 and \$460,000, depending on the voluntary installation of asset guards onto exempt devices.

According to Mr. Yoshida, all costs are an upper bound estimate as the costs were calculated with the premise that no City department will apply for a waiver of the code.

RECOMMENDATIONS

1. Amend the proposed ordinance to set the date to comply to a date subsequent to approval by the Board of Supervisors.
2. Approval as amended is a policy matter for the Board of Supervisors.