SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 220906-082

WHEREAS, In 2016, the SFMTA executed Contract No. 2014-48 (Contract) with TEGSCO, LLC (Contractor) for towing and storage of abandoned and illegally parked vehicles in the City; the Contract was for an initial amount of $65.4 million and an initial term of five years with the option to extend for an additional five years; and

WHEREAS, There have been six amendments to the Contract, including a Third Amendment in 2021 to exercise the option to extend the contract term for five years, ending March 31, 2026, and increase the contract amount by $22.8 million, to $88.2 million, to pay for the first two years of the extended term; and

WHEREAS, At the time of the Third Amendment, staff did not seek funding for the entire five-year extended term; funding was requested only for the first two years to ensure continued operation of the City's towing program during the COVID19 emergency and to provide time to assess program policies and funding as the City emerges from pandemic conditions; and

WHEREAS, At the time of the Third Amendment, staff informed the SFMTA Board they would seek funding for the last three years of the extended term under a subsequent amendment (the Seventh Amendment); and

WHEREAS, As the City emerges from pandemic conditions, tow volume and corresponding costs have increased faster than projected, leaving a shortfall of $7 million to fund the remainder of the second year of the extended term; and

WHEREAS, On August 23, 2022, the SFMTA, under authority delegated by the Planning Department, determined the Seventh Amendment to SFMTA Contract No. 2014-48 is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; now, therefore, be it

RESOLVED, Staff recommends the SFMTA Board of Directors authorize the Director of Transportation to execute the Seventh Amendment to SFMTA Contract No. 2014-48, for Towing and Storage of Abandoned and Illegally Parked Vehicles, with TEGSCO, LLC., to increase the contract amount by amount by $49 million for a total amount not to exceed $137.2 million; and, be it further

RESOLVED, That the SFMTA Board authorizes the Director of Transportation to seek approval of the Seventh Amendment from the Board of Supervisors.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of September 6, 2022.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency