



SFMTA

Seventh Amendment to Towing Agreement – Funding for Remainder of Extension

Streets Division, SFMTA

Presented by Lorraine Fuqua

SFMTA Board Meeting, September 6, 2022

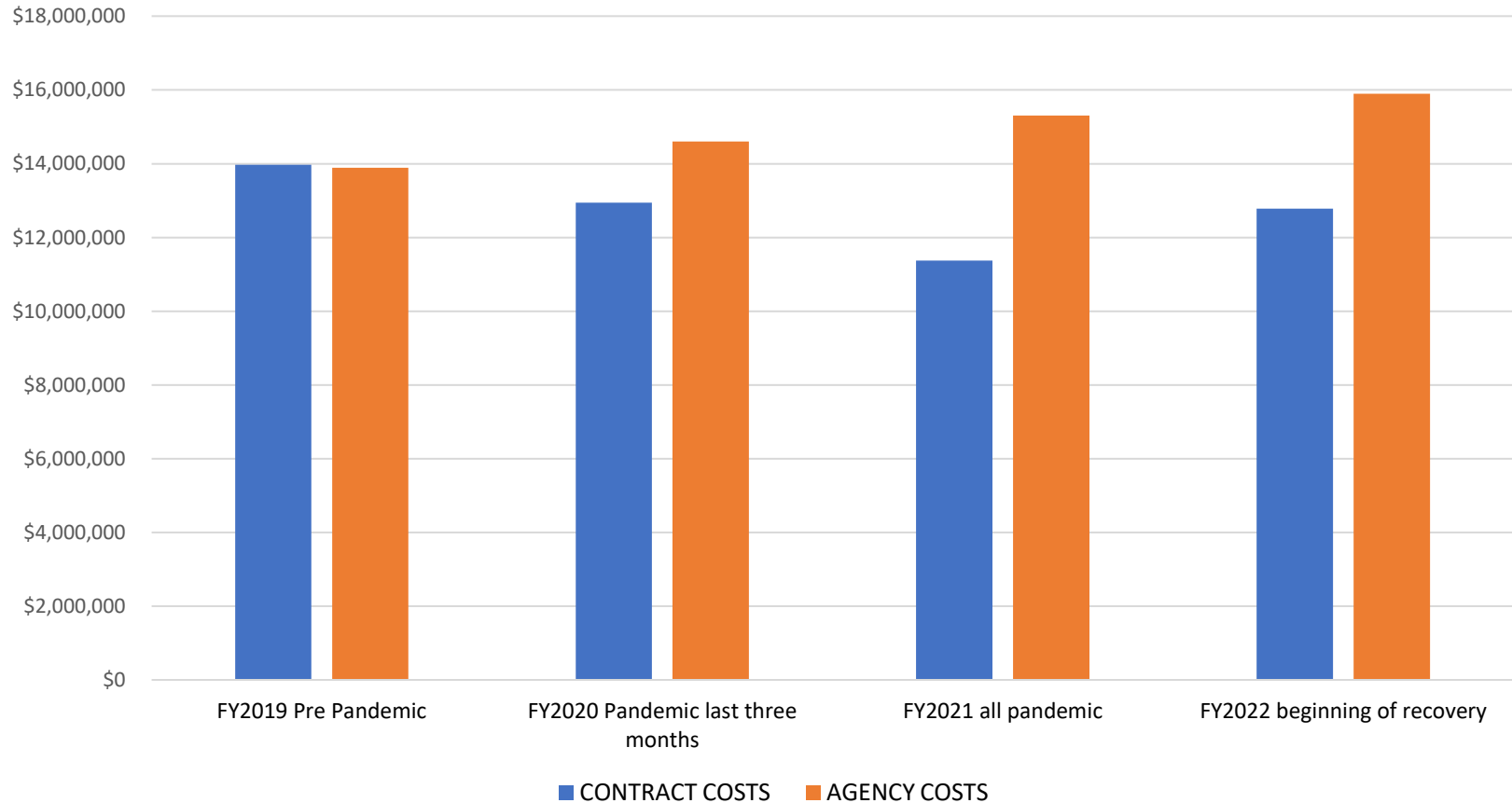
Towing Program

Towing Program is vital:

- Maintain transit reliability and traffic safety.
- Remove vehicles from blocked driveways.
- Optimize parking availability through adherence to parking regulations.
- Remove vehicles involved in crimes, accidents and abandoned vehicles.
- Towing program includes tow agreement with TEGSCO, LLC (Contractor), and SFMTA administrative costs.
- Program is cost recovery – costs offset with towing and storage fees collection and lien sales.

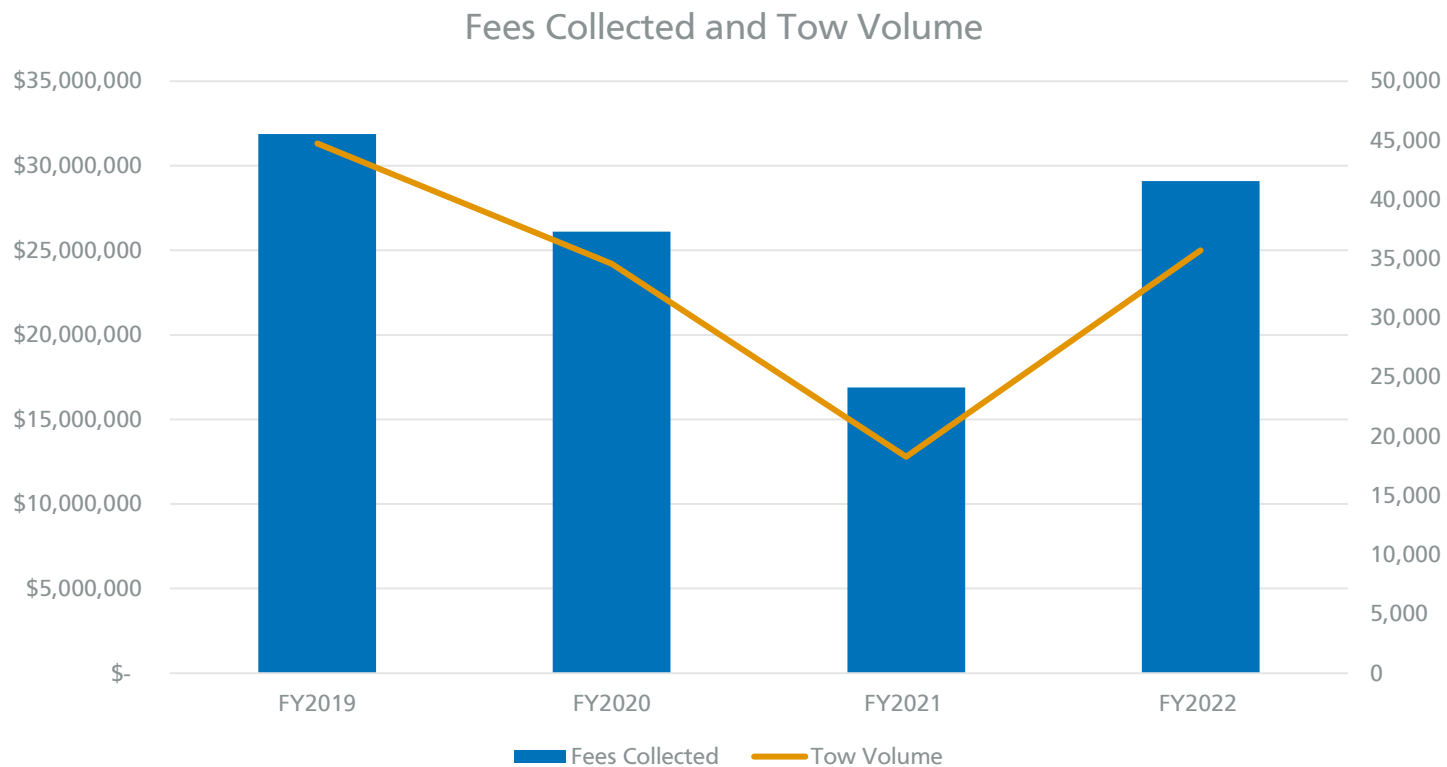
Tow Program (continued)

Comparison - Agency and Contract Costs



Towing Program and Pandemic Impact

- A severe drop in tow fees collected and tow volume that began the last three months of FY2020 and lasted until October 2021, when commute tows resumed.



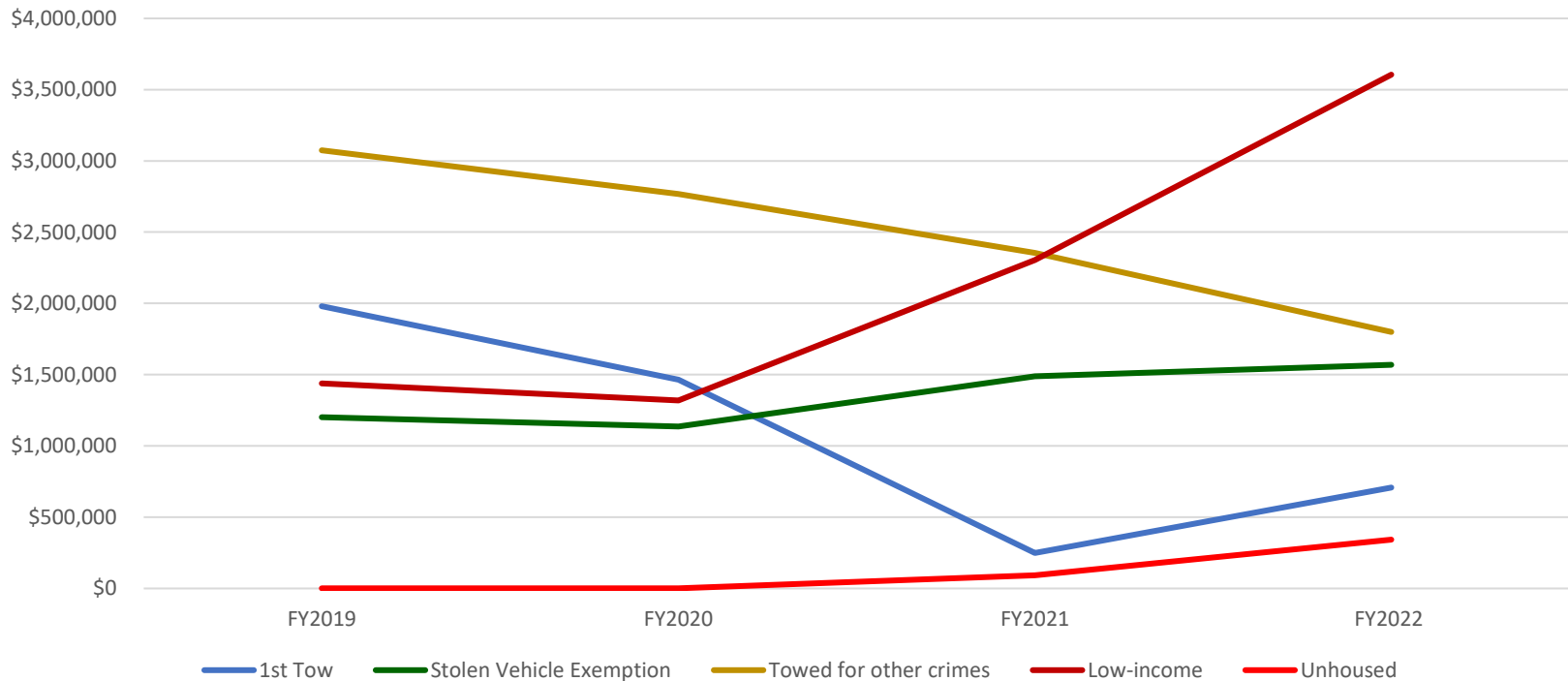
Waiver Types

There are five major categories of waivers:

Type	Result
First-Time Tow	\$50 reduction in Admin Fee
Stolen Vehicle	Full waiver
Investigations	Full waiver
Low-Income	Reduced to \$100 with 15 days storage waiver
Unhoused	Unhoused: (1 st time) All fees are waived; 30 days storage waiver

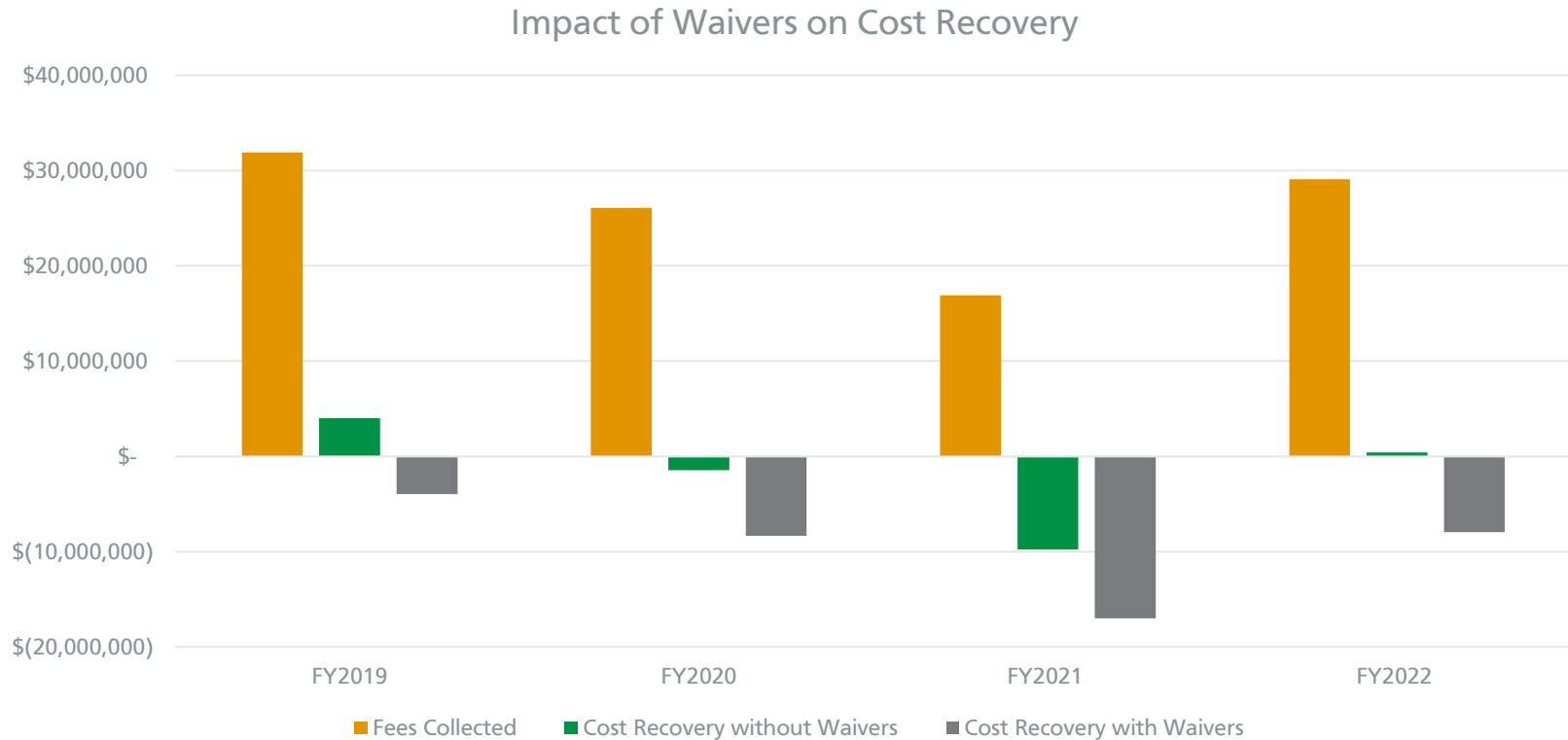
Waiver Types (continued)

Waiver Costs



Low-income and unhoused (red lines) have consistently increased over the pandemic.

Impact of Waivers to Cost Recovery



Cost Recovery is positive for FY2019 (pre-pandemic) and FY2022, due to the resumption of commute tow enforcement in October 2021. However, general waiver costs, when added, result in shortfall .

Contract Overview

- In 2016 – Approval of Agreement: five year plus option to extend for five years under DOT authority.
- Funding request for initial term, \$64.5 million.
- In February 2021, the 3rd Amendment extended the agreement for five years, to March 2026.
- Funding request for two years only, due to COVID and impacts to SFMTA budget. \$22.8 million approved.
- Proposed Seventh Amendment would fund the remaining extension term. \$49 million requested.

Recommendation

Approve funding:

- Five-year extension was approved in 2021.
- Current agreement limits Contractor cost increases to CPI maximum of three percent.
- Contractor continues to perform at or above service level requirements.
 - Daily deposits always on-time.
 - Average customer wait time for window service – two minutes - is five minutes above seven-minute requirement
 - 93% on-time arrival, 3% above 90% requirement.
- Pandemic aftereffects still unknown – Cannot currently assess scope of services needed when recovery has not settled.