

THIS PRINT COVERS CALENDAR ITEM NO.: 10.3

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Streets

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute the Sixth Amendment to Contract No. SFMTA-2016-49, Automated Enforcement (Red Light Camera) Program, between the SFMTA and American Traffic Solutions, Inc. to (1) extend the term of the Agreement by five years and three months, until November 6, 2028, (2) to increase the contract not to exceed amount by \$4,999,999 from \$5,000,000 to \$9,999,999 or 100%, and (3) to update the subcontractor charges for repair of third-party damage.



SUMMARY:

- The San Francisco Municipal Transportation Agency Board of Directors approved Contract No. SFMTA-2016-49 (Contract) between the SFMTA and American Traffic Solutions, Inc. (Contractor) for the administration of the City's Automated Enforcement Program on August 21, 2018.
- Notice to Proceed was issued on November 6, 2018.
- The current term of the Contract is set to expire on August 6, 2023.
- The Amendment will extend the term of the Contract to November 6, 2028, for a total term of 10 years.
- The Amendment will increase the not to exceed amount from \$5,000,000 to \$9,999,999.
- The Contract is funded by the SFMTA's annual Operating budget, and the Amendment will not require an increase to the annual Operating budget.
- The City's Automated Enforcement Program has been in operation since 1996.
- In 2019 the SFMTA upgraded the Automated Enforcement System with state-of-the-art digital and radar equipment. The system equipment is owned, operated, and maintained by the Contractor and leased to the SFMTA.
- Cameras currently enforce 19 approaches at 13 intersections.
- In 2022, the SFMTA increased the scope of the contract by eight approaches, which are currently under design.

ENCLOSURES:

1. SFMTAB Resolution
2. Amendment

APPROVALS:

	DATE
DIRECTOR 	July 12, 2023
SECRETARY 	July 11, 2023

ASSIGNED SFMTAB CALENDAR DATE: July 18, 2023

PAGE 2.

PURPOSE

Authorizing the Director of Transportation to execute the Sixth Amendment to Contract No. SFMTA-2016-49 (Amendment), Automated Enforcement (Red Light Camera) Program, between the SFMTA and American Traffic Solutions, Inc. to (1) extend the term of the Agreement by five years and three months, until November 6, 2028, (2) to increase the contract not to exceed amount by \$4,999,999 from \$5,000,000 to \$9,999,999 or 100%, and (3) to update the subcontractor charges for repair of third-party damage.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The SFMTA will further the following goal of the Strategic Plan through execution of the Amendment.

Goal 4: Make streets safer for everyone.

The SFMTA will further the following Transit First Policy Principle through execution of the Amendment.

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

DESCRIPTION

The San Francisco Municipal Transportation Agency Board of Directors approved Contract No. SFMTA-2016-49 between the SFMTA and American Traffic Solutions, Inc. for the administration of the City's Automated Enforcement Program on August 21, 2018. Notice to Proceed was issued on November 6, 2018.

The current term of the Contract is set to expire on August 6, 2023. The Amendment will extend the term of the Contract to November 6, 2028, for a total term of 10 years, and will increase the not to exceed amount from \$5,000,000 to \$9,999,999. The Amendment will also update the subcontractor charges for repair of third-party damage to account for increases in prevailing wages, construction material prices, and equipment costs since the last time the subcontractor charges were updated August 6, 2021.

The City's Automated Enforcement Program has been in operation since 1996. San Francisco was one of the first cities in the United States to implement a program to enforce laws prohibiting red-light running using automated cameras at street intersections. The Automated Enforcement Program is managed by SFMTA, with support from the San Francisco Police Department, the Superior Court of San Francisco, and the San Francisco City Attorney's Office. The SFMTA's combined automated enforcement, engineering, and education efforts have resulted in a 66% citywide drop in injury collisions resulting from red-light running between 1997 and 2022.

PAGE 3.

In 2019 the SFMTA upgraded the Automated Enforcement System with state-of-the-art digital cameras and radar vehicle detection. Under the terms of the Contract, the Contractor furnished the system equipment and provided construction consultation to the City's Construction Contractor. The system equipment is owned, operated, and maintained by the Contractor and leased to the SFMTA. The Contractor also provides program administration, violation review prior to SFPD approval, processing, citation printing and mailing, tree trimming, and construction design services.

Cameras currently enforce 19 approaches at 13 intersections. Eighteen approaches enforce red light violations, and one approach enforces a posted NO RIGHT TURN regulation.

In 2022, the SFMTA increased the scope of the contract by eight approaches, which are currently under design. The new approaches will be constructed under a Public Works construction contract. Once construction is completed, cameras will enforce a total of 27 approaches at 21 intersections.

Below is a list of previous contract amendments:

- First Amendment, dated March 13, 2020, to replace the printing and mailing subcontractor and refine the methodology for preparing third-party damage repair cost proposals.
- Second Amendment, dated August 6, 2020, to extend the contract term one year.
- Third Amendment, dated August 6, 2021, to extend the contract term one year and update the subcontractor charges for repair of third-party damage.
- Fourth Amendment, dated August 6, 2022, to extend the contract term one year, add eight new approaches to the scope of services, add design services for the eight new approaches, and add tree-trimming services to Contractor's scope of services, including pricing a subcontractor for those services.
- Fifth Amendment, dated December 20, 2022, to update the charges for construction design services.

The Contract's Local Business Enterprise (LBE) subcontracting participation requirement is 15%. The SFMTA Contract Compliance Office has reviewed and approved the Amendment.

The City Attorney has reviewed this report.

STAKEHOLDER ENGAGEMENT

No outreach was necessary for this Amendment.

ALTERNATIVES CONSIDERED

Two alternatives were considered. The first alternative considered was allowing the contract to

PAGE 4.

expire without procuring a new automated enforcement system. This would result in the Contractor removing all equipment, ending the SFMTA’s automated enforcement program. This alternative was rejected because the automated enforcement system, as discussed above, has been effective in lowering the number of injury collisions from red-light running and illegal turns. As such, staff does not recommend this option.

The second alternative considered was letting the contract expire and putting out a request for proposals for a new automated enforcement system. This alternative was rejected for several reasons. It would create a potentially years-long interruption of the SFMTA’s automated enforcement program while a new vendor is selected, and a new system is designed and constructed. This would likely lead to an increase in collisions resulting from red-light running and illegal turns during this time period. Given that the current system was installed in 2019 and is still state-of-the-art, the cost and delay associated with procuring a new system would not be offset by the benefits of newer technology at this time. As such, staff does not recommend this option.

FUNDING IMPACT

The Contract is funded by the SFMTA’s annual Operating budget. These funds are budgeted annually in the Streets Division Operating budget and cover the annual cost of the Contract. The Amendment will not require an increase to the annual Operating budget.

Monthly Contract Costs:

- System Equipment Lease \$926 per approach per month
- Program Administration \$2,573.89 per approach per month

One-Time or As-Needed Contract Costs:

- Construction Design Services \$7,834.38 per approach
- Construction Consultation Services \$728.95 per approach
- Third-Party Damage Repairs varies (detailed pricing in Contract)
- Tree Services varies (detailed pricing in Contract)

From Notice to Proceed on November 6, 2018 to May 30, 2023, \$2,833,821.17 of the Contract has been expended. Below are estimated annual operating costs for the additional years requested in the Amendment. Years six to ten include a \$286,269.86 contingency per year for unforeseen third-party damage repair and tree trimming costs. Year seven is only an estimate of when the additional 8 approaches might be active.

Estimated Annual Contract Costs

Years 1-5 (11/6/18 to 11/6/23)	\$3,166,310.72
Year 6 (19 approaches and design services for 8 approaches)	\$1,146,919.82
Year 7 (27 approaches and construction consultation for 8 approaches)	\$1,426,065.82
Year 8 (27 approaches)	\$1,420,234.22
Year 9 (27 approaches)	\$1,420,234.22
Year 10 (27 approaches)	\$1,420,234.22
Total:	\$9,999,999.00

ENVIRONMENTAL REVIEW

On June 14, 2023, the SFMTA, under authority delegated by the Planning Department, determined that the Amendment 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).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The Civil Service Commission approved Contract No. 48177-14/15 on July 31, 2015. The Department of Human Resources approved Modification No. 1 to Contract No. 48177-14/15 on November 13, 2017. The Civil Service Commission approved Modification No. 2 to Contract No. 48177-14/15 on July 3, 2023.

RECOMMENDATION

Authorizing the Director of Transportation to execute the Sixth Amendment to Contract No. SFMTA-2016-49, Automated Enforcement (Red Light Camera) Program, between the SFMTA and American Traffic Solutions, Inc. to (1) extend the term of the Agreement by five years and three months, until November 6, 2028, (2) to increase the contract not to exceed amount by \$4,999,999 from \$5,000,000 to \$9,999,999 or 100%, and (3) to update the subcontractor charges for repair of third-party damage.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The SFMTA began operation of the Automated Enforcement Program in 1996 to reduce the number of collisions, property damage, physical injuries, and deaths caused by red-light running; and,

WHEREAS, The San Francisco Municipal Transportation Agency Board of Directors approved Contract No. SFMTA-2016-49 between the SFMTA and American Traffic Solutions, Inc. for the administration of the Automated Enforcement Program on August 21, 2018; and,

WHEREAS, Notice to Proceed was issued on November 6, 2018 and the current term of the Contract is set to expire on August 6, 2023; and,

WHEREAS, On June 14, 2023, the SFMTA, under authority delegated by the Planning Department, determined that the Amendment is not a “project” under the California Environmental Quality Act (CEQA) pursuant 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, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute the Sixth Amendment to Contract No. SFMTA-2016-49, Automated Enforcement (Red Light Camera) Program, between the SFMTA and American Traffic Solutions, Inc. to (1) extend the term of the Agreement by five years and three months, until November 6, 2028, (2) to increase the contract not to exceed amount from \$5,000,000 to \$9,999,999, and (3) to update the subcontractor charges for repair of third-party damage.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of July 18, 2018.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

**City and County of San Francisco
Municipal Transportation Agency
One South Van Ness Ave., 7th Floor
San Francisco, California 94103**

Sixth Amendment

Contract No. SFMTA-2016-49

THIS AMENDMENT (Amendment) is made as of August 6, 2023, in San Francisco, California, by and between **American Traffic Solutions, Inc., doing business as Verra Mobility** (Contractor), and the City and County of San Francisco, a municipal corporation (City), acting by and through its Municipal Transportation Agency (SFMTA).

Recitals

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to (1) extend the term of the Agreement by five years and three months, until November 6, 2028, (2) to increase the contract not to exceed amount to \$9,999,999, and (3) to update the subcontractor charges for repair of third-party damage.
- C. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a request for proposals issued on April 14, 2015, and this Amendment is consistent with the process.
- D. Approval for this Amendment was obtained when the Civil Service Commission approved Modification No. 2 to Contract No. 48177-14/15 on July 3, 2023.

NOW, THEREFORE, Contractor and the City agree as follows:

Article 1 Definitions

The following definitions shall apply to this Amendment:

1.1 **Agreement.** The term “Agreement” shall mean the Agreement dated August 21, 2018, between Contractor and City, as amended by the:

First Amendment, dated March 13, 2020,

Second Amendment, dated August 6, 2020,

Third Amendment, dated August 6, 2021,

Fourth Amendment, dated August 6, 2022, and

Fifth Amendment, dated December 20, 2022.

1.2 **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

Article 2 Modifications to the Agreement

The Agreement is modified as follows:

2.1 Article 2 (Term of the Agreement) of the Agreement is replaced in its entirety to read as follows:

2.1 The term of this Agreement shall commence on the Effective Date, and shall expire on November 6, 2028, unless earlier terminated as otherwise provided herein.

2.2 Article 3 (Financial Matters), Section 3.1 (Compensation), Paragraph 3.3.1 (Amount of Agreement) is replaced in its entirety to read as follows:

3.3.1 Amount of Agreement. In no event shall the amount of this Agreement exceed NINE MILLION NINE HUNDRED NINETY-NINE THOUSAND NINE HUNDRED NINETY-NINE DOLLARS (\$9,999,999). Appendix B (Calculation of Charges) sets forth the charges Contractor is authorized to invoice to the SFMTA for performing the Services. Appendix B breaks down these authorized charges by category of Services as follows: program administration, estimated third-party damage repairs, construction consultation, system equipment leases, construction design services, and tree services.

2.3 Section B (Subcontractor Charges) of Exhibit 2 (Third-Party Damage Repairs) to Appendix B (Calculation of Charges) of the Agreement is replaced in its entirety to read as follows:

B. Subcontractor Charges

Cost proposals must include the labor, equipment, and material charges for subcontractor, Bay Area Lightworks, to perform the repair work for third-party damage. The cost proposals shall identify, as applicable:

- (1) labor charges, including:
 - (a) all labor classifications (e.g., electrician, operator/foreman, laborer) required to perform the repair work;
 - (b) total labor hours by labor classification (contractor may charge a minimum of four hours per labor classification);
 - (c) labor rates by labor classification (including hourly rates, and any overtime and premium rates, if applicable); and

- (d) total labor charges to perform the repair work;
- (2) equipment charges, including:
 - (a) types of equipment required to perform the repair work;
 - (b) total equipment hours by equipment type;
 - (c) hourly rates by equipment type; and
 - (d) total equipment charges to perform the repair work; and
- (3) the exact materials by name, that are required for the repair or replacement, and for each material:
 - (a) the applicable per-unit cost;
 - (b) the quantity required; and
 - (c) the total cost (i.e., per-unit cost × quantity).

Labor, equipment, and material rates in the cost proposal shall be consistent with the rates listed below (subcontractor’s actual costs). A fixed mark-up may be added to cover Contractor’s overhead and profit equal to 15% of the sum of these actual costs.

Labor Rates

Labor Classifications	Hourly Rate	Overtime**	Premium**
Electrician	\$255.00	\$344.25	\$433.50
Operator/Foreman	\$160.00	\$216.00	\$272.00
Laborer	\$125.00	\$168.75	\$212.50

** Overtime rates will apply only as follows:

- Electricians: First 2 hours worked after regular 7-hour shift Monday – Friday.
- Laborers and Operators: Any hours worked after regular 8-hour shift Monday – Friday; and any hours worked on Saturday up to 12 hours.

Premium rates apply only as follows:

- Electricians: Any hours worked after the first 2 overtime hours Monday – Friday; and any hours worked on Saturday, Sunday, and holidays.
- Laborers/Operators: Any hours worked after 12 hours on Saturday; and any hours worked on Sundays and holidays.

Equipment Rates

Equipment Type	Hourly Rate
Bucket Truck	\$105.00
Utility Truck	\$55.00
Crane Truck	\$97.00
Arrowboard	\$20.00
Skidsteer Bobcat w/ Breaker	\$64.00
Bobtail Dump Truck (2 axle)	\$73.00

Material Rates

Material	Unit	Unit Cost
Type III Pull Box with Lid	EA	\$472.00
2" PVC Conduit	LF	\$5.75
2" PVC Couplings	EA	\$6.90
2" PVC Bell ends	EA	\$8.00
2" PVC Elbows	EA	\$18.50
3" PVC Conduit	LF	\$10.50
3" PVC Couplings	EA	\$9.75
3" PVC Bell ends	EA	\$9.25
3" PVC Elbows	EA	\$40.50
Concrete	Yd	\$380.00
Rebar Cage (24"x 5.5')	EA	\$415.00
Sonotube (30")	LF	\$28.75
Cable: 10/3 for Service (min req.)	LF	\$11.50
Cable: 14/7 for Phase (min req.)	LF	\$5.75
Cable: PE-22 6 Pair #24 (min req.)	LF	\$5.75
Belden 9502 (min req.)	LF	\$4.60

Article 3 Effective Date

Each of the modifications set forth in Article 2 shall be effective on and after the date of this Amendment.

Article 4 Legal Effect

Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY	CONTRACTOR
San Francisco Municipal Transportation Agency	American Traffic Solutions, Inc. dba Verra Mobility
_____ Jeffrey P. Tumlin Director of Transportation	_____ Jon Baldwin Executive Vice President, Government Solutions
Authorized By: Municipal Transportation Agency Board of Directors	City Supplier Number: 0000025532
Resolution No: _____	
Adopted: _____	
Attest: _____ Secretary to the Board	
Approved as to Form: David Chiu City Attorney	
By: _____ Misha Tsukerman Deputy City Attorney	

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