

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 14-016

WHEREAS, San Francisco AutoReturn has acted as contractor for towing services for the SFMTA since 2004 and is currently under an agreement for services through August 2015, including management of a long-term vehicle storage facility and vehicle auction area; and,

WHEREAS, At the time of contract award, a portion of the Port of San Francisco's Pier 70 served as the location of this facility; and,

WHEREAS, In 2011 the Port announced that a developer had been chosen to redevelop Pier 70, which necessitated relocating the long-term storage and auction facility; and,

WHEREAS, In 2012 the SFMTA entered into a lease for occupation of property located at 2650 Bayshore Blvd., and in May 2013 exercised its right to move the long-term vehicle storage facility to the Bayshore location; and,

WHEREAS, To document the long-term towing storage facility's move from Pier 70 to the Bayshore location, the contract and license agreement will be updated; and,

WHEREAS, The proposed amendment to the towing agreement modifies the current contract's financial assurances of a \$1 million letter of credit and \$1 million performance bond to a \$2 million performance bond; and;

WHEREAS, The lease between the SFMTA and the Bayshore property owner does not require a letter of credit, and the performance bond, along with substantial insurance more accurately reflects that the towing agreement is primarily a service contract; and

WHEREAS, The Pier 70 per month rent amount of \$150,378.75 will be reduced to \$147,928.28 resulting in a net monthly reduction of \$2,450.47; and

WHEREAS, The new amount was negotiated to reflect the reduction in space from 519,328 to approximately 330,771 sq. ft., offset by the significantly improved facilities, including permanent office space with indoor plumbing and vehicle auction space free of roof leaks which will better accommodate the general public in a safe and secure environment; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute the First Amendment to the Restated and Amended Towing Agreement and Property Use License for Towing, Storage and disposal of Abandoned and Illegally Parked Vehicles by and between the San Francisco Municipal Transportation Agency and TEGSCO, LLC d.b.a. San Francisco AutoReturn until July 31, 2015 to reduce the monthly rent by \$2,450.47 and change the financial assurance

requirement from \$1 million in a letter of credit and \$1 million in a performance bond to a \$2 million performance bond; and be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors urges the Board of Supervisors to approve the first amendment to the towing agreement and the associated revised license agreement.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of January 21, 2014.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency