

THIS PRINT COVERS CALENDAR ITEM NO.: 13

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Streets

BRIEF DESCRIPTION:

Authorize authorizes the Director of Transportation to execute the Third Amendment to SFMTA Contract No. 2014-48, Towing and Storage of Abandoned and Illegally Parked Vehicles, with TEGSCO, LLC. (doing business as San Francisco AutoReturn), to increase the contract amount by \$23.2 million for the first two years of the extension for a total contract amount not to exceed \$88.6 million and, to extend the Agreement for five years, and authorize the Director of Transportation to seek approval of the Third Amendment from the Board of Supervisors.

SUMMARY:

- In 2016, the SFMTA executed Contract No. 2014-48 with San Francisco AutoReturn for towing and storage of abandoned and illegally parked vehicles in the City.
- AutoReturn performs all towing and related services in the City on behalf of the SFMTA and has consistently met or exceeded performance requirements.
- The SFMTA Board, under Resolution 16-024, and the Board of Supervisors, under Resolution 0099-16, previously approved the option to extend the Agreement for five years to March 31, 2026; while the Director of Transportation wishes to exercise the option to extend, neither body has approved the corresponding increase in the contract amount.
- Staff recommends increasing the contract amount by \$23.2 million to fund the first two years of the extended term to ensure continued operation of the City's towing program during the COVID19 emergency and provide staff time to assess the long-term impacts the emergency will have on the program's policies and costs.
- The Third Amendment to the Agreement increases the contract amount as described above; before March 31, 2023, staff will request funding for the remainder of the extended term under a subsequent amendment.
- The Third Amendment and any subsequent amendment that seeks to increase the contract amount by more than \$500,000 requires approval of the Board of Supervisors under Section 9.118 of the San Francisco Charter.

ENCLOSURES:

1. SFMTA Board Resolution
2. Amendment

APPROVALS:

DIRECTOR _____

SECRETARY _____

DATE

February 9, 2021

February 9, 2021

ASSIGNED SFMTAB CALENDAR DATE: February 16, 2021

PURPOSE

Authorize the Director of Transportation to execute the Third Amendment to SFMTA Contract No. 2014-48, Towing and Storage of Abandoned and Illegally Parked Vehicles, with TEGSCO, LLC. (doing business as San Francisco AutoReturn), to increase the contract amount by \$23.2 million for the first two years of the extension for a total contract amount not to exceed \$88.6 million and, to extend the Agreement for five years, and authorize the Director of Transportation to seek approval of the Third Amendment from the Board of Supervisors.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This item supports the following SFMTA Strategic Plan Goals:

Goal 1: Create a safer transportation experience for everyone.

Goal 2: Make transit and other sustainable modes of transportation the most attractive and preferred means of travel.

Goal 3: Improve the quality of life and environment in San Francisco and the region

This item also supports the following Transit First Policy Principles:

Principle 3: Decisions regarding the use of limited public street and sidewalk space shall encourage the use of public rights of way by pedestrians, bicyclists, and public transit, and shall strive to reduce traffic and improve public health and safety.

Principle 7: Parking policies for areas well served by public transit shall be designed to encourage travel by public transit and alternative transportation.

DESCRIPTION

Background

The SFMTA is responsible for efficiently controlling and removing illegally parked and abandoned vehicles to maximize on-street parking, manage traffic congestion and maintain clean, safe and functional streets for the public's use. On April 1, 2016, the SFMTA executed a Towing Agreement with AutoReturn to manage the City's towing operations. The Towing Agreement's five-year base term expires March 31, 2021.

The City's towing operations include towing and impoundment of abandoned and illegally parked vehicles, releasing impounded vehicles to their registered owners after payment of relevant fees, and disposition (through lien-sale auction) of vehicles not retrieved by their owners. Through license agreements with the SFMTA, AutoReturn manages customer service and short-term storage facilities at 450-7th Street, in San Francisco, and a long-term vehicle storage center at 2650 Bayshore Blvd, in Daly City. These facilities also house San Francisco Police Department (SFPD)-ordered tows related to crimes, and provide space for the SFPD's Crime Scene Investigations to examine vehicles for evidence.

The Agreement provides job stability and benefits to 58 employees (including 20 operating under a collective bargaining agreement with Teamsters Local 665). AutoReturn covers its

operational costs under a fixed monthly management fee and administers variable operating fees that it passes to a network of tow truck firms (including nine local business enterprise (LBE) firms) that employ approximately 65 tow truck operators.

In April 2020, partially in response to the COVID-19 emergency, the Contractor implemented online vehicle auctions, improving the purchaser's experience by offering a safe alternative to onsite auctions and expanding the potential client pool. The online vehicle auctions are estimated to increase revenue to the SFMTA by up to \$1 million annually, due to the wider market.

Amendments and Term Extension

There have been two amendments to the Agreement. The first amendment, approved by the SFMTA Board, established a License Agreement with AutoReturn for use of the short-term storage facility at 450 – 7th Street. The second amendment, approved by the Director of Transportation, under his contracting authority, documented service requirement adjustments to customer service and tow request response times and provided clarification on the process to calculate annual Consumer Price Index increases for management and variable fees paid to AutoReturn. There were no increases to contract length or contract amount in either amendment.

At the time of contract award, the SFMTA Board (Resolution 16-024) and the Board of Supervisors (Resolution 0099-16) approved the five-year base term of the Agreement and the option to extend for up to five years. Funding for the extended term, however, was not requested at the time of contract award, and is now needed for the Director of Transportation to exercise the option.

Staff supports extending the contract for the additional five years for two reasons:

1. AutoReturn consistently meets or exceeds contract requirements, such as response to tow requests from Enforcement and the SFPD within 35 minutes during peak (commute) times, 25 minutes during non-peak times and ten minutes for pre-arranged tows such as special events; and customer assistance with retrieving towed vehicles at the customer service center within an average wait time of seven minutes. Contract requirements are monitored by the SFMTA through reports such as customer wait time and truck operator response time; access to onsite cameras that allow staff to view the customer service center and storage areas in real time, and feedback from the SFPD and SFMTA Enforcement on the responsiveness of tow truck operators.
2. In anticipation of extending the Agreement for five years, the SFMTA and AutoReturn negotiated a 6.35% reduction in the management fee and a 21.6% reduction in the per-auction fee (due to the new online format), totaling approximately \$532,000 in savings over the two-year funding term.

The contract's license agreements for the customer service and storage facilities at 7th Street and Bayshore Blvd., contain provisions that automatically extend the license term to match the term of the Agreement.

Two-Year Funding Request

Because the COVID-19 pandemic has resulted in uncertainty in predicting long-term budget needs, staff recommends a two-step approach to fund the five-year extension of the Agreement.

1. Request \$23.2 million to fund the first two years of the extended term. This gives the SFMTA time to assess how COVID-19 impacts pre-pandemic towing-program costs and to reevaluate the program's policies and funding needs as the City emerges from sustained shelter-in-place (SIP) conditions under the pandemic.
2. Request funding to pay for the remainder of the extended term before the end of the first two years of the extended term (March 31, 2023), under a separate amendment to the Towing Agreement.

The Third Amendment and any subsequent amendments to the Agreement that seek to increase the contract amount by more than \$500,000 requires approval of the Board of Supervisors under Section 9.118 of the San Francisco Charter.

STAKEHOLDER ENGAGEMENT

The SFMTA continues to work collaboratively with the Board of Supervisors, Department of Homelessness and Supportive Housing, Human Service Agency and the Treasurer's Office Financial Justice Project, as well as a number of advocacy groups representing low-income and people experiencing homelessness such as Glide Memorial and the Homeless Coalition, resulting in significant reductions and waivers for tow and storage fees for vulnerable populations.

A summary of SFMTA administrative, tow and storage fees and fee reductions are below:

Administrative Fee (offsets costs for SFMTA Enforcement, Hearings and Administrative Oversight)

- First-time tow \$268
- All repeat tows \$318
- Low-income \$0

Tow Fee (offsets costs for Contractor's operating cost)

- Standard \$256
- Low-income \$100
- One-time waiver for people experiencing homelessness \$0

Storage Fee (offsets facility costs)

- First four hours free
- First day after first 4 hours \$56.50
- Subsequent days \$67.50
- Low Income (extended waiver before fees above begin – up to 15 days)
- Dolly (if applicable) \$46

ALTERNATIVES CONSIDERED

The first alternative would be to allow the Agreement to expire on March 31, 2021. However, tow operations are an essential service that is needed to clear public streets of abandoned and illegally-parked vehicles that pose safety hazards, to ensure that legal parking is available to support the flow of transit, and, on behalf of the SFPD, to collect vehicles that are involved in crimes.

The second alternative would be to begin a new procurement process. However, AutoReturn has met or exceeded contract requirements, and has the expertise to continue developing technologies to support the program and enhance customer service. Also, past towing competitive procurement processes have taken a minimum of two years to complete.

FUNDING IMPACT

The estimated funding impact from this action is shown in the table below, and will be paid for out of the SFMTA’s operating budget.

Extension Year Costs	1	2	TOTAL
Variable Fees	\$2,701,718	\$3,347,431	\$6,049,149
Fixed Management Fees	\$8,468,188	\$8,722,233	\$17,190,421
Total	\$11,169,905	\$12,069,664	\$23,239,569

ENVIRONMENTAL REVIEW

On January 21, 2021, the SFMTA, under authority delegated by the Planning Department, determined that the Two-year Funding of the SFMTA Contract No. 2014-48 Five-year Extension 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 budget estimate for two extension years is \$23.2 million. Although the five-year extension was approved by both the SFMTA Board and the Board of Supervisors, funding increases of \$500,000 or more above a previously approved not-to-exceed contact amount require approval by the Board of Supervisors under Section 9.118 of the San Francisco Charter.

The City Attorney’s Office has reviewed this report.

RECOMMENDATION

Staff recommends that the SFMTA Board authorizes the Director of Transportation to execute the Third Amendment to SFMTA Contract No. 2014-48, Towing and Storage of Abandoned and Illegally Parked Vehicles, with TEGSCO, LLC. (doing business as San Francisco AutoReturn), to increase the contract amount by \$23.2 million for the first two years of the extension for a total contract amount not to exceed \$88.6 million and, to extend the Agreement for five years, and authorize the Director of Transportation to seek approval of the Third Amendment from the Board of Supervisors.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The SFMTA is responsible for efficiently controlling and removing illegally parked and abandoned vehicles to maximize on-street parking, manage traffic congestion and maintain clean, safe and functional streets for the public's use; and,

WHEREAS, On April 1, 2016, the SFMTA executed Contract No. 2014-48 with San Francisco AutoReturn (Contractor) to manage towing operations on behalf of the SFMTA and the San Francisco Police Department, release towed vehicles to their owners upon payment of relevant fees, and dispose (through lien sale auction) vehicles not retrieved by their owners; and,

WHEREAS, At the time of contract award, the Board of Supervisors (Resolution 0099-16) and the SFMTA Board (Resolution 16-024) authorized the Director of Transportation to execute the five-year agreement and the option to extend for up to five years; and,

WHEREAS, The proposed extension includes a negotiated 6.35% reduction in the management fee and a 21.6% reduction in the auction fee, totaling approximately \$532,000 over the first two years of the Agreement; and,

WHEREAS, Funding for the extension years was not requested at the time of contract award and is now needed to exercise the extension option; and,

WHEREAS, Since the COVID-19 pandemic has resulted in uncertainty in predicting long-term budget needs, staff recommends requesting funds for the next two contract years only, for \$23.2 million; and,

WHEREAS, The funding reduction will give the SFMTA time to assess how COVID-19 has impacted pre-pandemic towing program practices, and to re-evaluate program policies and funding needs as the City emerges from sustained Shelter-In-Place conditions during the pandemic; and,

WHEREAS, Before the end of the first two years of the extended term (March 31, 2023), the SFMTA will return the SFMTA Board and the Board of Supervisors to request funding to pay for the remainder of the extension term under a separate amendment to the Towing Agreement; and,

WHEREAS, Contractor continues to meet or exceed operational and customer service requirements, with job stability and benefits to 58 employees (including 20 operating under a collective bargaining agreement with Teamsters Local 665); and,

WHEREAS, Collaborations between the SFMTA, the Board of Supervisors and the San Francisco Office of Homelessness and Supportive Housing have resulted in reductions in the

SFMTA's Administrative Fees for certified low-income towed vehicles as well as reductions in Tow Operator Fees for low-income vehicle owners and renters; one-time tow fee waivers for vehicle owners certified as experiencing homelessness; and an extended 14-day grace period before vehicle storage fees begin to accrue; and,

WHEREAS, On January 21, 2021, the SFMTA, under authority delegated by the Planning Department, determined that the Two-year Funding of the SFMTA Contract No. 2014-48 Five-year Extension 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, Said CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by this reference; and,

WHEREAS, Any amendment that seeks to increase the contract amount by more than \$500,000 requires approval of the Board of Supervisors under Section 9.118 of the San Francisco Charter; now, therefore, be it

RESOLVED, The SFMTA Board of Directors authorizes the Director of Transportation to execute the Third Amendment to SFMTA Contract No. 2014-48, Towing and Storage of Abandoned and Illegally Parked Vehicles, with TEGSCO, LLC. (doing business as San Francisco AutoReturn), to increase the contract amount by \$23.2 million for the first two years of the extension for a total contract amount not to exceed \$88.6 million and, to extend the Agreement for five years, and be it

FURTHER RESOLVED, that the SFMTA Board authorizes the Director of Transportation to seek approval of the Third 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 February 16, 2021.

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
Third Amendment
Contract No. 2014-48**

THIS AMENDMENT (Amendment) is made as of April 1, 2021 in San Francisco, California, by and between TEGSCO, LLC., dba San Francisco AutoReturn (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 update certain standard contractual provisions, exercise the Agreement's option to extend its term for five years, ending March 31, 2026, and increase the amount of the Agreement by \$23,200,000 to \$88,600,000 to pay for the first two years of the extended term.
- C. Before the end of the second year of the extended term, pending availability of City funding, City intends to modify the Agreement again to increase the amount of the Agreement to pay for the last three years of the extended term.
- D. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through Request for Proposal No. 2014-48, issued July 26, 2015, and this Amendment is consistent with the process.
- E. The City's SFMTA Board of Directors approved the Agreement, including the option to extend for up to five years by Resolution No. 16-024 on February 16, 2016; the Board of Supervisors approved the Agreement by Resolution No. 0099-16 on March 15, 2016.
- F. The two licenses that authorize Contractor's use, in connection with the Agreement, of the vehicle storage facilities at 2650 Bayshore Boulevard, Daly City, and 450 7th Street, San Francisco (respectively, Appendices D and F of the Agreement) provide that these licenses shall be automatically extended for the same period of the Agreement's extended term.

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 **April 1, 2016**, between Contractor and City, as amended by the:

First Amendment, dated October 1, 2016 and
Second Amendment, date July 1, 2019

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 1 (Definitions). New Sections 1.14 and 1.15 are added to Article 1 of the Agreement to read as follows:

1.14 “City Data” or “Data” means all data given to Contractor by City in the performance of this Agreement.

1.15 “Confidential Information” means confidential City information including, but not limited to, personally-identifiable information (PII), protected health information (PHI), or individual financial information (collectively, “Proprietary or Confidential Information”) that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

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

2.1 The term of this Agreement shall commence on April 1, 2016, and expire March 31, 2026, unless earlier terminated as otherwise provided herein.

2.3 Section 3.3.1 (Payment). Section 3.3.1 of the Agreement is replaced in its entirety to read as follows:

3.3.1 Payment. Contractor shall provide an invoice to the SFMTA on a monthly basis for Services completed in the immediately preceding month, unless a different schedule is set out in Appendix B, “Calculation of Charges.” Compensation shall be made for Services identified in the invoice that the SFMTA’s designee, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed \$88,600,000 (eighty-eight million, six hundred thousand dollars). The breakdown of charges associated with this Agreement appears in Appendix B, “Calculation of Charges,” attached hereto and incorporated by reference as though fully set forth herein. In no event shall City be liable for interest or late charges for any late payments

2.4 3.6 (Withholding). A new Section 3.6 is added to the Agreement to read as follows:

3.6 Withholding. Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

2.5 Section 4.6 (Assignment). Section 4.6 of the Agreement is replaced in its entirety to read as follows:

4.6 Assignment. The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be directly or indirectly assigned, novated, hypothecated, transferred, or delegated by Contractor, or, where the Contractor is a joint venture, a joint venture partner, (collectively referred to as an "Assignment") unless first approved by City by written instrument executed and approved as required under City law and under the policy of the SFMTA Board of Directors. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (a) reputable and capable, financially and otherwise, of performing each of Contractor's obligations under this Agreement and any other documents to be assigned, (b) not forbidden by applicable law from transacting business or entering into contracts with City; and (c) subject to the jurisdiction of the courts of the State of California. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets of Contractor shall be deemed an Assignment for purposes of this Agreement. Contractor shall immediately notify City about any Assignment. Any purported Assignment made in violation of this provision shall be null and void.

2.6 Section 10.11 (Limitations on Contributions). Section 10.11 of the Agreement is replaced in its entirety to read as follows:

10.11 Limitations on Contributions. By executing this Agreement, Contractor acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by

Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

2.7 Article 14 (Management of Private, Proprietary or Confidential Information and City Data). A new Article 14 is added to the Agreement to read as follows:

Article 14 Management of Private, Proprietary or Confidential Information and City Data.

14.1 Protection of Private Information. If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

14.2 Confidential Information. In the performance of Services, Contractor may have access to City's proprietary or Confidential Information, the disclosure of which to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information.

14.3 Access to City Data. City shall at all times have access to and control of City Data, and shall be able to retrieve it in a readable format, in electronic form and/or print, at any time, at no additional cost.

14.4 Use of City Data and Confidential Information. Contractor agrees to hold City's Confidential Information received from or created on behalf of the City in strictest confidence. Contractor shall not use or disclose City's Data or Confidential Information except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City's Confidential Information outside the United States is subject to prior written authorization by the City. Access to City's Confidential Information must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data or Confidential Information solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data or Confidential Information by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

14.5 Disposition of Confidential Information. Upon termination of Agreement or request of City, Contractor shall within 48 hours return all Confidential Information which includes all original media. Once Contractor has received written confirmation from City that Confidential Information has been successfully transferred to City, Contractor shall within ten business days purge all Confidential Information from its servers, any hosted environment Contractor has used in performance of this Agreement, work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five business days of the purge.

14.6 Notification of Legal Requests. Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests and other legal requests (Legal Requests) related to all City Data given to Contractor by City in the performance of this, or which in any way might reasonably require access to City Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

Article 3 Effective Date

Each of the modifications set forth in Section 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.

<p>CITY San Francisco Municipal Transportation Agency</p> <hr/> <p>Jeffrey P. Tumlin Director of Transportation</p> <p>San Francisco Municipal Transportation Agency Board of Directors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Secretary, SFMTA Board of Directors</p> <p>Board of Supervisors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Clerk of the Board</p> <p>Approved as to Form: Dennis J. Herrera City Attorney By: _____ Isidro Jimenez Deputy City Attorney</p>	<p>CONTRACTOR TEGSCO, LLC., dba San Francisco AutoReturn</p> <hr/> <p>John Wicker President and CEO</p> <p>City Supplier Number: 11631</p>
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