#### FILE NO. 240226

## ORDINANCE NO. 74-24

[Administrative Code Waivers - SFMTA Contract for Automated Speed Enforcement System - Design-Build-Operate-Maintain Delivery Model]

Ordinance waiving certain contracting requirements under Chapters 6 and 21 of the Administrative Code and authorizing the San Francisco Municipal Transportation Agency (SFMTA) to procure design, construction, operation, maintenance, and related services to implement an automated speed enforcement system utilizing a designbuild-operate-maintain delivery model, but requiring payment of prevailing wages, and permitting a best-value selection of the contractor.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. General Background and Findings.

(a) In October 2023, the State of California enacted Assembly Bill 645 ("AB 645"), authorizing six jurisdictions, including the City and County of San Francisco ("City"), to implement an automated speed enforcement system pilot program ("Pilot Program"). The Pilot Program involves the use of automated speed-limit enforcement cameras ("ASE Systems") to improve road safety and is authorized to be operational for five years or until January 1, 2032, whichever comes first. The City actively supported AB 645 throughout the legislative process.

(b) Excessive speed is a major contributor to traffic collisions that result in fatalities or injuries. To meet its Vision Zero goals, the San Francisco Municipal Transportation Agency

("SFMTA") recognizes the critical importance of traffic speed enforcement to reduce traffic collisions.

(c) ASE Systems have demonstrated high effectiveness in detecting speed violations. The California State Transportation Agency and the National Transportation Safety Board have acknowledged the effectiveness of ASE Systems in reducing speeding and enhancing road safety. The National Highway Traffic Safety Administration has awarded automated speed enforcement technology its maximum 5-star effectiveness rating for its significant impact on traffic safety. When combined with educational initiatives and traffic engineering, ASE Systems can significantly reduce speeding, improve traffic safety, and thereby prevent traffic-related fatalities and injuries, including those involving roadway workers. ASE Systems in other states have successfully reduced speeding and improved traffic safety.

(d) The implementation of ASE Systems advances equitable traffic enforcement. It ensures more predictable and effective speeding control and, when broadly implemented, helps change driver behavior. Enforcing speed limits using ASE Systems on streets where speeding drivers create dangerous roadway environments is a reliable and cost-effective method to prevent further fatalities and injuries.

(e) AB 645 authorizes the City to operate up to 33 ASE Systems. Prior to implementation of the Pilot Program, the SFMTA will comply with any applicable requirements in the Surveillance Technology Ordinance under Administrative Code 19B.

Section 2. Findings Regarding the DBOM Delivery Method.

(a) Recognized by the U.S. Department of Transportation's Federal Highway
Administration and Federal Transit Administration, the design-build-operate-maintain
("DBOM") delivery method is an integrated procurement model that combines a project's
design and construction services with longer-term operations and maintenance
responsibilities under a single contactor or contractor team. This method is also known as

"turnkey" procurement and "build-operate-transfer." It involves financing independently secured by the project's public-sector owner. (b) The DBOM method offers several key advantages:

(1) Enhanced Quality Assurance. It promotes higher quality across all project phases, integrating design, construction, operation, and maintenance under a single contractor.

(2) Efficiency in Project Execution. This single-contractor approach consolidates multiple project phases and streamlines project delivery, enhancing coordination and potentially reducing typical delays.

(3) Innovative Design and Construction. The alignment of design and construction under one entity encourages innovative solutions, tailored to both immediate construction needs and long-term operational efficiency.

(4) Proactive Maintenance Planning. The responsibility for long-term maintenance under one entity allows for upfront, comprehensive planning, resulting in a more sustainable and cost-effective approach to project upkeep.

(5) Risk Management and Allocation. DBOM offers clearer risk allocation, leading to more effective management strategies and reducing delays caused by disputes or uncertainties. This includes challenges related to coordinating various project components and ensuring seamless integration, where the contractor assumes responsibility for managing the interactions between different project elements.

(6) Cost and Time Savings. The DBOM model's ability to fast-track certain project elements while maintaining a high-quality standard can result in significant cost and time efficiencies.

(7) Alignment of Contractor and Project Goals. With the contractor responsible for the entire project lifecycle, there is a strong incentive for high-quality, sustainable, and

efficient project execution, aligning the contractor's objectives with the project's long-term success.

(c) The SFMTA is committed to implementing the Pilot Project as quickly as possible, aiming to be the first jurisdiction in California to begin the use of this potentially life-saving technology. This goal faces considerable scheduling risks and challenges in coordinating and integrating various components and system if the SFMTA lets separate contracts for design, construction, operation, and maintenance, which is required under its existing contracting authority. Therefore, the Director of Transportation has determined that the DBOM delivery method is appropriate to achieve the time efficiencies necessary to achieve this goal and, therefore, is in the public's best interest. On March 19, 2024, the SFMTA Board of Directors adopted Resolution No. 240319-029, endorsing the Director of Transportation's recommendation to utilize DBOM method for the Pilot Project in San Francisco. A copy of said resolution is on file with the Clerk of the Board of Supervisors in Board File No. 240226.

(d) The SFMTA estimates the design-build phase of the DBOM contract will last approximately six months. Following this phase, the contract will transition into the operations and maintenance phase, which includes staff training. This operation and maintenance phase will have an initial term of five years, with a projected cost of at least \$5 million. The costs incurred during the design-build phase may be paid several ways: as progress payments during the design-build phase; as a milestone payment upon substantial completion; or they can be amortized and added to the operations and maintenance payments, which would start after substantial completion.

Section 3. The DBOM Procurement Process; Waiver of Certain Administrative Code Provisions.

(a) **General Description: Administrative Code Chapters 6 and 21.** Administrative Code Chapter 6 codifies the City's public works contracting policies and procedures, and

includes contracting requirements for design, engineering, and construction services; and Administrative Code Chapter 21 regulates the City's acquisition of commodities and services, and includes contracting requirements for professional and general services. The design, construction, operation, maintenance, and related services necessary to implement the Pilot Project span the subject matter of Chapters 6 and 21, but neither of these chapters contemplate contracting for these services under a single solicitation.

(b) Authorization of Best-Value Solicitation Process. Notwithstanding any provision of the San Francisco Municipal Code, the SFMTA is authorized to contract for design, construction, operation, maintenance, and any other services the Director of Transportation deems necessary or appropriate to implement the Pilot Project in the City utilizing a best-value solicitation process described below. This process is structured to ensure the selection of a DBOM contractor or contractor team that provides the best value to the City.

## (1) Request for Qualifications.

(A) The SFMTA may issue a request for qualifications ("RFQ") specifically targeted at identifying and shortlisting potential contractors with expertise in automated speed enforcement technology. The RFQ shall include project details, a scope of services related to automated speed enforcement technology, and minimum qualifications necessary for consideration.

(B) Respondents shall be required to submit statements of qualifications that include, without limitation, information describing their experience with automated speed enforcement technology or similar technologies, proposed teams and key personnel, financial stability, and past performance in projects of similar size and scope.

(C) The SFMTA may conduct interviews with respondents or enter discussions to seek clarifications on the statements of qualifications submitted.

(D) Respondents must comply with submittal and other requirements set forth in the RFQ. Responsive statements of qualifications shall be evaluated and scored based on criteria that address their corresponding submittal requirements. The relative weightings of the criteria shall be established by the Director of Transportation.

(E) Based on the evaluation and scoring of the statements of qualifications, the SFMTA may select a shortlist of the highest scoring respondents. The Director of Transportation shall determine the number of shortlisted respondents based on their relative rankings and as reasonably necessary to preserve competition.

## (2) Request for Proposals.

(A) The SFMTA may issue a request for proposals ("RFP") to shortlisted respondents. This RFP must describe the SFMTA's requirements related to the Pilot Project, including technological, operational, and maintenance requirements.

(B) Respondents shall be required to submit proposals that include, without limitation, their technical approaches to design, build, operate, and maintain the Pilot Project, data security approach, changes, if any, to proposed teams and key personnel from their statements of qualifications, schedule, and price.

(C) The SFMTA may conduct interviews with respondents or enter discussions to seek clarifications on the proposals submitted.

(D) Respondents must comply with submittal and other requirements set forth in the RFP. Responsive proposals shall be evaluated and scored based on criteria that address their corresponding submittal requirements. The relative weightings of the criteria shall be established by the Director of Transportation.

# (3) Combined Request for Qualifications/Proposals.

If the Director of Transportation determines it is more time-efficient and beneficial, the RFQ and RFP phases may be combined into a single solicitation phase. In that

event, the SFMTA may issue a single document that solicits both the qualifications and proposals of interested contractors or contractor teams. This document will outline the requirements for both the RFQ and request for proposals components, and respondents shall be required to address both qualifications and proposal requirements in their submissions.

#### (4) Contract Award.

(A) Based on the evaluation and scoring of the proposals, the SFMTA may select the respondent with the highest proposal score as the presumptive best-value proposer, with which the SFMTA may enter negotiations to finalize one or more contracts to provide DBOM services for the Pilot Project. If negotiations with the presumptive best-value proposer are unsuccessful, the SFMTA may enter negotiations with the next highest-scoring respondent, and so on, until negotiations are successful.

(B) The SFMTA may enter into one or more contracts for DBOM services with the successful respondent ("DBOM contractor").

(5) **Reserved Rights.** At any time during the best-value solicitation process, the Director of Transportation may cancel or restart the process if the Director determines it is in the best interest of the City. Other SFMTA-reserved rights regarding the solicitation must be set forth in the RFQ and RFP.

(c) Administrative Code Waivers. Except as provided below, any requirements from Chapters 6 and 21 that are found to conflict with or be unreasonably onerous for DBOM contracting, as determined in writing by the SFMTA after consultation with the City Attorney's Office, shall be waived for any contract let or awarded in connection with the Pilot Project.

(1) The SFMTA shall require that all contractors or subcontractors performing any construction or other covered work or improvement to comply with the requirements of Section 6.22(e) of Article II of Chapter 6 of the Administrative Code, including without limitations, requirements to pay prevailing wages and to submit certified payroll through the

City's certified payroll reporting system; and comply with the requirements of the State Apprenticeship Program in accordance with Section 6.22(n) of Article II of Chapter 6. The SFMTA shall incorporate the requirements of Section 6.22(e) of Article II of Chapter 6 into all contracts, and require its contractors to include those requirements in all subcontracts. To the extent the provisions of law referenced in this subsection (c)(1) are transferred to the Labor and Employment Code, the requirements imposed by this subsection shall continue to apply.

(2) At all stages of the solicitation process, the SFMTA must obtain applicable approvals from the SFMTA Board of Directors or Board of Supervisors as required under the Charter or Municipal Code. If the SFMTA intends to contract for an agreement with a cost that could exceed \$10 million or a term beyond ten years, the SFMTA will at the appropriate time request that the Board of Supervisors approve the corresponding agreement or agreements pursuant to Charter Section 9.118.

(d) The provisions of this ordinance shall be implemented in a manner consistent with the civil service provisions of the Charter.

(e) In any agreement for DBOM services that involves the use of any funds furnished, given, or loaned by the government of the United States or the State of California, all laws, rules, and regulations of the government of the United States or the State of California or of any of their agencies, relative to the performance of the services under the agreement and the conditions under which the services are to be performed, shall prevail over the requirements of this ordinance when such laws, rules, or regulations are in conflict with or otherwise preempt the requirements of this ordinance.

Section 4. Effective Date.

This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not

sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the
Mayor's veto of the ordinance.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By:	/s/
•	MISHA TSUKERMAN
	Deputy City Attorney

n:\legana\as2024\2400276\01738922.docx



City and County of San Francisco Tails Ordinance

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 240226

Date Passed: April 16, 2024

Ordinance waiving certain contracting requirements under Chapters 6 and 21 of the Administrative Code and authorizing the San Francisco Municipal Transportation Agency (SFMTA) to procure design, construction, operation, maintenance, and related services to implement an automated speed enforcement system utilizing a design-build-operate-maintain delivery model, but requiring payment of prevailing wages, and permitting a best-value selection of the contractor.

March 25, 2024 Rules Committee - RECOMMENDED

April 02, 2024 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

April 16, 2024 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240226

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/16/2024 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

London N. Breed Mayor

4-18-74

**Date Approved**