

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 15-103

WHEREAS, When customers make payments at parking meters by credit or debit card, or by using cell phones (“pay-by-phone service”), certain per-transaction charges are imposed by card issuers (merchant processing fees), as well as by the vendors who provide parking meters capable of processing credit or debit card payments; these charges are imposed both when a credit or debit card is presented directly at the meter, or when a customer uses a pay-by-phone service; and

WHEREAS, In February 2015, SFMTA completed upgrading all City parking meters to accept payment by credit or debit card enabled devices; and

WHEREAS, In 2011, the San Francisco Municipal Transportation Agency (SFMTA) entered into an agreement with Verrus Mobile Technologies, Inc. to provide pay-by-phone service; and

WHEREAS, Under the terms of the previous pay-by-phone agreement, the contractor was authorized to charge customers a fee of \$.45 for each payment transaction, but was responsible for collecting and processing customer payments, including paying debit and credit card payment processing costs imposed by card issuers and meter vendors; and

WHEREAS, In June 2015, following approval by the SFMTA Board of Directors, the SFMTA awarded an agreement to PayByPhone Technologies Inc. to operate a pay-by-phone service for parking meter payments; unlike the prior agreement, this agreement made SFMTA, rather than the contractor, responsible for paying meter vendor charges and debit and credit card processing fees from card issuers; and

WHEREAS, Over the course of the maximum nine-year term of that contract, as well as the nine-year projected lifespan of the current parking meter equipment, SFMTA anticipates paying \$47.7 million in merchant processing fees to card issuers and meter transaction fees to meter vendors in connection with parking meter payments made by credit card or debit card presented either directly at the parking meter or made through the pay-by-phone service; and

WHEREAS, An additional charge of \$0.27 per payment transaction would enable SFMTA to recover these costs; and

WHEREAS, Pursuant to Charter Section 16.112 and Section 10 of the SFMTA Board’s Rules of Order, advertisements were placed in the City’s official newspaper, the San Francisco Chronicle, to provide published notice of the July 7, 2015 hearing which ran for five consecutive days beginning on June 18, 2015; and

WHEREAS, The SFMTA Board of Directors finds that the proposed fee is for the purpose of meeting operating expenses; and

WHEREAS, SFMTA staff, under authority delegated by the Planning Department, determined that the proposed program is statutorily exempt from environmental review pursuant to California Public Resources Code section 21080(b)(8) and CEQA implementing guidelines; 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, The proposed action is the Approval Action as defined by the S.F. Administrative Code Chapter 31; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors amends Transportation Code, Division II, to establish a per-transaction fee of \$0.27 to be imposed on parking meter payments made by credit card, debit card or by pay by phone service.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of July 7, 2015.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

[Transportation Code - Fee for Parking Meter Payments by Credit Card, Debit Card or Pay by Phone Service]

Resolution amending Division II of the Transportation Code to establish a per-transaction fee to be imposed on parking meter payments made by credit card, debit card, or by pay by phone service.

NOTE: Additions are single-underline Times New Roman;
deletions are ~~strike-through Times New Roman~~.

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

Section 1. Article 3 of Division II of the Transportation Code is hereby amended by adding Section 321, to read as follows:

Sec. 321. TRANSACTION FEE FOR PARKING METER PAYMENTS.

SFMTA shall impose a fee of \$0.27 upon each payment of parking meter charges made by credit card, debit card, or pay by phone service in order to reimburse the SFMTA for the cost of credit or debit card processing charges incurred by SFMTA for such payments.

Section 2. Effective Date. This ordinance shall become effective 31 days after enactment. Enactment occurs when the San Francisco Municipal Transportation Agency Board of Directors approves this ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
DAVID A. GREENBURG
Deputy City Attorney

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of July 7, 2015.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency