File No. 120581

Committee Item No. 4
Board Item No. 29

COMMITTEE/BOARD OF SUPERVISORS

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Completed by: Victor Young Date July 6, 2012
Completed by: Victor Young Date 7-11-12

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

[Agreement - Serco Inc. - Parking Meter Management System - Not to Exceed $46,410,974]

Resolution authorizing the San Francisco Municipal Transportation Agency to execute an agreement with Serco Inc. for parking meter coin collection, counting and support services for an amount not to exceed $46,410,974 and for a term of five years, with an option to extend the term for up to an additional four years.

WHEREAS, The City has contracted out for parking meter coin collection, counting and support services since 1978; and

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) currently manages approximately 25,000 single-space parking meters and 500 multi-space pay stations that continue to be in need of these services; and

WHEREAS, The SFMTA issued a Request for Proposals (RFP) on December 7, 2011 for a new contract to continue these services once the current agreement expires on June 30, 2012; and

WHEREAS, In response to the RFP, the SFMTA received one responsive proposal from the incumbent, Serco Inc.; and

WHEREAS, The SFMTA has negotiated an agreement with Serco Inc. in the amount of $46,410,974, with a term of five years, and an option to extend the term for up to four additional years, a copy of which agreement is on file with the Clerk of the Board of Supervisors in File No. 120581; and

WHEREAS, On May 15, 2012, the SFMTA Board of Directors adopted Resolution No. 12-072, recommending approval of the agreement between Serco, Inc. and the City and County of San Francisco; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the San Francisco Municipal Transportation Agency to execute an agreement with Serco Inc. for parking meter coin collection, counting and support services for an amount not to exceed $46,410.974 and for a term of five years, with an option to extend the term for up to an additional four years.

Item 4 File 12-0581	Department: San Francisco Municipal Transportation Agency (SFMTA)

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would authorize the San Francisco Municipal Transportation Agency (SFMTA) to execute a new five-year agreement with Serco Inc. for parking meter collection, counting and related support services for a not-to-exceed $46,410,974, extending from August 1, 2012 through July 31, 2017, with an option to extend the term for up to an additional four years, or through July 31, 2021.

Key Points

- Based on a competitive Request for Proposal (RFP) process conducted in 2000, the SFMTA entered into an initial five-year agreement with Serco Inc. from June 30, 2002 through July 1, 2007, which was subsequently extended through July 31, 2012, to provide SFMTA with parking meter revenue collection, counting and support services for a ten-year total not-to-exceed $77,300,000.
- Following a new RFP which was issued on December 7th 2011, although eight vendors attended a pre-proposal conference, five vendors attended a site-visit, and two vendors submitted follow-up questions or requests, only the existing vendor, Serco Inc. submitted a proposal to provide meter revenue collection, counting and support services.
- SFMTA currently has a separate agreement with Serco, under a SFMTA pilot program known as SF*park*, to process parking meter debit and credit card payments and wireless communication service fees, which totaled $2,925,882 in FY 2011-12.

Fiscal Impacts

- The proposed five-year agreement with Serco Inc. for a not-to-exceed $46,410,974 would result in an average annual cost of $9,282,195, which is $959,599 or 11.5 percent more than the $8,322,596 in costs for the comparable services provided to SFMTA in FY 2011-12. However, the proposed new agreement also provides for (a) additional debit and credit card processing and wireless communication fees, which, as noted above, are currently included under a separate Serco agreement and (b) a ten percent contingency to provide for additional parking meters in the City. If these additional services are not included, the costs of the proposed new agreement reflect a decrease from $5,396,714 under the existing agreement to $5,258,557 under the proposed new agreement, a reduction of $138,157 or 2.56 percent.
- SFMTA projects it will realize $46,900,000 of parking meter revenues in FY 2011-12, approximately 6 percent of the SFMTA's total $780,567,111 FY 2011-12 operating budget.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT/BACKGROUND

Mandate Statement

In accordance with Charter Section 9.118, any agreement (a) for more than $10,000,000, (b) that extends for longer than ten years, or (c) with an amendment of more than $500,000, is subject to Board of Supervisors approval.

Background

Currently, the San Francisco Municipal Transportation Agency (SFMTA) manages approximately 26,000 single-spaced parking meters, of which 5,800 parking meters have been upgraded to accept debit and credit cards under the SFMTA's SF*park* Program. Additionally, there are approximately 500 multi-space meters, approximately 190 of which currently accept debit and credit card payments. Over the next two years, SFMTA plans to upgrade parking meters Citywide to accept debit and credit cards.

Since 1978, the SFMTA has contracted with outside vendors to provide for the collection and counting of parking meter revenues and related support services. Based on a competitive Request for Proposal (RFP) process conducted in 2000, the SFMTA entered into a five-year agreement with Serco Inc. to provide parking meter revenue collection, counting and support services from June 30, 2002 through July 1, 2007. This agreement was subsequently extended three additional times with Board of Supervisors approval through June 30, 2012, for a total ten year not-to-exceed $77,300,000 agreement[1]. On June 14, 2012, the SFMTA Director approved extending this agreement by one month from July 1, 2012 through July 31, 2012 to allow additional time for the review of the proposed new agreement by the Board of Supervisors. Under the existing agreement, Serco collects, counts and provides related support services for all parking meter revenues realized by the SFMTA, such that the SFMTA has realized an average of $31,284,143 annually in gross parking meter revenues over the past ten years. Following the issuance of a new RFP for parking meter collection and counting services and related support services on December 7, 2011, the SFMTA held a pre-proposal conference on December 21, 2011. Eight potential vendors attended the pre-proposal conference, five vendors attended a same-day site-visit, and two vendors submitted follow-up questions or requests. Only the existing vendor, Serco Inc. submitted a proposal to SFMTA.

Subsequently, SFMTA and Serco Inc. successfully negotiated the terms of the proposed new agreement and on May 15, 2012 the SFMTA Board of Directors adopted Resolution No. 12-072, authorizing the execution of an agreement between SFMTA and Serco Inc. for parking meter collections, counting and related support services for a term of five years for a not-to-exceed amount of $46,410,974, with an option to extend for an additional four years.

In addition, the SFMTA currently has a separate agreement with Serco, under a SFMTA pilot program known as SF*park*, scheduled to extend through the Summer of 2012, to process

[1] This ten-year not-to-exceed $77,300,000 agreement included approximately $30 million for a Citywide procurement and installation of electronic parking meters.

parking meter debit and credit card payments and wireless communication fees, which totaled $2,925,882 in FY 2011-12.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the SFMTA to execute a new five-year agreement with Serco Inc. for parking meter collection, counting and related support services for a not-to-exceed $46,410,974, extending from August 1, 2012 through July 31, 2017, with an option to extend the term for up to an additional four years, or through July 31, 2021.

The primary services included in the proposed agreement between SFMTA and Serco Inc. include (a) single- and multi-space parking meter collections, counting, maintenance tracking and revenue reconciliation, (b) upgrades to the existing coin sorters for counting purposes, (c) installation of additional cameras on the trucks used to collect the parking meter revenues in order to obtain increased security, (d) purchase of replacement collection vaults, (e) Information Technology support for the electronic meters and for meter collection management, and (f) continued procurement of spare parking meters and spare parts.

In addition, the proposed new agreement also provides for services and costs related to the implementation of parking meters which accept debit and credit cards as a form of payment, including the processing of such debit and credit card payments and wireless communication service fees. The SFMTA anticipates replacing approximately 21,000 ten-year old parking meters with new parking meters that accept various forms of payment, including debit and credit cards in addition to coins. Because the subject agreement is structured to pay for labor based on coin volume, the proposed agreement enables the SFMTA to adjust services as needed in the event that coin usage declines and other payment options (i.e. debit and credit card transactions) increase and/or are implemented. Further, the proposed agreement allows for the coin collection, counting and support services related to an anticipated expansion of approximately 1,000 new parking meters in the Mission Bay area.

FISCAL IMPACTS

Based on a competitive RFP process, the proposed resolution would authorize SFMTA to execute a new agreement with Serco Inc. for five years for a total not-to-exceed $46,410,974 or an average of $9,282,195 per year. As shown in Table 1 below, the proposed average annual cost of $9,282,195 is $959,599 or 11.5 percent more than the cost of $8,322,596 for comparable services provided to SFMTA in FY 2011-12, including both the (a) existing Serco agreement, and (b) existing Serco SF*park*, agreement. As shown in Table 1 below, the proposed new agreement provides for a number of additional services and fees that are not included in the existing agreement, such as debit and credit card processing fees and wireless communication service fees (that allow parking meters to communicate with backend software programs that

track maintenance and revenue data), and (c) a ten percent contingency to allow for the expansion of parking meters in the City.

Table 1: Comparison of Current FY 2011-12 Costs to Proposed Agreement's Average Annual Costs

SERCO Services	FY 2011- 12 Annual Amount Under Existing Agreement with Serco	Proposed New Agreement Annual Amount with Serco	Difference in Dollars	% Difference
Coin Collection (Labor)	$2,256,057	$2,307,209	$51,152	2.27%
Coin Counting (Labor)	213,894	156,125	(57,769)	(27.01%)
Management Fees (includes collection vehicles, facility rentals, maintenance agreements, labor and contract management, armored car services and support staff)	1,632,418	1,545,635	(86,783)	(5.32%)
Parking Meter Spare Parts	1,097,928	750,000	(347,928)	(31.69%)
Equipment costs and upgrades	0	327,271	327,271	n/a
Port Meter Collections, Counting and warranties (reimbursed by the Port of San	196,417	172,317	24,100	(12.27%)
Subtotal	**$5,396,714**	**$5,258,557**	**(138,157)**	**(2.56%)**
Debit/Credit Card Processing Fees*	1,083,623	1,280,668	197,045	18.2%
Wireless Communications Fees*	1,842,259	1,892,970	50,711	2.8%
Subtotal Debit/Credit Card & Wireless Fees	**2,925,882**	**3,173,638**	**247,756**	**8.5%**
10% Contingency: To allow for parking meter expansion	0	850,000	850,000	n/a
Total	$8,322,596	$9,282,195	$959,599	11.5%

*These costs are not included under the existing agreement but are associated with the additional costs of installing meters that accept debit/credit cards. These costs were formerly under the SF *Park* Program.

As noted above, the addition of debit and credit card processing and wireless communication service fees provided under the proposed Serco agreement are currently incorporated under a separate agreement with Serco, which totaled $2,925,882 in FY 2011-12, under a SFMTA's pilot SF*park* program. As shown in Table 1 above, these new debit and credit card processing and wireless communication fees (formerly under SF*park*) would total $3,173,638, which is $247,756 or 8.5 percent more than the current total of $2,925,882 under a separate agreement with Serco. Ms. Lorraine Fuqua of SFMTA advises that these additional costs are associated with the further adoption and implementation of debit and credit card capable parking meters and the associated wireless communication needs for the additional parking meters. Ms. Fuqua also notes that as debit and credit card payments at parking meters are more utilized by the public, and as the City makes debit and credit card enabled meters universal throughout the

City, additional debit and credit card processing and wireless communication service fees, and the related revenues will be realized by the SFMTA.

In addition, as shown in Table 1 above, the proposed agreement includes a ten percent contingency budget of $850,000 which would be used to fund collection, counting and support services related to the potential expansion of parking meters into currently unmetered sections of the City. Ms. Fuqua advises that 1,000 new parking meters are anticipated for installation in the Mission Bay area, under the SF*park* Program.

As shown in Table 1 above, if the debit and credit card transaction fees, wireless communication service fees as well as the ten percent contingency costs are excluded from the costs under the proposed new agreement, a direct comparison of the costs of Serco's services under the existing agreement with Serco's services under the proposed new agreement reflects a decrease in costs from $5,396,714 to $5,258,557, a reduction of $138,157 or 2.56 percent.

As shown in Table 2 below, over the past ten years, the SFMTA has realized an average of $31,284,143 annually in revenues from Serco's parking meter collections. In FY 2010-11 SFMTA's parking meter revenues totaled $40,429,963, which the Department projects to increase to $46,900,000 in FY 2011-12 and to further increase over the term of the proposed five year agreement, as parking metered areas are expanded. Based on the projected $46,900,000 of parking meter revenues in FY 2011-12, these revenues represent approximately 6 percent of the SFMTA's total $780,567,111 FY 2011-12 operating budget.

Table 2: SFMTA Parking Meter Revenue

Fiscal Year	Amount
2002-03	$14,203,884
2003-04	$24,107,482
2004-05	$24,148,426
2005-06	$29,687,616
2006-07	$30,916,410
2007-08	$31,625,512
2008-09	$32,524,232
2009-10*	$38,297,900
2010-11	$40,429,963
2011-12 *(projected)*	*$46,900,000*
Ten-Year Annual Average	*$31,284,143*

** Includes revenues from a parking meter rate increase.*

POLICY CONSIDERATION

As noted above, although eight potential vendors attended a pre-proposal conference, five attended the same-day site-visit, two submitted follow-up questions or requests, only one vendor submitted a proposal. The sole proposal was submitted by Serco, the existing contractor that provides parking meter collection, counting and related support services for the SFMTA. In addition, Serco is the current contractor for debit and credit card processing of parking meter revenues and wireless communication services. According to Ms. Fuqua none of the potential vendors requested modifications to SFMTA's minimum requirements, changes to the scope of work or filed protests with the SFMTA. Further, Ms. Fuqua notes that the bid by Serco Inc. was submitted with the expectation of competition from other vendors. As a result, as shown in Table 1 above, if the additional services under the proposed agreement are not included, a comparison of the costs of Serco's services under the existing agreement with Serco, with the costs under the proposed agreement with Serco reflects a decrease in costs from $5,396,714 to $5,258,557, a reduction of $138,157 or 2.56 percent.

RECOMMENDATION

Approve the proposed resolution.

Edwin M. Lee | Mayor

Tom Nolan | Chairman
Cheryl Brinkman | Vice-Chairman
Leona Bridges | Director
Malcolm Heinicke | Director
Jerry Lee | Director
Joél Ramos | Director

Edward D. Reiskin | Director of Transportation

May 21, 2012

The Honorable Members of the Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton Goodlett Place
San Francisco, CA 94102

Subject: Authorizing the San Francisco Municipal Transportation Agency (SFMTA) to Enter in an Agreement with Serco, Inc., for Parking Meter Coin Collection, Counting and Support Services

Honorable Members of the Board of Supervisors:

The purpose of this briefing is to provide information to support the San Francisco Municipal Transportation Agency's request that the Board of Supervisors authorize the SFMTA to enter into an agreement with Serco, Inc. for Parking Meter Coin Collection, Counting and Support Services, for a term of five years, with an option to extend the term up to four additional years, for an amount not to exceed $46,410,974.

Background:

Services for parking meter collections and counting services have been performed by outside vendors since 1978. The current agreement with Serco Inc. will expire on June 30, 2012. Since its inception in 2002, the current agreement has provided collection, counting and tracking services resulting in approximately $270 million in parking meter revenue. Serco has met or exceeded the contract requirements and the following contract goals have been achieved:

- Removal of 23,000 broken-down mechanical meters throughout the City (excluding the Port of San Francisco), and installation of 23,000 single space and 250 multi-space electronic meters.
- Improved coin collection services that allow use of electro-mechanical meter vault locks that enhance security and auditability, and the option to collect revenue through the use of smart card (pre-paid meter debit card) technology.

San Francisco Municipal Transportation Agency
One South Van Ness Avenue, Seventh Fl. San Francisco, CA 94103
Tel: 415.701.4500 | Fax: 415.701.4430 | www.sfmta.com

- Improved coin counting services, including regular interval weighing and counting of various coin denominations (dime, nickel and quarter).
- Development of an integrated software database system (San Francisco Parking Meter Management System or SFPMMS) that links various types of meter software tracking programs into one integrated system that allows tracking of parking meter revenue, maintenance and smart card usage.

Request for Proposal Process:

After receiving SFMTA Board approval on December 6, 2011, the SFMTA released a Request for Proposals (RFP) on December 7th for a new agreement for parking meter collection and counting services. A pre-proposal conference and site visit were held on December 21, 2011. Eight potential vendors attended the pre-proposal conference, and five of the eight attended a site visit. Despite the attendance, however, only two vendors submitted follow-up questions or requests. Serco submitted follow-up questions, and another vendor requested an extension of the due date for proposals. The SFMTA granted a two-week extension (to February 7, 2012); however only Serco submitted a proposal in response to the RFP.

The SFMTA contacted the vendors that participated in the pre-proposal conference. Some reasons given for not bidding included too many competing projects, or the inability to form partnerships to meet specific contract service needs. No requests to modify the minimum requirements were submitted and no protests have been filed.

The proposal submitted by Serco was reviewed by the SFMTA's Contract Procurement and Contract Compliance divisions and was found to be responsive. Negotiations were successfully conducted, and on May 15, 2012 the SFMTA Board authorized the execution of the contract, pending Board of Supervisors approval.

Summary of Contract Services:

- Continued single- and multi-space parking meter collections, counting, maintenance tracking and revenue reconciliation services.
- Upgrades of the existing four coin sorters, purchase of a new jet sorter for coin counting, new handheld devices for Meter Shop staff, additional cameras for coin collection trucks, new collection vaults and carts and modifications to the current parking meter management system.
- Product support services (warranties, vendor applications support, resolution of technical issues that do not require direct vendor involvement, liaison support between SFMTA and vendor technical personnel.)
- Oracle Database Administration support services for meter tracking software, including potential expansion of the system to accommodate additional meter manufacturers and new tracking elements (e.g. vehicle sensing equipment), as needed.

- IT support for single and multi-space meter management systems and infrastructure.
- Continued procurement of meter spare parts and related parking management services.
- Provides the SFMTA the ability to adjust services as need to reflect reductions in coin usage as other payment options are introduced and adopted.

Funding Impact:

Revenue:
Approximately $40.4 million in parking meter revenue was collected in FY 2011. The SFMTA anticipates that this amount will be maintained or increased over the term of the agreement. Therefore, the total parking meter revenue expected is at least $202 million for the five-year base term of the agreement.

Expenses:
The following shows a comparison of current service costs to the proposed service costs for the new agreement. The table also lists additional services that will be provided, equipment that will be purchased in the new contract and a contingency amount:

CATEGORY	FY 2012 Project Annual Amount	New Contract Annual Amount	% diff
Coin Collection (Labor)	$2,256,057	$2,307,209	2.27%
Coin Counting (Labor)	$213,894	$156,125	-27.01%
Management Fees (includes collection vehicles, facility rentals, maintenance agreements, labor and contract management, armored car services and support staff)	$1,632,418	$1,545,635	-5.32%
Parking Meter Spare Parts	$1,097,928	$750,000	-31.69%
Equipment costs and upgrades	$0	$327,271	n/a
Port Meter Collections, Counting and warranties (reimbursed by the Port of San Francisco)	$196,417	$172,317	-12.27%
Subtotal	**$5,396,714**	**$5,258,557**	**-2.56%**
Credit Card Processing Fees*	$0	$1,280,668	n/a
Wireless Communications Fees*	$0	$1,892,970	n/a
10% Contingency: To allow for parking meter expansion	$0	$850,000	n/a
Total	$5,396,714	$9,282,195	n/a

Five-year Not to Exceed Amount: $46,410,974

These expenses are included in the FY 2013 and FY 2014 SFMTA operating budgets. Costs with an asterisk (*) were not included in the current contract, but have been introduced with the installation of state-of-the-art parking meters that now accept additional forms of payment

and vehicle detection technology through the SF*park* Program to provide the SFMTA with critical data and on meter and parking space performance and occupancy. Costs were formerly paid through the SF*park* contract, but are now being transferred to the Parking Meter Contract in order to add the SF*park* meters to the general parking meter population.

Parking Meter Replacement Plan:

The SFMTA plans to issue an RFP for Parking Meter Procurement in late 2012 to replace approximately 23,000 ten-year old meters with models that are capable of wireless communication and able to accept additional forms of payment further reducing collection and counting volumes and expense. Upon successful negotiations with the responsive vendor(s), the SFMTA will bring the proposed contract for meter replacement to the Board of Supervisors for review and approval.

Recommendation:
In order to continue collecting, counting, processing parking meter revenue vital to SFMTA's operating budget, the SFMTA recommends that the Board of Supervisors authorize the SFMTA to enter into an agreement with Serco, Inc. for Parking Meter Coin Collection, Counting and Support Services, for a term of five years, with the option to extend the term up to four additional years, for an amount not to exceed $46,410,974.

Thank you for your consideration of this proposed agreement. Should you have any questions or require more information, please do not hesitate to contact me at any time.

Sincerely,

Edward D. Reiskin
Director of Transportation

BOARD OF SUPERVISORS
SAN FRANCISCO
2012 MAY 21 AM 11: 58
BY AK

Edwin M. Lee | Mayor
Tom Nolan | Chairman
Cheryl Brinkman | Vice-Chairman
Leona Bridges | Director
Malcolm Heinicke | Director
Jerry Lee | Director
Joél Ramos | Director
Edward D. Reiskin | Director of Transportation

May 21, 2012

Angela Calvillo, Clerk of the Board
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

Dear Ms. Calvillo:

Attached please find an original and four copies of a proposed resolution for Board of Supervisors approval, authorizing the Director of Transportation to enter into an Agreement with Serco, Inc., for Parking Meter Coin Collection, Counting and Support Services.

The following is a list of accompanying documents (five sets):

- BOS Resolution
- Master Agreement and Scope of Work
- SFMTA Board Resolution
- Form SFEC 126

The SFMTA respectfully requests the item be introduced at the May 22, 2012 meeting, and that committee review of this item be heard during the week of June 11, 2012 in order to allow for final approval of the agreement to occur prior to the current contract's expiration date of June 30th.

If you require further information, please contact SFMTA Local Government Affairs Liaison, Janet Martinsen at (415) 701-4693 or janet.martinsen@sfmta.com.

Thank you,

Edward D. Reiskin
Director of Transportation

San Francisco Municipal Transportation Agency
One South Van Ness Avenue, Seventh Fl. San Francisco, CA 94103
Tel: 415.701.4500 | Fax: 415.701.4430 | www.sfmta.com

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 12-072

WHEREAS, Services for parking meter collections and counting services have been performed by outside vendors since 1978; and,

WHEREAS, The current agreement, which will expire on June 30, 2012, has provided collection services of approximately $270 million in parking meter revenue, modernized collection and counting methods and revenue and maintenance tracking; and,

WHEREAS, Parking meter revenue expected is at least $202 million for the five-year base term of the agreement and expenses are estimated at $43,437,576; and

WHEREAS, After receiving SFMTA Board approval, the SFMTA released a Request for Proposals (RFP) on December 7, 2011 for a new agreement for parking meter collection and counting services; and,

WHEREAS, In response to the RFP, the SFMTA received one proposal from Serco Inc. which proposal was determined to be responsive; and,

WHEREAS, The SFMTA has negotiated an agreement with Serco Inc. in the amount of $46.4 million, with a term of five years, and an option to extend the term for up to four additional years; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation to enter into an agreement with Serco, Inc. for Parking Meter Coin Collection, Counting and Support Services, for a term of five years, with an option to extend to up to four additional years, for an amount not to exceed $46,410,974; and be it

FURTHER RESOLVED, That the SFMTA Board recommends this agreement to the Board of Supervisors for its review and approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 15, 2012.

R. Boomer

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

** Complete copy of document is located in

File No. 120581

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

Agreement between the City and County of San Francisco and Serco Inc. for Parking Meter Coin Collection, Counting and Support Services

Contract No. SFMTA#2011/12-08

This Agreement is made this _____ day of _____, 2012, in the City and County of San Francisco, State of California, by and between: Serco Inc., 1818 Library Street, Suite 1000, Reston, Virginia 20190 ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Municipal Transportation Agency ("SFMTA").

Recitals

A. The SFMTA wishes to procure collection, counting and support services for its on-street parking meter systems.

B. A Request for Proposals ("RFP") was issued on December 7, 2011, and City selected Contractor as the highest-ranked proposer.

C. Contractor represents and warrants that it is qualified to perform the services required by City as described in this contract.

D. The positions required under this Agreement are subject to a determination by the Controller and Board of Supervisors of exemption from Civil Service appointment under Section 10.104(15) of the Charter.

Now, THEREFORE, the parties agree as follows:

1. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

2. Term of the Agreement. Subject to Section 1, the term of this Agreement shall be five years from the Effective Date, with an option to extend the term for up to four years at the discretion of the SFMTA.

SFMTA Resolution for BOS introduction - Serco Parking Meter Management System

Martinsen, Janet to: BOS Legislation, Caldeira, Rick , Calvillo, Angela 05/21/2012 11:13 AM

Cc: "Reiskin, Ed", "Johnson, Debra" , "Bose, Sonali", "Jones, Jermain", "Elliott, Jason"

Madame Clerk:

Please find attached relevant documents for a Resolution to be submitted for BOS consideration by the SFMTA.

Please contact me with any questions.

Sincerley,

Janet

Janet L. Martinsen
Local Government Affairs Liaison
SFMTA | Municipal Transportation Agency
1 So. Van Ness, 7th Floor
janet.martinsen@sfmta.com
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www.sfmta.com

BOSCoverLetterParkingMeterContractFinalSigned5.21.12.pdf

ParkingMeterContractBOSBriefingFinalSigned5.21.12.pdf ParkingMeterContractResolutionFinalForIntro.doc

00768143-Master Agreement and SOW-BOSFinal.pdf

Form SFEC-BOS versionContractorInformationSercoMeter5.21.12.docx

Form SFEC-Mayor VersionContractorInformationSercoMeter5.21.12.docx

SFMTA Board Resolution-Meter Contract.pdf

LEGISLATION RECEIVED CHECKLIST

Date 5/21/12 File Number (if applicable)_____

[ ] Legislation for Introduction **(NEW)** ►►► **Legislation Clerk**
[ ] Legislation Pending in Committee **(AMENDED)** ►►► **Committee Clerk**
[ ] Legislation for Board Agenda **(AMENDED)** ►►► **Dep Clerk, Legislative Div**

Supervisor, Mayor, and Departmental Submittals

Grant Ordinance

[ ] **Legislation:** Original and 4 copies
[ ] **Signature:** Department Head, Mayor or the Mayor's designee, plus the Controller
[ ] **Back-up materials:** 4 full sets (see below)
- [ ] Cover letter
- [ ] Grant budget/application
- [ ] Grant information form, including disability checklist
- [ ] Letter of Intent or grant award letter from funding agency
- [ ] Contract, Leases/Agreements (if applicable)
- [ ] Ethics Form 126 *(if applicable)*

[ ] **E-Version of legislation/back-up materials: Sent to BOS Legislation@sfgov.org**

Ordinance

[ ] **Legislation:** Original and 4 copies
[ ] **Signature:** City Attorney (For Settlement of Lawsuits - City Attorney, Department Head, Controller, Commission Secretary)
[ ] **Back-up materials:** 4 full sets (see below)
- [ ] Cover letter
- [ ] Settlement Report/Agreement (for settlements)
- [ ] Other (Explain)

[ ] **E-Version of legislation/back-up materials: Sent to BOS Legislation@sfgov.org**

Grant Resolution

[ ] **Legislation:** Original and 4 copies
[ ] **Signature:** Department Head, Mayor or the Mayor's designee, plus the Controller
[ ] **Back-up materials:** 4 full sets (see below)
- [ ] Cover letter
- [ ] Grant budget/application
- [ ] Grant information form, including disability checklist
- [ ] Letter of Intent or grant award letter from funding agency
- [ ] Contract, Leases/Agreements (if applicable)
- [ ] Ethics Form 126 *(if applicable)*

[ ] **E-Version of legislation/back-up materials: Sent to BOS Legislation@sfgov.org**

Resolution

[X] **Legislation:** Original and 4 copies
[ ] **Signature:** None (Required for Settlement of Claims - City Attorney, Department Head, Controller, Commission Secretary)
[ ] **Back-up materials:** 4 full sets *(see below)*
- [ ] Cover letter
- [ ] Settlement Report/Agreement (for settlements)
- [ ] Other (Explain)

[X] **E-Version of legislation/back-up materials: Sent to BOS Legislation@sfgov.org**

Janet Martinsen 415-701-4643
Name and Telephone Number Department

Clerk's Office/Forms/Legislation Received Checklist (1/2012)

File No. 120581

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information *(Please print clearly.)*	
Name of City elective officer(s):	City elective office(s) held:
Members, San Francisco Board of Supervisors	Members, San Francisco Board of Supervisors

Contractor Information *(Please print clearly.)*

Name of contractor: Serco Inc.

Please list the names of

(1) members of the contractor's board of directors;
Edward J. Casey, Jr.
Bo Durickovic
James C. Morgan
Harry D. Gatanas
Riley D. Mixson
Robert F. Reynolds
Jacques S. Gansler
Christopher R. Hyman
Guy Leach

(2) the contractor's chief executive officer, chief financial officer and chief operating officer;
Edward J. Casey, Jr., Chairman & Chief Executive Officer;
James Morgan, Executive Vice President, Chief Financial Officer;
Bo Durickovic, President & Chief Operating Officer

(3) any person who has an ownership of 20 percent or more in the contractor;
There is not an individual owning more than 20 percent of the company. Serco Inc. is 100% owned by Serco North America Limited, a company organized under the laws of England & Wales.

(4) any subcontractor listed in the bid or contract;
Diamond Technologies Inc.
San Francisco, CA

Serco Civil Government UK, a division of Serco Group, plc,
the parent company of Serco Inc.

J.J. MacKay Canada Limited
1342 Abercrombie Rd.
P.O. Box 338
New Glasgow, NS
Canada, B2H 5C6
902-752-5124

Medeco® High Security Locks
P.O. Box 3075
3625 Alleghany Drive
Salem, Virginia 24153-0330
Phone: 800-839-3157

DAP Technologies
7450 South Priest Drive
Tempe, Arizona 85283
Phone: 1-855-327-8324

Money Systems Technology Inc.
3522 Dividend Dr.
Garland, TX 75042
972-272-3262

IPS GROUP, INC
6195 Cornerstone Ct. East
Suite 114
San Diego, CA 92121
858-404-0607

Duncan Solutions, Inc.
633 W. Wisconsin Avenue, Suite 1600
Milwaukee, Wisconsin 53203
888-553-8622

Parkeon
40 Twosome Drive, Suite #7
Moorestown, NJ 08057
856-234-8000

(5) any political committee sponsored or controlled by the contractor.
Serco Inc. controls the Serco Political Action Committee.

Contractor address: **1818 Library Street Suite 1000, Reston, VA 20190**	
Date that contract was approved:	Amount of contract: **$46,410,974**
Describe the nature of the contract that was approved: **Parking Meter Coin Collection, Counting and Support Services.**	
Comments:	

This contract was approved by (check applicable):

☐ the City elective officer(s) identified on this form

☒ a board on which the City elective officer(s) serves San Francisco Board of Supervisors
Print Name of Board

☐ the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

_____
Print Name of Board

Filer Information *(Please print clearly.)*	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244 1 Dr. Carton B. Goodlett Pl. San Francisco CA 94102	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer) — Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk) — Date Signed