

File No. 230474

Committee Item No. 4

Board Item No. 35

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: June 1, 2023

Board of Supervisors Meeting:

Date: June 13, 2023

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU - FY2022-2024 - Clean |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU - FY2022-2024 - Redline |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract / DRAFT Mills Act Agreement |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

- | | | |
|-------------------------------------|-------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | DRAFT Agmt. |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | AIR Comm. Reso No. 230-0094 041823 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | AIR Comm. Reso No. 22-0185 120622 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Air Comm Ltr 042023 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Pres Action Memo 052223 |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Prepared by: Stephanie Cabrera

Date: May 23, 2023

Prepared by: John Carroll

Date: June 8, 2023

Prepared by: _____

Date: _____

1 [Airport Professional Services Agreement - SP Plus SF Joint Venture - Management and
2 Operations of Airport Public and Employee Parking Facilities - Not to Exceed \$214,947,987]

3 **Resolution approving the Professional Services Agreement, Contract No. 50337, for a**
4 **five-year term commencing July 1, 2023, through June 30, 2028, in an amount not to**
5 **exceed \$214,947,987 for the Management and Operations of Airport Public and**
6 **Employee Parking Facilities between SP Plus SF Joint Venture and the City and County**
7 **of San Francisco, acting by and through its Airport Commission.**

8
9 WHEREAS, On December 6, 2022, by Resolution No. 22-0185, the Airport
10 Commission authorized the issuance of a Request for Proposals (RFP) for the Management
11 and Operations of Airport Public and Employee Parking Facilities; and

12 WHEREAS, On January 20, 2023, the Airport received two proposals and staff
13 concluded that both proposals met the minimum qualifications; and

14 WHEREAS, A five-person evaluation panel reviewed and rated the proposals and oral
15 presentations and SP Plus SF Joint Venture was the highest-ranked firm; and

16 WHEREAS, Staff negotiated a five-year Professional Services Agreement (the
17 “Agreement”) for the Management and Operations of Airport Public and Employee Parking
18 Facilities for a fixed monthly management fee, as well as a performance-based incentive fee
19 based on performance metrics linked to operational and customer service key performance
20 indicators (KPIs). The contractor's performance will be evaluated and scored based on these
21 KPIs and their earned incentive fees will be directly proportional to their scores; and

22 WHEREAS, On April 18, 2023, by Resolution No. 23-0094, the Airport Commission
23 awarded the Agreement to SP Plus SF Joint Venture for a five-year term, commencing July 1,
24 2023, through June 30, 2028, in a total amount not to exceed \$214,947,987; and

1 WHEREAS, Copies of the Agreement are on file with the Clerk of the Board of
2 Supervisors in File No. 230474; now, therefore, be it

3 RESOLVED, That the Board of Supervisors hereby approves the Professional Services
4 Agreement, Contract 50337 for the Management and Operations of Airport Public and
5 Employee Parking Facilities between SP Plus SF Joint Venture and the City and County of
6 San Francisco, acting by and through its Airport Commission, for a five-year term
7 commencing July 1, 2023, in an amount not to exceed \$214,947,987; and, be it

8 FURTHER RESOLVED, That within thirty (30) days of the Contract being fully
9 executed by all parties, the Airport Commission shall provide the executed Contract to the
10 Clerk of the Board for inclusion into the official file.

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

May 26, 2023

TO: Government Audit and Oversight Committee

FROM: Budget and Legislative Analyst



SUBJECT: June 1, 2023 Government Audit and Oversight Committee Meeting

TABLE OF CONTENTS

Item	File	Page
1	23-0537 Contract Amendment - HealthRIGHT 360 - Check-Writing Services - Not to Exceed \$107,416,172.....	1
4	23-0474 Airport Professional Services Agreement - SP Plus SF Joint Venture - Management and Operations of Airport Public and Employee Parking Facilities - Not to Exceed \$214,947,987.....	5

<p>Item 4 File 23-0474</p>	<p>Department: San Francisco International Airport (Airport)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed resolution would approve a parking management and operations contract between the San Francisco International Airport (Airport) and SP Plus SF Joint Venture (SP Plus) for a term of five years, from July 2023 through June 2028, and an amount not to exceed \$214,947,987. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The Airport uses private contractors to manage the public and employee parking facilities at the Airport. In December 2022, the Airport issued a Request for Proposals (RFP) to select a new parking management operator. SP Plus, which is a joint venture partner of the existing provider New South Parking, was deemed the highest scoring proposer and was awarded a contract. • Under the contract, SP Plus would manage and operate the public and employee parking facilities and the Airport Impound Lot for towing and storage of abandoned and public vehicles. Services include collecting all public parking fees and charges, processing credit card charges, distributing employee permits and collecting all fees and charges associated with the employee parking program, providing security, maintenance, and janitorial services for the parking facilities. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The proposed contract would have a total expenditure of \$214,947,987 over the five-year term offset by \$738,791,114 in projected revenues, resulting in \$523,843,127 in net revenues to the Airport over the five-year term. • The contract budget includes \$10 million in annual expenditures, starting in Year 3, to fund operations at a potential off-site parking facility that the Airport may consider acquiring. Funding is also included for remote airline check-in and curbside valet services, as well as additional staffing while the Parking Access and Revenue Control System (PARCS) is replaced. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

The San Francisco International Airport (Airport) operates approximately 15,508 public parking spaces as well as 7,225 employee parking spaces. The Airport has used private contractors to manage the public and employee parking facilities at the Airport, including collecting all public parking fees and charges, processing credit card charges, distributing employee permits and collecting all fees and charges associated with the employee parking program, providing security services for the parking facilities, and providing maintenance and janitorial service for the parking facilities.

In December 2022, the Airport issued a Request for Proposals (RFP) to select a new parking management operator. The Airport received two proposals and an evaluation panel reviewed and scored them, as shown in Exhibit 1 below.¹

Exhibit 1: Proposals and Scores from RFP

Proposer	Score (Out of 1000)
SP Plus SF Joint Venture ²	838.75
ABM Aviation Inc.	768.00

Source: Airport

SP Plus SF Joint Venture (SP Plus), which is a joint venture partner of the existing provider New South Parking, was deemed the highest scoring proposer and was awarded a contract. In March 2023, ABM Aviation sent the Airport two protest letters over the award to SP Plus.³ After consulting with the City Attorney’s Office, Airport staff determined that the protest had no merit. In April 2023, the Airport Commission approved a contract with SP Plus.

¹ The evaluation panel consisted of an Airport Parking Operations Manager from the Port of Oakland, a Senior Manager of Commercial Revenue Development from Seattle-Tacoma International Airport, a Security Access Office Manager from SFO, a Director of Budget & Capital Planning from SFO, and an Acting Chief Information Officer from SFO.

² SP Plus SF Joint Venture is comprised of SP Plus Corporation and SF Parking, LLC.

³ ABM protested on the grounds that oral interview questions were not provided one week in advance (as stated in the RFP) and that the Airport did not provide SP Plus’s RFP response to ABM after it was selected for contract award. Citing relevant case law, the Airport and City Attorney’s Office determined that the protests had not merit.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a parking management and operations contract between the Airport and SP Plus for a term of five years, from July 2023 through June 2028, and an amount not to exceed \$214,947,987.

Scope of Services

Under the contract, SP Plus would manage and operate the public and employee parking facilities and the Airport Impound Lot for towing and storage of abandoned and public vehicles.⁴ In addition to the 22,733 parking spaces mentioned above, the Airport is preparing an RFP for a design-build contract for a new employee parking facility that would have approximately 1,100 spaces and would be anticipated to open in December 2025. Due to facilities reaching capacity in peak travel periods, the Airport is also considering acquiring an off-site parking facility that could be for employees, public use, or a mix of both. The Airport has not determined an approximate size for this potential facility.

The services provided under the contract include:

- Collecting all public parking fees and charges, including the processing of credit card charges, Pay on Foot transactions, ParkFAST, FasTrak, and other sources;⁵
- Using the City's Parking Access and Revenue Control System (PARCS) to provide reports and effectively manage and operate the parking facilities;⁶
- Distributing employee permits and collecting all fees and charges associated with the employee parking program;
- Providing maintenance, janitorial, and security services for the parking facilities; and
- Furnishing all management, technical, and administrative personnel required to perform required services, including through the use of subcontractors (with prior Airport approval), and supervising and training these personnel as needed.

Under the contract, SP Plus would provide services that would be reimbursed by the Airport, plus an initial monthly management fee of \$24,667. The contract would initially fund approximately 238 full-time equivalent (FTE) employees.

Performance Monitoring and Incentive Program

The Airport has developed a scorecard for rating SP Plus's performance on various customer service and operational metrics, with a possible score of 200 points. The points achieved would translate to a percentage of the initial budgeted incentive fee of \$320,000 annually. SP Plus would

⁴ SP Plus manages the Airport's Grand Hyatt hotel parking lot under a separate contract.

⁵ Pay on Foot refers to stand-alone walk-up payment stations that patrons use before exiting the parking facilities. ParkFAST is a reserved parking area in the Domestic Terminal Parking Garage with 105 spaces. FasTrak is the California electronic toll collection system and can be used to pay Airport parking fees.

⁶ PARCS is the Airport's parking management and revenue accounting software and hardware system.

submit a self-evaluation every six months, and the Airport would use a third-party evaluator to review and adjust the point total.

FISCAL IMPACT

The proposed contract would have a total amount not to exceed \$214,947,987 over the five-year term. The estimated expenditures by year are shown in Exhibit 2 below.

Exhibit 2: Projected Expenditures by Year

Expenditures	Year 1 (FY 2023-24)	Year 2 (FY 2024-25)	Year 3 (FY 2025-26)	Year 4 (FY 2026-27)	Year 5 (FY 2027-28)	Total
Salaries & Benefits	\$19,993,206	\$21,873,538	\$23,026,311	\$23,832,232	\$24,666,360	\$113,391,647
Taxes	3,515,359	3,638,397	3,765,740	3,897,541	4,033,955	18,850,993
Insurance	974,876	1,008,997	1,044,312	1,080,862	1,118,693	5,227,739
Management & Incentive Fees	616,000	637,560	659,875	682,970	706,874	3,303,279
Marketing/Advertising ⁷	730,525	756,093	782,557	809,946	838,294	3,917,415
Credit Card Fees	3,808,452	3,941,748	4,079,709	4,222,499	4,370,286	20,422,694
Remote Airline Check-In	387,500	802,125	830,199	859,256	889,330	3,768,411
Curbside Valet	-	569,250	589,174	609,795	631,138	2,399,356
Mobile Security Enforcement Solution ⁸	500,000	517,500	535,613	554,359	573,762	2,681,233
Additional Staff Due to PARCS Upgrade	-	-	1,088,841	1,088,841	1,088,840	3,266,522
Additional Staff and Services due to Off-Site Parking Facility	-	-	10,000,000	10,000,000	10,000,000	30,000,000
Other Reimbursable Costs ⁹	1,425,363	1,493,101	1,545,359	1,599,447	1,655,427	7,718,697
Total Not-to-Exceed	\$31,951,281	\$35,238,308	\$47,947,689	\$49,237,749	\$50,572,960	\$214,947,987

Source: Airport

The contract budget includes \$10 million in annual expenditures, starting in Year 3, to fund operations at a potential off-site parking facility that the Airport may consider acquiring. According to Adam Gubser, Airport Parking Manager, the Airport estimated this amount based on the increase in operational costs from opening the long-term parking garage in 2019, adjusted for escalation. Although the Airport has not accounted for the anticipated opening of the employee parking facility in December 2025, Parking Manager Gubser believes that it can likely be absorbed within the not-to-exceed amount.

⁷ Advertising and marketing were not included in the previous contract. According to Parking Manager Gubser, the Airport would use these funds to support a comprehensive digital marketing campaign to attract and retain customers to drive revenue growth.

⁸ Mobile Security Enforcement Solution is a system that uses mobile technology and license plate recognition technology to facilitate parking for employees, rather than using traditional parking permits or access cards.

⁹ Other reimbursable costs include exterminator services, auto expenses, bank charges, computer maintenance, laundry and uniforms, office supplies, refunds and fee adjustments, repairs and maintenance, revenue control tickets and forms, tools and supplies, telephone and communications, performance bond expense, mystery shops, Bay Area Toll Authority (BATA) fees, janitorial operating expenses, contract services, security and traffic control operating expenses, trash removal services, commuter benefits, lien sale services, portable restrooms, permits and licenses, Cal Chamber, miscellaneous expenses, revenue development and management, and a third-party evaluator for the performance based incentive fee.

According to Parking Manager Gubser, the PARCS system has been at the end of its useful life, but system replacement was delayed due to the COVID-19 pandemic. The Airport is preparing an RFP to replace the PARCS system and anticipates that the transition to the new system will begin during Year 3 of the proposed contract. Annual funding of approximately \$1.1 million is included in the contact budget to fund additional staffing during this transition, as kiosks and other automated systems are disabled.

Funding is also included for remote airline check-in and curbside valet services, which would be new services under the proposed contract. According to Parking Manager Gubser, the remote airline check-in service would utilize cashiers in a skycap role to assist passengers with checking into their flights and checking bags. BAGS, a subsidiary of SP Plus, provides similar services at various airports. Parking Manager Gubser anticipates that the curbside valet program would likely begin in the International Terminal, but the program is still conceptual at this time.

Revenues

Over the five-year term of the contract, the Airport projects total parking revenues of approximately \$739 million. After deducting the costs of the SP Plus contract, the net parking revenues would be approximately \$524 million, as shown in Exhibit 3 below.

Exhibit 3: Projected Airport Parking Revenues

Year	Revenues	Costs	Net Revenues
Year 1 (FY 2023-24)	\$139,154,684	(\$31,951,281)	\$107,203,403
Year 2 (FY 2024-25)	143,329,324	(35,238,308)	108,091,016
Year 3 (FY 2025-26)	147,629,204	(47,947,689)	99,681,515
Year 4 (FY 2026-27)	152,058,080	(49,237,749)	102,820,331
Year 5 (FY 2027-28)	156,619,822	(50,572,960)	106,046,862
Total	\$738,791,114	(\$214,947,987)	\$523,843,127

Source: Airport

RECOMMENDATION

Approve the proposed resolution.



San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 230474

Bid/RFP #: 50337

Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION

TYPE OF FILING	DATE OF ORIGINAL FILING (for amendment only)
Original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT

NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Cathy widener	650-821-5023
FULL DEPARTMENT NAME	DEPARTMENT CONTACT EMAIL
AIR Airport Commission	cathy.widener@flsfo.com

5. CONTRACTOR	
NAME OF CONTRACTOR SP Plus SF JV	TELEPHONE NUMBER 786-367-2130
STREET ADDRESS (including City, State and Zip Code) 16200 Brookpark Road, 2nd Floor, Cleveland, OH 44135	EMAIL jfinch@spplus.com

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER 50337	FILE NUMBER (If applicable) 230474
DESCRIPTION OF AMOUNT OF CONTRACT \$214,947,987		
NATURE OF THE CONTRACT (Please describe) Management and Operation of the Public and Employee Parking Facilities for the San Francisco International Airport.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Baumann/SP Plus Corp	G. Marc	CEO
2	Baumann/SP Plus Corp	G. Marc	Board of Directors
3	Peterson/SP Plus Corp	Alice	Board of Directors
4	Reid/SP Plus Corp	Gregory A.	Board of Directors
5	Roberts/SP Plus Corp	Wyman	Board of Directors
6	Sands/SP Plus Corp	Diana L.	Board of Directors
7	Waggoner/SP Plus Corp	Douglas R.	Board of Directors
8	Roy/SP Plus Corp	Kris	CFO
9	Blanchard/SP Plus Corp	Wenyu	Other Principal Officer
10	Eckerling/SP Plus Corp	Jeff	Other Principal Officer
11	Jin/SP Plus Corp	Connie	Other Principal Officer
12	Kozak/SP Plus Corp	Colleen	Other Principal Officer
13	Sherman/SP Plus Corp	Chris	Other Principal Officer
14	Vig/SP Plus Corp	Ritu	Other Principal Officer
15	Finch/SP Plus Corp	Jason	Other Principal Officer
16	Rodriguez/SF Parking LLC	Patricia	Other Principal Officer
17	Burns, Sr. / Global Parkin	Ronald V.	Subcontractor
18	Burns, Jr. / Global Parkin	Ronald V.	Subcontractor
19	Dennison/Future Wash, LLC	Michael	Subcontractor

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
20	Guerrero / e-Laundry USA	Felipe	Subcontractor
21	Malve/Brinks U.S.	Daphne	Subcontractor
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			

Pending Signature

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50			

Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

<p>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</p> <p>BOS Clerk of the Board</p>	<p>DATE SIGNED</p>
---	---------------------------

Adam Gub...

AAF5B12F8CB74D

DocuSigned by:

Saad Hadiz...

5F61596FD73140

DocuSigned by:

Kevin Bum...

29E8D141024A43

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

**Agreement between the City and County of San Francisco and
SP Plus SF Joint Venture
Contract No. 50337**

This Agreement is made this 1st day of July, 2023, in the City and County of San Francisco, State of California, by and between: SP Plus SF Joint Venture, PO Box 280567, San Francisco CA 94128 (the “Contractor”) and the City and County of San Francisco, a municipal corporation (the “City”), acting by and through its Airport Commission (the “Commission”).

Recitals

- A. The Commission to contract for the Management and Operation of the Public and Employee Parking Facilities for the San Francisco International Airport (the “Airport”); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On November 15, 2022, the Commission issued a Request for Proposals (“RFP”) procured as required by San Francisco Administrative Code (“Administrative Code”) Section 21.1 through Section 21.4 and as a result of the selection process prescribed in the RFP and upon the recommendation of the Airport Director, the Commission determined that the Contractor was the qualified proposer receiving the highest evaluation score; and
- D. On April 18, 2023, by Resolution No. 23-0094, the Commission awarded this Agreement to the Contractor for a five-year term in an amount not-to-exceed \$214,947,987; and
- E. On _____ by Resolution No. _____, the San Francisco Board of Supervisors (“BOS”) approved the Agreement under San Francisco Charter Section 9.118; and
- F. The City has approved the contracting-out of the services under this Agreement upon the certification of the Controller that the services can be performed by a contractor at a lower cost than by City employees at current salary and benefit levels, see BOS Resolution No. 279-22, adopted June 7, 2022; and
- G. The Airport Small Business Enterprise (“SBE”) subcontracting participation goal for this Agreement is 23.3%.
- H. The Contractor represents and warrants that it is qualified to perform the Services required by City under this Agreement.

Now, THEREFORE, the Parties agree as follows:

Article 1 Definitions

The following definitions apply to this Agreement:

1.1 “Agreement” means this contract document, including all attached appendices, and all applicable City Ordinances and Mandatory City Requirements which are specifically incorporated by reference into this Agreement.

1.2 “City” or “the City” means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration, referred to as “Purchasing,” or the Director’s designated agent, the Commission.

1.3 “City Data” means that data as described in Article 13 of this Agreement which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement. City Data includes, without limitation, Confidential Information.

1.4 “CMD” means the Contract Monitoring Division of the City.

1.5 Confidential Information

1.5.1 “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 Administrative Code Chapter 12M (“Chapter 12M”).

1.5.2 “Confidential Information” also means any and all nonpublic information, whether written, electronic, or oral, concerning or relating to Airport technology, computer, or data systems, processes, or procedures, or Critical Infrastructure Information or Protected Critical Infrastructure Information as defined under the Homeland Security Act of 2002 and 6 CFR §29.2, which information or access to such information is supplied by the Airport or on behalf of the Airport to Contractor or otherwise acquired by Contractor during the course of dealings with the Airport. Additionally, “Confidential Information” includes security or security-related information, whether or not such information constitutes sensitive security information (“SSI”) as provided under 49 CFR Part 1520. In the event Contractor acquires SSI, it shall treat such information in conformance with federal law and the provisions of this Agreement.

1.5.3 “Confidential Information” is confidential regardless of whether such information is in its original form, a copy, or a derivative product. “Derivative” means written or electronic material created from or with, or based on Confidential Information (i.e., a report analyzing Confidential Information shall also be considered Confidential Information). Confidential Information shall also mean proprietary, trade secret or other protected information, identified as Confidential Information by the Airport.

1.6 “Contractor” means SP Plus SF Joint Venture, PO Box 280567, San Francisco CA 94128.

1.7 “Deliverables” means Contractor’s work product resulting from the Services that are provided by Contractor to City during the course of Contractor’s performance of the Agreement, including without limitation, the work product described in the “Scope of Services” attached as Appendix A.

1.8 “Digital Signature” means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature.

1.9 “Mandatory City Requirements” means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws that impose specific duties and obligations upon Contractor.

1.10 “Party” and “Parties” mean the City and Contractor either collectively or individually.

1.11 “Services” means the work performed by Contractor under this Agreement as specifically described in the “Scope of Services” attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

Article 2 Term of the Agreement

2.1 The term of this Agreement shall commence on July 1, 2023 and expire on June 30, 2028, unless earlier terminated as otherwise provided in this Agreement.

Article 3 Financial Matters

3.1 **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 under this Agreement 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 BOS. 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.

3.2 **Guaranteed Maximum Costs.** The City’s payment obligation to Contractor cannot at any time exceed the amount certified by City’s Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the

Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5, "Modification of this Agreement."

3.3 Compensation.

3.3.1 **Calculation of Charges.** Contractor shall provide an invoice to the City on a bi-monthly basis for goods delivered and/or Services, as provided in Appendix A (Scope of Services), (a) within ten (10) days after the 15th day of each month representing services performed during the period commencing on the 1st day of that month and ending on the 15th day of that month (the "First Period"), which the Director, in his or her discretion, concludes has been performed, and (b) within ten (10) days after the last day of each month, representing services performed during the period commencing on the 16th day of such month and ending on the last day of such month (the "Second Period"), which the Director, in his or her discretion, concludes has been performed. The Contractor's Management Fee for the immediate preceding calendar month shall be invoiced in the First Period inclusive only. Contractor's invoice will list a total amount due and will include all supporting documentation. By the fifteenth (15th) day following each month of the term of the contract, Contractor will send a complete monthly report (without backup documentation) for the entire preceding calendar month, with a final reconciliation of such month's results as compared to the semi-monthly reports for such month. Compensation shall be made for Services identified in the invoice that the City, in its sole discretion, concludes has been satisfactorily performed. In no event shall the amount of this Agreement exceed Two Hundred Fourteen Million, Nine Hundred Forty-Seven Thousand, Nine Hundred and Eighty-Seven Dollars (\$214,947,987). The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges." A portion of payment may be withheld until conclusion of the Agreement if agreed to by both Parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this Agreement.

3.3.2 **Payment Limited to Satisfactory Services and Delivery of Goods.** Contractor is not entitled to any payments from City until the Commission approves the goods and/or Services delivered under this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory delivery of goods and/or Services even if the unsatisfactory character may not have been apparent or detected at the time such payment was made. Goods and/or Services delivered under this Agreement that do not conform to the requirements of this Agreement may be rejected by the City and in such case must be replaced by Contractor without delay at no cost to the City.

3.3.3 **Withhold Payments.** If Contractor fails to provide goods and/or Services consistent with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided in this Agreement.

3.3.4 **Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City and include a unique invoice number and a specific invoice date. Payment shall be made by City as specified in Section 3.3.7, or in such alternate manner as the Parties have mutually agreed upon in writing. All invoices must show the City's financial and procurement system ("PeopleSoft") Purchase Order ID Number, PeopleSoft Supplier Name and ID, Item numbers (if applicable), complete description of goods delivered or Services performed, sales/use tax (if applicable), contract payment terms and contract price. Invoices that do not include all required information or contain inaccurate information will not be processed for payment.

3.3.5 **LBE Payment and Utilization Tracking System – Not applicable.**

3.3.6 **Getting Paid by the City for Goods and/or Services.**

(a) The City and County of San Francisco utilizes the Paymode-X[®] service offered by Bank of America Merrill Lynch to pay City contractors. Contractor must sign up to receive electronic payments to be paid under this Agreement. To sign up for electronic payments, visit http://portal.paymode.com/city_countyofsanfrancisco.

(b) At the option of the City, Contractor may be required to submit invoices directly in PeopleSoft via eSettlement. Refer to <https://sfcitypartner.sfgov.org/pages/training.aspx> for more information on eSettlement. For access to PeopleSoft eSettlement, submit a request through sfemployeeportalsupport@sfgov.org.

3.3.7 **Grant Funded Contracts – Not applicable.**

3.3.8 **Payment Terms.**

(a) **Payment Due Date:** Unless City notifies the Contractor that a dispute exists, Payment shall be made within 30 calendar days, measured from (1) the delivery of goods and/or the rendering of services or (2) the date of receipt of the invoice, whichever is later. Payment is deemed to be made on the date on which City has issued a check to Contractor or, if Contractor has agreed to electronic payment, the date on which City has posted electronic payment to Contractor.

(b) **Payment Discount Terms – Not applicable.**

3.4 **Audit and Inspection of Records.** Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon City by this Section. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.5 **Submitting False Claims.** The full text of Administrative Code Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Under Administrative Code Section 21.35, any contractor or subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

3.6 **Payment of Prevailing Wages**

3.6.1 **Covered Services.** Services to be performed by Contractor under this Agreement may involve the performance of trade work covered by the provisions of Administrative Code Section 6.22(e) [Prevailing Wages] or Section 21C [Miscellaneous Prevailing Wage Requirements] (collectively, “Covered Services”). The provisions of Administrative Code Sections 6.22(e) and 21C are incorporated as provisions of this Agreement as if fully set forth in this Agreement and will apply to any Covered Services performed by Contractor and its subcontractors.

3.6.2 **Wage Rates.** The latest prevailing wage rates for private employment on public contracts as determined by the BOS and the Director of the California Department of Industrial Relations, as such prevailing wage rates may be changed during the term of this Agreement, are hereby incorporated as provisions of this Agreement, as applicable. For trade work covered by the provisions of Administrative Code Section 21C, Contractor agrees that it shall pay not less than the prevailing wage rates, as fixed and determined by the BOS, to all workers employed by Contractor who perform such Covered Services under this Agreement. Copies of such rates are available from the Office of Labor Standards and Enforcement (“OLSE”) and on the Internet at <https://sfgov.org/olse/prevailing-wage-non-construction> . For trade work covered by the provisions of Administrative Code Section 6.22(e), Contractor agrees that it shall pay not less than the prevailing wage rates as fixed and determined by the California Department of Industrial Relations for the County of San Mateo to all workers employed by Contractor who perform Covered Services under this Agreement. Copies of such rates are available from the OLSE and on the Internet at <http://www.dir.ca.gov/DLSR/PWD>.

Article 4 Services and Resources

4.1 **Services Contractor Agrees to Perform.** Contractor agrees to perform the Services stated in Appendix A, “Scope of Services.” Officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Services beyond the Scope of Services listed in Appendix A, unless Appendix A is modified as provided in Section 11.5, “Modification of this Agreement.”

Appendix A includes as-needed Services. Such Services shall be requested by City through the issuance of a written task order signed by City and Contractor, which task order shall be made a part of and incorporated into the Agreement as though fully set forth in this Agreement without the need for a formal amendment to the Agreement. Each task order shall include a description of the as-needed Services, the deliverables, schedule for performance, cost, and method and timing of payment.

4.2 **Personnel**

4.2.1 **Qualified Personnel.** Contractor shall use only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor’s authorized subcontractors) to perform the Services. Contractor will comply with City’s reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City’s request, must be supervised by Contractor. Contractor shall commit adequate resources to allow timely completion within the project schedule specified in this Agreement.

4.3 **Subcontracting.**

4.3.1 Contractor may subcontract portions of the Services only upon prior written approval of City. Contractor is responsible for its subcontractors throughout the course of the work required to perform the Services. All subcontracts must incorporate the terms of Article 10 “Additional

Requirements Incorporated by Reference” and Article 13 “Data and Security” of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void.

4.3.2 City’s execution of this Agreement constitutes its approval of the following subcontractors: Global Parking Systems, LLC, Future Wash, E-Laundry USA, Brink, Inc.

4.4 **Independent Contractor; Payment of Employment Taxes and Other Expenses.**

4.4.1 **Independent Contractor.** For the purposes of this Section 4.4, “Contractor” shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the Services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, Federal Insurance Contributions Act, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor’s performing Services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor’s work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor’s compliance with this Section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing consistent with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five business days of Contractor’s receipt of such notice, and consistent with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

4.4.2 **Payment of Employment Taxes and Other Expenses.** Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status under this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing,

Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this Section.

4.5 **Assignment.** The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations under this Agreement, 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 in the same manner as this Agreement consistent with the Administrative Code. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (i) reputable and capable, financially and otherwise, of performing each of Contractor's obligations under this Agreement and any other documents to be assigned, (ii) not forbidden by applicable law from transacting business or entering into contracts with City; and (iii) 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.

4.6 **Warranty.** Contractor warrants to City that the Services will be performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at the time the Services are performed so as to ensure that all Services performed are correct and appropriate for the purposes contemplated in this Agreement.

4.7 **Liquidated Damages – Not applicable.**

4.8 **Bonding Requirements.** The Contractor is required to furnish a performance bond on the form in a form acceptable to the City, in a sum of not less than **\$5,000,000** of the annual amount of the contract to guarantee the faithful performance of this Agreement. The bond must be approved as to sufficiency and qualifications of the surety by the Controller.

Article 5 Insurance and Indemnity

5.1 Insurance.

5.1.1 **Required Coverages.** Without in any way limiting Contractor's liability under Section 5.2, "Indemnification" of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(a) Commercial General Liability Insurance with limits not less than \$25,000,000 each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.

(b) Commercial Automobile Liability Insurance with limits not less than \$10,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(c) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness.

(d) Garage Keeper's Legal Liability, Comprehensive and collision cause of loss, with limits of liability not less than \$3,000,000 each occurrence, on an all-risk basis, excluding earthquake and flood, with any deductible not to exceed \$1,000 each occurrence.

(e) Crime Insurance, with limits of not less than \$5,000,000 covering gross receipts from operation of Contractor's business on Airport premises.

(f) Pollution Liability Insurance – Not applicable.

5.1.2 Additional Insured Endorsements.

(a) The Commercial General Liability policy must be endorsed to name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(b) The Commercial Automobile Liability Insurance policy must be endorsed to name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(c) The Commercial Automobile Liability Insurance policy must be endorsed to include (i) Auto Pollution Additional Insured Endorsement naming as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees; and (ii) Form MCS-90 for Motor Carrier Policies of Insurance for Public Liability under Sections 29 and 30 of the Motor Carrier Act of 1980.

5.1.3 Waiver of Subrogation Endorsements.

(a) The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

5.1.4 Primary Insurance Endorsements.

(a) The Commercial General Liability policy shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

(b) The Commercial Automobile Liability Insurance policy shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

(c) The Pollution Liability Insurance policy shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

5.1.5 Other Insurance Requirements.

(a) Thirty (30) days' advance written notice shall be provided to the City of cancellation, intended non-renewal, or reduction in coverages, except for non-payment for which no less

than ten (10) days' notice shall be provided to City. Notices shall be sent to the City address set forth in Section 11.1 entitled "Notices to the Parties."

(b) Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the Agreement term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

(c) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

(d) Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

(e) Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability under this Agreement.

(f) If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

5.2 Indemnification. Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (a) injury to or death of a person, including employees of City or Contractor; (b) loss of or damage to property; (c) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (d) strict liability imposed by any law or regulation; or (e) losses arising from Contractor's execution of subcontracts not consistent with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (a) – (e) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which

actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's Services.

Article 6 Liability of the Parties

6.1 Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "PAYMENT," OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

6.2 Liability for Use of Equipment. City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.

6.3 Liability for Incidental and Consequential Damages. Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions.

Article 7 Payment of Taxes

7.1 Contractor to Pay All Taxes. Except for any applicable California sales and use taxes charged by Contractor to City, Contractor shall pay all taxes, including possessory interest taxes levied upon or as a result of this Agreement, or the Services delivered under this Agreement. Contractor shall remit to the State of California any sales or use taxes paid by City to Contractor under this Agreement. Contractor agrees to promptly provide information requested by the City to verify Contractor's compliance with any State requirements for reporting sales and use tax paid by City under this Agreement.

7.2 Possessory Interest Taxes. Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.

7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may

result in a “change in ownership” for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by California Revenue and Taxation Code Section 480.5, as amended from time to time, and any successor provision.

7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., California Revenue and Taxation Code Section 64, as amended from time to time). Contractor agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

7.3 **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. Under San Francisco Business and Tax Regulations Code Section 6.10-2, 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.

Article 8 Termination and Default

8.1 Termination for Convenience

8.1.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term of this Agreement, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

8.1.2 Upon receipt of the notice of termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions may include any or all of the following, without limitation:

(a) Halting the performance of all Services under this Agreement on the date(s) and in the manner specified by City.

(b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, Services, equipment or other items.

(c) At City’s direction, assigning to City any or all of Contractor’s right, title, and interest under the orders and subcontracts terminated. Upon such assignment, City shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

(d) Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.

(e) Completing performance of any Services that City designates to be completed prior to the date of termination specified by City.

(f) Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.

8.1.3 Within thirty (30) days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

(a) The reasonable cost to Contractor, without profit, for all Services prior to the specified termination date, for which Services City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for Services. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

(b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all Services under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.

(c) The reasonable cost to Contractor of handling material or equipment returned to the supplier, delivered to the City or otherwise disposed of as directed by the City.

(d) A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to City, and any other appropriate credits to City against the cost of the Services or other work.

8.1.4 In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically listed in Section 8.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Services under this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under Section 8.1.3.

8.1.5 In arriving at the amount due to Contractor under this Section, City may deduct: (i) all payments previously made by City for Services covered by Contractor's final invoice; (ii) any claim which City may have against Contractor in connection with this Agreement; (iii) any invoiced costs or expenses excluded under the immediately preceding subsection 8.1.4; and (iv) in instances in which, in the opinion of the City, the cost of any Service performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected Services, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.

8.1.6 City's payment obligation under this Section shall survive termination of this Agreement.

8.2 Termination for Default; Remedies.

8.2.1 Each of the following shall constitute an immediate event of default (“Event of Default”) under this Agreement:

8.2.2 Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

3.5	Submitting False Claims.	10.10	Alcohol and Drug-Free Workplace
4.5	Assignment	10.13	Working with Minors
Article 5	Insurance and Indemnity	11.10	Compliance with Laws
Article 7	Payment of Taxes	Article 13	Data and Security

(a) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated into this Agreement by reference, and such default is not cured within ten days after written notice of such default from City to Contractor. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, City may in its sole discretion immediately terminate the Agreement for default or grant an additional period not to exceed five days for Contractor to cure the default.

(b) Contractor (i) is generally not paying its debts as they become due; (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors’ relief law of any jurisdiction; (iii) makes an assignment for the benefit of its creditors; (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor’s property; or (v) takes action for the purpose of any of the foregoing.

(c) A court or government authority enters an order (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor’s property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors’ relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.3 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, where applicable, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor under the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City. This Section 8.2.2 shall survive termination of this Agreement.

8.2.4 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available under this Agreement or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

8.2.5 Any notice of default must be sent by registered mail to the address set forth in Article 11.

8.3 **Non-Waiver of Rights.** The omission by either Party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions of this Agreement by the other Party at the time designated, shall not be a waiver of any such default or right to which the Party is entitled, nor shall it in any way affect the right of the Party to enforce such provisions.

8.4 **Rights and Duties upon Termination or Expiration.**

8.4.1 This Section and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	Payment Limited to Satisfactory Services	9.1	Ownership of Results
3.4	Audit and Inspection of Records	9.2	Works for Hire
3.5	Submitting False Claims	11.6	Dispute Resolution Procedure
Article 5	Insurance and Indemnity	11.7	Agreement Made in California; Venue
6.1	Liability of City	11.8	Construction
6.3	Liability for Incidental and Consequential Damages	11.9	Entire Agreement
Article 7	Payment of Taxes	11.10	Compliance with Laws
8.1.6	Payment Obligation	11.11	Severability
8.2.2	Exercise of Default Remedies	Article 13	Data and Security

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City.

Article 9 Rights In Deliverables

9.1 **Ownership of Results.** Any interest of Contractor or its subcontractors, in the Deliverables, including any drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors for the purposes of this Agreement, shall become the property of and will be transmitted to City. However, unless expressly prohibited elsewhere in this Agreement, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

9.2 **Works for Hire.** If, in connection with Services, Contractor or its subcontractors creates Deliverables including, without limitation, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes, or any other original works of authorship, whether in digital or any other format, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works shall be the property of the City. If any Deliverables created by Contractor or its subcontractor(s) under this Agreement are ever determined not to be works for hire under U.S. law, Contractor hereby assigns all Contractor's copyrights to such Deliverables to the City, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon subcontractor(s). With City's prior written approval, Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

Article 10 Additional Requirements Incorporated by Reference

10.1 **Laws Incorporated by Reference.** The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement ("Mandatory City Requirements") are available at: https://codelibrary.amlegal.com/codes/san_francisco/latest/overview

10.2 **Conflict of Interest.** By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

10.3 **Prohibition on Use of Public Funds for Political Activity.** In performing the Services, Contractor shall comply with Administrative Code Chapter 12G ("Chapter 12G"), which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

10.4 **Consideration of Salary History.** Contractor shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Contractor is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section.

10.5 Nondiscrimination Requirements

10.5.1 Nondiscrimination in Contracts. Contractor shall comply with the provisions of Administrative Code Chapters 12B and 12C. Contractor shall incorporate by reference in all subcontracts the provisions of Administrative Code Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Administrative Code Chapters 12B and 12C.

10.5.2 Nondiscrimination in the Provision of Employee Benefits. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in Administrative Code Section 12B.2.

10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance – Not applicable.

10.7 Minimum Compensation Ordinance. If Administrative Code Chapter 12P (“Chapter 12P”) applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at <http://sfgov.org/olse/mco>. Contractor is required to comply with all of the applicable provisions of Chapter 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.

10.8 Health Care Accountability Ordinance. If Administrative Code Chapter 12Q (“Chapter 12Q”) applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Administrative Code Section 12Q.3. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of Chapter 12Q, as well as the Health Commission’s minimum standards, is available on the web at <http://sfgov.org/olse/hcao>. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q. Any subcontract entered into by Contractor shall require any subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

10.9 First Source Hiring Program. Contractor must comply with all of the provisions of the First Source Hiring Program, Administrative Code Chapter 83 (“Chapter 83”), that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

10.10 Alcohol and Drug-Free Workplace. City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City’s ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means

possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

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 (“Section 1.1.126”), 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.

10.12 Slavery Era Disclosure – Not applicable.

10.13 Working with Minors – Not applicable.

10.14 Consideration of Criminal History in Hiring and Employment Decisions

10.14.1 Contractor agrees to comply fully with and be bound by all of the provisions of Administrative Code Chapter 12T (“Chapter 12T”), “City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions,” including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth in this Agreement. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. Contractor is required to comply with all of the applicable provisions of Chapter 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

10.14.2 The requirements of Chapter 12T shall only apply to a Contractor’s or subcontractor’s operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco which excludes Airport property. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

10.15 Public Access to Nonprofit Records and Meetings – Not applicable.

10.16 **Food Service Waste Reduction Requirements.** Contractor shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the provided remedies for noncompliance.

10.17 **Distribution of Beverages and Water.**

10.17.1 **Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by Administrative Code Chapter 101, as part of its performance of this Agreement.

10.17.2 **Packaged Water Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

10.18 **Tropical Hardwood and Virgin Redwood Ban.** Under San Francisco Environment Code Section 804(b), the City urges Contractor not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

10.19 **Preservative Treated Wood Products – Not applicable.**

Article 11 General Provisions

11.1 **Notices to the Parties.** Unless otherwise indicated in this Agreement, all written communications sent by the Parties may be by U.S. mail or e-mail, and shall be addressed as follows:

To City: Adam Gubser, Airport Parking Manager, San Francisco International Airport, P.O. Box 8097, San Francisco, CA 94128, 650-821-4051, adam.gubser@flysfo.com

To Contractor: Jason Finch, President – West Airports, SP Plus SF Joint Venture, 16200 Brookpark Road, 2nd Floor, Cleveland, OH 44135, 786-367-2130, jfinch@spplus.com

With copy to: SP Plus Corporation, 200 Randolph Street, Suite 7700, Chicago, IL 60601, Attn: Legal

Any notice of default must be sent by registered mail or other trackable overnight mail. Either Party may change the address to which notice is to be sent by giving written notice of the change to the other Party. If email notification is used, the sender must specify a receipt notice.

11.1.1 The Parties consent to the use of Digital Signatures, affixed using the City's DocuSign platform, to execute this Agreement and all subsequent modifications.

11.2 **Compliance with Americans with Disabilities Act.** Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

11.3 **Incorporation of Recitals.** The matters recited above are hereby incorporated into and made part of this Agreement.

11.4 **Sunshine Ordinance.** Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are subject to the California Public Records Act, (California Government Code Section 6250 *et. seq.*), and the San Francisco Sunshine Ordinance, (Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

11.5 **Modification of this Agreement.** This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1, "Notices to Parties," regarding change in personnel or place, and except by written instrument executed and approved in the same manner as this Agreement.

11.6 **Dispute Resolution Procedure.**

11.6.1 **Negotiation; Alternative Dispute Resolution.** The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of Services under this Agreement. If the Parties are unable to resolve the dispute, then, under Administrative Code Section 21.36, Contractor may submit to the Contracting Officer a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contracting Officer shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the Parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations consistent with this Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this Section.

11.6.2 **Government Code Claim Requirement.** No suit for money or damages may be brought against the City until a written claim therefor has been presented to and rejected by the City in conformity with the provisions of Administrative Code Chapter 10 and California Government Code Section 900, *et seq.* Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the California Government Code claim requirements set forth in Administrative Code Chapter 10 and California Government Code Section 900, *et seq.*

11.7 **Agreement Made in California; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

11.8 **Construction.** All paragraph captions are for reference only and shall not be considered in construing this Agreement.

11.9 **Entire Agreement.** This Agreement sets forth the entire agreement between the Parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5, "Modification of this Agreement."

11.10 **Compliance with Laws.** Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

11.11 **Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the Parties and shall be reformed without further action by the Parties to the extent necessary to make such provision valid and enforceable.

11.12 **Cooperative Drafting.** This Agreement has been drafted through a cooperative effort of City and Contractor, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

11.13 **Order of Precedence.** Contractor agrees to perform the Services consistent with the terms and conditions of this Agreement, implementing task orders, the RFP, and Contractor's proposal dated January 20, 2023. The RFP and Contractor's proposal are incorporated by reference as though fully set forth in this Agreement. Should there be a conflict of terms or conditions, this Agreement and any implementing task orders shall control over the RFP and the Contractor's proposal.

11.14 **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 data given to Contractor by City in the performance of this Agreement ("City Data" or "Data"), 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 consistent 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 12 Requirements For Airport Contracts

12.1 **Airport Commission Rules and Regulations.** Contractor agrees to comply with the Airport Commission's Rules and Regulations for the San Francisco International Airport as amended from time to time. A copy of the current Rules and Regulations can be found at: <http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations>.

12.2 **Airport Intellectual Property.** Under Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. No proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior written consent.

12.3 **Labor Peace/Card Check Rule.** Without limiting the generality of other provisions in this Agreement requiring Contractor to comply with all Airport Rules and Regulations, Contractor shall comply with the Airport's Labor Peace/Card Check Rule, adopted on February 1, 2000, under Airport Commission Resolution No. 00-0049 (the "Labor Peace/Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check Rule, Contractor shall, among other actions: (a) Enter into a Labor Peace/Card Check Rule Agreement with any Labor Organization which requests such an agreement and which has registered

with the Airport Director or the Airport Director's designee, within thirty (30) days after Labor Peace/Card Check Rule Agreement has been requested; (b) Not less than thirty (30) days prior to the modification of this Agreement, Contractor shall provide notice by mail to any Labor Organization or federation of labor organizations which have registered with the Airport Director or the Airport Director's designee (registered labor organization), that Contractor is seeking to modify or extend this Agreement; (c) Upon issuing any request for proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract, Contractor shall provide notice to all registered Labor Organizations that Contractor is seeking to enter into such Subcontract; and (d) Contractor shall include in any subcontract with a Subcontractor performing services under any covered Contract, a provision requiring the Subcontractor performing services under any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If the Airport Director determines that Contractor violated the Labor Peace/Card Check Rule, the Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to the Airport Director.

12.4 Federal Fair Labor Standards Act. This Agreement incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Contractor has full responsibility to monitor compliance to the referenced statute or regulation. Contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

12.5 Occupational Safety and Health Act of 1970. This Agreement incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

12.6 Federal Nondiscrimination Requirements. During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as "Contractor") agrees as follows:

12.6.1 Compliance with Regulations. Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

12.6.2 Nondiscrimination. Contractor, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

12.6.3 Solicitations for Subcontracts. Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of Contractor's obligations under this

Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

12.6.4 Information and Reports. Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Airport or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Airport or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

12.6.5 Sanctions for Noncompliance. In the event of a Contractor's noncompliance with the Non-discrimination provisions of this Agreement, the Airport will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

(a) Withholding payments to the contractor under the contract until the contractor complies; and/or

(b) Cancelling, terminating, or suspending a contract, in whole or in part.

12.6.6 Incorporation of Provisions. Contractor will include the provisions of paragraphs 12.6.1 through 12.6.6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor will take action with respect to any subcontract or procurement as the Airport or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contractor may request the Airport to enter into any litigation to protect the interests of the Airport. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

12.6.7 Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration’s Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 *et seq.*).

Article 13 Data and Security

13.1 Nondisclosure of City Data, Private or Confidential Information.

13.1.1 Protection of Private Information. If this Agreement requires City to disclose “Private Information” to Contractor within the meaning of Administrative Code Chapter 12M (“Chapter 12M”), Contractor and subcontractor shall use such information only consistent 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.

13.1.2 Confidential Information. In the performance of Services, Contractor may have access to, or collect on City’s behalf, City Data and /or Confidential Information, the disclosure of which to third parties may damage City. If City discloses City Data or Confidential Information to Contractor, or Contractor collects such information on City’s behalf, 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 confidential information.

13.2 Payment Card Industry (“PCI”) Requirements. Contractors providing services and products that handle, transmit or store cardholder data, are subject to the following requirements:

13.2.1 Applications shall be compliant with the Payment Application Data Security Standard (“PA-DSS”) and validated by a Payment Application Qualified Security Assessor (“PA-QSA”). A Contractor whose application has achieved PA-DSS certification must then be listed on the PCI Councils list of PA-DSS approved and validated payment applications.

13.2.2 Gateway providers shall have appropriate Payment Card Industry Data Security Standards (“PCI DSS”) certification as service providers. Compliance with the PCI DSS shall be achieved through a third party audit process. The Contractor shall comply with Visa Cardholder Information Security Program (“CISP”) and MasterCard Site Data Protection (“SDP”) programs.

13.2.3 For any Contractor that processes personal identification number (“PIN”) Debit Cards, payment card devices supplied by Contractor shall be validated against the PCI Council PIN Transaction Security (“PTS”) program.

13.2.4 For items 13.2.1 to 13.2.3 above, Contractor shall provide a letter from their qualified security assessor (“QSA”) affirming their compliance and current PCI or PTS compliance certificate.

13.2.5 Contractor shall be responsible for furnishing City with an updated PCI compliance certificate thirty (30) calendar days prior to its expiration.

13.2.6 Bank Accounts. Collections that represent funds belonging to the City and County of San Francisco shall be deposited, without detour to a third party’s bank account, into a City and County of San Francisco bank account designated by the Office of the Treasurer and Tax Collector.

13.3 Business Associate Agreement – Not applicable.

13.4 Management of City Data and Confidential Information

13.4.1 Use of City Data and Confidential Information. Contractor agrees to hold City Data received from, or collected on behalf of, the City, in strictest confidence. Contractor shall not use or disclose City Data 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 Data outside the United States is subject to prior written authorization by the City. Access to City Data 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 solely for performing its obligations under the Agreement and not for Contractor’s own purposes or later use. Nothing in this Agreement 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 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.

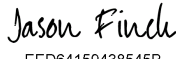
13.4.2 Disposition of Confidential Information. Upon request of City or termination or expiration of this Agreement, and under any document retention period required by this Agreement, Contractor shall promptly, but in no event later than thirty (30) calendar days, return all data given to or collected by Contractor on City’s behalf, which includes all original media. Once Contractor has received written confirmation from City that City Data has been successfully transferred to City, Contractor shall within ten (10) business days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors’ environment(s), 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 (5) business days of the purge. Secure disposal shall be accomplished by “clearing,” “purging” or “physical destruction,” consistent with National Institute of Standards and Technology Special Publication 800-88 or most current industry standard.

13.5 **Ownership of City Data.** The Parties agree that as between them, all rights, including all intellectual property rights, in and to the City Data and any derivative works of the City Data is the exclusive property of the City.

Article 14 MacBride And Signature

14.1 **MacBride Principles -Northern Ireland.** The provisions of Administrative Code Chapter 12F are incorporated by this reference and made part of this Agreement. By signing this Agreement, Contractor confirms that Contractor has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day first mentioned above.

CITY	CONTRACTOR
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
By: _____ Ivar C. Satero, Airport Director	DocuSigned by:  <small>EED64160438545B...</small> _____ Authorized Signature
Attest:	Jason Finch, President – West Airports SP Plus SF Joint Venture 16200 Brookpark Road, 2 nd Floor Cleveland, OH 44135 786-367-2130
By _____ Kantrice Ogletree, Secretary Airport Commission	City Supplier Number: 0000051538 Federal Employer ID Number: 92-1753861
Resolution No: <u>23-0094</u>	
Adopted on: <u>April 18, 2023</u>	
Approved as to Form:	
David Chiu City Attorney	
By _____ Christopher Stuart Deputy City Attorney	

Appendices

- A: Scope of Services
- B: Calculation of Charges

Appendix A Scope of Services

1. OVERVIEW

Contractor agrees to perform the following services in managing the Parking Facilities, as defined Section 2, on behalf of the City. The Scope of Services that follows is to be used as a general guide and is not intended to be a complete list of all work necessary to manage and operate the Airport public and employee parking facilities for the City.

- Collect all public parking fees and charges, including the processing of credit card charges, Pay on Foot (POF) transactions, ParkFAST, FasTrak[®], and other sources as explained further in this document.
- Use the City's Parking Access and Revenue Control System as defined in Section 3.1 below, to provide reports and effectively manage and operate the Parking Facilities.
- Distribute employee permits and collect all fees and charges associated with the employee parking program.
- Provide maintenance and janitorial services for the Parking Facilities.
- Provide security services for the Parking Facilities.
- Furnish all management, technical and administrative personnel required to perform the required services and supervise and train these personnel as needed. All services furnished may include the use of any appropriate subcontractor as needed, with prior approval of the City.
- Provide services on the basis of reimbursable costs plus a Management Fee as defined in Appendix B Section 5 up to a Guaranteed Maximum Cost as defined in Section 3.2 of this contract. As guidance in determining allowable and allocable costs, the City has adopted the cost principles contained in Title 48 Code of Federal Regulations Part 31. These cost principles can be found at: <https://www.ecfr.gov/current/title-48/chapter-1/subchapter-E/part-31>:

2. PARKING FACILITIES

2.1 Parking Facilities Summary

The Airport operates (15,797) public parking spaces as well as (6,936) employee parking spaces, which accounted for total Airport parking revenues exceeding ninety-four million dollars (\$94M) in Fiscal Year 2021/2022.

In addition to traditional hourly, daily and long-term public parking options, the Airport also offers a valet parking service called 'ParkVALET' and the Airport's reserved parking area called 'ParkFAST' located in the Domestic Terminal Parking Garage. The Airport provides for employee parking at the Domestic Terminal Garage, International Terminal Garages, Lot C, Lot D, SFO Business Center, West Field Garage and Cargo Lots (Table 1 below).

Table 1 – Airport Public and Employee Parking Facilities

Parking Facility	Spaces	Levels	Entry Lanes	Exit Lanes	Comments
Public Parking					
Domestic Terminal Garage	4,991	5	7	16	- Credit/debit card processing - FasTrak® - 4,000 sq. ft. for office space
Valet Parking	126	4 th	1	1	
ParkFAST	105	4 th	1	2	
Taxi	N/A	1 st	2	4	- 50% of 1st floor, uses - Smart card technology
Employee Parking					
International Terminal Garage A	1,585	9	8	6	- Credit/debit card processing - FasTrak® - Pay-On-Foot (POF) machines - 1,000 sq. ft. for office space
International Terminal Garage G	1,405	9	2	7	- Credit/debit card processing - FasTrak® - POF machines - 1,000 sq. ft. for office space
Long-Term Parking	7,296	7	4	5	- Credit/debit card processing - FasTrak® - POF machines
Lot C	525	N/A	2	2	- Access-controlled entry
Lot D	3,585	N/A	3	5	- Credit/debit card processing - FasTrak® - POF machines
West Field Garage	1,722	8	2	2	- Access-controlled entry
Air Cargo Lots	1,393	N/A	X	X	- Seven designated lots
SFO Business Center	N/A	N/A	1	1	- Visitor/car share parking
Airport Impound Lot	N/A	N/A			- In Lot D

The following is a description of the various Airport Public and Employee Parking Facilities:

2.2. Public Parking Facilities

2.2.1 Domestic Terminal Garage - The Domestic Terminal Garage is a multi-story structure adjacent to the Domestic Terminal Buildings and has five thousand two hundred twenty two (5,222) spaces used for covered valet, daily, hourly, public prepaid and employee parking. This parking structure has a special security requirement that limits the height of vehicles that may enter the garage to six feet and six inches (6'6"). Infrared sensors at the main entry plaza and at the fourth (4th) floor employee entrances are designed to disable the entry devices if the infrared beam is interrupted by an over height vehicle.

2.2.2 International Terminal Garage A (“IT-A”) – The International Terminal Garage A is a multi-story garage located adjacent to the International Terminal with one thousand five hundred eighty five (1,585) spaces used for covered daily and hourly parking. Pay-on-Foot equipment is located on the terminal walkway connecting the International Terminal Building to the IT-A.

2.2.3 International Terminal Garage G (“IT-G”) - International Terminal Garage G is a multi-story garage located adjacent to the International Terminal and it has one thousand four hundred five (1,405) spaces used for covered daily and hourly parking. POF equipment is located on the terminal walkway connecting the International Terminal Building to IT-G.

2.2.4 Long-Term Parking Campus (“LTPC”) - The Long-Term Parking facility includes two multi-story remote garage structures and surface lot that has a capacity of seven thousand two hundred ninety six (7,296) parking spaces. Cashiers are not staffed at exit lanes serving this facility. Staff is located on the first (1st) floor of the garage in the cashier office to handle customer transactions. The LTPC also has POF machines located in the garage and at each bus stop. The new second multi-story Long-Term Parking garage was completed and opened on February 4, 2019 with a total of three thousand six hundred (3,600) parking spaces included in the total LTPC space counts above.

2.3 Employee Parking Facilities

2.3.1 Lot C - Lot C is a surface parking lot with five hundred twenty-five (525) parking spaces used for employee parking.

2.3.2 Lot D - Lot D is a remote lot used for employee parking. It has three thousand five hundred and eighty five (3,585) parking spaces currently dedicated for employee parking. Lot D has recently been upgraded to accommodate overflow public parking demand from Long-Term Parking.

2.3.3 West Field Garage – West Field Garage is a multi-story remote garage located in the Airport’s cargo handling complex. It has approximately one thousand seven hundred twenty two (1,722) parking spaces and is used for employee parking.

2.4 Other Facilities

2.4.1 Air Cargo Lots - Some visitor and employee parking takes place at the following Air Cargo Lots: Plot 3, Plot 7, Plot 9, Plot 10, Plot 11, Plot 12 and Plot 50.

2.4.2 SFO Business Center - SFO Business Center is located at 575 N. McDonnell Road with visitor and car share parking.

2.4.3 Airport Impound Lot - The Airport Impound Lot is located adjacent to the Lot D entry and exit plaza. Contractor shall arrange to tow abandoned vehicles (i.e., those parked for more than thirty (30) days in a designated public parking area) and illegally parked vehicles to the Airport Impound Lot. Contractor shall arrange for vehicle retrieval by owners and for periodic (not less than quarterly) lien sales of unclaimed vehicles. The latter involves both event advertising and staging. All revenue accrued from the operation of the Airport Impound Lot and lien sales is the property of the City.

3. APPLICABLE TECHNOLOGY

All public parking facilities are fully integrated with voice/data connections for operations management, security, and revenue control. All public parking facilities are equipped with fully automated revenue collection technology including ticketless entry and exit options. Long-Term Parking and the

International Terminal Garages include the use of Pay-On-Foot (“**POF**”) machines and all public parking facilities offer the use of the FasTrak[®] toll collection system for the payment of parking fees.

The following is a description of the various systems used within the Parking Facilities:

3.1 Parking Access and Revenue Control System (“PARCS”) - PARCS consists of a centrally-managed group of hardware and software components or devices connected in a networked environment for the purpose of controlling access to, and accounting for all revenues generated by the parking garages. The Airport currently uses a PARCS purchased from and supported by Scheidt & Bachmann. This system may be replaced during the life of this contract.

3.2 License Plate Recognition (“LPR”) and License Plate Inventory (“LPI”) - LPI shall mean a manual collection of information from vehicle license plates in a parking facility for the purpose of verifying calculated parking fees for vehicles staying in the facility overnight. LPR means the automatic capture, decoding, storing and matching of vehicle license images or data for the purpose of uniquely identifying vehicles and ensuring the proper calculation of parking fees. LPR technology is used in the public parking areas of the Parking Facilities to precisely inventory all parked vehicles. LPR functionality improves accountability by aiding in the processing of exception transactions. As backup to LPR, Contractor will need to use LPI technology. The LPI data is to be collected manually and entered into hand-held data entry computer units, and then downloaded into the PARCS database. That database is essential for accurate fee calculations and fraud minimization. Contractor will on a routine basis reconcile data between LPR and LPI to assist with fraud control.

3.3 Pay-on-Foot (“POF”) - POF is a stand-alone walk-up payment station used by parking patrons to make payment electronically before arriving at the exit plaza. Payment may be tendered using validations, credit/debit cards, currency notes or combination thereof. Contractor funds are used to stock and replenish the POF machines.

3.4 FasTrak[®] - FasTrak[®] is the electronic toll collection (“**ETC**”) system used in the State of California. The system is used statewide on toll roads, toll bridges, and high occupancy/toll and express toll lanes along the California Freeway and Expressway System. The Airport integrated FasTrak[®] into the PARCS so customers can use this technology to pay for parking fees. FasTrak[®] supported entry and exit lanes are located in each public parking venue.

3.5 Electric Vehicles (EV) Charging Stations – The Airport currently has one hundred nineteen level 2 EV chargers available to the public at the Domestic, International Garages, and Long-Term Parking. Additional chargers will be installed in the near future in the Domestic and International Garages to accommodate the increasing demand of for charging stations for electrical vehicles.

3.6 SmartDrive - Contractor shall utilize SmartDrive, or similar technology approved by the City, in Airport vehicles used by Contractor in its performance of this Agreement.

3.7 InstaTrac – Contractor shall utilize InstaTrac software, or similar technology approved by the City, in reporting security, maintenance and parking related issues by the use of a handheld device.

3.8 Parking Reservation System – The Airport currently utilizes an Aeroparker parking reservation system for prebooked public parking.

3.9 Employee Permit Management System – Contractor shall utilize an employee permit management system, approved by the City, to track and bill for employee permits in its performance of this Agreement.

3.10 Parking Guidance System – The Airport currently utilizes a Park Assist parking guidance system in Long Term Parking.

4. STAFFING REQUIREMENTS. Contractor must hire and maintain a sufficient number of qualified staff to meet operational needs and provide high customer service levels. For janitorial and security services, the City expects at a minimum, the same level of staffing that is currently being provided as shown in Current Workforce Data. All Contractor staff will be subject to background checks and must wear Airport-issued ID badges for purposes of safety and security.

4.1 General Manager and Assistant General Manager

The General Manager (GM) is responsible for the total compliance with the Agreement between the City and County of San Francisco and Contractor. The GM is responsible for coordinating all operational activities pertaining to public and employee parking facilities use, maintenance and security, all union relations, service delivery, customer relations and communication with Airport management.

The Assistant General Manager (AGM) shares responsibility for total compliance with the Agreement between the City and County of San Francisco and Contractor. The AGM is responsible for in-depth communication with Airport Management Staff including Landside Operations, Aviation and Parking Management, Finance and Accounting. The AGM will monitor and review line levels and supervisory work schedules to ensure contractual staffing requirements are maintained and overtime is kept to a minimum.

The GM and AGM shall be available onsite during normal shift hours and business days. The GM and AGM may have an overlapping shift, but shall not work entire shifts together. The GM and AGM shall not be off-site at the same time, including during the holidays, with the exception of simultaneous training, illness and/or personal emergency.

The GM and AGM will devote their full time to the performance of Contractor's responsibilities as set forth below. The GM and AGM will have regular communications and will attend meetings, as scheduled, with Airport staff to keep them fully informed of day-to-day operations.

Key GM and AGM functions include, but are not limited to, the following:

- Hiring, supervising and terminating, as necessary, personnel to operate cashier booths and perform the required duties under the Agreement;
- Providing supervisory personnel necessary to ensure efficient operation by staff of the facilities, equipment and maintenance of business hours and license plate inventory;
- Providing the City an advance copy of Contractor's training guide and curriculum and proposed schedule of training;
- Providing annual customer service training and submitting to the City mandatory documented proof of the nature and completion of training;
- Providing the necessary retraining when the nature of a position(s) change, such as, but not limited to, retraining cashiers to be customer service ambassadors whose duties would include assisting customers and facilitating customers uses of the various available payment options in the Parking Facilities;
- Providing professional advice to the Airport when requested regarding improving operational procedures, opportunities to achieve cost savings, parking and traffic control methods and technologies, parking facility improvements, customer services, and marketing and public information plans.

- Managing and coordinating all activities related to subcontractors, including the selection processes, contracting, deployment, and day-to-day management;
- Obtaining, maintaining and replacing (as-needed) office furniture, supplies and equipment;
- Providing holiday and peak period staffing proposals for City approval a minimum of thirty (30) days in advance so that service levels are adequately maintained during these times. Providing additional staff as needed to direct and assist parking customers in the lots and garages during peak periods; and
- Recognizing that the City may require an employee(s) to undergo remedial training more than once if the employee fails to possess, display and exercise the basic levels of knowledge as determined by the Airport-approved training guide. Any expenses incurred in this subsequent remedial training shall not be a reimbursable expense.
- The City has the right to request that Contractor reassign or remove any employee at any time for improper activities or unsatisfactory performance, including but not limited to embezzlement, poor customer service, or violation of the Airport's Rules and Regulations.

4.2 Operations Supervisor. Contractor shall have a fully-trained Operations Supervisor on duty available to employees and patrons at all times to:

- Assure safety and security at all times.
- Resolve any parking operational difficulties and ensure that uninterrupted, high level parking operations and related services are provided.
- Assure that employees are performing assigned tasks and do not interfere with public patrons entering or exiting facilities or employees going to or coming from work.
- Efficiently provide supervisory responsibilities to ensure a safe, clean, hazard-free and service-oriented environment.
- Coordinate the preparation of reports, budgets, reimbursement documents, operations payroll, claims and any other documents required by the City or other agencies.
- Act as Contractor's interface to the City when the GM or Assistant GM is not on duty or as otherwise requested.
- Provision, properly account for and deposit money from cash machines for all Parking Facilities.
- Provision, properly account for and deposit money from cash machines related to taxicab operations.

4.3 Security Staff

Contractor must provide a safe and secure environment for all parking patrons. In general, security staff shall: provide traffic control, walk and patrol the Parking Facilities, report abandoned or unsupervised packages or any other suspicious items, escort customers to their vehicles upon request, and provide directions to customers.

Contractor shall maintain a security staff of agreed upon size and capability to assure building safety and security at all times. Guards employed shall have regular duties and assigned posts according to a staffing plan prepared by Contractor and approved in advance by the City, including scheduled hours and patrol coverage. Any changes to the staffing plan shall be reviewed and approved by the City prior to implementation. The security organization shall have senior and junior guards with defined duties and reporting levels.

In addition, Contractor must meet the following security requirements:

- Guards shall be trained for security patrol, traffic control and appropriate response to possible hazards.
- Guards shall be uniformed, badged and neat in appearance and shall comply at all times with the Airport Rules and Regulations.
- Guards shall regularly monitor and patrol parking areas (on foot and by vehicle), monitor Closed Circuit Television (CCTV) cameras from security offices and immediately report suspicious activities to the proper authorities and management.
- Guards shall monitor and patrol designated terminal courtyards, which may involve monitoring and ensuring authorized use of loading docks by delivery vehicles.
- Guards shall inspect Electrical Vehicle (EV) charging stations. Report visibly damaged parts such as broken cords. When chargers are not being used, assure cords are not loosely laying on the ground and triggering falls.
- For employee parking areas, guards shall: admit only employees who have a valid parking permit to the facility; provide counts of available parking spaces; provide lists of overstayed vehicles; provide properly logged and reported incident reports of employee difficulties or any lawless behavior; and provide emergency response to any hazards.
- Guards shall promptly admit all Airport vehicles and Airport employees entering facilities on business, logging such activity as required.
- Guards must be physically fit to conduct walking patrols for an entire eight (8) hour shift.

4.4 Valet Parking Operations (Domestic Terminal Garage, Level 4). Using Airport-owned vehicles, Contractor shall fully staff and operate the Airport Valet Parking Operation, which features pick up and drop off service from/to all Terminal curb-fronts. Valet service is currently suspended but will be offered in the near future twenty-four (24) hours a day, seven (7) days a week. Contractor may be requested to develop improvements to the valet parking program designed to enhance services and increase patronage.

4.5 Janitorial and Facility Maintenance Staff. Contractor shall maintain the Parking Facilities in a clean and orderly fashion at all times. The Agreement contains a detailed outline of the Janitorial and Facility Maintenance Services required of Contractor. Contractor shall provide janitorial services in the Parking Facilities to present an attractive appearance to the public and employees. Such services include, but are not limited to trash and debris removal in the Parking Facilities, including elevator waiting areas and stairwells, and cleaning the interior and exterior of cashier booths, administrative offices, signs and restrooms. Contractor shall also provide facility maintenance duties including, but not limited to, the following:

- Pressure washing and floor scrubbing, which must be conducted in an environmentally-sound manner as approved by the City and must include pick up, removal and sanctioned disposal of wastewater. Contractor must use and maintain mechanized, driver-controlled floor scrubbing equipment. Contractor must possess the requisite experience in operating and maintaining such equipment.
- Inspecting the Parking Facilities daily, monitoring operation of all equipment and fixtures, and reporting all unsafe conditions to the City.
- Performing PARCS “Level 1” maintenance service which includes routine items such as; clearing ticket jams, clearing of bill jams in Pay on Foot machines, reloading ticket and receipt paper, replacing License Plate Recognition station light bulbs, maintaining and replacing missing or

damaged gate arm assemblies, and mounting nuts/bolts and replacing broken gate arms, resetting loop detectors and resetting/rebooting of system computers or device.

- Performing general maintenance and asset management services of PARCS which include: remove and replace of standard parts/components as needed, cleaning the magnetic heads and rollers, placing service calls for damaged equipment, maintaining parts and common components such as bill dispenser cassettes, bill vaults, gate arms, entry/exit device buttons, etc., placing service calls for off hours service (evenings, weekends and holidays).

- Performing maintenance services on Electric Vehicle chargers which include replacing broken cords, rope clamps, and gaskets, troubleshooting when the charger is not charging, fixing jammed handle, and resetting/rebooting charger operating system.

- Replacing light bulbs and ballasts in lighting fixtures in the Domestic Hourly Garage, and other Parking Facilities designated from time to time by the City, and maintaining all fire alarm call boxes, extinguishers and hose boxes in proper working order.

- Making regular reports to the City, identifying the condition of the Parking Facilities and making recommendations for repair and improvements as needed.

- Taking necessary emergency action to protect the Parking Facilities, revenue and public safety.

- Maintaining all Airport-owned vehicles and equipment used in the course of Contractor's operations in a state of good repair, in accordance with agreed upon maintenance standards.

- Taking necessary steps to remove graffiti within a time period not-to-exceed twenty-four (24) hours after sighting or otherwise as requested by the City.

- Providing and adhering to scheduled cleaning cycles for garage floors and wall surfaces, and steam cleaning of high-traffic pedestrian areas and garage floors.

- Keeping all brochure racks fully stocked.

5. OPERATIONAL REQUIREMENTS. This section summarizes the key operational requirements to be performed by Contractor.

5.1 Hours of Operation. All services shall be provided on a 24-hour, seven (7) days per week basis, including holidays, unless otherwise directed by the City.

5.2 Revenue Cashiering, Collection, Auditing, Reporting, and Depositing; Cost Controls. Contractor must take every reasonable action to enforce the collection of all fees, charges and assessments due to the City from users of the Parking Facilities. Revenues shall be accounted for on a daily basis and delivered and reconciled to the City on not less than twice a week basis into a designated City account. Revenue shall include cash, checks, and credit cards. All monies collected by Contractor are the property of the City. Cash shortages are the responsibility of Contractor and Contractor may not withhold the amounts of cash shortages from the City. After a period of five (5) business days, Contractor will be fined two hundred fifty dollars (\$250) per day for each one thousand dollars (\$1,000) in cash shortages left un-deposited in the City's account. Additionally, any cash overage collected must be deposited into the City's account and may not be used to offset any cash shortages encountered. At a minimum, Contractor will maintain accurate revenue controls through:

- Obtaining the most advantageous credit card transaction processing rates and bank charges based upon a comparison of competitive market rates and verifiable evidence of such rates, or through bid or other competitive process. To ensure the City is receiving favorable rates, Contractor will perform this competitive evaluation process on a recurring basis of at least once per year. Credit/debit card processing clearinghouses utilized must be certified to interface with the PARCS and be compliant with all federal and state regulations. The City reserves the right at its sole discretion to enter directly into a contract with any credit card processing provider, with a thirty (30) day notice to Contractor.

- Reconciling revenues received with cashier receipts, cashier terminals and computer server for each shift.
- Reconciling collections with shift and daily receipts.
- Accurate, monthly tracking of “exception” ticket transactions.
- Implementing specific steps to minimize fraud due to lost/stolen tickets (ticket swapping) and unauthorized exits from controlled parking areas.

Contractor shall implement the following cost controls, among other actions:

- Comparing Actual Incurred Costs to the approved budget and Fee Proposal Form.
- Implementing cost saving measures including new supply sources and labor efficiency strategies.
- Employing worker retention programs to maintain experienced technical and public service personnel.

5.3 Background Checks. All Contractor employees must pass a background check through the Airport’s Security Access Office (SAO) prior to the employee being hired. Contractor will be reimbursed an amount equal to actual incurred costs only, to cover the actual costs of background checks.

5.4 Uniforms and Identification

Contractor shall require all on-Airport staff, except managers, to be dressed in Airport-approved uniforms at all times. All uniforms shall be consistent in appearance style and color and must be worn in a neat and clean condition. Contractor shall, at City’s direction, procure replacement uniforms from time to time. The costs for any replacement uniforms shall be treated as reimbursable costs under the Agreement. Contractor’s employees must also wear at all times while on duty Airport issued/approved valid identification badges, issued to the employee by the Airport’s SAO. These identification badges must be worn in a manner that makes them clearly visible at all times.

The City has the right to require Contractor to change or modify the uniforms at any time. Contractor must make the requested change(s) within thirty (30) days after written notification from the City. The City shall reimburse Contractor the reasonable and actual costs incurred in changing or modifying the uniforms if required by the City.

The City may require that Contractor to remove an employee from his/her post without pay if he/she is not in uniform and/or not presenting himself/herself in a professional manner towards Airport patrons. In this event, Contractor is required to provide a suitable replacement within one (1) hour. The City shall not reimburse Contractor for any employee-related costs from the time the employee is removed from his/her post until the replacement reports to the vacated post.

5.5 Customer Service. Contractor shall offer the following services to Airport parking customers free of charge: dead battery jump starts; flat tire assistance; lost car location assistance; and assist customer in calling their own roadside service. Trained personnel will provide these services. Contractor will provide excellent customer service through cross-training of existing operations staff. In addition, Contractor shall:

- Respond to service related complaints from customers and/or citations by Airport staff.
- Respond to results of Airport Customer Surveys managed by the Airport’s Customer Service section.

- Respond to customer comment cards that are distributed in garage elevator lobbies or at cashier booths.
- Provide frequent customer service training for cashiers and supervisors with a minimum of one (1) training session per year.
- Utilize employee retention programs to retain experienced, qualified staff with good track record of good customer service.
- Monitor the demeanor of employees.
- Monitor the appearance of employees to ensure they are appropriately uniformed and present themselves in a clean and professional manner.
- Utilize secret shopper to identify service successes and areas in need of improvement.

5.6 Employee Permit Parking Operations. Contractor shall manage and operate the Airport's employee parking program. This responsibility includes, but is not limited to:

- Sale of permits as specified by the City;
- Issuance of permit decals, access cards, and company billings; and
- Revenue collection, accounting and deposits to City's designated bank account at least twice a week.
- Contractor's employees will be assigned parking in the Parking Facilities, with locations to be determined by the City.

5.7. Reporting. Contractor must submit various operational and financial reports using City-approved templates, all of which must be in form and substance satisfactory to the City. Contractor's reports must be accurate and must meet City-established deadlines. Required reports include, but are not limited to, the following:

- Weekly/weekend parking operations highlights;
- Monthly Financial/Operating Statements providing line-item detail of all revenues and expenditures and operational statistics, with commentary;
- Year End Financial Statement; and
- Annual Inventory reported for all equipment and ticket stock as of June 30th of each year.

5.8 Transition Plan. Contractor shall provide an initial transition plan to ensure the services specified in this Scope of Work are supported and maintained during the transition period in a timely manner ("Transition Plan"). At a minimum, the following items shall be addressed in the Transition Plan:

- Development and submission to the City of a staffing plan consistent with the 90-Day Worker Retention Policy.
- Written description and qualifications for each job category for written approval by the City.
- Development and submission of training documents and employee handbooks
- Planned timing and content of employee orientations.
- Evaluation of existing software contracts or licenses held by the incumbent and preparation of a transition/onboarding plan for needed hardware or software.
- Organization and transfer of financial records and account management from the incumbent
- Hiring plan for management staff including job descriptions.
- All aspects of the transition plan are subject to review and approval by the City.

5.9 Other Operational Requirements. Contractor shall not use the Parking Facilities or cause or permit its employees or others to use the Airport for any purpose in conflict with the operational requirements of the City. Without limiting any other provision herein, Contractor shall not do, cause or permit anything to be done in or about the Airport, or bring or keep anything thereon which, without the prior written consent of the City:

- increases in any way the rate of fire insurance on the Parking Facilities or their contents; or
 - creates a nuisance; or
 - obstructs or interferes with the rights of others in the Parking Facilities or injures or annoys them; or
 - commits or suffers to be committed any waste in the Parking Facilities; or
 - uses or allows the Parking Facilities to be used for any improper, immoral, unlawful or objectionable purpose; or
 - places any loads upon the floor, walls or ceiling which endanger the structure; or
 - obstructs the sidewalk, passageways, stairways or escalators, in front of, within, or adjacent to the Parking Facilities; or
 - conflicts with any law, ordinance, rule or regulation now in effect or which may hereafter be enacted or promulgated by any public authority having jurisdiction; or
 - distributes handbills or circulars to Airport patrons or to cars in the Parking Facilities, or engages in any other advertising at the Airport; or
 - engages in any activity on the Airport for the recruitment or solicitation of business;
- or
- does or permits to be done anything in any way tending to injure the reputation of the City or the appearance of the Airport.

5.10 Additional Facilities/Services. The City reserves the right to establish, at any time, additional parking, valet, and any other services that may benefit the Airport. If the City delegates responsibility for management or operation of such additional services to Contractor, then the budget of reimbursable expenses shall be revised accordingly.

6. FIXTURES AND EQUIPMENT. All Parking Facilities, entry and exit lane fixtures, parking tickets, office and shop equipment, vehicles, and parking revenue control equipment are the property of City. Any purchase or lease of operating equipment, such as calculators, two-way radios, computers and accessories, cell phones, supplies, furniture, and vehicles by Contractor for the purpose of performing its services under the Agreement, paid for wholly or in part by City under the terms of the Agreement or otherwise, shall be subject to the prior approval of the City and shall be the property of the Airport, and shall be returned to the Airport at the conclusion or termination of the Agreement in working condition. Contractor shall not make improvements or alterations to the Parking Facilities without the City's prior written consent.

7. OTHER REQUIREMENTS

7.1 Services Provided by Attorneys. The City Attorney must review in advance and approve in writing any request for services to be provided by a law firm or attorney. The City will not pay any invoices for services provided by law firms or attorneys, including as subcontractors of Contractor, unless the provider receives advance written approval from the City Attorney.

7.2 Department Liaison. In performing the services provided for in this Agreement, Contractor's liaison with the City will be the person identified in Agreement at Section 11.1, Notices to the Parties. Such individual shall be the Contractor's primary point of contact for all purposes under this Agreement.

Appendix B Calculation of Charges

The Contractor shall be paid in an amount not to exceed that in the Calculation of Charges below, as submitted by the Contractor and approved by the City for the term of the Agreement. Any changes to the Calculation of Charges require the written approval of the City. The City will make no adjustment unless the Contractor can document the increased actual Labor Costs.

1. Invoicing – General

1.1 For the complete and satisfactory performance of the services detailed in Appendix A of this Agreement, the City will pay fees and expenses upon proper invoicing in accordance with the rates set forth in this Appendix B.

1.2 The City will not pay any invoices for services provided by law firms or attorneys, including any subcontractors of Contractor, unless the provider receives advance written approval from the City Attorney.

1.3 The Contractor shall submit all certified payrolls and timesheets for the invoice period with each invoice.

1.4 With the exception of the Management Fee, all reimbursable costs must be supported with receipts and used solely for the performance of the Agreement. All items purchased are the City's property and shall be surrendered to the City at the conclusion of the Agreement. Invoices furnished by the Contractor under this Agreement for services must be in a form acceptable to the Office of the Controller. All amounts paid by the City to the Contractor shall be subject to audit by the City.

2. Reimbursable and Non-Reimbursable Expenses

2.1 Reimbursable costs are as follows:

- Advertising/Marketing
- Auto Expenses
- Bank Charges
- Computer Maintenance
- Laundry and Uniforms
- Office Supplies
- Recruiting and Training
- Refunds and Fee Adjustments
- Repairs & Maintenance
- Revenue Control Tickets and Forms
- Small Tools and Supplies
- Telephone/Communications
- Burglary & Robber Insurance
- Employee Liability Insurance
- Garage Keepers Legal Liability Insurance
- General Commercial & Auto Liability Insurance
- Performance Bond Expense
- Credit Card Merchant Fees
- Facility Modifications and Equipment

- Mystery Shops
- Bay Area Toll Authority (BATA) Fees
- Janitorial Services (Operating expenses only, Labor costs included in Labor Cost, Section 3 below, e.g. Equipment materials and supplies)
- Contract Services - (Operating expenses only; Labor costs included Labor Cost, Section 3 below, ; e.g., Equipment, Materials, Supplies, Armored Car, Employee Permit Billing System and Exterminator Services)
- Other Expenses (Trash Removal Services, Commuter Benefits, Lien Sale Services, Portable Restrooms, Permits & License, Cal Chamber, Miscellaneous expenses
- Remote Airline Check-In
- Revenue Development/Management
- Curbside Valet
- Mobile Security Enforcement Solution
- Third Party Evaluator for Performance Based Incentive Fee
- Additional Staff due to PARCS Upgrade
- Additional Parking, Janitorial, and Security Services Tied to Acquisition of Off-site Parking Facility

2.2 Non-Reimbursable costs include:

- Food and beverages that are not a part of an Airport-approved training program
- Computer software programs
- Stationary and/or business cards
- Postage charges for routine certified, first-class and priority mail letters emanating from an office outside the Airport
 - Express, next-day, or two-day shipments (eg., DHL, Fedex, UPS, etc.) shall not be a reimbursable expense unless it is part of an authorized purchase of equipment or other materials and supplies
 - Payroll services shall not be a reimbursable expense. However, personnel timekeeping equipment and maintenance shall be a reimbursable expense only if such costs are reasonable and supported with actual invoices from the provider.
 - Hourly wages and benefits for employees repeating a training course shall not be a reimbursable expense.
 - Lost or stolen keys issued by the Airports Security Access Office
 - Gifts of any kind
 - City may add to this list as necessary with prior written notice to the Contractor

3. Labor Costs - include the hourly wage and all benefits costs associated with each position.

1. Labor Costs Per Employee																
Front Line Staff					*Note costs per hour OR per month based on what will actually be paid on an employee's behalf											
Position Title	No. of Full-Time Positions	Hourly Wage (paid to employee)	Number of Paid Days Off	Health Plan Type (Select Plan Type)	Hourly Health	Monthly Health	Hourly Dental	Monthly Dental	Hourly Vision	Monthly Vision	Hourly Retirement	Monthly Retirement	Monthly Workers Compensation	Monthly Payroll Tax Costs	Monthly Life Insurance	Monthly Disability
1 Cashier	53	\$19.86- \$30.33	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$292.60 - \$446.86	\$443.04 - \$676.60	Included	Included
				EE + 1												
				EE + 2												
2 Inventory Lot Checkers	5	\$19.86- \$30.33	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$292.60 - \$446.86	\$443.04 - \$676.60	Included	Included
				EE + 1												
				EE + 2												
3 Lead Cashier	22	\$34.26- \$37.91	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$504.76 - \$558.54	\$764.27 - \$845.70	Included	Included
				EE + 1												
				EE + 2												
4 Valet Attendant	9	\$19.86- \$30.33	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$292.60 - \$446.86	\$443.04 - \$676.60	Included	Included
				EE + 1												
				EE + 2												
5 Audit Clerk	8	\$19.86- \$32.45	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$292.60 - \$478.10	\$443.04 - \$723.90	Included	Included
				EE + 1												
				EE + 2												
6 Maintenance Engineer	4	\$41.90- \$89.65	44-59	EE Only	\$2,309 - \$2,493		Included		Included		\$13.08		\$617.33 - \$1,320.84	\$934.71 - \$1,999.91	\$25.00	Included
				EE + 1												
				EE + 2												
7 Accounting & HR Staff	4	\$34.26- \$37.91	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$504.76 - \$558.54	\$764.27 - \$845.70	Included	Included
				EE + 1												
				EE + 2												
8 Concierge Staff	4	\$19.86- \$30.33	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$292.60 - \$446.86	\$443.04 - \$676.60	Included	Included
				EE + 1												
				EE + 2												
9 Janitorial Staff	53	\$19.86- \$45.10	27-47	EE Only	\$813.20- \$882.32		Included		Included		\$3.29 - \$3.44		\$292.61 - \$664.47	\$443.04 - \$1,006.10	Included	Included
				EE + 1	\$1,375.64 - \$1,654.86		Included		Included							
				EE + 2	\$2,107.59 - \$2,286.74		Included		Included							
10 Security Staff	65	\$19.86- \$36.15	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.29 - \$3.44		\$292.60 - \$532.61	\$443.04 - \$806.43	Included	Included
				EE + 1												
				EE + 2												
11 Permit Sales Staff	3	\$19.86- \$37.91	27-47	EE Only	\$1,798 - \$1,942		Included		Included		\$3.85 - \$3.98		\$504.76 - \$558.54	\$764.27 - \$845.70	Included	Included
				EE + 1												
				EE + 2												

Supervisor Staff																
					*Note costs per hour OR per month based on what will actually be paid on an employee's behalf											
Position Title	No. of Full-Time Positions	Hourly Wage (paid to employee)	Number of Paid Days Off	Health Plan Type (Select Plan Type)	Hourly Health	Monthly Health	Hourly Dental	Monthly Dental	Hourly Vision	Monthly Vision	Hourly Retirement	Monthly Retirement	Monthly Workers Compensation	Monthly Payroll Tax Costs	Monthly Life Insurance	Monthly Disability
12 General Manager	1	\$76.13- \$79.17	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$329.90 - \$343.07	\$1,121.65 - \$1,166.43	\$1,698.31 - \$1,766.12	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									
13 Assistant General Manager	1	\$60.00 - \$61.80	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$260.00 - \$267.80	\$884.00 - \$910.52	\$1,338.48 - \$1,378.63	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									
14 Operations Manager	1	\$45.67- \$48.08	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$197.90 - \$208.35	\$672.87 - \$708.38	\$1,018.81 - \$1,072.57	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									
15 HR Manager	1	\$45.67- \$47.50	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$197.90 - \$205.83	\$672.87 - \$669.83	\$1,018.81 - \$1,059.63	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									
16 Accounting Manager	1	\$50.48- \$52.50	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$218.75 - \$227.50	\$743.74 - \$773.50	\$1,126.11 - \$1,171.17	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									
17 Data Analyst	1	\$50.00- \$1.50	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$216.67 - \$223.17	\$736.67 - \$758.77	\$1,115.40 - \$1,148.86	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									
18 Security Manager	1	\$52.88- \$55.00	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$229.15 - \$238.33	\$779.10 - \$810.33	\$1,1079.65 - \$1,226.94	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									
19 Assistant Security Manager	1	\$45.00 - \$46.80	22-42	EE Only	\$1,425.62 - \$1,539.11		Included			\$4.06		\$195.00 - \$202.80	\$663.00 - \$689.52	\$1,003.86 - \$1,044.01	\$2.30	Included
				EE + 1	\$1,904.73 - \$2,448.64		Included									
				EE + 2	\$3,018.11 - \$3,229.38		Included									

3.1 Premium costs incurred as a result of working overtime or holidays; provided, however, to ensure the ongoing service goals of the Airport’s parking operation are achieved, the City authorizes Contractor to expend up to 2% of each pay period’s Direct Labor Costs for overtime or holidays as needed. Contractor will be required to obtain prior approval from the City if premium pay exceeds this threshold during any given pay period. If Contractor fails to obtain such prior approval, Contractor will not be reimbursed at the premium rate.

4. **Other Direct Costs** - include the following reimbursable costs.

2. Reimbursable Costs		
Reimbursable Costs are annual costs required to perform the scope of work.		
	Annual Costs	
1	Marketing/Advertising	\$730,525
2	Auto Expenses	\$120,000
3	Bank Charges	\$39,600
4	Computer Maintenance	\$6,000
5	Laundry and Uniforms	\$74,000
6	Office Supplies	\$24,000
7	Recruiting and Training	\$720
8	Refunds and Fee Adjustments	\$54,000
9	Repairs & Maintenance	\$21,600
10	Revenue Control Tickets and Forms	\$102,000
11	Small Tools and Supplies	\$30,000
12	Telephone/Communications	\$6,000
13	Garage Keepers Legal Liability Insurance	\$75,067
14	Burglary & Robber Insurance	\$18,770
15	General Commercial & Auto Liability Insurance	\$179,525
16	Employee Liability Insurance	\$390,652
17	Performance Bond Expense	\$37,500
18	Credit Card Merchant Fees	\$3,808,452
19	Facility Modifications and Equipment	\$0
20	Mystery Shops	\$28,800
21	Bay Area Toll Authority (BATA) Fees	\$65,000
22	Janitorial Services (Operating expenses only; Labor costs included on Labor Costs Section 3 above. e.g. Equipment, Materials and Supplies)	\$203,841
23	Contract Services - (Operating expenses only; Labor costs included on Labor Costs Section 3 above. e.g., Equipment, Materials, Supplies, Armored Car, Employee Permit Billing System and Exterminator Services)	\$63,600
25	Security and Traffic Control (Operating expenses only; labor costs included on Labor Costs Section 3 above. e.g., Equipment, Materials and Supplies)	\$93,102
26	Other Expenses (Trash Removal Services, Commuter Benefits, Lien Sale Services, Portable Restrooms, Permits & Licenses, Cal Chamber, Miscellaneous & Contingency expenses)	\$240,000
27	Remote Airline Check-In	\$500,000
28	Revenue Development/Management	\$120,000
29	Curbside Valet	\$550,000
30	Mobile Security Enforcement Solution	\$500,000
31	Third Party Evaluator for Performance Based Incentive Fee	\$50,000
32	Additional Staff due to PARCS Upgrade	\$4,000,000
33	Additional Parking, Janitorial, and Security Services Tied to Acquisition of Off-site Parking Facility (projected to start in year 3)	\$10,000,000
	Total	\$22,132,754

5. MANAGEMENT FEE

For each year of the contract term, City shall pay Contractor a Management Fee which includes all profit and all components of costs that are not otherwise eligible for reimbursement under the Agreement. Other Direct Costs and Outside Services are not included in the Management Fee calculation.

Monthly Management Fee - includes profit, and all administrative and overhead costs not already addressed in other sections of this Calculation of Charges.

Monthly Management Fee	
The Management fee shall NOT include any labor or other direct costs.	
Monthly Flat Fee	\$ 24,667

6. CUSTOMER SERVICE/OPERATIONAL PERFORMANCE INCENTIVE FEE

To encourage superior performance under this contract, the City will enforce a performance-based Customer Service/Operational Performance Incentive Fee based on the structure listed below. Contractor will be required to submit a self evaluation report every six months detailing how they felt they performed on each key performance indicators (KPIs). The City will review and adjust the point total at our discretion if necessary with payouts occurring every six months. **The points translate to percentage of the budgeted incentive fee which is currently set at \$320,000 annually.**

- **Customer Service KPIs –(100 points total)**

	Points	Total Points
Company will be evaluated on its ability to track various sources of customer interaction and feedback including but not limited to telephone calls, written and email correspondence, personal contact, surveys, mystery shopping and any others.		10
Operator will maintain log of all customer contacts (dashboard) from all sources	10	
Company will be evaluated on timeliness and responsiveness to all customer inquiries.		10
Dashboard will include response times. To receive maximum points, operator must respond to 90% of all inquiries within 3 business days.	10	
Company will be evaluated on recommendations to SFO which are considered and/or implemented to help improve the customer experience regarding issue(s) and/or trends identified.		10
Operator will propose at least 2 customer service solutions per 6 month period.	10	
Company will be evaluated on its ability to identify underlying causes for less than acceptable service or negative feedback, and its actions taken to rectify the situation and improve customer service.		10
Using dashboard data, operator will perform trend analysis to identify common or repetitive concerns/operational issues with associated recommendations for improvement and/or resolution.	10	
Company will be evaluated on effective use of the PARCS with the goal of offering the best customer experience: troubleshooting and work arounds; processes, procedures, and programs recommended, developed, and implemented to improve the performance of the SFO PARCS as it pertains to the customer experience.		25
Operator will report all PARCS equipment issues within 24 hours while following all SFO and PARCS vendor reporting guidelines.	5	

	Operator will maintain a dashboard to track all operator performed Level 1 maintenance tasks: (1) Clearing of ticket jams, (2) Replacement of License Plate Recognition station light bulbs, (3) Clearing of bill jams in pay-on-foot machines, (4) Replenishing ticket stock, (5) Replenishing receipt paper rolls, (6) Replacement of missing or damaged gate arms and mounting nuts/bolts, (7) Resetting loop detectors, (8) General cleaning of paper dust and/or dirt from ticket path mechanisms of ticket issuing machines, (9) General cleaning of cashier booths (internal and external), (10) Rebooting of system workstations or field devices, (11) Administration of Owner user accounts, (12) Daily inspections of PARCS equipment to ensure cleanliness and functionality, and (13) Other miscellaneous tasks as needed to reduce lane downtime/customer inconvenience.	15	
	In the event of PARCS outages, did operator divert the appropriate resources and PARCS inventory to maintain primary lane(s) functionality and minimize customer inconveniences?	5	
Company will be evaluated on seamless transitions to new technologies, processes, and procedures for the customer.			10
	Operator will document its role in development, implementation, and management of any new technologies, processes, and procedures, including but not limited to, SOP and cashier updates.	10	
Company will be evaluated on the relevance, creativity, and results of employee motivation and recognition programs undertaken.			25
	Operator will implement an employee bonus program where a percentage of the operator's earned incentive fee will be shared with its SFO staff. Operator will document the amount each employee receives along with justification.	20	
	Operator will coordinate employee appreciation events at least once every 6 months.	1	
	Operator will conduct at least 6 mystery shops per month and will recognize high performing staff (score of 90% or higher).	3	
	Operator will recognize milestone anniversaries for staff.	1	

- **Operational KPIs (100 points total)**

	Points	Total Points
Company will be evaluated on effective use of manpower and operating efficiency		20
Operator not to exceed 2% OT (direct and indirect labor), unless received PKM prior approval	6	
90% of valeted vehicles delivered in 5 minutes	1	
Valet operation will score 90% or greater on monthly spot audits conducted by a 3rd party	1	
Security to achieve 90% of assigned inspection points (QR codes) per shift. In lieu of achieving 90% of assigned inspection points, KPI will also be met if Security has a documented guest interaction during that round of patrol.	4	
3rd party will perform quarterly cashier spot audits on 90% or more of the workforce	4	
Operator to achieve average quarterly FTE count or less for Parking, Security, and Janitorial, unless otherwise approved by PKM per operational needs	4	
Company will be evaluated on the value (as determined by PKM) of the innovative solutions proposed by the Company provided they are implemented and successful		10
Operator will propose at least 1 innovative solution per 6 month period – revenue enhancement, cost efficiency, service improvement. Requirement that the solution must be implemented and successful.	10	
Company will be evaluated on budget attainment, which will include a report of budgeted vs. actual revenue and expenses, detailing variances by account		20
Using actual results from the monthly operating statement, did operator conform to budget and/or approved expenditures?	2 points/month	
Operator to incur overall budgeted expenditure amount or less, unless otherwise approved by PKM per operational needs (6 month aggregate)	8	
Company will be evaluated on the timeliness and accuracy of annual budgets, staffing plans, monthly statements with supporting detail, revenue reports, reimbursements, chargeback responses, cash difference/overage reports, and all other required reports		10

	Dashboard will be utilized to track due dates, delivery dates, and accuracy of all required reports with benchmark being 90% compliance or better	10	
Company will be evaluated on responsiveness to PKM/SFO special projects and requests			5
	Dashboard will be utilized to track due dates and delivery dates of all special projects and requests with benchmark being 90% compliance or better	5	
Company will be evaluated on corporate support level for SFO Operations			5
	Operator to provide and document at least 15 hours of corporate support per 6 month reporting period (defined as above GM position). Note that corporate support will be a value added service that is non-reimbursable, regardless of amount.	5	
Company will be evaluated on the appearance and cleanliness of the parking facilities, utilizing daily inspection reports, site walks, and maintenance audits			15
	Daily facility inspections completed and documented	4	
	Monthly site inspections with PKM	4	
	Operator to submit at least 5 work orders per month	3	
	Dashboard utilized to cover the following: (1) Monthly light inspection report, (2) Monthly phone inspection report, (3) Monthly EVC inspection report, and (4) Innovative technology used to document safety hazards (i.e., Swept app for janitorial)	4	
Company will be evaluated on safety and security management			15
	Operator to perform root cause analyses for all documented security incidents	4	
	Operator to provide dashboard that tracks the response time for all security related calls (response time between 5-15 minutes)	4	
	Operator to provide dashboard that tracks response requirements for all disruptions, minor to emergency level. Based on Operator and PKM developed Emergency Readiness and Response SOP	3	
	Operator to document monthly table top training for all security staff, obtaining 100% completion	1	
	Operator to document monthly security site inspections	1	
	Operator to ensure all required security posts are staffed by certifiably qualified staff 24/7, unless otherwise approved by PKM	2	

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 23-0094

AWARD OF CONTRACT NO. 50337 TO SP PLUS SF JOINT VENTURE FOR MANAGEMENT AND OPERATIONS OF AIRPORT PUBLIC AND EMPLOYEE PARKING FACILITIES IN AN AMOUNT NOT TO EXCEED \$214,947,987 FOR A TERM OF FIVE YEARS

- WHEREAS, the Airport has over 22,000 public and employee parking spaces. The selected firm is responsible for managing and operating the public and employee parking facilities throughout the Airport; and
- WHEREAS, on December 6, 2022, by Resolution No. 22-0185, the Airport Commission (Commission) authorized Staff to issue Request for Proposals (RFP) No. 50337 for management and operations of Airport public and employee parking facilities and to conduct negotiations with the highest-ranking firm; and
- WHEREAS, on January 20, 2023, the Airport received two proposals. Both firms met the minimum qualifications, as set forth in the RFP; and
- WHEREAS, a five-person evaluation panel reviewed and scored the proposals, and conducted oral interviews with the two proposers; and
- WHEREAS, based on the written proposal and oral interview scores, SP Plus SF Joint Venture is the highest-ranking proposer; and
- WHEREAS, Staff has negotiated an agreement with SP Plus SF Joint Venture; and
- WHEREAS, on March 8, 2023, Staff issued a notice of intent to award Contract No. 50337 to SP Plus SF Joint Venture; and
- WHEREAS, on March 14, 2023, Staff received a protest from the next highest-ranking proposer; and
- WHEREAS, Airport staff carefully reviewed the assertions in the protest and, in consultation with the City Attorney's Office, determined that none of the claims in the protest have merit; now, therefore, be it
- RESOLVED, that this Commission awards Contract No. 50337 to SP Plus SF Joint Venture for management and operations of Airport public and employee parking facilities in an amount not to exceed \$214,947,987 for a term of five years; and, be it further
- RESOLVED, that the Commission Secretary is hereby directed to request approval of the contract by Resolution of the Board of Supervisors pursuant to Section 9.118 of the San Francisco Charter.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of

APR 18 2023


Secretary

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 22-0185

AUTHORIZATION TO ISSUE A REQUEST FOR PROPOSALS FOR CONTRACT NO. 50337 FOR THE MANAGEMENT AND OPERATION OF AIRPORT PUBLIC AND EMPLOYEE PARKING FACILITIES AND TO NEGOTIATE WITH THE HIGHEST-RANKED PROPOSER

- WHEREAS, pursuant to Resolution No. 18-0108 this Commission awarded Contract No. 50107.01 for the Management and Operations of the Public and Employee Parking Facilities at the Airport to New South Parking – California, GP (New South Parking); and
- WHEREAS, Contract No. 50107.01 will expire on June 30, 2023; and
- WHEREAS, the Airport requires the continued management and operation of the Airport’s public and employee parking facilities for the continued safe and secure operation of the Airport; and
- WHEREAS, Staff now seeks authorization to issue Request for Proposals (RFP) for Contract No. 50337, a new contract to provide these services for a five-year term and to negotiate with the highest-ranked proposer; and
- WHEREAS, the RFP will seek proposals for Contract No. 50337, with the successful Proposer providing all necessary labor and resources to provide such services to the Airport; and
- WHEREAS, the proposed term of the contract is five (5) years with no options to extend the term; now, therefore, be it
- RESOLVED, that the Commission authorizes the issuance of a Request for Proposals for Contract No. 50337 for the Management and Operation of Airport Public and Employee Parking Facilities for San Francisco International Airport, and to negotiate with the highest-ranked proposer(s), in successive order, until negotiations are successfully concluded; and, be it further
- RESOLVED, that following successful negotiations, Staff will present, for the Commission’s consideration, a recommendation for the award of Contract No. 50337 for the services specified above.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of* _____

- DEC 6 2022


Secretary



MEMORANDUM

December 6, 2022

TO: AIRPORT COMMISSION
 Hon. Eleanor Johns, President
 Hon. Malcolm Yeung, Vice President
 Hon. Everett A. Hewlett, Jr.
 Hon. Jane Natoli
 Hon. Jose F. Almanza

22-0185
 - DEC 6 2022

FROM: Airport Director

SUBJECT: Authorization to Issue a Request for Proposals for Contract No. 50337 for the Management and Operation of Airport Public and Employee Parking Facilities

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR CONTRACT NO. 50337 FOR THE MANAGEMENT AND OPERATION OF AIRPORT PUBLIC AND EMPLOYEE PARKING FACILITIES AND TO NEGOTIATE WITH THE HIGHEST-RANKED PROPOSER.

Executive Summary

The existing contract for the Management and Operation of Airport Public and Employee Parking Facilities with New South Parking – California, GP (New South Parking) will expire on June 30, 2023 (Contract No. 50107.01). Staff seeks authorization to issue Request for Proposals (RFP) for Contract No. 50337, a new contract to provide these services for a five-year term and to negotiate with the highest-ranked proposer.

Background

On April 24, 2018, by Resolution No. 18-0108, the Commission awarded Contract No. 50107.01 to New South Parking. Contract No. 50107.01 comprise over 22,000 public and employee parking spaces located throughout the Airport. In Fiscal Year 2021/2022, the Airport generated public parking revenues of \$94,488,219 with over 2.5 million transactions. Contract No. 50107.01 will expire on June 30, 2023.

Staff is seeking authorization to issue an RFP and to negotiate the contract with the highest-ranked proposer. The 24-hour, seven (7) days per week operation includes:

- Providing, managing, and training staff to collect and account for all public parking fees, including the processing of credit card charges, Pay-on-Foot transactions, ParkFAST, and FasTrak™ payment options;
- Providing excellent customer service, such as dead-battery jump-starts, flat tire assistance, and lost car location assistance free of charge;
- Utilizing the Airport's applicable technology systems (e.g., Parking Access and Revenue Control System, License Plate Inventory, and License Plate Registration) to effectively manage, verify, and reconcile revenue collection and access control;

THIS PRINT COVERS CALENDAR ITEM NO. 5

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MAYOR	ELEANOR JOHNS PRESIDENT	MALCOLM YEUNG VICE PRESIDENT	EVERETT A. HEWLETT, JR.	JANE NATOLI	JOSE F. ALMANZA	IVAR C. SATERO AIRPORT DIRECTOR
--------------------------	----------------------------	---------------------------------	-------------------------	-------------	-----------------	------------------------------------

- Managing the employee parking permit sales and service, including the distribution of proximity cards and the collection of all fees and charges associated with the employee parking program;
- Providing, managing, and training security staff to provide traffic control, security patrol, surveillance, and emergency response; and
- Maintaining parking facilities and support services.

The RFP seeks proposals for the management and operation of the Airport's public and employee parking facilities. Attachment 1 details the proposed minimum qualifications, recommended, and selection criteria for the RFP. Should Airport staff be unable to conclude negotiations successfully with the highest-ranked proposer, Staff will commence negotiations with the next highest-ranked proposer until successful negotiations are completed.

The contract resulting from the RFP will have a term of five years. Staff has reviewed the Federal Aviation Administration (FAA) regulations and determined that this contract would be classified under the Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program. The Airport's ACDBE Program was developed in accordance with 49 CFR part 23. Although there is no ACDBE contract goal included in this opportunity, there is a Small Business Enterprise (SBE) goal of 23.3%. Proposers are required to meet the stated SBE goal or demonstrate that they have made good faith efforts to meet the goal in order for the proposal to be deemed responsive. Only firms certified as DBE/ACDBE by the California Unified Certification Program or firms verified as small businesses by the Airport will be counted towards meeting the SBE goal.

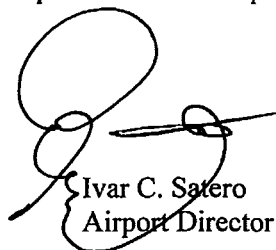
The estimated amount of the contract exceeds \$1,000,000 and will require Board of Supervisors (Board) approval under Section 9.118 of the San Francisco Charter upon award of the contract.

This contract has been historically certified by the Controller and approved by the Board as required by Section 10.104.15 of the San Francisco Charter (Prop J), as work that can be performed under contract at a lesser cost than similar work performed by employees for the City and County.

In light of the COVID-19 crisis and its impact on Airport finances, Staff has considered the financial implications of the proposed RFP and has determined that the services are essential for the continued safe and secure operation of the Airport.

Recommendation

I recommend the Commission adopt the attached Resolution authorizing the issuance of a Request for Proposals for Contract No. 50337 for the Management and Operation of Airport Public and Employee Parking Facilities and authorize Staff to enter into negotiations with the highest-ranked proposer. Staff will return to the Commission with a request to award the proposed contract.



Ivar C. Satero
Airport Director

Prepared by: Kevin Bumen
Chief Financial and Commercial Officer

Attachments

ATTACHMENT 1

Authorization to Issue a Request for Proposals for Contract No. 50337 for the Management and Operation of Airport Public and Employee Parking Facilities

PROPOSED MINIMUM QUALIFICATION REQUIREMENTS	
Project:	Contract No. 50337, Management and Operation of Airport Public and Employee Parking Facilities
Minimum Qualification Requirements:	<ol style="list-style-type: none"> 1. Proposer must have a minimum of five years of verifiable and continuous experience, within the last 10 years immediately preceding the issuance of the RFP, in operating parking facilities serving an airport that has at least 15,000 spaces that is open 24 hours per day, 365 days per year, and generates at least 2,000,000 exit transactions per year, and \$50,000,000 in annual revenue. 2. Proposer must have a minimum of five years of verifiable and continuous experience, within the last 10 years immediately preceding the issuance of the RFP, with fully online/real-time computerized revenue control and relational database (PARCS) systems operating on a computer network capable of controlling access to and accounting for revenues generated by parking garages. The operation and use of PARCS must include knowledge of and experience in achieving and maintaining Payment Card Industry Data Security Standard (PCI-DSS) compliance for credit card payments in an airport/e-commerce environment. 3. Proposer must have a minimum of one year of verifiable and continuous experience, within the last five years immediately preceding the issuance of the RFP, with real-time pre-booked parking online booking systems (Online Booking System). The operation and use of an Online Booking System must include knowledge of and experience in accounting for revenues generated by the Online Booking System along with achieving and maintaining PCI-DSS compliance for credit card payments in an airport/e-commerce environment. 4. Proposer must have a minimum of five years of verifiable and continuous experience, within the last 10 years immediately preceding the issuance of the RFP, in generating revenue and facility operations reports and operating and performing light maintenance on system components, including ticket issuing machines, loop detectors and actuated gates, and cashier terminals. 5. Proposer must have a minimum of five years of verifiable and continuous experience, within the last 10 years immediately preceding the issuance of the RFP, in managing a staff of at least 60 full-time employees.

RECOMMENDED EVALUATION AND SELECTION CRITERIA	
Selection Criteria	Scoring Weight
Firm Qualifications and Experience	25 pts
Approach and Operations Plan	70 pts
Communications & Reporting	20 pts
Fee Proposal	35 pts
Oral Interview	50 pts
Total Possible Points	200 pts



San Francisco International Airport

MEMORANDUM

April 18, 2023

TO: AIRPORT COMMISSION
Hon. Malcolm Yeung, President
Hon. Everett A. Hewlett Jr.
Hon. Jane Natoli
Hon. Jose F. Almanza

23-0094

APR 18 2023

FROM: Airport Director

SUBJECT: Award of Contract No. 50337 to SP Plus SF Joint Venture for Management and Operations of Airport Public and Employee Parking Facilities

DIRECTOR'S RECOMMENDATION: (1) AWARD CONTRACT NO. 50337 TO SP PLUS SF JOINT VENTURE FOR MANAGEMENT AND OPERATIONS OF AIRPORT PUBLIC AND EMPLOYEE PARKING FACILITIES IN AN AMOUNT NOT TO EXCEED \$214,947,987 FOR A TERM OF FIVE YEARS, AND (2) DIRECT THE COMMISSION SECRETARY TO REQUEST APPROVAL OF THE CONTRACT FROM THE BOARD OF SUPERVISORS UNDER SECTION 9.118 OF THE SAN FRANCISCO CHARTER.

Executive Summary

The existing Contract No. 50107.01, for management and operation of Airport public and employee parking facilities, with New South Parking – California GP will expire on June 30, 2023. Staff seeks Airport Commission (Commission) award of Contract No. 50337 for management and operations of Airport public and employee parking facilities to SP Plus SF Joint Venture in an amount not to exceed \$214,947,987 for a term of five years. SP Plus SF Joint Venture is comprised of the current prime joint venture partner SP Plus Corporation and SF Parking, LLC, a certified Airport Concession Disadvantaged Business Enterprise (ACDBE) and Local Business Enterprise (LBE). In this new Joint Venture, SP Plus Corporation is elevating SF Parking, LLC from its current role as a subcontractor to a joint venture partner to continue its commitment to diversity, equity, and inclusion.

Background

The Airport has over 22,000 public and employee parking spaces. The selected firm will be responsible for managing and operating the public and employee parking facilities throughout the Airport. This firm will provide, monitor, and train staff with payment options; provide excellent customer service; utilize the Airport's technology systems including the Parking Access and Revenue Control System (PARCS) and License Plate Recognition System to effectively manage, verify, and reconcile revenue collection and access control; manage employee parking permit fees and service; provide, manage, and train security staff with security options; and maintain parking facilities and support services.

THIS PRINT COVERS CALENDAR ITEM NO. 2

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED
MAYOR

MALCOLM YEUNG
PRESIDENT

EVERETT A. HEWLETT, JR.

JANE NATOLI

JOSE F. ALMANZA

IVAR C. SATERO
AIRPORT DIRECTOR

Staff has reviewed the Federal Aviation Administration (FAA) regulations and determined that this contract would be classified under the ACDBE Program. Although there is no ACDBE contract goal included in this opportunity, there is a Small Business Enterprise (SBE) goal of 23.3%. The selected firm is committed to achieving the goal, through its joint venture partnership with SF Parking, LLC, a certified ACDBE Hispanic American woman-owned firm and LBE and its commitment to subcontract with additional ACDBE-certified firms that Staff verified as meeting the SBE program criteria.

On December 6, 2022, by Resolution No. 22-0185, the Commission authorized Staff to issue Request for Proposals (RFP) No. 50337 for management and operations of Airport public and employee parking facilities and to conduct negotiations with the highest-ranking firm.

On January 20, 2023, the Airport received two proposals. Both firms met the minimum qualifications.

The Selection Process

A five-member evaluation panel reviewed the qualifying proposals and scored them against the evaluation criteria set forth in the RFP. The panelists were: an Airport Parking Operations Manager at the Port of Oakland; Senior Manager of Commercial Revenue Development at Seattle-Tacoma International Airport; Security Access Office Manager at San Francisco International Airport (SFO), Director of Budget & Capital Planning at SFO, and Acting Chief Information Officer at SFO. On February 24, 2023, the two proposers participated in oral interviews.

The maximum points allotted for this RFP is 1,000. The results of the evaluation process are set forth in the table below:

<u>Proposer Name</u>	<u>Score (out of 1000)</u>
1) SP Plus SF Joint Venture	838.75
2) ABM Aviation Inc.	768.00

SP Plus SF Joint Venture is the highest-ranked proposer, and Staff has successfully negotiated the scope of work, billing rates, and fees with SP Plus SF Joint Venture. The term for Contract No. 50337 will be five years.

A Notice of Intent to Award was issued on March 8, 2023. On March 14, 2023 and again on March 30, 2023, the Airport received a letter of protest from ABM Aviation Inc. After a careful review of the assertions in the letters and in consultation with the City Attorney's Office, Airport staff determined that the protest has no merit and responded to each letter accordingly.

As the Contract exceeds \$10,000,000, pending Commission authorization, the Airport will request the Board of Supervisors to approve this Contract as required by San Francisco Charter Section 9.118(b).

Recommendation

I recommend this Commission (1) award Contract No. 50337 to SP Plus SF Joint Venture for management and operations of Airport public and employee parking facilities in an amount not to exceed \$214,947,987 for a term of five years, and (2) direct the Commission Secretary to seek approval of Contract No. 50337 from the Board of Supervisors pursuant to Section 9.118 of the San Francisco Charter.



Ivar C. Satero
Airport Director

Prepared by: Kevin Bumen
Chief Financial and Commercial Officer

Attachment

April 20, 2023

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

Subject: Airport Professional Services Contract No. 50337 Management and Operations of Airport Public and Employee Parking Facilities with SP Plus SF Joint Venture

Dear Ms. Calvillo,

Pursuant to Section 9.118 of the City Charter, I am forwarding to the Board of Supervisors the proposed Resolution approving the award of Airport Professional Services Contract No. 50337 for Management and Operations of Airport Public and Employee Parking Facilities (Agreement) between the City and County of San Francisco, acting by and through its Airport Commission, and SP Plus SF Joint Venture. The Agreement is for five-year term, commencing July 1, 2023 through June 30, 2028, in a total amount not to exceed \$214,947,987.

The attachments are listed below:

- Board of Supervisors Resolution;
- Award Airport Commission Resolution No. 23-0094;
- Memorandum accompanying Airport Commission Resolution No. 23-0094;
- Form SFEC-126 for the Board of Supervisors and Mayor; and
- Copy of Original Agreement No. 50337, executed by SP Plus SF Joint Venture.

Please contact Cathy Widener, Acting Chief External Affairs Officer, at 650-821-5023 if you have any questions or concerns regarding this matter.

Very truly yours,

Kantrice Ogletree /s/

Kantrice Ogletree
Commission Secretary

Enclosures

cc: Cathy Widener, Acting Chief External Affairs Officer