

File No. 200005

Committee Item No. 1

Board Item No. \_\_\_\_\_

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date March 4, 2020

Board of Supervisors Meeting

Date \_\_\_\_\_

### Cmte Board

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input checked="" 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 type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <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 checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input checked="" type="checkbox"/> | <input 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 (Use back side if additional space is needed)

- |                                     |                          |                                      |
|-------------------------------------|--------------------------|--------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Airport Commission Resolution</u> |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                |

Completed by: Linda Wong

Date February 28, 2020

Completed by: Linda Wong

Date \_\_\_\_\_

1 [Airport Professional Services Agreement Modification - FSP PPM Management, LLC -  
2 Curbside Management Services - Not to Exceed \$29,950,859]

3 **Resolution approving Modification No. 1 to Airport Contract No. 50085, Curbside**  
4 **Management Services, with FSP PPM Management, LLC, to increase the contract**  
5 **amount by \$10,428,565 for a new not to exceed amount of \$29,950,859; and to**  
6 **exercise the one one-year option to extend the term from July 1, 2020, through June**  
7 **30, 2021, pursuant to Charter, Section 9.118(b).**

8  
9 WHEREAS, On June 16, 2016, the Commission approved Resolution No. 16-0181  
10 authorizing Airport staff to award Professional Services Contract No. 50085 to FSP PPM  
11 Management, LLC to provide curbside management services in an amount not to exceed  
12 \$19,522,294 for a period of four years effective July 1, 2016 with one 1-year renewal option;  
13 and

14 WHEREAS, On July 20, 2016 by Resolution No. 333-16, the Board of Supervisors  
15 approved the agreement with FSP PPM Management, LLC in an amount not to exceed  
16 \$19,522,294 for the initial four years; and

17 WHEREAS, FSP PPM Management, LLC's labor expenses have increased as result  
18 of staffing additional commercial ground transportation staging areas; and

19 WHEREAS, The initial Contract term is set to expire on June 30, 2020 and a  
20 modification to exercise the 1-year option to extend the agreement is required to retain  
21 curbside management services at the Airport;

22 WHEREAS, On December 3, 2019, pursuant to Resolution No. 19-0299, the Airport  
23 Commission approved Modification No. 1 to increase the contract amount by \$10,428,565 for  
24 a new not to exceed amount of \$29,950,859; and to exercise the one one-year option to  
25 extend the term from July 1, 2020, through June 30, 2021; and

1           WHEREAS, Charter, Section 9.118(b), provides that the agreements entered into by a  
2 department, board or commission requiring anticipated expenditures by the City and County  
3 of ten million dollars, shall be subject to approval by the Board of Supervisors by resolution;  
4 and

5           WHEREAS, The original Contract and Modification No. 1 are both on file with the  
6 Clerk of the Board of Supervisors in File No. 200005, which is hereby declared to be a part of  
7 this Resolution as if set forth fully herein; now, therefore, be it

8           RESOLVED, That the Board of Supervisors hereby approves Modification No. 1 to  
9 Airport Contract No. 50085, Curbside Management Services, with FSP PPM Management,  
10 LLC, to increase the contract amount by \$10,428,565 for a new not to exceed amount of  
11 \$29,950,859; and to exercise the one one-year option to extend the term from July 1, 2020,  
12 through June 30, 2021; and, be it

13           FURTHER RESOLVED, That within 30 days of Modification No. 1 being fully  
14 executed by all parties, the Airport Commission shall provide it to the Clerk of the Board for  
15 inclusion in the official file.

<p><b>Item 1</b>  <b>File 20-0005</b>  <i>(Continued from February 26, 2020)</i></p>	<p><b>Department:</b>                  San Francisco International Airport (Airport)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p><b>Legislative Objectives</b></p>	
<ul style="list-style-type: none"> <li>The proposed resolution would approve Modification No. 1 to the Curbside Management Services contract between San Francisco International Airport (Airport) and FSP PPM Management, LLC (FSP PPM), exercising the one-year option to extend the contract through June 2021, and increasing the not-to-exceed amount of the contract by \$10,428,565, from \$19,522,294 to \$29,950,859.</li> </ul>	
<p><b>Key Points</b></p>	
<ul style="list-style-type: none"> <li>In 1999, the Airport established the Curbside Management Program to consolidate the management and monitoring of the Airport’s ground transportation services and increase the utilization of ground transportation through improved customer service. In 2016, after conducting a Request for Proposals (RFP), the Airport selected FSP PPM to operate the Curbside Management Program. The Board of Supervisors approved a contract with FSP PPM, for a term of four years, from July 2016 through June 2020, and an amount not to exceed \$19,522,294, with a one-year option to extend the term through June 2021.</li> <li>In June 2019, the Airport moved all Transportation Network Company (TNC) pickups to the fifth floor of the domestic parking garage to reduce congestion on terminal roadways. The Airport then added an additional TNC staging lot to address congestion along Millbrae Avenue. Due to these changes, extended hours of operations at TNC Lots 1 and 2, and taxi services at the Grand Hyatt Hotel, FSP PPM has increased its staffing at the Airport from approximately 64.4 full-time equivalent (FTE) employees to 96 FTE employees in FY 2020-21, an increase of 50 percent.</li> <li>According to the Airport, FSP PPM has met performance standards during the contract term, and the Airport wishes to exercise the one-year option to extend the contract. In December 2019, the Airport Commission approved Modification No. 1, extending the contract through June 2021 and increasing the not-to-exceed amount of the contract to \$29,950,859.</li> </ul>	
<p><b>Fiscal Impact</b></p>	
<ul style="list-style-type: none"> <li>Actual contract expenditures over the three-year period from FY 2016-17 through FY 2018-19 are \$14,528,919. Projected expenditures in FY 2019-20 are \$7,584,820 and in FY 2020-21 are \$7,868,372, resulting actual and budgeted expenditures over five years of \$29,982,111 (or \$31,252 more than the not-to-exceed amount of \$29,950,859). The increased spending in FY 2019-20 and FY 2020-21 is due to the increase in staffing from 64.4 positions to 96 positions, noted above.</li> </ul>	
<p><b>Recommendation</b></p>	
<ul style="list-style-type: none"> <li>Approve the proposed resolution.</li> </ul>	

**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**

In 1999, San Francisco International Airport (Airport) established the Curbside Management Program to consolidate the management and monitoring of the Airport's ground transportation services and increase the utilization of ground transportation through improved customer service.

In 2016, the Airport conducted a Request for Proposals (RFP) to select a new contractor to operate the Curbside Management Program. FSP PPM Management, LLC (FSP PPM), which had been the existing contractor, was deemed the highest scoring responsive and responsible proposer and was awarded a contract. In July 2016, the Board of Supervisors retroactively approved a contract with FSP PPM for a term of four years, from July 2016 through June 2020, and an amount not to exceed \$19,522,294, and a one-year option to extend through June 2021 (File 16-0741, Resolution 333-16).

In June 2019, the Airport moved all Transportation Network Company (TNC) pickups to the fifth floor of the domestic parking garage to reduce congestion on terminal roadways. The Airport then added an additional TNC staging lot to address congestion along Millbrae Avenue. These changes required FSP PPM to hire additional staff, which requires additional funding for the contract. In December 2019, the Airport Commission approved Modification No. 1 to the FSP PPM contract, exercising the one-year option to extend through June 2021, and increasing the not-to-exceed amount by \$10,428,565, for a total not to exceed \$29,950,859.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve Modification No. 1 to the Airport's Curbside Management Program contract with FSP PPM, exercising the one-year option to extend the contract through June 2021, and increasing the not-to-exceed amount by \$10,428,565, for a total not to exceed \$29,950,859.

The scope of work for the FSP PPM contract includes management of the curbside and staging lots used by commercial ground transportation operators, taxi dispatching, and taxi Smart A-Card management that enables revenue collection of taxi trip fees. FSP PPM also performs janitorial services for the ground transportation facilities.

The current FSP PPM contract budget includes funding for approximately 64.4 full-time equivalent (FTE) employees. The proposed Modification No. 1 budget increases total FTE positions to 96 in FY 2020-21, or an approximately 52 percent increase over the previous staffing levels. According to Mr. Daniel Pino, Airport Landside Operations, the additional positions are needed because of the new TNC Lot 3, extended hours of operations at TNC Lots 1 and 2, TNC

operations at Levels 4 and 5 of the domestic parking garage, TNC pick up and drop off at the International Terminal, and taxi services at the Grand Hyatt hotel.

Under the contract, FSP PPM is evaluated annually on ten performance measures. According to Mr. Pino, FSP PPM has performed at the highest level through the contract.

**FISCAL IMPACT**

The proposed contract would increase the not-to-exceed amount of the contract by \$10,428,565, for a total not to exceed \$29,950,859. The additional \$10,428,565 includes an increase of \$2,560,193 to the FY 2019-20 not-to-exceed amount, increasing from \$5,024,627 to \$7,584,821, and a not-to-exceed amount of \$7,868,372 for the FY 2020-21 option year. Annual expenditures are shown in Table 1 below.

**Table 1: Annual Contract Expenditures**

Year	Amount
FY 2016-17 (Actual)	\$4,290,625
FY 2017-18 (Actual)	4,708,282
FY 2018-19 (Actual)	5,530,012
FY 2019-20 (Projected)	7,584,820
FY 2020-21 (Projected)	7,868,372
<b>Total</b>	<b>\$29,982,111</b>

Note: Total actual and projected contract expenditures of \$29,982,111 are \$31,252 more than the not-to-exceed amount of \$29,950,859. According to Mr. Pino, the Airport will work with the contractor to ensure that expenditures do not exceed the contract not-to-exceed amount.

The breakdown for the final two years of the contract budget is shown in Table 2 below. According to Ms. Dyanna Quizon, Airport Government Affairs Manager, the proposed Modification No. 1 provides sufficient authority to fully fund the contract through the end of its term in June 2021.

**Table 2: Contract Budget FY 2019-20 and FY 2020-21**

	FTE	FY 2019-20	FTE	FY 2020-21
Position				
General Manager	1.00	\$141,659	1.00	\$146,040
Assistant General Manager	1.00	58,220	1.00	118,770
Curbside Managers	3.00	299,461	3.00	299,869
Taxi/TNC Supervisors	9.00	772,386	8.00	688,307
SRV/Limo Supervisors	2.00	169,390	2.00	153,027
Taxi/TNC Dispatchers	57.00	4,622,718	74.00	5,366,819
SRV/Limo Lot Monitors	17.00	579,041	3.00	180,740
Administrative Assistants	3.00	222,721	3.00	189,232
Janitors	1.00	62,692	1.00	60,235
Labor Subtotal	94.00	\$6,928,289	96.00	\$7,203,039
Profit (6.7%)		464,195		482,604
Other Direct Costs		95,657		85,529
Administrative Fee		96,679		97,200
<b>Total</b>		<b>\$7,584,820</b>		<b>\$7,868,372</b>

Source: Airport

According to Mr. Pino, sufficient funding is available in the FY 2019-20 Airport Operating Budget.

### RECOMMENDATION

Approve the proposed resolution.

<b>Item 7</b> <b>File 20-0005</b>	<b>Department:</b> San Francisco International Airport (Airport)
<b>EXECUTIVE SUMMARY</b>	
<b>Legislative Objectives</b>	
<ul style="list-style-type: none"> <li>• The proposed resolution would approve Modification No. 1 to the Curbside Management Services contract between San Francisco International Airport (Airport) and FSP PPM Management, LLC (FSP PPM), exercising the one-year option to extend the contract through June 2021, and increasing the not-to-exceed amount of the contract by \$10,428,565, from \$19,522,294 to \$29,950,859.</li> </ul>	
<b>Key Points</b>	
<ul style="list-style-type: none"> <li>• In 1999, the Airport established the Curbside Management Program to consolidate the management and monitoring of the Airport’s ground transportation services and increase the utilization of ground transportation through improved customer service. In 2016, after conducting a Request for Proposals (RFP), the Airport selected FSP PPM to operate the Curbside Management Program. The Board of Supervisors approved a contract with FSP PPM, for a term of four years, from July 2016 through June 2020, and an amount not to exceed \$19,522,294, with a one-year option to extend the term through June 2021.</li> <li>• In June 2019, the Airport moved all Transportation Network Company (TNC) pickups to the fifth floor of the domestic parking garage to reduce congestion on terminal roadways. The Airport then added an additional TNC staging lot to address congestion along Millbrae Avenue. Due to these changes, extended hours of operations at TNC Lots 1 and 2, and taxi services at the Grand Hyatt Hotel, FSP PPM has increased its staffing at the Airport from approximately 64.4 full-time equivalent (FTE) employees to 96 FTE employees in FY 2020-21, an increase of 50 percent.</li> <li>• According to the Airport, FSP PPM has met performance standards during the contract term, and the Airport wishes to exercise the one-year option to extend the contract. In December 2019, the Airport Commission approved Modification No. 1, extending the contract through June 2021 and increasing the not-to-exceed amount of the contract to \$29,950,859.</li> </ul>	
<b>Fiscal Impact</b>	
<ul style="list-style-type: none"> <li>• Actual contract expenditures over the three-year period from FY 2016-17 through FY 2018-19 are \$14,528,919. Projected expenditures in FY 2019-20 are \$7,584,820 and in FY 2020-21 are \$7,868,372, resulting actual and budgeted expenditures over five years of \$29,982,111 (or \$31,252 more than the not-to-exceed amount of \$29,950,859). The increased spending in FY 2019-20 and FY 2020-21 is due to the increase in staffing from 64.4 positions to 96 positions, noted above.</li> </ul>	
<b>Recommendation</b>	
<ul style="list-style-type: none"> <li>• Approve the proposed resolution.</li> </ul>	



**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**

In 1999, San Francisco International Airport (Airport) established the Curbside Management Program to consolidate the management and monitoring of the Airport's ground transportation services and increase the utilization of ground transportation through improved customer service.

In 2016, the Airport conducted a Request for Proposals (RFP) to select a new contractor to operate the Curbside Management Program. FSP PPM Management, LLC (FSP PPM), which had been the existing contractor, was deemed the highest scoring responsive and responsible proposer and was awarded a contract. In July 2016, the Board of Supervisors retroactively approved a contract with FSP PPM for a term of four years, from July 2016 through June 2020, and an amount not to exceed \$19,522,294, and a one-year option to extend through June 2021 (File 16-0741, Resolution 333-16).

In June 2019, the Airport moved all Transportation Network Company (TNC) pickups to the fifth floor of the domestic parking garage to reduce congestion on terminal roadways. The Airport then added an additional TNC staging lot to address congestion along Millbrae Avenue. These changes required FSP PPM to hire additional staff, which requires additional funding for the contract. In December 2019, the Airport Commission approved Modification No. 1 to the FSP PPM contract, exercising the one-year option to extend through June 2021, and increasing the not-to-exceed amount by \$10,428,565, for a total not to exceed \$29,950,859.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve Modification No. 1 to the Airport's Curbside Management Program contract with FSP PPM, exercising the one-year option to extend the contract through June 2021, and increasing the not-to-exceed amount by \$10,428,565, for a total not to exceed \$29,950,859.

The scope of work for the FSP PPM contract includes management of the curbside and staging lots used by commercial ground transportation operators, taxi dispatching, and taxi Smart A-Card management that enables revenue collection of taxi trip fees. FSP PPM also performs janitorial services for the ground transportation facilities.

The current FSP PPM contract budget includes funding for approximately 64.4 full-time equivalent (FTE) employees. The proposed Modification No. 1 budget increases total FTE positions to 96 in FY 2020-21, or an approximately 52 percent increase over the previous staffing levels. According to Mr. Daniel Pino, Airport Landside Operations, the additional positions are needed because of the new TNC Lot 3, extended hours of operations at TNC Lots 1 and 2, TNC

operations at Levels 4 and 5 of the domestic parking garage, TNC pick up and drop off at the International Terminal, and taxi services at the Grand Hyatt hotel.

Under the contract, FSP PPM is evaluated annually on ten performance measures. According to Mr. Pino, FSP PPM has performed at the highest level through the contract.

**FISCAL IMPACT**

The proposed contract would increase the not-to-exceed amount of the contract by \$10,428,565, for a total not to exceed \$29,950,859. The additional \$10,428,565 includes an increase of \$2,560,193 to the FY 2019-20 not-to-exceed amount, increasing from \$5,024,627 to \$7,584,821, and a not-to-exceed amount of \$7,868,372 for the FY 2020-21 option year. Annual expenditures are shown in Table 1 below.

**Table 1: Annual Contract Expenditures**

Year	Amount
FY 2016-17 (Actual)	\$4,290,625
FY 2017-18 (Actual)	4,708,282
FY 2018-19 (Actual)	5,530,012
FY 2019-20 (Projected)	7,584,820
FY 2020-21 (Projected)	7,868,372
<b>Total</b>	<b>\$29,982,111</b>

Note: Total actual and projected contract expenditures of \$29,982,111 are \$31,252 more than the not-to-exceed amount of \$29,950,859. According to Mr. Pino, the Airport will work with the contractor to ensure that expenditures do not exceed the contract not-to-exceed amount.

The breakdown for the final two years of the contract budget is shown in Table 2 below. According to Ms. Dyanna Quizon, Airport Government Affairs Manager, the proposed Modification No. 1 provides sufficient authority to fully fund the contract through the end of its term in June 2021.

**Table 2: Contract Budget FY 2019-20 and FY 2020-21**

	FTE	FY 2019-20	FTE	FY 2020-21
Position				
General Manager	1.00	\$141,659	1.00	\$146,040
Assistant General Manager	1.00	58,220	1.00	118,770
Curbside Managers	3.00	299,461	3.00	299,869
Taxi/TNC Supervisors	9.00	772,386	8.00	688,307
SRV/Limo Supervisors	2.00	169,390	2.00	153,027
Taxi/TNC Dispatchers	57.00	4,622,718	74.00	5,366,819
SRV/Limo Lot Monitors	17.00	579,041	3.00	180,740
Administrative Assistants	3.00	222,721	3.00	189,232
Janitors	1.00	62,692	1.00	60,235
Labor Subtotal	94.00	\$6,928,289	96.00	\$7,203,039
Profit (6.7%)		464,195		482,604
Other Direct Costs		95,657		85,529
Administrative Fee		96,679		97,200
<b>Total</b>		<b>\$7,584,820</b>		<b>\$7,868,372</b>

Source: Airport

According to Mr. Pino, sufficient funding is available in the FY 2019-20 Airport Operating Budget.

**RECOMMENDATION**

Approve the proposed resolution.

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

**Modification No. 1**

THIS MODIFICATION (this "Modification") is made as of January 1, 2020 in San Francisco, California, by and between **FSP PPM Management, LLC** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") (as defined below); and,
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On June 16, 2016 by Resolution No. 16-0181, the Commission awarded this Agreement to the Contractor for a period of four (4) years effective July 1, 2016 in an amount not to exceed \$19,522,294; and
- D. On July 20, 2016, by Resolution No. 16-0741, the Board of Supervisors approved the Agreement under San Francisco Charter Section 9.118; and
- E. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the current year not-to-exceed amount by \$2,560,193, and to exercise the one 1-year renewal option commencing July 1, 2020 through June 30, 2021, in an amount not to exceed \$7,868,372 for the option period, for a new total contract amount not to exceed \$29,950,859 and update standard clauses; and
- F. On [insert date], by Resolution No. [insert resolution number], the Commission approved this Modification to the Agreement [insert term and not-to-exceed amount if these changed]; and
- G. On [insert date], by Resolution No. [insert resolution number], the Board of Supervisors approved the Agreement under San Francisco Charter Section 9.118; and
- H. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 48936 – 15/16 on June 20, 2016; and
- I. The Commission desires to modify the Agreement for administrative changes required by recently enacted San Francisco contracting ordinances; and
- J. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, the parties agree that the following Articles have been changed as follows:

1. **Article 1. Definitions**

1.1 **Agreement** has been revised. The definition "Agreement" shall mean the Agreement dated July 1, 2016 between Contractor and City.

2. **Article 1. Definitions**, is hereby amended to add the following:

1.10 "City Data" or "Data" includes, but is not limited to, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement. This includes data that is provided by a third-party for use under this Agreement.

1.11 **Confidential Information.** "Confidential Information" 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 that is subject to local, state, or federal laws or regulations restricting its disclosure, including but not limited to Private Information as defined under San Francisco Administrative Code Chapter 12M (Chapter 12M), 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 and 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.

1.12 **Other Terms.** Terms used and not defined in this Modification shall have the meanings assigned to such terms in the Agreement.

3. **Article 2. Term of the Agreement, Section 2.1** is hereby amended to extend the term of the contract for one year for a new ending date of June 30, 2021.

4. **Article 3. Financial Matters, 3.3. Compensation, Section 3.3.1 Payment** is hereby amended to increase the total compensation payable by an amount not to exceed \$10,428,565 for a new total not to exceed amount of \$29,950,859.

5. **Article 4. Services and Resources, Section 4.6 Assignment** is hereby deleted in its entirety and replaced to read as follows:

4.6 **Assignment.** The Services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations 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 in accordance 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.

**6. Article 7. Payment of Taxes, new Section 7.3 Withholding** is hereby added in its entirety to read as follow:

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

**7. Article 10. Additional Requirements Incorporated by Reference, Section 10.6 Federal Non-Discrimination in Contracting** is hereby deleted in its entirety and replaced to read as follows:

**10.6 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:

**10.6.1 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.

**10.6.2 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 §21.

**10.6.3 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.

**10.6.4 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.

**10.6.5 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:

- Withholding payments to the contractor under the contract until the contractor complies; and/or
- Cancelling, terminating, or suspending a contract, in whole or in part.

**10.6.6 Incorporation of Provisions.** Contractor will include the provisions of paragraphs 10.6.1 through 10.6.6 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.

**10.6.7 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 §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 §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.*).

**8. Article 10. Additional Requirements Incorporated by Reference, Section 10.7 Minimum Compensation Ordinance** is hereby deleted in its entirety and replaced to read as follows:

**10.7 Minimum Compensation Ordinance.** If Administrative Code Chapter 12P applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code 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 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.

**9. Article 10. Additional Requirements Incorporated by Reference, Section 10.8 Health Care Accountability Ordinance** is hereby deleted in its entirety and replaced to read as follows:

**10.8 Health Care Accountability Ordinance.** If Administrative Code 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 Section 12Q.3 of the HCAO. 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 the 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. Article 10. Additional Requirements Incorporated by Reference, Section 10.11 Limitations on Contributions** is hereby deleted in its entirety and replaced to read as follows:

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



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

**11. Article 10. Additional Requirements Incorporated by Reference, Section 10.17**

**Sugar-Sweetened Beverage Prohibition** is hereby deleted in its entirety and replaced to read as follows:

**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 San Francisco 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.

**12. Article 10. Additional Requirements Incorporated by Reference, new Section 10.19**

**Consideration of Salary History** is hereby added to read as follows:

10.19 **Consideration of Salary History.** Contractor shall comply with San Francisco Administrative Code 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 12K, irrespective of the listing of obligations in this Section.

**13. Article 11. General Provisions, Payment Card Industry ("PCI") Requirements Section**

**11.3.2** is hereby deleted in its entirety and replaced to read as follows:

11.3.2 Gateway providers shall have appropriate Payment Card Industry Data Security Standards (PCI DSS) certification as service providers (<https://www.pcisecuritystandards.org/index.shtml>). 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.

**14. Article 11. General Provisions, Section 11.13 Order of Precedence** is hereby deleted in its entirety and replaced to read as follows:

11.13 **Order of Precedence.** Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, implementing task orders, the RFP, and Contractor's proposal dated April 28, 2016. The RFP and Contractor's proposal are incorporated by reference as though fully set forth herein. 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. If the Appendices to this Agreement include any standard printed terms from the Contractor, Contractor

agrees that in the event of discrepancy, inconsistency, gap, ambiguity, or conflicting language between the City's terms and Contractor's printed terms attached, the City's terms shall take precedence, followed by the procurement issued by the department, Contractor's proposal, and Contractor's printed terms, respectively.

**15. Article 11. General Provisions, new Section 11.16 Notification of Legal Requests** is hereby added in its entirety to read as follows:

**11.16 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's Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

**18. Article 11. General Provisions, new Section 11.17 Incorporation of Recitals** is hereby added in its entirety to read as follows:

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

**19. Article 13. Requirements For Airport Contracts,** is hereby added in its entirety to read as follows:

**New Section 13.1. 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>.

**New Section 13.2. 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.

**New Section 13.3. 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.

20. **Appendix A, Paragraph 1,A. Summary of Services** is hereby amended to read as follows:

Operations

- Transportation Network Company (TNC) Operations
- Curbside Loading Operations
- Staging Area Operations
- Congestion Management
- Ensuring Compliance with Airport Rules and Regulations
- Using Ground Transportation Management Systems

21. **Appendix A, Paragraph 3.3 TNC Operations** is hereby added to read as follows:

3.3 TNC Operations

3.3.1 Contractor will staff and manage the Airport’s TNC Operations. Required hours of staffing at various zones are as follows:

- Domestic Garage Level 5 Pickup Zone: 7:00AM to 2:00AM
- Domestic Garage Level 5 Entry Lane: 7:00AM to 2:00AM
- Domestic Garage Level 4 Entry Lane:
  - Mondays 09:00AM – 12:00PM
  - Thursdays 20:00PM – 01:00AM
  - Fridays 20:00PM – 01:00AM
  - Sundays 20:00PM – 01:00AM
- International Departures Center Island: 7:00AM to 2:00AM

The daily hours and zones are subject to change at the discretion of the Airport Director.

3.3.2 Duties of Zone Monitors

Contractor shall provide monitors whose services include, but are not limited to, the following:

- Ensuring operator compliance with the Airport’s Rules and Regulations
- Ensuring operator compliance with Standard Operating Procedures
- Monitoring and documenting both passenger and operator wait times
- Monitoring and documenting congestion at the entry lanes
- Answering questions regarding garage zone pickups and other TNC operations
- Providing Airport staff with daily observation reports

22. **Appendix B, Paragraph 3** Yearly Payment table summary is hereby deleted in its entirety and replaced with new to read as follows:

5-year Contract Summary and Total	Contract Cost
1	\$4,738,427
2	\$4,831,926
3	\$4,927,313
4	\$5,024,627
4 - Increase	\$2,560,193
5	\$7,868,372
Contract Total	\$29,950,859

23. Appendix B, Paragraph 3 Calculation of Charges for service year four is hereby deleted in its entirety and replaced with new to read as follows:

CALCULATION OF CHARGES																													
Labor Costs (Twelve (12) months of Fully Staffed Service) Year Period #4																													
Position Title	No. Full-Time Positions	Hourly Wage	Burden % *	Hourly Wage with Burden	Annual Full Time Labor Hours 1FT yr = 2,080 hrs X No. Positions	Annual Total Hours (Excluding PTO)	Annual Labor Cost with Burden																						
1 General Manager	1.00	\$ 48.07	35.74%	\$ 67.70	2080	1960.00	\$140,816.00																						
2 Assistant General Manager	1.00	\$ 37.89	43.47%	\$ 54.35	2080	1960.00	\$113,048.00																						
3 Curbside Managers	3.00	\$ 31.57	45.58%	\$ 45.96	6600	6480.00	\$303,336.00																						
4 Taxi/TNC Supervisors	9.00	\$ 25.35	57.25%	\$ 39.10	18720	8800.00	\$731,952.00																						
5 SRV/Limo Supervisors	2.00	\$ 23.24	52.51%	\$ 36.14	8832	8704.00	\$319,188.48																						
6 Taxi/TNC Dispatchers	69.00	\$ 21.86	55.52%	\$ 33.34	143520	67744.00	\$4,784,956.80																						
7 SRV/Limo Lot Monitors	5.00	\$ 18.17	55.39%	\$ 27.70	5400	5320.00	\$149,580.00																						
8 Limousine Curbside Monitors	2.00	\$ 18.17	55.36%	\$ 2.70	4160	5968.00	\$11,232.00																						
9 Administrative Assistants	3.00	\$ 20.25	47.57%	\$ 33.67	5642	5552.00	\$189,966.14																						
10 Janitors	1.00	\$ 18.17	55.36%	\$ 28.23	6048	5968.00	\$170,728.46																						
							<b>\$6,914,803.88</b>																						
Profit Margin. Expressed as a percentage of the Total Labor Cost																													
Expressed as a percentage of the Total Labor Cost						6.70%	<b>\$463,291.86</b>																						
<b>SUBTOTAL LABOR COST WITH PROFIT</b>							<b>\$7,378,095.74</b>																						
Other Direct Costs (expressed annually)																													
Identify all direct costs to perform the work identified in Section II - Scope of Work such as but not limited to: Training Consultants, Mystery Shopper Program. These costs are reimbursable by invoice with documenting receipts with true costs. Profit or mark-up costs are prohibited.																													
<table border="1"> <thead> <tr> <th>Description</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>Training Consultants</td> <td>\$5,306.04</td> </tr> <tr> <td>Uniforms (Purchase)</td> <td>\$21,854.54</td> </tr> <tr> <td>Mystery Shopper Program</td> <td>\$24,068.20</td> </tr> <tr> <td>Employee Badges</td> <td>\$2,060.60</td> </tr> <tr> <td>Radios</td> <td>\$25,757.53</td> </tr> <tr> <td>Other:</td> <td></td> </tr> <tr> <td>    Vehicle Lease</td> <td>\$6,900.00</td> </tr> <tr> <td>    Add Value Machine receipt stock/tickets</td> <td>\$16,390.91</td> </tr> <tr> <td>    Vehicle Operating and Maintenance Cost</td> <td>\$7,408.80</td> </tr> <tr> <td>    Service Incentive Program</td> <td>\$819.55</td> </tr> </tbody> </table>							Description	Cost	Training Consultants	\$5,306.04	Uniforms (Purchase)	\$21,854.54	Mystery Shopper Program	\$24,068.20	Employee Badges	\$2,060.60	Radios	\$25,757.53	Other:		Vehicle Lease	\$6,900.00	Add Value Machine receipt stock/tickets	\$16,390.91	Vehicle Operating and Maintenance Cost	\$7,408.80	Service Incentive Program	\$819.55	
Description	Cost																												
Training Consultants	\$5,306.04																												
Uniforms (Purchase)	\$21,854.54																												
Mystery Shopper Program	\$24,068.20																												
Employee Badges	\$2,060.60																												
Radios	\$25,757.53																												
Other:																													
Vehicle Lease	\$6,900.00																												
Add Value Machine receipt stock/tickets	\$16,390.91																												
Vehicle Operating and Maintenance Cost	\$7,408.80																												
Service Incentive Program	\$819.55																												
<b>TOTAL OTHER DIRECT COSTS</b>							<b>\$110,566.17</b>																						
Administrative Fee (Monthly)						\$8,013.22	\$96,158.64																						
<b>TOTAL ANNUAL CONTRACT COST</b>							<b>\$7,584,820.55</b>																						
<b>Monthly Invoice Value Not to Exceed</b>							<b>\$632,068.38</b>																						

24. **Appendix B, Paragraph 3** Calculation of Charges for service year five is hereby added to read as follows:

CALCULATION OF CHARGES																												
Labor Costs (Twelve (12) months of Fully Staffed Service) Year Period #5																												
	Position Title	No. Full-Time Positions	Hourly Wage	Burden % *	Hourly Wage with Burden	Annual Full Time Labor Hours 1FT yr = 2,080 hrs X No. Positions	Annual Total Hours (Excluding PTO)	Annual Labor Cost with Burden																				
1	General Manager	1.00	\$ 50.47	35.74%	\$ 68.51	2080	1960.00	\$142,496.59																				
2	Assistant General Manager	1.00	\$ 39.02	43.47%	\$ 55.98	2080	1960.00	\$116,442.55																				
3	Curbside Managers	3.00	\$ 32.52	45.58%	\$ 47.34	6240	6480.00	\$295,417.92																				
4	Taxi/TNC Supervisors	9.00	\$ 25.98	57.25%	\$ 40.85	18720	21120.00	\$764,778.46																				
5	SRV/Limo Supervisors	2.00	\$ 23.82	52.51%	\$ 36.33	4160	5880.00	\$151,123.99																				
6	Taxi/TNC Dispatchers	74.00	\$ 22.41	55.52%	\$ 34.00	153920	143341.00	\$5,233,280.00																				
7	SRV/Limo Lot Monitors	4.00	\$ 18.62	55.39%	\$ 28.56	8320	1960.00	\$237,619.20																				
8	Administrative Assistants	3.00	\$ 20.25	47.57%	\$ 29.88	6240	7840.00	\$186,469.45																				
9	Janitors	1.00	\$ 18.62	55.36%	\$ 28.25	2080	5880.00	\$58,760.00																				
								\$7,186,388.16																				
Profit Margin. Expressed as a percentage of the Total Labor Cost																												
Expressed as a percentage of the Total Labor Cost							6.70%	\$481,488.01																				
<b>SUBTOTAL LABOR COST WITH PROFIT</b>								<b>\$7,667,876.17</b>																				
Other Direct Costs (expressed annually)																												
Identify all direct costs to perform the work identified in Section II - Scope of Work such as but not limited to: Training Consultants, Mystery Shopper Program. These costs are reimbursable by invoice with documenting receipts with true costs. Profit or mark-up costs are prohibited.																												
<table border="1"> <thead> <tr> <th>Description</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>Uniforms (Purchase)</td> <td>\$22,000.00</td> </tr> <tr> <td>Mystery Shopper Program</td> <td>\$24,060.00</td> </tr> <tr> <td>Employee Badges</td> <td>\$2,000.00</td> </tr> <tr> <td>Radios</td> <td>\$25,000.00</td> </tr> <tr> <td>Other:</td> <td></td> </tr> <tr> <td>    Vehicle Lease</td> <td>\$6,900.00</td> </tr> <tr> <td>    Add Value Machine receipt stock/tickets</td> <td>\$15,000.00</td> </tr> <tr> <td>    Vehicle Operating and Maintenance Cost</td> <td>\$7,500.00</td> </tr> <tr> <td>    Service Incentive Program</td> <td>\$835.47</td> </tr> </tbody> </table>								Description	Cost	Uniforms (Purchase)	\$22,000.00	Mystery Shopper Program	\$24,060.00	Employee Badges	\$2,000.00	Radios	\$25,000.00	Other:		Vehicle Lease	\$6,900.00	Add Value Machine receipt stock/tickets	\$15,000.00	Vehicle Operating and Maintenance Cost	\$7,500.00	Service Incentive Program	\$835.47	
Description	Cost																											
Uniforms (Purchase)	\$22,000.00																											
Mystery Shopper Program	\$24,060.00																											
Employee Badges	\$2,000.00																											
Radios	\$25,000.00																											
Other:																												
Vehicle Lease	\$6,900.00																											
Add Value Machine receipt stock/tickets	\$15,000.00																											
Vehicle Operating and Maintenance Cost	\$7,500.00																											
Service Incentive Program	\$835.47																											
<b>TOTAL OTHER DIRECT COSTS</b>								<b>\$110,566.17</b>																				
Administrative Fee (Monthly)							\$8,100.00	\$97,200.00																				
<b>TOTAL ANNUAL CONTRACT COST</b>								<b>\$7,868,371.64</b>																				
Monthly Invoice Value Not to Exceed								\$655,697.64																				

25. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.

26. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Modification as of the date first referenced above.

<b>CITY</b> AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	<b>CONTRACTOR</b>
By: _____ Ivar C. Satero, Airport Director	_____ Authorized Signature
Attest:	_____ Printed Name
By _____ C. Corina Monzón, Secretary Airport Commission	_____ Title
Resolution No: _____	_____ Company Name
Adopted on: _____	_____ City Supplier ID
Approved as to Form:	_____ Address
Dennis J. Herrera City Attorney	_____ City, State, ZIP
By _____	_____ Telephone Number
Stacey A. Lucas Deputy City Attorney	_____ Federal Employer ID Number

**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**

**FSP PPM Management, LLC**

**Contract No. 50085**

This Agreement is made this **1st** day of **July 2016**, in the City and County of San Francisco, State of California, by and between: **FSP PPM Management, LLC, 515 South Flower Street, Suite 3200, Los Angeles, CA 90071** (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 wishes to engage an independent contractor to operate its comprehensive Curbside Management Program for the San Francisco International Airport (the "Airport" or "SFO"); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On March 17, 2016 the Commission issued a Request for Proposals ("RFP") 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 June 16, 2016 by Resolution No. 16-0181, the Commission awarded this Agreement to the Contractor for a period of four (4) years effective July 1, 2016 in an amount not to exceed \$19,522,294; and
- E. On July 20, 2016, by Resolution No. 16-0741 the Board of Supervisors approved the Agreement under San Francisco Charter Section 9.118; and
- F. There is no Disadvantage Business Entity ("DBE") subcontracting participation requirement for this Agreement; and
- G. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 48936 – 15/16 on June 20, 2016; and
- 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," and the Airport Commission ("Airport" or "SFO").
- 1.3 "CMD" means the Contract Monitoring Division of the City.
- 1.4 "Contractor" or "Consultant" means FSP PPM Management, LLC, 515 South Flower Street, Suite 3200 Los Angeles, CA 90071.
- 1.5 "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.
- 1.6 "Effective Date" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.
- 1.7 "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.
- 1.8 "Party" and "Parties" mean the City and Contractor either collectively or individually.
- 1.9 "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 the latter of: (i) **July 1, 2016**; or (ii) the Effective Date and expire on **June 30, 2020**, unless earlier terminated as otherwise provided in this Agreement.
- 2.2 The City has one option to renew the Agreement for a period of one (1) year. The City may extend this Agreement beyond the expiration date by exercising an option at the City's sole and absolute discretion and by modifying this Agreement as provided in Section 11.5, "Modification of 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 Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

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

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 **Payment.** Contractor shall provide an invoice to the City twice a month for Services completed in the immediate preceding month. Invoices shall be submitted within (a) ten (10) days after the 15<sup>th</sup> day of each month representing services performed during the period commencing on the 1<sup>st</sup> day of that month and ending on the 15<sup>th</sup> day of that month ("First Period") and (b) within ten (10) days after the last day of each month, representing services performed during the period commencing on the 16<sup>th</sup> day of said month and ending on the last day of said month ("Second Period"). Compensation shall be made for Services identified in the invoice that the Airport Director, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed **Nineteen Million, Five Hundred Twenty-Two Thousand Two Hundred and Ninety-Four Dollars (\$19,522,294)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached and incorporated by reference as though fully set forth in this Agreement. In no event shall City be liable for interest or late charges for any late payments.

3.3.2 **Payment Limited to Satisfactory Services.** Contractor is not entitled to any payments from City until Airport Commission approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables, including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. The City may reject deliverables, equipment, components, materials and Services that do not conform to the

requirements of this Agreement and in such case must be replaced by Contractor without delay at no cost to the City.

3.3.3 **Withholding Payments.** If Contractor fails to provide 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 must include a unique invoice number. The City shall make payment to Contractor at the address specified in Section 11.1, "Notices to the Parties," or in such alternate manner as the Parties have mutually agreed upon in writing.

3.3.5 **DBE Payment and Tracking – Not applicable.**

3.3.6 **Getting paid for goods and/or services from the City.**

(a) All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through Paymode-X, the City's third party service that provides Automated Clearing House (ACH) payments. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit [www.sfgov.org/ach](http://www.sfgov.org/ach).

(b) The following information is required to sign up: (i) The enroller must be their company's authorized financial representative, (ii) the company's legal name, main telephone number and all physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor), and (iv) the company's bank account information, including routing and account numbers.

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 fewer 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; Monetary Penalties.** The full text of San Francisco Administrative Code §§ 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Under San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (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.

#### Article 4 Services and Resources

4.1 **Services Contractor Agrees to Perform.** Contractor agrees to perform the Services provided for 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."

4.2 **Qualified Personnel.** Contractor shall utilize 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.** 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" 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. City's execution of this Agreement constitutes its approval of the subcontractors listed below.

4.4 If 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. The task order shall include a description of the as-needed services, the deliverables, schedule for performance, cost, and method and timing of payment.

#### 4.5 Independent Contractor; Payment of Employment Taxes and Other Expenses.

4.5.1 **Independent Contractor.** For the purposes of this Article 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, FICA, 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 (5) business days of Contractor's receipt of such notice, and consistent with Contractor policy and procedure, Contractor shall remedy the deficiency. 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.

**4.5.2 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 pursuant to the preceding two paragraphs shall be solely for 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.

**4.6 Assignment.** The Services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations may be assigned or delegated by Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement. Any purported assignment made in violation of this provision shall be null and void.

**4.7 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.

**4.8 Liquidated Damages.** By entering into this Agreement, Contractor agrees that in the event the Services are delayed beyond the scheduled milestones and timelines as provided in Appendix A, City will suffer actual damages that will be impractical or extremely difficult to determine. Contractor agrees that the sum of Three Thousand and Five Hundred Dollars (\$3,500) per calendar day for each day of delay beyond scheduled milestones and timelines is not a penalty, but is a reasonable estimate of the loss that City will incur based on the delay, established in light of the circumstances existing at the time this Agreement was awarded. City may deduct a sum representing the liquidated damages from any money due to Contractor under this Agreement or any other contract between City and Contractor. Such deductions shall not be considered a penalty, but rather agreed upon monetary damages sustained by City because of Contractor's failure to furnish deliverables to City within the time fixed or such extensions of time permitted in writing by City.

## Article 5 Insurance and Indemnity

### 5.1 Insurance.

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

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

(b) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(c) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

5.1.2 **Employee Dishonesty Insurance Coverage** Contractor shall maintain throughout the term of this contract, at no expense to City a Blanket Crime Policy covering employee dishonesty, forgery or alteration, theft of money and securities, inside premises and outside premises, computer fraud, funds transfer fraud, covering all officers and employees in an amount not less than \$1,000,000 with any deductible not to exceed \$10,000 and including City as additional obligee or loss payee as its interest may appear.

5.1.3 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

(a) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(b) 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 insurance applies separately to each insured against whom claim is made or suit is brought.

5.1.4 All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 11.1, entitled "Notices to the Parties."

5.1.5 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 contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

5.1.6 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.

5.1.7 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.

5.1.8 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.

5.1.9 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: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) 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; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts that are inconsistent with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) 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 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      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      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 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., Rev. & Tax. 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.

## **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 hereof, 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 shall include, 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 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. Any overhead allowance shall be included as part of a monthly Administrative Fee.



(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 6.7% of such cost.

(c) The reasonable cost to Contractor of handling material or equipment returned to the vendor, 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 enumerated and described 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 pursuant to 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:

(a) 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.	10.4	Nondisclosure of Private, Proprietary or Confidential Information
4.6	Assignment	10:10	Alcohol and Drug-Free Workplace
Article 5	Insurance and Indemnity	10.13	Working with Minors
Article 7	Payment of Taxes	11.10	Compliance with Laws

(b) 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 continues for a period of ten days after written notice thereof from City to Contractor.

(c) 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.

(d) 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.

8.2.2 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 pursuant to 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.

8.2.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder 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.

8.2.4 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 hereof 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	9.2	Works for Hire
3.4	Audit and Inspection of Records	10.4	Nondisclosure of Private, Proprietary or Confidential Information
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
9.1	Ownership of Results		

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, 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 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 into this Agreement by reference. 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 [www.sfgov.org](http://www.sfgov.org) under "Government."

**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 San Francisco Administrative Code 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 Nondisclosure of Private, Proprietary or Confidential Information.**

10.4.1 If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information 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.

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

**10.5 Nondiscrimination Requirements**

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

10.5.2 **Nondiscrimination in the Provision of Employee Benefits.** San Francisco Administrative Code 12B.2. 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 San Francisco Administrative Code Section 12B.2.

**10.6 Federal Non-Discrimination in Contracting.**

10.6.1 **49 CFR Part 21.** Contractor for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that Contractor

shall maintain and operate the Airport facilities and services in compliance with all requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964, as said regulations may be amended. Contractor, for itself, its personal representatives, successors in interest, and assigns, agrees that Contractor in its operation at and use of San Francisco International Airport, covenants that (1) no person on the grounds of race, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over, or under the Airport and the furnishing of services thereon, no person on the grounds of race, color, national origin or sex shall be excluded from participation or denied the benefits of, or otherwise be subject to discrimination, (3) that Contractor shall use all City premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A – Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. These Regulations are incorporated as though fully set forth herein. Contractor agrees to include the above statements in any subsequent contract that it enters into with subcontractors and cause those agreements to similarly include the statements, and cause those businesses to include the statements in further agreements.

**10.7 Minimum Compensation Ordinance.** Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. By signing and executing this Agreement, Contractor certifies that it is in compliance with Chapter 12P.

**10.8 Health Care Accountability Ordinance.** Contractor shall comply with San Francisco Administrative Code Chapter 12Q. Contractor shall choose and perform one of the Health Care Accountability options set forth in San Francisco Administrative Code Chapter 12Q.3. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q.

**10.9 First Source Hiring Program.** Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, 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 that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with 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, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by

such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. 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 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor must inform each such person of the limitation on contributions imposed by Section 1.126 and provide the names of the persons required to be informed to City.

**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 Chapter 12T, "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code ("Chapter 12T"), 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. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 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 Sugar-Sweetened Beverage Prohibition -- Not applicable.**

**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.

10.18.1 Contractor shall comply with San Francisco Environment Code Chapter 8, which provides that except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, Contractor shall not provide any items to the City in performance of this contract which are tropical hardwoods, tropical hardwood wood products, virgin redwood or virgin redwood wood products. Contractor is subject to the penalty and enforcement provisions of Chapter 8.

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,  
Senior Transportation Planner  
Landside Operations  
SFIA  
PO Box 8097  
San Francisco, CA 94128-8097  
E-Mail: [adam.gubser@flysfo.com](mailto:adam.gubser@flysfo.com)  
Fax: (650) 821-6508

To Contractor: D. Scott Hutchinson  
Senior Vice President  
FSP PPM Management, LLC  
515 South Flower Street, Suite 3200  
Los Angeles, CA 90071  
E-Mail: [scott.hutchison@abm.com](mailto:scott.hutchison@abm.com)  
Fax: (213) 784-3012

and

Sam Tadesse  
FSP PPM Management, LLC  
465 California Street, Suite 473  
San Francisco, CA 94101  
E-Mail: [stadesse@pacificparkonline.com](mailto:stadesse@pacificparkonline.com)  
Fax: (415) 434-4455

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

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

11.3.1 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 Council's list of PA-DSS approved and validated payment applications.

11.3.2 Gateway providers shall have appropriate Payment Card Industry Data Security Standards (PCI DSS) certification as service providers (<https://www.pcisecuritystandards.org/index.shtml>). Compliance with the PCI DSS shall be achieved through a third party audit process. To ensure the safe handling of credit cardholder information, Contractor will implement and maintain ongoing compliance with the PCI DSS for all systems they are responsible for at SFO that store, process, transmit or interface with credit card data.

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

11.3.4 For items 11.3.1 to 11.3.3 above, Contractor shall provide a letter from their qualified security assessor (QSA) affirming their compliance and current PCI or PTS compliance certificate.

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

11.3.6 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.

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 §6250 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco 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. Contractor shall cooperate with Department to submit to the Director of CMD any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

#### 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 San Francisco Administrative Code Section 21.35, 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, the Parties may resolve disputes 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 the 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 has first been presented to and rejected by the City in conformity with the provisions of San Francisco 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 San Francisco 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 contract 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 Airport Intellectual Property.** Pursuant to 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. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

**11.14 Labor Peace / Card Check Rule.** Without limiting the generality of other provisions in this Agreement requiring Contractor to comply with all Airport Rules, Contractor shall comply with the

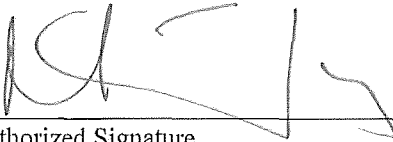
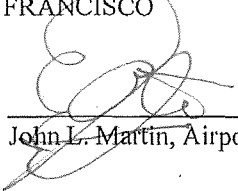
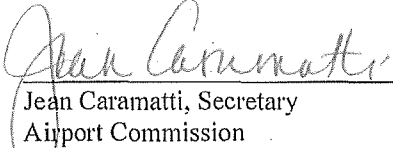
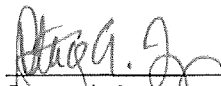
Airport's Labor Peace / Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "Labor Peace / Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check 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 his / her 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 his / her 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 pursuant to any covered Contract, a provision requiring the Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If Airport Director determines that Contractor violated the Labor Peace/Card Check Rule, Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to him / her.

11.15 **Order of Precedence.** Contractor agrees to perform the services described herein consistent with the terms and conditions of this Agreement, implementing task orders, the RFP, and Contractor's proposal dated April 28, 2016. The RFP and Contractor's proposal are incorporated by reference into 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.

## **Article 12 MacBride And Signature**

12.1 **MacBride Principles -Northern Ireland.** The provisions of San Francisco Administrative Code §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:  John L. Martin, Airport Director	Authorized Signature
Attest:	SAM TADESSE Printed Name
By:  Jean Caramatti, Secretary Airport Commission	Executive Team Title
Resolution No: <u>16-0181</u>	FSP PPM Management, LLC Company Name
Adopted on: <u>June 16, 2016</u>	80706 City Vendor Number
Approved as to Form:	465 California Street, Suite 473 Address
Dennis J. Herrera City Attorney	San Francisco, CA 94104 City, State, ZIP
By:  Stacey A. Lucas Deputy City Attorney	(415) 434-4400 Telephone Number
	27-3597718 Federal Employer ID Number

**Appendices**

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

## Appendix A Scope of Services

### I. Description of Services

Contractor agrees to perform the following Services:

#### A. Summary of Services

Contractor shall manage and staff the Airport's Curbside Management Program ("CMP"). Contractor shall manage curbside space and staging lots used by commercial ground transportation operators. Contractor shall also facilitate transportation services for customers with special transportation needs (e.g., physically disabled, visually impaired and the elderly). Services to be performed by the Contractor include:

##### Operations

- Curbside Loading Operations
- Staging Area Operations
- Congestion Management
- Ensuring Compliance with Airport Rules and Regulations
- Using ground transportation management systems

##### Administration

- Administrative Support Systems
- Program Reporting and Performance Measures
- Quality Control Management
- Incident and Safety Management
- Accounting and Records Management

##### Personnel

- Staff Management
- Staff Training and Team Building
- Knowledge of Airport Rules and Regulations, Standard Operating Procedures
- Customer Service
- Emergency Preparedness Procedures
- Collective Bargaining

### B. Curbside Management Program Definitions

As used in this Agreement, the following capitalized terms shall have the following meanings:

1. "Actual Direct Costs" means amounts actually incurred and paid by Contractor for the direct costs of providing the Services required under this Agreement. Actual Direct Costs include salaries and fringe benefits for direct labor (which excludes those of the On-Site Management Staff); and materials, supplies, and other direct costs specifically provided for in the Annual Cost Proposal submitted by Contractor and approved by City. Actual Direct Costs specifically exclude depreciation, debt-related interest, any fines or judgments levied against Contractor, costs associated with any components of the Administrative Fee and any other indirect costs. Contractor and City agree that Generally Accepted Accounting Principles (GAAP) shall govern the resolution of any disputes regarding the definition and classification of any cost.

2. "Administrative Fee" means the annual amount agreed to by City and Contractor, as described below, representing payment to Contractor for administrative items that are not invoiced.
3. "Affiliate" means a person, business, or other entity that directly or indirectly and/or through one or more intermediaries, controls or is controlled by, or is under common control with Contractor.
4. "Airport Rules" means the Airport's Rules and Regulations, as the same may be amended from time to time.
5. "Airport's TI Guide" means the Airport's Tenant Improvement Guide, as the same may be amended from time to time.
6. "Annual Cost Proposal" means the annual cost proposal prepared and submitted by Contractor and approved by Commission. Such Annual Cost Proposal shall set forth the proposed Administrative Fee and Actual Direct Costs.
7. "CPI" means the Consumer Price Index published by the US Department of Labor, Bureau of Labor Statistics known as "Services Less Rent or Shelter-All Urban Consumers- San Francisco/Oakland/San Jose, California." In the event such index is discontinued, then "CPI" shall mean an index chosen by Director that is, in Director's reasonable judgment, comparable to the index specified above.
8. "Curbside Management Program On-Site Management Staff" shall mean the positions set forth below effective July 1, 2016.
9. "Facilities" means, collectively, each of the designated ground transportation loading zones and ancillary equipment and systems encompassed in this Agreement. Commission reserves the right to expand or contract the Facilities to include or exclude any new or existing ground transportation loading zones, equipment and/or systems to accommodate the Airport's needs, all as determined at the Director's sole discretion. In the event the Facilities are expanded or contracted, the Administrative Fee shall not be adjusted.
10. "Fiscal Year" means the City and County of San Francisco's budget year from July 1 through June 30 of the following calendar year.
11. "Other Direct Costs" ("ODCs") means actual direct costs other than salaries and fringe benefits of direct labor.
12. "Services" means the management and operations services described herein.
13. "Limousine Operators" means those limousine operators who hold permits issued by the Airport to provide charter service in sedans or sport utility vehicles of standard or extended length pursuant to a Transportation Charter Party certificate issued by the California Public Utilities Commission.
14. "Taxicab Operators" means those taxicab operators who are licensed and/or permitted by a municipality to provide on-demand service in vehicles either with or without a taxicab meter.
15. "TNC" means Transportation Network Company (TNC), those operators regulated by the California Public Utilities Commission and is a company that uses an online-enabled platform to connect passengers with drivers using their personal, non-commercial, vehicles.

## C. Curbside Management Program Deliverables

### I. Personnel

#### 1.1 Minimum Staffing

Contractor shall provide sufficient staffing for all shifts on a daily basis including weekends and holidays to perform the required services. Work shall be performed only by trained personnel in the employment of Contractor. Contractor shall not be permitted to hire additional personnel above the limits set forth in the Annual Cost Proposal without the express written approval of the Director.

Total staffing hours shall be approved in writing by the Director and may include weekends and holidays. Contractor shall prepare written operational procedures that must be approved by the Director in writing, and may be revised periodically as requested by the Director as the needs of the Airport change. Contractor will comply with City's reasonable requests regarding assignment of personnel, but all personnel must be supervised by the Contractor. Personnel staffing must include, at a minimum, the following:

- General Manager - manages the curbside program and is the main contact person for SFO
- Assistant General Manager - oversees operations; the second point of contact for SFO
- Supervisors - provides supervision for staging lot monitors and cashiers
- Curbside Managers - manages and assigns staffing to curbside loading zones
- Administrative Assistants – performs data entry and Smart-A card operating processes
- Loading Zone Monitors - monitor the loading zones
- Staging Lot Monitors - monitor the staging lots
- Rover Monitors - unassigned to specific loading/staging zones (as-needed)

#### 1.2 General Duties

- Hire a sufficient number of employees to fully staff all employee shifts on a daily basis including weekends and holidays.
- Provide trained staff who are articulate, courteous, accurate, and impartial.
- Maintain and update existing written procedures; and draft new written procedures, as necessary.
- Monitor, manage, maintain, and operate the SFO Smart Card Taxi Revenue System, (except for revenue service of the Add Value Machines (AVM)).
- Provide visitors with accurate information regarding commercial ground transportation and assist them in obtaining ground transportation services.
- Train and update personnel regarding available commercial ground transportation services, including fares and schedules, changing roadway conditions, and the Airport's Rules and Regulations.
- Establish quality control procedures for dispatching and coordinating trips, customer service and passenger assistance, and interaction with commercial ground transportation operators.
- Ensure operator compliance with the Airport's Rules and Regulations, monitor and document operator activity, answer questions regarding the Airport's ground transportation services, and provide Airport staff with daily observation reports.
- Provide written reports as requested for various contract related functions; including but not limited to operations, safety, operator compliance, staff management  
Be knowledgeable about SFO's ground transportation services including fares and schedules, and the Airport's Rules and Regulations.

### 1.3 Background Investigation and Badging

All of Contractor's employees are required to pass a background investigation and security training test conducted by the Airport's Security Access Office in order to receive Airport clearance. The Director may, upon written notice, require Contractor's employees to undergo additional background investigations that may be mandated by FAA, TSA, or other State and/or Federal agency. The Director has the right to request Contractor to reassign or remove any employee at any time for improper activities including but not limited to embezzlement, steering customers towards a specific ground transportation operator for personal economic gain or favors, soliciting on behalf of or showing favoritism to a ground transportation operator, or violating any of the Airport's Rules and Regulations.

### 1.4 Overtime

In the event of late flights or other circumstances as determined by Airport staff, some positions, such as Loading Zone Monitors, Staging Lot Monitors, and Dispatchers, may be required to work on an overtime basis as needed.

### 1.5 Holiday Hours

Between December 1 and March 30, some positions, such as Loading Zone Monitors, Staging Lot Monitors, and Dispatchers, may be required to work additional hours during the early morning hours.

### 1.6 Worker Retention Policy

Contractor is subject to the Airport's Worker Retention Policy, which is Appendix D to the Airport's Rules and Regulations.

### 1.7 Training Program

Contractor shall prepare and provide the Director with an Employee Handbook for written approval within thirty (30) days after the execution of the Agreement. Contractor shall require all existing employees to undergo a training program within fifteen (15) days after the Employee Handbook has been approved. Contractor will use the Employee Handbook as part of the training for all new employees within fifteen (15) days after the hire date. Training must include, but is not limited to:

- Airport's commercial ground transportation services including fares and schedules, and the Airport's Rules and Regulations.
- Knowledge of the operating procedures for each ground transportation mode.
- Job tasks assigned to the individual, including working knowledge of the electronic and other equipment required to perform the job in a first-class manner.
- Airport-approved procedures in the event of operational problems.
- Detailed customer service training to provide first-class service to Airport patrons, ground transportation operators, and customers.
- Techniques to sensitively assist Airport disabled and elderly patrons and customers.
- Airport emergency procedures.
- Team building and team communications

## 1.8 Disciplinary Procedures

Contractor shall develop a written discipline policy, which policy shall be submitted for Director's approval within thirty (30) days of contract award. The policy shall include specific procedures for responding to employee misconduct including but not limited to soliciting on behalf of a particular ground transportation provider for personal or other gain, accepting monetary gifts or other equipment and/or services from an Airport ground transportation driver or operator, violating Airport Rules and Regulations and subsequent notices, and failure to give unbiased information.

## 1.9 Employee Uniforms

All of the Contractor's employees must be attired in Airport-approved uniform prior to the start of each work shift. Airport shall have the right to change or modify the uniform at any time at City's expense with the Contractor making such changes effective within thirty (30) days upon notice from the Airport.

The uniform shall include the Airport's photo identification badge and a separate Airport-approved name badge with the employee's first name and position, both of which must be displayed by all Contractor's employees at all times while on-duty.

All on-duty personnel must be equipped with an Airport-approved radio to communicate with other employees and supervisory personnel. The radio shall be considered an integral part of the uniform.

## 2. Curbside Limousine Loading Operations

### 2.1 Staffing and Zones

Contractor will staff and manage the zones at the Domestic and International Terminals. The minimum staffing for all loading zones is one (1) monitor for each zone Friday through Monday during hours of operation, including holidays. A total of two (2) zones/stations must be staffed by Contractor's personnel:

- Domestic Terminals, Arrivals Level, Center Islands from 2:00PM to 10:00PM
- International Terminal, Arrivals Level, Center Islands from 2:00PM to 10:00PM

### 2.2 Duties of Zone Monitors

Contractor shall provide monitors whose services include, but are not limited to, the following:

- Ensuring operator compliance with the Airport's Rules and Regulations
- Ensuring operator compliance with the Standard Operating Procedures
- Monitoring and documenting operator departure times
- Answering questions regarding the commercial ground transportation service operating at the Airport.
- Providing Airport staff with daily observation reports
- Arranging ground transportation services for those with special needs (e.g., physically disabled, visually impaired, and the elderly) upon request



### 3. Staging Area Operations

3.1 Contractor will staff and oversee ground transportation staging lots for the following modes:

- Limousine
- Taxi
- Transportation Network Company (TNC)
- Charters
- Auxiliary as-needed

These lots are subject to modification as ground transportation modes shift. The minimum staffing is one (1) monitor for each lot: Limousine, Taxi, TNC and Charters, daily from 8:00AM to 1:00AM, including weekends and holidays. The auxiliary as-needed lot will be activated on an as-needed basis and may be monitored by a rover employee or adjacent staging lot monitor. The daily hours are subject to change at the discretion of the Airport Director.

### 3.2 Duties of Staging Area Monitors

The duties of Staging Area Monitors include, but are not limited to, the following:

- Ensuring operator compliance with the Airport's Rules and Regulations
- Ensuring operator compliance with Standard Operating Procedures
- Vehicle management to ensure a sufficient supply of vehicles to service customers
- Friendly and professional customer service
- Providing Airport staff with daily observation reports

### 4. Taxi Dispatching

4.1 Contractor will staff and manage the Airport's taxicab dispatching program at all the Airport taxicab zones. The minimum staffing for all taxicab zones is one (1) taxicab dispatcher for each zone during the hours of operation daily, including weekends and holidays. There are currently a total of six (6) zones/stations that must be staffed by Contractor's personnel:

- Two (2) zones at Terminal 1 from 7:00 a.m. to 1:00 a.m.
- One (1) zone at Terminal 3 from 7:00 a.m. to 1:00 a.m.
- One (1) zone at the International Terminal from 7:00 a.m. to 1:00 a.m.
- One (1) zone at the Main Taxicab Holding Lot from 7:00 a.m. to midnight
- One (1) zone at the 1st Taxicab Overflow from 7:00 a.m. to midnight

The daily hours are subject to change at the discretion of the Airport Director.

### 4.2 Duties of Taxicab Dispatchers

Dispatcher duties include, but are not limited to, the following:

- Dispatching taxicab services as needed to the terminal curbside
- Monitoring taxicab movement throughout the staging lot
- Providing Airport staff with daily observation reports
- Providing professional customer service to operators

## 5. Taxi Smart A-Card-Based Revenue System

Contractor will provide administrative support for the Taxi Smart A-Card Program.

### 5.1 Staffing

Contractor will staff and manage the Smart A-Card-Based Revenue System in the Curbside Management Program's Administrative Office. The minimum staffing is eight (8) hours per day, including weekends and holidays with a minimum of four (4) hours coverage during weeknights from 6:00 p.m. to 10:00 p.m. The daily hours are subject to change at the discretion of the Airport Director.

### 5.2 Duties of Taxi Smart A-Card Administrator

Contractor is responsible for completing the administrative operations related to the Taxicab Smart A-Card-Based Revenue System, including but not limited to, the following:

- Inputting and maintaining taxicab driver data in the database required for the operation of the Airport's Smart A-Card-Based Revenue Control System
- Issuing new and replacement Smart A-Cards
- Tracking unused or returned Smart A-Cards
- Assisting taxicab drivers with the prerequisites for obtaining a Smart A-Card, e.g. orientation video
- Preparing Taxi System Claims for Refund for processing by Airport Commission staff
- Distributing processed refunds to drivers as directed by Airport Commission staff
- Filing and maintenance of the taxicab driver database
- Ensuring operator compliance with the Airport's Rules and Regulations
- Providing Airport staff with appropriate program reports as requested

## 6. Cashier Services

In the event of failure of the Airport's Taxi Smart A-Card Revenue Management System, Contractor will provide taxicab cashiers.

### 6.1 Staffing

- Minimum of four (4) cashiers within one (1) hour of smartcard-based taxicab revenue management system failure to collect trip fees from taxicab drivers.
- In the event of an extended failure, Contractor shall provide a minimum of four (4) cashiers from 7:00 a.m. to 1:00 a.m. daily, including weekends and holidays, until the system is operational with cashiers being able to stand or sit at their assigned cashier terminals for up to ten (10) hours per shift. The daily hours are subject to change at the discretion of the Airport Director.

### 6.2 Duties of Taxicab Cashiers

Taxicab cashier duties include, but are not limited to, the following:

- Collecting trip fees from taxicab drivers
- Submitting trip fees to taxicab cashier supervisors
- During Cashier Operations, providing Airport staff with timely situational assessment reports

## 7. Janitorial Services

Contractor shall provide janitorial services to present an attractive appearance to the public and employees. The daily hours for janitorial services are subject to change at the discretion of the Airport Director.

Duties of Janitors and Schedule:

- Trash and debris removal in areas used by the commercial ground transportation operators in the CMP, including, but not limited to, all ground transportation staging lots (except the taxi lot), twice daily.
- Cleaning the interior and exterior of Lot C, limousine lot and TNC lot employee booths, once daily.
- Hand sweep all interior and exterior staging lots, once daily.
- Empty trash from all containers in the staging lots, twice daily.
- Send reports to the Airport identifying the condition of facilities and recommendations for repair and improvements as needed, daily at the end of each shift.
- Take any necessary steps to remove graffiti within a period time not-to-exceed 24-hours after sighting or as requested.
- Take any necessary steps to minimize proliferation of floor stains within a period time not-to-exceed 24-hours after sighting or as requested.

## 8. Customer Service

The Airport's CMP serves commercial operators and the travelling public. In all communications with commercial operators and members of the public, Contractor's employees shall be knowledgeable, professional and courteous.

### 8.1 Rules and Regulations

Contractor shall ensure that all its employees are thoroughly familiar with the Airport's Rules and Regulations. Employees are to report infractions of the Airport's Rules and Regulations and/or failure to comply with applicable operating procedures to the Airport no later than the next business day after the infraction was observed. The report must indicate the date, time and location of the observed incident, the company name, vehicle license plate number, fleet number, the passenger stage or transportation charter party certificate number issued by the California Public Utilities Commission on the vehicle, and a summary of what was observed.

### 8.2 Immediate Communication

All on-duty employees must be in immediate and constant radio contact with all other operating or supervisory personnel in their group. All employees shall be familiar with and trained on emergency procedures and their responsibilities in the event of an emergency.

### 8.3 Customer Service

In order to ensure the best customer service, Contractor shall:

- Hire a neutral third-party contractor to develop, monitor and administer a mystery shopper program once per month.
- Respond to complaints from the public, Airport staff, or GTOs in a timely manner.
- Insure that loading zones and staging lots are maintained in a clean condition and free of litter.
- Distribute Airport-provided postage-paid comment cards to passengers as directed by Airport staff.

- Conduct an initial and annual review of all employees to ensure that they do not have a financial, legal, or any other business/commercial interest in any commercial transportation operation doing business at SFO, including charter bus/vans, shared ride vans, limousines, scheduled airporters, taxicab operators (including entities holding or having a business/commercial interest in San Francisco taxicab medallions), and TNCs. Note that no Contractor employee may also be a driver for any commercial mode operating at SFO.

8.4 The Curbside Management Program Administrative Office will operate for a minimum of eight (8) hours per day, including weekends and holidays with a minimum of four (4) hours coverage during weeknights from 6:00 p.m. to 10:00 p.m.

#### 8.5 Duties

Administrative Staff duties include, but are not limited to, the following:

- Assisting management with compliance with all of Contractor's policies and procedures, Airport Rules and Regulations and Standard Operational Procedures
- Processing payroll and distributing payroll checks for all Curbside Management employees
- Preparing and reviewing time records in support of payroll processing
- Processing accounts receivable and payable
- Facilitating pre-employment screening information and hiring processes in a timely manner
- Maintaining adequate inventory, ordering supplies and issuing uniforms
- Maintaining files of safety and maintenance records, and distributing and maintaining monthly safety communications records

#### 9. As-Needed Services

Periodically, CMP personnel are required to perform ancillary customer service functions on an as-needed basis. These functions may include, but are not limited to, the following:

- Assisting with crowd control and providing commercial ground transportation information and options in the event of a declared emergency.
- Providing additional staffing or extended hours to accommodate unscheduled late night arrivals due to bad weather or other delays.
- Providing curbside passenger assistance in locating commercial ground transportation services due to construction or other interruptions in normal service.
- Coordinating modified loading zones for new transportation modes
- Monitoring new or modified staging lots for new transportation modes
- Providing customer service to passengers seeking newly permitted transportation modes

Should the CMP need to add full time personnel to fulfill the as-needed services, a request must be submitted to the Airport for review and approval.

## 10. Reports

Contractor shall provide written reports as requested by the Airport for various contract related functions, including but not limited to: operations, safety, operator compliance, and staff management. The timely submission of all reports is a necessary and material term and condition of this Agreement. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible. Report format shall be determined by the Airport. All reports resulting from the Agreement are the sole property of the Airport. Among the reports the Contractor shall provide are the following:

- Quarterly Performance Reports in the format set forth in Appendix H - Initial Performance Measures and/or Standards.
- Daily Shift Reports – to include daily staffing levels, staff over-time usage, operations log, facilities inspection, enforcement actions, and trip activity.
- Incident Reports – describing date, time, location and relevant details regarding violation of the Airport's Rules and Regulations and/or ground transportation operating procedures no later than three (3) business days after the violation was observed.
- Monthly Commercial Ground Transportation Activity Report – to include number trips by mode, type of services provided, passenger counts, and other information as requested.
- Non-SF Taxi Report – daily counts, infractions, and incidents related to non-SF taxis.

**II. 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.

**III. Department Liaison.** In performing the services provided for in this Agreement, Contractor's liaison with the Airport 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 Director for the entire term of the Agreement. Any changes to the Calculation of Charges require the written approval of the Director or his designee. In the event Contractor enters into Collective Bargaining Agreements (“CBAs”) with labor unions representing some or all of its employees, which CBAs result in hourly wages exceeding those set forth in this Appendix B, the City shall not be obligated to reimburse any additional wages. Any and all wages exceeding those set forth in this Appendix shall be borne entirely by Contractor without contribution of the City.

1. Reimbursable and Non-Reimbursable Expenses
  - a. Reimbursable expenses include the following;
    - Labor costs
    - Employee training
    - Uniforms and employee badges
    - Mystery shopping program
    - Radios
  - b. Non-reimbursable expenses include the following:
    - 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 reimbursable.
    - Lost or stolen keys issued by the Airports Security Access Office
    - Gifts of any kind
2. With the exception of items included in the Administrative Fee, all reimbursable expenses must be properly invoiced. Invoices furnished by Contractor under this Agreement for services must be in a form acceptable to the Office of the City Controller, and must include the Contract Progress Payment Authorization number. All amounts paid by City to Contractor shall be subject to audit by City.
3. Payment shall be made by City to Contractor via Direct Deposit by ACH payment.

<b>Year-over-year Summary. 4 year Contract Total.</b>	<b>Contract Cost</b>
1	\$ 4,738,427.07
2	\$ 4,831,926.16
3	\$ 4,927,313.40
4	\$ 5,024,627.26
<b>Contract Total</b>	<b>\$19,522,293.89</b>

CALCULATION OF CHARGES

**Labor Costs (First Twelve (12) months of Fully Staffed Service) Year 7: 2016**

	Position Title	No. Full-Time Positions	Hourly Wage	Burden % *	Hourly Wage with Burden	Annual Full Time Labor Hours 1FT yr = 2,080 hrs X No. Positions	Annual Total Hours (Excluding PTO)	Annual Labor Cost with Burden
1	General Manager	1.00	\$ 47.00	35.74%	\$ 63.80	2080	1960.00	\$125,040.39
2	Assistant General Manager	1.00	\$ 35.70	43.47%	\$ 51.22	2080	1960.00	\$100,387.68
3	Curbside Managers	3.17	\$ 29.75	45.58%	\$ 43.31	6600	6480.00	\$280,658.36
4	Taxi Supervisors	4.31	\$ 23.43	57.25%	\$ 36.84	8960	8800.00	\$324,216.09
5	TNC-Limo-Auxiliary Supervisors	4.25	\$ 22.33	52.51%	\$ 34.05	8832	8704.00	\$296,409.22
6	Taxi Dispatchers	32.61	\$ 20.20	55.52%	\$ 31.42	67824	67744.00	\$2,128,200.42
7	TNC Lot Monitors	5.30	\$ 16.80	55.26%	\$ 26.08	11016	10936.00	\$285,244.23
8	Limousine Lot Monitors	2.60	\$ 16.80	55.39%	\$ 26.11	5400	5320.00	\$138,880.02
9	Auxiliary Lot Monitors	2.91	\$ 16.80	55.36%	\$ 26.10	6048	5968.00	\$155,768.20
10	Limousine Curbside Monitors	1.66	\$ 16.80	55.54%	\$ 26.13	3456	3376.00	\$88,215.48
11	Administrative Assistants	2.71	\$ 21.50	47.57%	\$ 31.73	5642	5552.00	\$176,148.05
12	Janitors	2.91	\$ 16.80	55.36%	\$ 26.10	6048	5968.00	\$155,768.20

\* Burden % Includes all costs associated with Contractor's labor costs including, but not limited to: paid time off, payroll taxes, pension costs, health insurance, dental insurance, unemployment insurance, workers comp insurance, and any other benefits and indirect labor costs.

\$4,254,996.34

**Profit Margin- Expressed as a percentage of the Total Labor Cost**

Expressed as a percentage of the Total Labor Cost 6.70% \$285,080.73

**SUBTOTAL LABOR COST WITH PROFIT** \$4,540,017.07

**Other Direct Costs (expressed annually)**

Itemized invoices required.

Description	Cost
Training Consultants	\$5,000.00
Uniforms (Purchase)	\$20,000.00
Mystery Shopper Program	\$22,880.00
Employee Badges	\$2,000.00
Radios	\$25,000.00
Vehicle Lease	\$6,900.00
Add Value Machine receipt stock/tickets	\$15,000.00
Vehicle Operating and Maintenance Cost	\$6,400.00
Service Incentive Program	\$750.00

**TOTAL OTHER DIRECT COSTS** \$103,730.00

**Administrative Fee (Monthly)**

Includes corporate insurance, computer consumables, internet, cell phones, landlines, postage, office supplies. \$7,890.00 \$94,680.00

**TOTAL ANNUAL CONTRACT COST** \$4,738,427.07

Monthly Invoice Value Not to Exceed \$394,868.92

**CALCULATION OF CHARGES**

**Labor Costs (First Twelve (12) months of fully staffed service) Year Period # 2**

	Position Title	No. Full-Time Positions	Hourly Wage	Burden % *	Hourly Wage with Burden	Annual Full Time Labor Hours 1FT yr = 2,080 hrs X No. Positions	Annual Total Hours (Excluding PTO)	Annual Labor Cost with Burden
1	General Manager	1.00	\$ 47.94	35.74%	\$ 65.07	2080	1960.00	\$127,541.20
2	Assistant General Manager	1.00	\$ 36.41	43.47%	\$ 52.24	2080	1960.00	\$102,395.44
3	Curbside Managers	3.17	\$ 30.35	45.58%	\$ 44.18	6600	6480.00	\$286,271.53
4	Taxi Supervisors	4.31	\$ 23.90	57.25%	\$ 37.58	8960	8800.00	\$330,700.41
5	TNC-Limo-Auxiliary Supervisors	4.25	\$ 22.78	52.51%	\$ 34.74	8832	8704.00	\$302,337.41
6	Taxi Dispatchers	32.61	\$ 20.60	55.52%	\$ 32.04	67824	67744.00	\$2,170,764.43
7	TNC Lot Monitors	5.30	\$ 17.14	55.26%	\$ 26.61	11016	10936.00	\$290,949.11
8	Limousine Lot Monitors	2.60	\$ 17.14	55.39%	\$ 26.63	5400	5320.00	\$141,657.62
9	Auxiliary Lot Monitors	2.91	\$ 17.14	55.36%	\$ 26.63	6048	5968.00	\$158,883.56
10	Limousine Curbside Monitors	1.66	\$ 17.14	55.54%	\$ 26.66	3456	3376.00	\$89,979.79
11	Administrative Assistants	2.71	\$ 21.93	47.57%	\$ 32.36	5642	5552.00	\$179,671.01
12	Janitors	2.91	\$ 17.14	55.36%	\$ 26.63	6048	5968.00	\$158,883.56

\* Burden % includes all costs associated with Contractor's Labor costs including, but not limited to: paid time off, payroll taxes, pension costs health insurance, dental insurance, unemployment insurance, workers comp insurance, and any other benefits and indirect labor costs. \$4,340,035.07

**Profit Margin: Expressed as a percentage of the Total Labor Cost:**  
 Expressed as a percentage of the Total Labor Cost 6.70% \$290,782.35

**SUBTOTAL LABOR COST WITH PROFIT** \$4,630,817.42

**Other Direct Costs (Expressed annually)**

Itemized invoices required.

Description	Cost
Training Consultants	\$5,100.00
Uniforms (Purchase)	\$20,600.00
Mystery Shopper Program	\$23,133.60
Employee Badges	\$2,020.00
Radios	\$25,250.00
Vehicle Lease	\$6,900.00
Add Value Machine receipt stock/tickets	\$15,450.00
Vehicle Operating and Maintenance Cost	\$6,720.00
Service Incentive Program	\$772.50

**TOTAL OTHER DIRECT COSTS** \$105,946.10

**Administrative Fee (Monthly)**

Includes corporate insurance, computer consumables, internet, cell phones, landlines, postage, office supplies.

\$7,930.22 \$95,162.64

**TOTAL ANNUAL CONTRACT COST** \$4,831,926.16

Monthly Invoice Value Not to Exceed \$402,660.51



CALCULATION OF CHARGES

Labor Costs (First Twelve (12) months of Full (Standard) Service) Year Period # 2014

	Position Title	No. Full-Time Positions	Hourly Wage	Burden % *	Hourly Wage with Burden	Annual Full Time Labor Hours 1FF yr = 2,080 hrs X No. Positions	Annual Total Hours (Excluding PTO)	Annual Labor Cost with Burden
1	General Manager	1.00	\$ 48.90	35.74%	\$ 65.37	2080	1960.00	\$130,092.02
2	Assistant General Manager	1.00	\$ 57.14	43.47%	\$ 53.29	2080	1960.00	\$104,443.35
3	Curbside Managers	3.17	\$ 30.95	45.58%	\$ 45.08	6600	6480.00	\$291,996.96
4	Taxi Supervisors	4.31	\$ 24.38	57.25%	\$ 38.33	8960	8800.00	\$337,314.42
5	TNC-Limo-Auxiliary Supervisors	4.25	\$ 23.23	52.51%	\$ 35.43	8832	8704.00	\$308,384.16
6	Taxi Dispatchers	32.61	\$ 21.02	55.52%	\$ 32.66	67824	67744.00	\$2,214,179.72
7	TNC Lot Monitors	5.30	\$ 17.48	55.26%	\$ 27.14	11016	10936.00	\$296,768.09
8	Limousine Lot Monitors	2.60	\$ 17.48	55.39%	\$ 27.16	5400	5320.00	\$144,490.77
9	Auxiliary Lot Monitors	2.91	\$ 17.48	55.36%	\$ 27.16	6048	5968.00	\$162,061.23
10	Limousine Curbside Monitors	1.66	\$ 17.48	55.54%	\$ 27.19	3456	3376.00	\$91,779.39
11	Administrative Assistants	2.71	\$ 22.37	47.57%	\$ 33.01	5642	5552.00	\$183,264.43
12	Janitors	2.91	\$ 17.48	55.36%	\$ 27.16	6048	5968.00	\$162,061.23

\* Burden % includes all costs associated with Contractor's Labor costs including, but not limited to: paid time off, payroll taxes, pension costs health insurance, dental insurance, unemployment insurance, workers comp insurance, and any other benefits and indirect labor costs.

\$4,426,835.77

Profit Margin: Expressed as a percentage of the Total Labor Cost

Expressed as a percentage of the Total Labor Cost

6.70%

\$296,598.00

**SUBTOTAL LABOR COST WITH PROFIT**

\$4,723,433.77

Other Direct Costs (expressed annually)

Itemized invoices required.

Description	Cost
Training Consultants	\$5,202.00
Uniforms (Purchase)	\$21,218.00
Mystery Shopper Program	\$23,596.27
Employee Badges	\$2,040.20
Radios	\$25,502.50
Vehicle Lease	\$6,900.00
Add Value Machine receipt stock/tickets	\$15,913.50
Vehicle Operating and Maintenance Cost	\$7,056.00
Service Incentive Program	\$795.68

**TOTAL OTHER DIRECT COSTS**

\$108,224.15

Administrative Fee (Monthly)

Includes corporate insurance, computer consumables, internet, cell phones, landlines, postage, and office supplies.

\$7,971.29

\$95,655.48

**TOTAL ANNUAL CONTRACT COST**

\$4,927,313.40

Monthly Invoice Value Not to Exceed

\$410,609.45

**CALCULATION OF CHARGES**

**Labor Costs (for a twelve (12) months of Fully Staffed Service) Year Period # - 4**

	Position Title	No. Full-Time Positions	Hourly Wage	Burden % *	Hourly Wage with Burden	Annual Full Time Labor Hours 1FT yr = 2,080 hrs X No. Positions	Annual Total Hours (Excluding PTO)	Annual Labor Cost with Burden
1	General Manager	1.00	\$ 49.88	35.74%	\$ 67.70	2080	1960.00	\$132,693.86
2	Assistant General Manager	1.00	\$ 37.89	43.47%	\$ 54.35	2080	1960.00	\$106,532.21
3	Curbside Managers	3.17	\$ 31.57	45.58%	\$ 45.96	6600	6480.00	\$297,836.90
4	Taxi Supervisors	4.31	\$ 24.86	57.25%	\$ 39.10	8960	8800.00	\$344,060.70
5	TNC-Limo-Auxiliary Supervisors	4.25	\$ 23.70	52.51%	\$ 36.14	8832	8704.00	\$314,551.84
6	Taxi Dispatchers	32.61	\$ 21.44	55.52%	\$ 33.34	67824	67744.00	\$2,258,463.31
7	TNC Lot Monitors	5.30	\$ 17.83	55.26%	\$ 27.68	11016	10936.00	\$302,703.46
8	Limousine Lot Monitors	2.60	\$ 17.83	55.39%	\$ 27.70	5400	5320.00	\$147,380.59
9	Auxiliary Lot Monitors	2.91	\$ 17.83	55.36%	\$ 27.70	6048	5968.00	\$165,302.46
10	Limousine Curbside Monitors	1.66	\$ 17.83	55.54%	\$ 27.73	3456	3376.00	\$93,614.98
11	Administrative Assistants	2.71	\$ 22.82	47.57%	\$ 33.67	5642	5552.00	\$186,929.72
12	Janitors	2.91	\$ 17.83	55.36%	\$ 27.70	6048	5968.00	\$165,302.46

\* Burden % includes all costs associated with Contractor's Labor costs including, but not limited to: paid time off, payroll taxes, pension costs health insurance, dental insurance, unemployment insurance, workers comp insurance, and any other benefits and indirect labor costs.

\$4,515,372.49

**Profit Margin - Expressed as a percentage of the Total Labor Cost**

Expressed as a percentage of the Total Labor Cost

6.70%

\$302,529.96

**SUBTOTAL LABOR COST WITH PROFIT:**

\$4,817,902.45

**Other Direct Costs (expressed annually)**

Itemized Invoices required.

Description	Cost
Training Consultants	\$5,306.04
Uniforms (Purchase)	\$21,854.54
Mystery Shopper Program	\$24,068.20
Employee Badges	\$2,060.60
Radlos	\$25,757.53
Vehicle Lease	\$6,900.00
Add Value Machine receipt stock/tickets	\$16,390.91
Vehicle Operating and Maintenance Cost	\$7,408.80
Service Incentive Program	\$819.55

**TOTAL OTHER DIRECT COSTS**

\$110,566.17

**Administrative Fee (Monthly)**

Includes corporate insurance, computer consumables, internet, cell phones, landlines, postage, and office supplies.

\$8,013.22

\$96,158.64

**TOTAL ANNUAL CONTRACT COST**

\$5,024,627.26

Monthly Invoice Value Not to Exceed

\$418,718.94

AIRPORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION NO. 19-0299

**APPROVAL OF MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 50085, CURBSIDE MANAGEMENT SERVICES WITH FSP PPM MANAGEMENT, LLC (FSP PPM), INCREASING THE CONTRACT AMOUNT BY \$10,428,565 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$29,950,859 AND EXERCISE THE ONE 1-YEAR OPTION TO EXTEND THE TERM THROUGH JUNE 30, 2021**

- WHEREAS, on June 16, 2016, the Commission approved Resolution No. 16-0181 authorizing Airport staff to award Professional Services Contract No. 50085 to FSP PPM to provide curbside management services in an amount not to exceed \$19,522,294 for a period of four years effective July 1, 2016 with one 1-year renewal option; and
- WHEREAS, on July 20, 2016, by Resolution No. 333-16, the San Francisco Board of Supervisors approved the agreement with FSP PPM in an amount not to exceed \$19,522,294 for the initial four years; and
- WHEREAS, FSP PPM has satisfactorily provided all aspects of curbside management services during the initial Contract term; and
- WHEREAS, the initial Contract term is set to end on June 30, 2020; and
- WHEREAS, FSP PPM's labor expenses have increased as a result of staffing additional staging areas; and
- WHEREAS, a modification to exercise the one-year option to extend the agreement is required to retain the curbside management services with FSP PPM Management, LLC; now, therefore, be it
- RESOLVED, that this Commission hereby approves Modification No. 1 to Professional Services Contract No. 50085, Curbside Management Services with FSP PPM to increase the Contract amount by \$10,428,565 for a new Contract amount not to exceed \$29,950,859 and exercise the one 1-year option to extend the term through June 30, 2021.

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

*at its meeting of* \_\_\_\_\_

DEC - 3 2019

  
Secretary



San Francisco International Airport

**MEMORANDUM**  
December 3, 2019

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Malcolm Yeung

19-0299

DEC - 3 2019

FROM: Airport Director

SUBJECT: Approval of Modification No. 1 to Professional Services Contract No. 50085 for Curbside Management Services with FSP PPM Management, LLC.

**DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 50085, CURBSIDE MANAGEMENT SERVICES WITH FSP PPM MANAGEMENT, LLC, TO INCREASE THE CONTRACT AMOUNT BY \$10,428,565 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$29,950,859 AND EXERCISE THE ONE 1-YEAR OPTION TO EXTEND THE TERM THROUGH JUNE 30, 2021.**

**Executive Summary**

The Airport uses the services of a contractor to assist with coordinating ground transportation services, including taxi dispatch and managing holding lots for taxis, limousines, Transportation Network Companies (TNCs) and shared ride vans. The existing contract with FSP PPM Management (FSP PPM) will expire on June 30, 2020. Staff seeks Commission approval to exercise the option to extend the existing contract for a period of one year.

**Background**

On June 16, 2016, the Commission adopted Resolution No. 16-0181 authorizing Staff to award Professional Services Contract No. 50085 to FSP PPM to provide curbside management services. The Contract was for a four-year period, effective July 1, 2016 with one 1-year renewal option exercisable at the sole discretion of the Commission.

On July 20, 2016, by Resolution No. 333-16, the San Francisco Board of Supervisors approved the agreement with FSP PPM in an amount not to exceed \$19,522,294 for the initial term.

The scope of work for this Contract includes the management of curbside and staging lots used by commercial ground transportation operators, taxi dispatching, and taxi Smart A-Card management that enables revenue collection of taxi trip fees.

On June 5, 2019, to reduce congestion on terminal roadways, the Airport moved all TNC pickups to the fifth floor of the domestic parking garage. The Airport also added a third TNC staging lot to

THIS PRINT COVERS CALENDAR ITEM NO. 11

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MAYOR    LARRY MAZZOLA PRESIDENT    LINDA S. CRAYTON VICE PRESIDENT    ELEANOR JOHNS    RICHARD J. GUGGENHIME    MALCOLM YEUNG    IVAR C. SATERO AIRPORT DIRECTOR

address congestion along Millbrae Avenue. These operational changes require the Contractor to hire additional staff. Wage rate increases are also included in this modification.

This Modification No. 1 would increase the contract amount by \$10,428,565 to accommodate the increase in FSP PPM labor expenses and extend the term through June 30, 2021. An updated budget summary is provided below.

Year	Annual Not-to-Exceed Amount	Modification No. 1	Total
Year 1	4,738,427	n/a	4,738,427
Year 2	4,831,926	n/a	4,831,926
Year 3	4,927,313	n/a	4,927,313
Year 4	5,024,627	n/a	5,024,627
Year 4	n/a	2,560,193	2,650,193
Year 5	n/a	7,868,379	7,868,372
	19,522,294	10,428,565	29,950,859

Because Contract Modification No. 1 exceeds \$500,000, the Airport will also seek approval for this modification from the Board of Supervisors, as required by San Francisco Charter Section 9.118(b).

### Recommendation

I recommend the Commission approve Modification No. 1 to Professional Services Contract No. 50085, Curbside Management Services with FSP PPM Management, LLC, to increase the Contract amount by \$10,428,565 for a new Contract amount not to exceed \$29,950,859 and exercise the one 1-year option to extend the term through June 30, 2021.



Ivar C. Satero  
Airport Director

Prepared by: Jeff Littlefield  
Chief Operating Officer

Attachment





## 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](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #:

200005

Bid/RFP #:

### 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

original

DATE OF ORIGINAL FILING *(for amendment only)*

AMENDMENT DESCRIPTION – Explain reason for amendment

#### 2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD

Board of Supervisors

NAME OF CITY ELECTIVE OFFICER

Members

#### 3. FILER'S CONTACT

NAME OF FILER'S CONTACT

Angela calvillo

TELEPHONE NUMBER

415-554-5184

FULL DEPARTMENT NAME

office of the Clerk of the Board

EMAIL

Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT

Cathy widener

DEPARTMENT CONTACT TELEPHONE NUMBER

650-821-5184

FULL DEPARTMENT NAME

AIR San Francisco International Airport

DEPARTMENT CONTACT EMAIL

cathy.widener@flsfo.com

5. CONTRACTOR	
NAME OF CONTRACTOR FSP PPM Management, LLC	TELEPHONE NUMBER 650-808-0731
STREET ADDRESS (including City, State and Zip Code) 465 California Street, San Francisco, CA 94104	EMAIL

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER	FILE NUMBER (If applicable) 200005
DESCRIPTION OF AMOUNT OF CONTRACT \$29,950,859		
NATURE OF THE CONTRACT (Please describe) Curbside Management Services - The Airport uses the services of a contractor, FSP PPM Management, LLC to assist with coordinating ground transportation services, including taxi dispatch, and managing holding lots for taxis, limousines, Transportation Network Companies (TNCs) and shared ride vans.		

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



<b>9. AFFILIATES AND SUBCONTRACTORS</b>			
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	Mekbib	Behailu	Other Principal officer
2	Hutchison	Scott	Other Principal officer
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			

**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			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			

<b>9. AFFILIATES AND SUBCONTRACTORS</b>			
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			
<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

<b>10. VERIFICATION</b>	
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.	
<b>I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.</b>	
SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK	DATE SIGNED
BOS Clerk of the Board	