

Stephanie F
5732694FCF93484...
DocuSigned by:

Christopher B
3DB4FAD4621040C...
DocuSigned by:

Jeff Littlefield
551EA8A2B8214A0...
DocuSigned by:

Cynthia Arvakia
E434CE9A205D480...
DocuSigned by:

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

**Modification No. 1
Ct No. 50365
PeopleSoft Ct ID 1000032868**

THIS MODIFICATION (this “Modification”) is made this 7th day of February, 2025, in San Francisco, California, by and between **Hallmark Aviation Services, L.P.** (“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. Airport Commission (“Commission”) has entered into the Agreement with the Contractor to provide Airport customer information and support services by managing and staffing information desks, the Federal Inspection Service (FIS) area, and designated landside and airside locations and providing exceptional support and services to airport guests, employees and other users of at the San Francisco International Airport (the “Airport” or “SFO”); and
- B. On June 4, 2024, by Resolution No. 24-00119, the Commission awarded the Agreement to the Contractor for a term of one year and a not-to-exceed amount of \$9,299,429; and
- C. Airport Director approved this Administrative Modification (Modification No. 1) to retroactively correct the hourly rates, benefits, and other direct costs set forth in the Calculation of Charges attached to the original Contract back to July 1, 2024, and update certain standard contract provisions; and
- D. This is a contract for Services and there is a Local Business Enterprise (“LBE”) subcontracting participation requirement with respect to the Services of at least 35%; and
- E. The City has approved the contracting-out of the services under this Agreement upon the certification of the Controller that the services can be performed by a contractor at a lower cost than by City employees at current salary and benefit levels, see BOS Resolution No. 323-24, adopted June 4, 2024.

Now, THEREFORE, the parties agree as follows:

1. **Article 1. Definitions, 1.1 Agreement** has been revised. The definition “Agreement” shall mean the Agreement dated June 14, 2024 between Contractor and City, including all attached appendices, and all applicable city ordinances and “Mandatory City Requirements” which are specifically incorporated by reference into the Agreement.
2. **Article 12. Airport Commission Specific Terms** is amended to add **Section 12.9 Airport Commission Cyber Security Requirements** as follows:

12.9 Airport Commission Cyber Security Requirements.

12.9.1 Should the Services provided under this Agreement require Contractor to access Airport information systems residing within Airport managed networks, Contractor shall use the Airport’s VPN solution to access such Airport systems and is prohibited from implementing any other remote access solution without the express written permission of the Airport’s Chief Information Security Officer.

12.9.2 For the purposes of this Agreement, known exploitable vulnerabilities, as that term is defined by the Department of Homeland Security Cybersecurity & Infrastructure Security Agency (“DHS/CISA”), and all software on the DHS/CISA Known Exploited Vulnerabilities Catalog (“KEV catalog”), shall be designated as a “high risk” or “critical” vulnerability.

12.9.3 All software used with information technology that is used by Contractor in the creation or delivery of the Services provided under this Agreement shall be maintained in accordance with DHS/CISA guidelines for said software and information technology as follows:

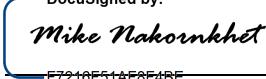
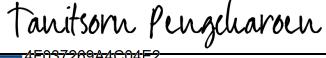
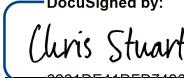
- Critical vulnerabilities associated with internet-facing services must be remediated within eight hours of being published in the KEV catalog, and critical vulnerabilities in all other information technology must be addressed within three business days of being published.
- High risk vulnerabilities associated with internet-facing services must be remediated within three days of being published in the KEV catalog, and high-risk vulnerabilities in all other information technology must be addressed within fourteen business days of being published.
- For the purposes of this section, “remediation” means to “reduce the significant risk of known exploited vulnerabilities” as these terms are used by DHS/CISA in relationship to the KEV catalog.

12.9.4 For software and services managed by the Contractor, Contractor is required to notify the Airport Chief Information Security Officer of any known or suspected software vulnerabilities that, if exploited, could adversely impact the software and services being provided under this Agreement.

12.9.5 Contractor shall comply with City’s requirements for Cybersecurity Risk Assessment as outlined in the OCA Technology Purchasing Handbook (which may be found at: https://sfgov.org/oca/sites/default/files/OCA%20Technology%20Purchasing%20Guidelines%20v9.1_8-1-21.pdf), and, where applicable under such handbook, provide the Airport Chief Information Security Officer with a completed City Cyber Risk Assessment Questionnaire or SSAE 18 SOC-2 Type 2 report.

3. **Appendix B. Calculation of Charges** is replaced in its entirety with the Appendix B attached to the end of this Modification.

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:  Mike Nakornkhet, Airport Director	DocuSigned by:  Tanitsorn Pengcharoen 4F037209A4C04E2...
Approved as to Form:	Authorized Signature
David Chiu City Attorney	Tanitsorn Pengcharoen, President Hallmark Aviation Services L. P. 5757 W. Century Boulevard, Suite 860 Los Angeles, CA 90045 310-215-7213
By:  Christopher Stuart, Deputy City Attorney	City Supplier Number: 000019096 Federal Employer ID Number: 95-4217627

Appendix B

Calculation of Charges

Project Cost. In accordance with Article 3 of this Agreement, Contractor's total compensation under this Agreement is detailed below, inclusive of all costs required to complete all work specified in Appendix A. In no event shall the total costs under this Agreement exceed the amount provided in Article 3, Section 3.3, of this Agreement.

Direct Labor costs per employee (Front Line Staff and Supervisor Staff only) for all positions for the services to be performed at the Airport. "Direct Labor Costs" must include the hourly wage and all benefits costs directly associated with each position on the tables below, separated by QSP Employees and Non-QSP Employees, Front Line Staff and Supervisor Staff. The Labor Costs Per Employee as set forth in the form must include the following:

- Estimated number of full-time positions for each position title (the estimated number must be either a whole number or half of a whole number i.e., 1.0, 1.5, 2.0)

- Hourly Wage, which can be listed as an hourly wage range (ex. \$21.00 - \$23.25) for each position
- Number of Paid Days Off

- Benefits costs for Health Insurance, Dental Insurance, Vision Insurance, Retirement, Workers Compensation, Payroll Tax, Life Insurance, and Disability that the Contractor will provide an employee. Provide employee benefits per position as follows:

- o Employee
- o Employee + 1
- o Employee + 2 (or more also known as Family)

- Other costs/benefits paid specifically refers to expenditures directly made for employee benefits, encompassing such items as healthcare, wellness programs, and additional employee-centric amenities which are not already explicitly stated on the form, and which are paid or otherwise provided directly to the employee.

Benefit costs shall be stated as either monthly or hourly according to the Contractor's payroll practices. Contractor shall certify on each invoice that all such invoiced amounts are true, correct, and complete. The City will only reimburse costs with supporting documentation for the labor and benefit costs authorized under this Agreement.

Table 1 – Direct Labor Costs Per Employee – QSP Workers

Direct Labor Costs Per Employee - QSP Workers										*Note costs per hour <u>OR</u> per month based on what will actually be paid on an employee's behalf						
Front Line Staff					Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Monthly	Monthly	Monthly	Monthly
Position Title	No. of Full Time Positions	Hourly Wage (paid to employee)	Number of Paid Days Off (PTO/MCO)	Health Plan Type	Health	Health	Dental	Dental	Vision	Vision	Retirement	(401k)	Workers Compensation	Payroll Tax Costs	Life Insurance	
Guest Services Agent	14	\$22.06-\$25.04	19-24	EE Only	\$629.00	\$15.20-\$25.58	\$2.57-\$4.87	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.24-\$20.73					
	3	\$22.06-\$25.04	19-24	EE + 1	\$1,321.36	\$51.55-\$58.64	\$4.87-\$5.14	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.24-\$20.73					
	1	\$22.06-\$25.04	19-24	EE + 2	\$1,887.64	\$58.64-\$87.77	\$5.14-\$7.56	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.24-\$20.73					
Guest Services Agent (No Health)	20	\$25.04-\$26.04	19-24		\$0.00	\$0.00	\$0.00	\$0.00	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.24-\$20.73				
Supervisor Staff																
Guest Services Supervisors	2	\$25.06-\$28.42	19-24	EE Only	\$629.00	\$15.20-\$25.58	\$2.57-\$4.87	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.24-\$20.73					
	1	\$25.06-\$28.42	19-24	EE + 1	\$1,321.36	\$51.55-\$58.64	\$4.87-\$5.14	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.24-\$20.73					
	1	\$25.06-\$28.42	19-24	EE + 2	\$1,887.64	\$58.64-\$87.77	\$5.14-\$7.56	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.24-\$20.73					
Guest Services Supervisors (Waived Health Benefits)					\$0.00	\$0.00	\$0.00	\$0.00	\$48.83-\$243.94	\$51.87	\$150.10-\$164.44	\$0.00				
* Lost & Found Supervisor included																

Table 2 – Direct Labor Costs Per Employee – Non-QSP Workers

Direct Labor Costs Per Employee - Non-QSP Workers															
Front Line Staff				*Note costs per hour OR per month based on what will actually be paid on an employee's behalf											
Position Title	No. of Full Time Positions	Hourly Wage (paid to employee)	Number of Paid Days Off (PTO/MCO)	Health Plan Type	Hourly Health	Monthly Health	Hourly Dental	Monthly Dental	Hourly Vision	Monthly Vision	Hourly Retirement (401k)	Monthly Workers Compensation	Monthly Payroll Tax Costs	Monthly Life Insurance	
Information Desk - Ambassador **	32	\$21.21-\$23.00	21-26	EE Only	\$2.70-\$8.08		\$0.36-\$0.46		\$0.00		\$0.92-\$1.20		\$59.80 - \$148.20	\$259.13-\$682.40	\$14.62-\$36.53
	0	\$21.21-\$23.00	21-26	EE + 1	\$2.70-\$8.08		\$0.36-\$0.46		\$0.00		\$0.92-\$1.20		\$59.80 - \$148.20	\$259.13-\$682.40	\$14.62-\$36.53
	0	\$21.21-\$23.00	21-26	EE + 2	\$2.70-\$8.08		\$0.36-\$0.46		\$0.00		\$0.92-\$1.20		\$59.80 - \$148.20	\$259.13-\$682.40	\$14.62-\$36.53
Supervisor Staff															
Volunteer Coordinators	1	\$43.32	21-26	EE Only	\$5.75-\$9.47		\$0.36-\$0.46		\$0.00	\$1.80 - \$2.80			\$117.00 - \$334.00	\$507.00-\$1,114.00	\$7.74-62.48
	0	\$43.32	21-26	EE + 1	\$5.75-\$9.47		\$0.36-\$0.46		\$0.00	\$1.80 - \$2.80			\$117.00 - \$334.00	\$507.00-\$1,114.00	\$7.74-62.48
Information Desks - Lead	1	\$43.32	21-26	EE + 2	\$5.75-\$9.47		\$0.36-\$0.46		\$0.00	\$1.80 - \$2.80			\$117.00 - \$334.00	\$507.00-\$1,114.00	\$7.74-62.48
	3	\$22.46-\$28.50	21-26	EE Only	\$8.08- 9.08		\$0.36-\$0.46		\$0.00	\$1.50- \$2.10			\$148.20 - \$158.40	\$642.20-\$690.40	\$35.69-\$43.69
	0	\$22.46-\$28.50	21-26	EE + 1	\$8.08- 9.08		\$0.36-\$0.46		\$0.00	\$1.50- \$2.10			\$148.20 - \$158.40	\$642.20-\$690.40	\$35.69-\$43.69
	2	\$22.46-\$28.50	21-26	EE + 2	\$8.08- 9.08		\$0.36-\$0.46		\$0.00	\$1.50- \$2.10			\$148.20 - \$158.40	\$642.20-\$690.40	\$35.69-\$43.69

** Benefits are provided for employees working 20 hours or more a week

Table 3 – Other Direct Costs – Authorized Reimbursables

Other Direct Costs - Authorized Reimbursables		Annual Costs
The following costs are authorized for reimbursement. No other costs are reimbursable.		
1	Employee Recognition and Reward	\$11,820.00
2	Communication Devices and Fees	\$30,593.76
3	Office and Desk Supplies	\$9,099.96
4	Storage Safe	\$4,500.00
5	Staff Uniforms	\$24,921.36
6	Printing	\$1,500.00
7	POS System Purchase and Card Swipe	\$4,200.00
8	POS System Maintenance Support	\$1,800.00
9	POS Webportal Support	\$2,400.00
10	Technical Support Consultant	\$0.00
11	ADM Guest Support Supplies	\$12,000.00
12	Dry Cleaning	\$12,440.04
13	Shipping	\$480.00
14	Performance Bond	\$92,994.00
	Total	\$208,749.12

Table 4 – Monthly Management Fee

Monthly Management Fee		
The Monthly Management Fee shall constitute full compensation to the Contractor for any and all management fees, profit, overhead, administrative costs and non-reimbursable costs associated with the administration of the Contract and performance of services under this Contract. The Management Fee shall include all costs associated with principals, managers, assistant managers, and administrative staff. The Monthly Management Fee does not include Direct Labor Costs, Other Direct Costs - Authorized Reimbursables, or the Mobilization Costs. The Monthly Management Fee will be fixed, for the entire of the Agreement, which will be the original term of one (1) year and three options to extend the term for three (3) additional years for a total of four (4) years.		
Monthly Fee	\$119,088	
	Annual Fee	\$1,429,056.00