

City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128
Modification No. 1
Ct No. 50359
PeopleSoft Ct ID 1000035269

Signed by:

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 DocuSigned by:
 Katherine Fastidio
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 DocuSigned by:
 Keaboka Molwane
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 DocuSigned by:
 Rob Forester
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 Jeff Littlefield
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 Signed by:
 Lee Rochelle Lapamana
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This Modification is made this first day of July, 1, 2026, in the City and County of San Francisco, State of California, by and between: Covenant Aviation Security, LLC, 1112 W. Boughton Rd., Suite 355, Bolingbrook, IL 60440, (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. City and Contractor have entered into the Agreement (as defined below) for 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 November 21, 2023, the Commission issued a Request for Proposals (“RFP”) procured as required by San Francisco Administrative Code (“Administrative Code”) Section 21.1 through Section 21.4 and as a result of the selection process prescribed in the RFP and upon the recommendation of the Airport Director, the Commission determined that the Contractor was the qualified proposer receiving the highest evaluation score; and
- D. On May 21, 2024, by Resolution No. 24-0107, the Commission awarded this Agreement to the Contractor for an initial term of two years in an amount not-to-exceed Nine Million Eight Hundred Thousand Dollars (\$9,800,000); 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; and
- F. City and Contractor wish to modify the Agreement through Modification No. 1 to increase the contract amount by \$10,500,000 to a new not-to-exceed contract amount of \$20,300,000, to exercise the first option to extend the contract term by two years to a new end date of June 30, 2028, and to update standard contractual language; and
- G. On February 18, 2026, by Resolution No. 26-0035, the Commission approved Modification No. 1 to the Agreement to increase the contract amount by \$10,500,000 to a new not-to-exceed contract amount of \$20,300,000, and to exercise the first option to extend the contract term by two years to a new end date of June 30, 2028; and
- H. On April 14, 2026, by Resolution No. 202-26, the Board of Supervisors approved Modification No. 1 to the Agreement; and
- I. The Local Business Enterprise (“LBE”) subcontracting participation requirement for this Agreement is 5.5 %; and
- J. The Contractor represents and warrants that it is qualified to perform the Services required by City under this Agreement.

NOW, THEREFORE, Contractor and the City agree as follows:

1. **Section 1.1. Agreement** is replaced in its entirety as follows:

1.1. “Agreement” means the contract document dated June 14, 2024, including all attached appendices, and all applicable city ordinances and “Mandatory City Requirements” which are specifically incorporated by reference into the Agreement.

2. **Article 2. Term of the Agreement, Section 2.1** is amended to exercise the first option to extend the term of the Agreement for a period of two (2) years for a new expiration date of June 30, 2028.

3. **Section 3.3.1. Calculation of Charges** is amended to increase the not-to-exceed amount by \$10,500,000 for a new total not-to-exceed amount of \$20,300,000.

4. **Section 4.2 Personnel** is replaced in its entirety to add a representation and warranty as to Contractor’s qualifications as follows:

4.2. Qualified Personnel. Contractor represents and warrants that it is qualified to perform the Services required by City, and that all Services will be performed by competent personnel with the degree of skill and care required by current and sound professional procedures and practices. 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 sufficient resources for timely completion within the project schedule.

5. **Section 7.2. Possessory Interest Taxes** is replaced in its entirety to update the code provision reference and simplify the reporting requirement as follows:

Section 7.2. Possessory Interest Taxes. Contractor acknowledges that this Agreement may create a “possessory interest” for property tax purposes. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to timely report on behalf of City to the County Assessor the information required by San Francisco Administrative Code Section 23.39, as amended from time to time, and any successor provision. Contractor further agrees to provide such other information as may be requested by City to enable City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

6. **Section 11.1. Notices to the Parties** is hereby replaced in its entirety to update the City contact, add e-mail notice, and a timing requirement as follows:

Section 11.1. Notices to 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:	Katherine Fastidio, Aviation Security & Regulatory Compliance Manager, San Francisco International Airport P.O. Box 8097, San Francisco, CA 94128 (650) 821-3915 katherine.fastidio@flysfso.com
To Contractor:	Christine Mueller Covenant Aviation Security, LLC 1112 W. Boughton Rd, Suite 355, Bolingbrook, IL 60440 630-771-1133 chris.mueller@covenantsecurity.com

Any notice of default or data breach must be sent by certified mail or other trackable written communication, and also by e-mail, with the sender using the receipt notice feature. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party at least ten (10) days prior to the effective date of such change. If email notification is used, the sender must specify a receipt notice.

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

7. Section 12.9. Airport Commission Cyber Security Requirements is added to the Agreement 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 ("KEV"), 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 KEVs as these terms are used by DHS/CISA in relationship to the KEV catalog.
- Depending upon the specific circumstances relating to how the software associated with this Agreement is used, it is possible that a critical or high-risk vulnerability might not be exploitable. Should that be the case, the Contractor may provide attestation to these circumstances to meet these remediation requirements for City's review.

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://www.sf.gov/sites/default/files/2022-10/OCA%20Technology%20Purchasing%20Guidelines%20v13.1_9-30-22.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 prior to the effective date of this Agreement and at least annually thereafter.

12.9.6. Critical Systems – Not Applicable.

12.9.7. Data-flow Diagram. Contractor shall provide and maintain an accurate network data-flow diagram showing the relationships of reliance within and among all network-enabled components that are required for the services and technology being provided under this Agreement to operate as intended. The data-flow diagram must include the network Transmission Control Protocol (“TCP”) and User Datagram Protocol (“UDP”) ports being used, and the name of the application associated with each data flow. (For purposes of this Agreement, these terms are used in accordance with industry recognized standards concerning the proper operation of Internet Protocol (“IP”) networks as defined under the Internet Engineering Task Force RFC 9293, “Transmission Control Protocol”, etc.)

8. Section 13.6. Loss or Unauthorized Access to City’s Data; Security Breach Notification. is added to the Agreement as follows:

Section 13.6. Loss or Unauthorized Access to City’s Data; Security Breach Notification.

Contractor shall comply with all applicable laws that require the notification to individuals in the event of unauthorized release of PII, PHI, or other event requiring notification. Contractor shall notify City of any actual or potential exposure or misappropriation of City Data (any “Leak”) within twenty-four (24) hours of the discovery of such, but within twelve (12) hours if the Data Leak involved PII or PHI. Contractor, at its own expense, will reasonably cooperate with City and law enforcement authorities to investigate any such Leak and to notify injured or potentially injured parties. The remedies and obligations set forth in this subsection are in addition to any other City may have. City shall conduct all media communications related to such Leak.

9. Appendix A, Scope of Services, Section 1.2.1 Current Regulated Post Positions, Table 1 is replaced in its entirety, as follows:

Table 1 – Current Regulated Post Positions

Location (By Boarding Area “BA”)	# Posts	Hours	Hours/Day (Per Post)	Days/Week
Vendor Post BA - A	1	0400-2400	20	7
Vendor Post BA - B	1	0300-1600	13	7
Vendor Post BA - C	1	0500-1300	8	5 (M-F Only)
Vendor Post BA - D	1	0500-1700	12	7
Vendor Post BA - E	1	0500-1300	8	5 (M-F Only)
Vendor Post BA - F	1	0500-1700	12	7
Vendor Post BA - G	1	0500-2100	16	7
Exit Lane BA-A	1	0100-0430	3.5	7
Exit Lane BA-D	1	0030-0400	3.5	7
Exit Lane BA-E	1	0000-2400	24	7
Exit Lane BA-G	1	0100-0430	3.5	7
Guard Relief	2	0001-2359	24	7
Guard Training	Varies	Varies	TBD	TBD
Insider Threat Random Employee Inspections	Variable	Random	Random	Random Approximately 176 man-hours/week (2

				guards times 88 operational hours)
As-Needed Services	Variable	Random	Random	60 hours/week
Supervisor	1	0001-2359	24	7

10. **Appendix A, Scope of Services, Section 1.2.2 Current Non-Regulated Post Positions, Table 2** is replaced in its entirety to add Bypass Door I-30-90A, as follows:

Table 2 – Current Non-Regulated Post Positions

Location	# Posts	Hours	Hours/Day	Days/Week
Administrative Offices	2	0800-1700	9	5
Sky Terrace	1	1000-1800	8	4
Bypass Door I-30-90A	1	0500-0000	19	7

11. **Appendix B, Calculation of Charges, Section 2. Monthly Management Fee, Table 2** is replaced in its entirety to add consumable cards in the place of iPad monthly fees and update amounts as follows:

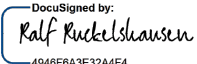
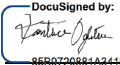
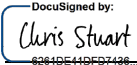
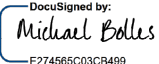
Table 2 – Other Direct Costs – Authorized Reimbursables

Other Direct Costs – Authorized Reimbursables	
The following costs are authorized for reimbursement. No other costs are reimbursable.	
	Total Cost
1 Mobile Device Wireless Plan Costs	\$18,000.00
2 Consumable Cards	\$172,000.00
Total	\$190,000.00

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

13. **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, the parties hereto have executed this Agreement on the day first mentioned above.

CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO By:  Mike Nakornkhet, Airport Director Attest: By:  Kantrice Ogletree, Director Commission Affairs Resolution No: <u>26-0035</u> Adopted on: <u>February 18, 2026</u> Approved as to Form: David Chiu City Attorney By:  Chris Stuart Deputy City Attorney	CONTRACTOR Covenant Aviation Security, LLC  Authorized Signature <u>Michael Bolles</u> Printed Name <u>President</u> Title <u>1112 W. Boughton Rd, Suite 355</u> Address <u>Bolingbrook, IL 60440</u> City, State, ZIP <u>630-631-6602</u> Telephone Number <u>0000030737</u> City Supplier Number
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