

File No. 160741

Committee Item No. 13

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date July 20, 2016

Board of Supervisors Meeting

Date _____

Cmte Board

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Completed by: Linda Wong Date July 15, 2016

Completed by: Linda Wong Date _____

1 [Contract Agreement - FSP PPM Management, LLC - Curbside Management Program - Not
2 to Exceed \$19,522,294]

3 **Resolution approving the award of Professional Services Agreement, Airport Contract**
4 **No. 50085, to FSP PPM Management, LLC, to manage and staff the Curbside**
5 **Management Program in an amount not-to-exceed \$19,522,294 for a period of four**
6 **years effective July 1, 2016, ending June 30, 2020, with one one-year renewal option,**
7 **pursuant to Charter, Section 9.118(b).**

8
9 WHEREAS, The Airport has a complex and highly competitive commercial ground
10 transportation system that serves millions of Airport patrons annually, requiring coordination,
11 dispatch and monitoring services; and

12 WHEREAS, The day-to-day operations required in the Airport's Curbside Management
13 Program are administered through a professional services contract; and

14 WHEREAS, Pursuant to Airport Commission Resolution No. 15-0269, Airport staff
15 prepared and issued a Request for Proposal (RFP) seeking qualified and experienced
16 contractors to manage and staff the Airport's Curbside Management Program and enter into
17 contract negotiations with the highest scoring proposer; and

18 WHEREAS, Proposals from FSP PPM Management, LLC, and SP Plus Airport
19 Services were submitted by the due date, were deemed responsive and were evaluated by a
20 four-person panel, consistent with the evaluation criteria; and

21 WHEREAS, FSP PPM Management, LLC, was the highest ranked proposer; and

22 WHEREAS, The Airport entered into contract negotiations with FSP PPM
23 Management, LLC, on May 25, 2016, and reached an agreement on June 7, 2016; and

24 WHEREAS, On June 16, 2016, by Resolution No. 16-0181 the Airport Commission
25 approved the award of Professional Services Contract No. 50085 to FSP PPM Management,

1 LLC, to manage and staff the Airport's Curbside Management Program in an amount not to
2 exceed \$19,522,294 for a period of four (4) years effective July 1, 2016, with one (1) one-year
3 renewal option; and

4 RESOLVED, That the Board of Supervisors hereby approves the award of Professional
5 Services Agreement, Airport Contract 50085, to FSP PPM Management, LLC, to manage and
6 staff the Curbside Management Program in an amount not-to-exceed \$19,522,294 for a
7 period of four (4) years effective July 1, 2016, ending June 30, 2020, with one (1) one-year
8 renewal option, copies of which are contained in Board of Supervisors' File No.

9 16674; and, be it

10 FURTHER RESOLVED, That within thirty days of the lease being fully executed by all
11 parties, the Airport Commission shall provide the final lease to the Clerk of the Board for
12 inclusion into the official file.

Item 13 File 16-0741	Department: San Francisco International Airport (Airport)
EXECUTIVE SUMMARY	
Legislative Objectives	
<ul style="list-style-type: none"> • The proposed resolution would approve a new contract between the San Francisco International Airport (Airport) and FSP PPM Management, LLC (FSP PPM) for the Airport's Curbside Management Program. The proposed new contract has an initial term of four years from July 1, 2016 through June 30, 2020, with one one-year option to extend through June 30, 2021, for an amount not-to-exceed \$19,522,294. 	
Key Points	
<ul style="list-style-type: none"> • 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 services through improved customer service. The current Curbside Management Program contractor is FSP PPM, selected through a competitive process for a five and one-half year term through June 30, 2016. • Based on a competitive Request-for-Proposals process, the Airport awarded a new contract for Curbside Management Program services to FSP PPM, subject to Board of Supervisors approval, for a four year term retroactive to July 1, 2016 through June 30, 2020 with one one-year option to extend through June 30, 2021. • Under the contract, FSP PPM manages limousine, taxi, and transportation network companies' pick up and discharge of passengers at the Airport. The proposed new contract eliminates management of shared ride van services, which was managed under the existing contract but for which the Airport will select a separate contractor, and adds janitorial services. 	
Fiscal Impact	
<ul style="list-style-type: none"> • The proposed new agreement for Curbside Management Program services has a not-to-exceed amount of \$19,522,294 over the initial four year term. The first year agreement costs are \$4,738,427 and increase by approximately 2 percent per year. • The Airport's FY 2016-17 and FY 2017-18 budgets, pending before the Board of Supervisors, include funds, under Landside Operations, to pay for the proposed Curbside Management Program contract. 	
Recommendations	
<ul style="list-style-type: none"> • Amend the proposed resolution to provide for retroactivity to July 1, 2016 • Approve the resolution, as amended. 	

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that requires expenditures of \$10 million or more 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 2010, the Board of Supervisors approved a Curbside Management Program agreement with FSP PPM Management, LLC (FSP PPM) for a two and one-half year term from January 1, 2011 through June 30, 2013 (File 10-1294) for an amount not to exceed \$10,450,000. The agreement included three one-year options to extend the agreement through June 30, 2016, which were approved by the Board of Supervisors (Files 13-0391, 14-0376, and 15-0548), for a total not-to-exceed amount of the agreement of \$20,900,000 over its full term of five and one-half years, ending June 30, 2016.

Selection of New Contractor for Curbside Management Program

In December 2015, the Airport initiated a competitive Request-for-Proposals (RFP) process to award a new agreement for the Airport's Curbside Management Program upon the June 30, 2016 expiration of the existing agreement with FSP PPM. The RFP process had a response deadline of April 28, 2016. The Airport received two written proposals from FSP PPM and SP Plus Airport Services (SP Plus), which were deemed responsive and met minimum qualifications. According to Ms. Grace Kong, Principal Administrative Analyst of Airport Landside Operations, the Airport's evaluation panel¹ reviewed the proposals using three criteria and a 420-point scale to rank the respondents. The Technical Proposal had a maximum score of 160 points, the Fee Proposal had a maximum score of 160 points, and the Panel Interview had a maximum score of 100 points. The results of the RFP evaluation are below in Table 1.

Table 1: Curbside Management Program Proposal Score Summary

	Technical Proposal	Fee Proposal	Panel Interview	Final Score
FSP PPM	144.25	160.00	89.75	394.00
SP Plus	135.50	122.00	80.75	338.25

Source: Airport

*Scores are averaged across the four panelists. The final score is the sum of the three averaged scores.

¹ The evaluation panel for the RFP was selected by the Airport's Landside Operations management and was comprised of four members, one from each of the following: Airport Landside Operations, Airport Traffic Engineering, SFMTA Sustainable Streets, and SFMTA Taxi Services. Each panelist was selected for their subject matter expertise and all were approved by the Airport's contract administration unit and legal representative.

Based on the results of the RFP evaluation and the contract negotiations that followed, the Airport approved a new Curbside Management Program agreement with FSP PPM, the existing contractor, subject to Board of Supervisors approval.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a new agreement between the Airport and FSP PPM for FSP to provide Curbside Management Program services for an amount not to exceed \$19,522,294 for an initial term of four years, from July 1, 2016 through June 30, 2020, with one one-year option to extend through June 30, 2021.

Services Provided Under the Proposed New Curbside Management Program Agreement

Under the proposed new agreement, the scope of work with regard to limousine, taxi, and transportation network company (TNC) operations will be the same as the existing agreement.

- Limousine Operations: FSP PPM manages and monitors limousine operations by (a) monitoring and documenting the departure times of limousines that enter the limousine loading zones, (b) providing ground transportation information to air passengers, and (c) arranging appropriate ground transportation services for people with special needs (physically disabled, visually impaired or elderly).
- Taxi Operations, Taxi Smartcard Revenue System Operations and Taxi Cashier Operations: FSP PPM manages and monitors taxi operations by (a) ensuring that taxis wait in the designated Main Taxicab Holding Lot or the Taxicab Overflow lot, (b) dispatching taxis from the designated Main Taxicab Holding Lot to the four taxi zones to meet passenger demand, (c) providing taxi operation information to air passengers, and (d) arranging appropriate ground transportation services for people with special needs (physically disabled, visually impaired or elderly).

In addition, FSP PPM also operates the taxi smartcard revenue system. The Airport requires that taxi drivers pay a trip fee to the Airport to pick up passengers at the Airport. The taxi smartcard revenue system automatically collects these fees from individual taxi drivers using smartcards. Operating the taxi smartcard-based revenue system includes (a) inputting taxi driver information into the taxi smartcard-based revenue database, (b) collecting unused or returned smartcards from taxi drivers, (c) filing and maintaining the collected taxi driver information, and (d) troubleshooting and maintaining the system.

- Transportation Network Companies Holding Lot: As the result of 2014 agreements with Transportation Network Companies (TNCs) including Lyft, Uber and Wingz that allow these companies to operate legally at the Airport, FSP PPM now manages and monitors the TNC holding lot.

The proposed new agreement adds janitorial services, summarized below, and eliminates the Shared Ride Van services. According to Ms. Kong, the Shared Ride Van services are no longer needed under the new agreement. The Airport, through a competitive RFP process, will be selecting and contracting with van companies which would provide the Shared Ride Van curbside services previously provided by FSP PPM under the existing contract.

- **Janitorial Services:** FSP PPM will provide janitorial services including trash and debris removal, cleaning of the interior and exterior of lots and employee booths, graffiti removal, and submission of reports on the condition of the facilities to the Airport, as necessary.

According to Ms. Kong, discussion among the operations team at the Airport regarding changes to shared ride van agreements caused delays in determining the scope of work for the RFP process. Because of the delays in the process, FSP PPM has continued services upon expiration of the existing agreement. The proposed resolution approving the new contract with FSP PPM should be amended for retroactivity to July 1, 2016.

Performance Evaluation under the Proposed New Curbside Management Program Agreement

Under the proposed new Curbside Management Program agreement, FSP PPM will be evaluated on the same 10 performance measures contained in the existing agreement. According to Ms. Kong, FSP PPM has scored an average of 4.85 out of 5 across the 10 performance measures in 2015 and 2016 to date.

FISCAL IMPACT

The first year agreement costs are \$4,738,427, increasing by approximately 2 percent per year. The total agreement not-to-exceed amount is \$19,522,294 over the initial four year term. The \$19,522,294 not-to-exceed budget for the proposed new agreement is summarized in Table 2 below.

Table 2: Summary of Proposed Agreement's Not-to-Exceed Amount

	FY2016-17	FY2017-18	FY2018-19	FY2019-20	Total Not-to-Exceed
Labor Costs*	\$4,540,017	\$4,630,817	\$4,723,434	\$4,817,902	\$18,712,170
Other Direct Costs**	103,730	105,946	108,224	110,566	428,466
Administrative Fee	94,680	95,163	95,655	96,159	381,657
Total	\$4,738,427	\$4,831,926	\$4,927,313	\$5,024,627	\$19,522,294

*Labor Costs include fringe benefits, paid time off, payroll taxes, and 6.7% profit margin

**Other Direct Costs include training costs, uniforms, radios, employee badges, vehicle leases and maintenance

Table 3 below shows a detailed breakdown by fiscal year of the proposed new agreement's costs totaling \$19,522,294 over the initial four-year term.

Table 3 – Detailed Cost Breakdown of Curbside Management Program Agreement

		FY2016-17	FY2017-18	FY2018-19	FY2019-20
Labor Costs*					
Position Title	Number of Positions				
General Manager	1.00	\$125,040	\$127,541	\$130,092	\$132,694
Assistant General Manager	1.00	100,388	102,395	104,443	106,532
Curbside Managers	3.17	280,658	286,272	291,997	297,837
Taxi Supervisors	4.31	324,216	330,700	337,314	344,061
TNC-Limo-Auxillary Supervisors	4.25	296,409	302,337	308,384	314,552
Taxi Dispatchers	32.61	2,128,200	2,170,764	2,214,180	2,258,463
TNC Lot Monitors	5.30	285,244	290,949	296,768	302,703
Limousine Lot Monitors	2.60	138,880	141,658	144,491	147,381
Auxillary Lot Monitors	2.91	155,768	158,884	162,061	165,302
Limousine Curbside Monitors	1.66	88,215	89,980	91,779	93,615
Administrative Assistants	2.71	176,148	179,671	183,264	186,930
Janitors	2.91	155,768	158,884	162,061	165,302
Labor Costs Total*		\$4,254,936	\$4,340,035	\$4,426,836	\$4,515,372
Profit Margin**		\$285,081	\$290,782	\$296,598	\$302,530
Other Direct Costs					
Training Consultants		\$5,000	\$5,100	\$5,202	\$5,306
Uniforms (Purchase)		20,000	20,600	21,218	21,855
Mystery Shopper Program***		22,680	23,134	23,596	24,068
Employee Badges		2,000	2,020	2,040	2,061
Radios		25,000	25,250	25,503	25,758
Vehicle Lease		6,900	6,900	6,900	6,900
Add Value Machine costs		15,000	15,450	15,914	16,391
Vehicle Operation and Maintenance		6,400	6,720	7,056	7,409
Service Incentive Program		750	773	796	820
Other Direct Costs Total		\$103,730	\$105,946	\$108,224	\$110,566
Administrative Fee		\$94,680	\$95,163	\$95,655	\$96,159
Annual Contract Not-to-Exceed Amount		\$4,738,427	\$4,831,926	\$4,927,313	\$5,024,627
Cumulative Total Not-to-Exceed Amount		\$4,738,427	\$9,570,353	\$14,497,666	\$19,522,294

*Include all costs associated with Proposer'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.

**6.70% of Total Labor Costs

***The Mystery Shopper Program uses a third-party contractor to independently evaluate Curbside Management Program services. Mystery shoppers anonymously utilize various Curbside services and report results to the Airport.

Source: Airport

The Airport's FY 2016-17 and FY 2017-18 budgets, pending before the Board of Supervisors, include funds, under Landside Operations, to pay for the proposed Curbside Management Program contract, subject to appropriation approval by the Board of Supervisors.

RECOMMENDATIONS

1. Amend the proposed resolution to provide for retroactivity to July 1, 2016.
2. Approve the proposed resolution, as amended.

**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 [insert date], by Resolution No. [insert resolution number], the Board of Supervisors approved the Agreement under San Francisco Charter Section 9.118; and
- F. The City has approved the contracting-out of the services under this Agreement upon the certification of the Controller that the services can be performed by a contractor at a lower cost than by City employees at current salary and benefit levels, see Board of Supervisors Resolution No. [insert resolution number], adopted [insert date]; and
- G. There is no Disadvantage Business Entity ("DBE") subcontracting participation requirement for this Agreement; and
- H. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. [insert PSC number] on [insert date of Civil Service Commission action]; and

I. 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 15th day of each month representing services performed during the period commencing on the 1st day of that month and ending on the 15th day of that month ("First Period") and (b) within ten (10) days after the last day of each month, representing services performed during the period commencing on the 16th day of 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.

(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.

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
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
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
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

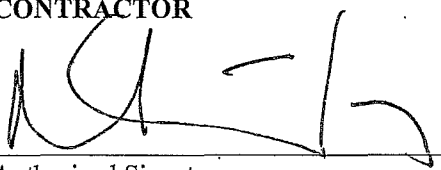
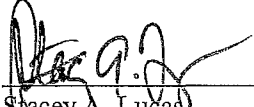
Airport's Labor Peace / Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "Labor Peace / Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check 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 AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	CONTRACTOR 
By: _____ John L. Martin, Airport Director	Authorized Signature SAM TADESSE
Attest:	Printed Name Executive Team
By _____ Jean Caramatti, Secretary Airport Commission	Title FSP PPM Management, LLC
Resolution No: _____	Company Name 80706
Adopted on: _____	City Vendor Number 465 California Street, Suite
Approved as to Form:	Address San Francisco, CA 94104
Dennis J. Herrera City Attorney	City, State, ZIP (415) 434-4400
By  Stacey A. Lucas Deputy City Attorney	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

1. 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.

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

CALCULATION OF CHARGES

Labor Costs (First twelve (12) months of Fully Staffed Service) Year Period # 1								
	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%	\$ 34.06	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	Auxillary 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.								\$4,254,936.34
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							\$22,680.00
	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	\$390,700.41
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 Fully Staffed Service) Year Period # 3

	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	\$ 48.90	35.74%	\$ 66.37	2080	1960.00	\$130,092.02
2	Assistant General Manager	1.00	\$ 37.14	43.47%	\$ 53.29	2080	1960.00	\$104,443.35
3	Curbside Managers	3.17	\$ 30.95	45.58%	\$ 45.06	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 (First 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
7	Taxi Dispatchers	32.61	\$ 21.44	55.52%	\$ 33.34	67824	67744.00	\$2,258,463.31
8	TNC Lot Monitors	5.30	\$ 17.83	55.26%	\$ 27.68	11016	10936.00	\$302,703.46
9	Limousine Lot Monitors	2.60	\$ 17.83	55.39%	\$ 27.70	5400	5320.00	\$147,380.59
10	Auxiliary Lot Monitors	2.91	\$ 17.83	55.36%	\$ 27.70	6048	5968.00	\$165,302.46
11	Limousine Curbside Monitors	1.66	\$ 17.83	55.54%	\$ 27.73	3456	3376.00	\$93,614.98
12	Administrative Assistants	2.71	\$ 22.82	47.57%	\$ 33.67	5642	5552.00	\$186,929.72
	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
Radios	\$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. 16-0181

**AWARD OF PROFESSIONAL SERVICES CONTRACT NO. 50085 TO FSP PPM
MANAGEMENT, LLC TO MANAGE AND STAFF THE CURBSIDE MANAGEMENT
PROGRAM IN AN AMOUNT NOT TO EXCEED \$19,522,294 FOR A PERIOD OF FOUR
YEARS EFFECTIVE JULY 1, 2016 WITH ONE (1) ONE-YEAR RENEWAL OPTION**

WHEREAS, the Airport has a complex and highly competitive commercial ground transportation system that serves millions of Airport patrons annually, requiring coordination, dispatch and monitoring services; and

WHEREAS, the day-to-day operations required in the Airport's Curbside Management Program are administered through a professional services contract; and

WHEREAS, pursuant to Airport Commission Resolution No. 15-0269, Airport staff prepared and issued a Request for Proposals (RFP) seeking qualified and experienced contractors to manage and staff the Airport's Curbside Management Program and enter into contract negotiations with the highest scoring proposer; and

WHEREAS, two proposals were received by the due date, were deemed responsive and were evaluated by a four-person panel, consistent with the evaluation criteria; and

WHEREAS, FSP PPM Management, LLC was the highest ranked proposer and Airport staff successfully negotiated a contract; and

WHEREAS, because the contract will exceed \$10,000,000, pending Commission authorization, the Airport will request the Board of Supervisors' approval of this contract as required by San Francisco Charter Section 9.118(b); now, therefore, be it

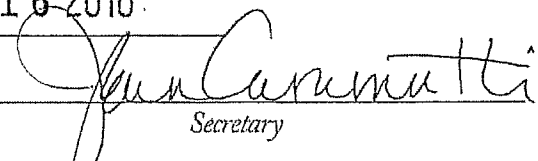
RESOLVED, that this Commission hereby awards Professional Services Contract No. 50085 to FSP PPM Management, LLC to manage and staff the Airport's Curbside Management Program in an amount not to exceed \$19,522,294 for a period of four years effective July 1, 2016 with one (1) one-year renewal option exercisable at the sole discretion of the Commission; and, be it further

RESOLVED, that this Commission directs the Commission Secretary to request Board of Supervisors approval of Professional Services Contract No. 50085 with FSP PPM Management, LLC for the Airport's Curbside Management Program in conformance with San Francisco Charter Section 9.118 (b).

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

at its meeting of _____

JUN 16 2016



Secretary



San Francisco International Airport

MEMORANDUM

June 16, 2016

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenhime
Hon. Peter A. Stern

16-0181

JUN 16 2016

FROM: Airport Director

SUBJECT: Award Contract No. 50085 to FSP PPM Management, LLC to Manage and Staff the Curbside Management Program at San Francisco International Airport

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION AWARDING PROFESSIONAL SERVICES CONTRACT NO. 50085 TO FSP PPM MANAGEMENT, LLC TO MANAGE AND STAFF THE CURBSIDE MANAGEMENT PROGRAM IN AN AMOUNT NOT TO EXCEED \$19,522,294 FOR A PERIOD OF FOUR YEARS EFFECTIVE JULY 1, 2016 WITH ONE (1) ONE-YEAR RENEWAL OPTION EXERCISABLE AT THE SOLE DISCRETION OF THE COMMISSION.

Executive Summary

The Airport requests Commission approval to award Professional Services Contract No. 50085 to the highest ranked proposer, FSP PPM Management, LLC (FSP PPM) to manage and staff the Curbside Management Program at the San Francisco International Airport for a period of four (4) years effective July 1, 2016 in an amount not to exceed \$19,522,294. In addition, the contract shall have one (1) one-year renewal option, which the Commission may exercise at its sole discretion. The contract will replace the existing Contract No. 8994, which is due to expire June 30, 2016.

Background

On December 22, 2016, the Commission approved Resolution No. 15-0269 authorizing Airport staff to issue a Request for Proposals (RFP) for a contractor to manage and staff the Airport's Curbside Management Program and enter into contract negotiations with the highest scoring proposer for a four-year agreement effective July 1, 2016 with one (1) one-year renewal option exercisable at the Commission's sole discretion.

THIS PRINT COVERS CALENDAR ITEM NO. 4

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE MAYOR LARRY MAZZOLA PRESIDENT LINDA S. CRAYTON VICE PRESIDENT ELEANOR JOHNS RICHARD J. GUGGENHIME PETER A. STERN JOHN L. MARTIN AIRPORT DIRECTOR

Two proposals were received in response to the RFP and both were deemed responsive and met the minimum qualifications. This contract is subject to Federal Regulations for non-discrimination in contracting; therefore, the Contract Monitoring Division's Local Business Enterprise discounts and subcontracting requirements are not applicable. Staff convened a Selection Committee, consisting of two Airport Commission employees and two members from the SFMTA, to review and score the proposals. Based on the Committee's review, the firms were scored as follows:

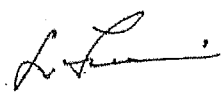
<u>Proposer</u>	<u>Score</u>
FSP PPM Management, LLC	394.00
SP Plus Airport Services	338.25

The scope of work for this contract includes curbside management, staging lot monitoring, taxi dispatching, and taxi Smart A-Card management and janitorial services at the staging lots. The contract term will be effective July 1, 2016 for a period of four (4) years ending June 30, 2020, in an amount not-to-exceed \$19,522,294 with one (1) one-year renewal option exercisable at the sole discretion of the Commission.

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

Recommendation

I recommend that this Commission award Professional Services Contract No. 50085 to FSP PPM Management, LLC, to staff and manage the Curbside Management Program at San Francisco International for a period of four years effective July 1, 2016 in an amount not to exceed \$19,522,294 with one (1) one-year renewal option exercisable at the sole discretion of the Commission.



for John L. Martin
Airport Director

Prepared by: Jeff Littlefield
Deputy Airport Director
Operations and Security

Attachment



San Francisco International Airport

June 16, 2016

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

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2016 JUN 20 PM 1:58
BY *[Signature]*

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding for Board of Supervisors' approval of Professional Service Contract in the not-to-exceed amount of \$19,522,294 between FSP PPM Management, LLC (FSP PPM) - a Joint Venture and the City and County of San Francisco, acting by and through its Airport Commission, to manage and staff the Curbside Management Program at the San Francisco International Airport for a period of four (4) years effective July 1, 2016. In addition, the contract shall have one (1) one-year renewal option, which the Commission may exercise at its sole discretion. This contract Award was approved by Airport Commission Resolution No. 16-0181, adopted on June 16, 2016.

The following is a list of accompanying documents:

- Board of Supervisors Resolution;
- Approved Airport Commission Resolution No. 16-0181;
- Memorandum to the Airport Commission recommending Resolution No. 16-0181;
- Form SFEC-126 for the Board of Supervisors;
- Form SFEC-126 for Mayor Lee;
- Copy of Contract Agreement 50085 with FSP PPM Management, LLC;

The following person may be contacted regarding this matter:

Cathy Widener, Governmental Affairs Manager
(650) 821-5023

Sincerely,

[Signature: Jean Caramatti]
Jean Caramatti
Airport Commission Secretary

Attachments

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

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

Contractor Information <i>(Please print clearly.)</i>
Name of contractor: FSP PPM Management, LLC

Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.

(1) Members of the contractor's board of directors; Our LLC is comprised of two separate and individual corporations being ABM Parking Services and Pacific Park Management. ABM Parking Services is our Managing Partner holding 51% ownership of the LLC. Each of our partner organizations has an oversight board unique to their organization. However, our LLC has no designated Board of Directors. Under the terms of our LLC agreement, FSP PPM Management LLC, is overseen by an Executive Committee with representatives appointed by each partner respectively. Currently, our Executive Committee is comprised of Mark Muglich, President ABM Parking Services, Sam Tadesse, CEO Pacific Park Management and Scott Hutchison, Vice President ABM Parking Services.

(2) The contractor's chief executive officer, chief financial officer and chief operating officer; Under the terms of our LLC agreement, oversight of the LLC is provided by an Executive Committee (see response above) comprised of representatives of member organizations. ABM Parking Services and Pacific Park Management have separate CEO's, CFO's and COO's.

(3) Any person who has an ownership of 20 percent or more in the contractor; No single individual has ownership of 20% or more of FSP PPM Management LLC.

(4) Any subcontractor listed in the bid or contract; No subcontractors were listed on our bid or contract.
And

(5) Any political committee sponsored or controlled by the contractor. Use additional pages as necessary. FSP PPM Management LLC has no control and/or provides no sponsorship of any political committee.

Contractor address:

D. Scott Hutchison
Vice President, ABM
FSP PPM Management, LLC.
45 East Broadway
Salt Lake City, UT 84111
Email: SHutchison@abm.com
Fax: (866) 349-0516

Sam Tadesse
FSP PPM Management, LLC
465 California Street, Suite 473
San Francisco, CA 94104
Email: stadesse@pacificparkonline.com
Fax: (415) 434-4455

Date that contract was approved:	Amount of contract:
----------------------------------	---------------------

Describe the nature of the contract that was approved:

Airport Professional Services Agreement to Manage and Staff the Curbside Management Program Contract.

Comments:

This contract was approved by (check applicable):

- the City elective officer(s) identified on this form
 a board on which the City elective officer(s) serves

San Francisco Board of Supervisors

Print Name of Board

- the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Relocation Appeals Board, and Local Workforce Investment Board) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information *(Please print clearly.)*

Name of filer:

Contact telephone number:

()

Address:

E-mail:

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

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

S:\ALL FORMS\Campaign Finance\SFEC - 126\ Form SFEC-126 Notification of Contract Approval 9.14.doc

