

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
New South Parking - California
Contract No. 9121

This Agreement is made this 8th day of February, 2012, in the City and County of San Francisco, State of California, by and between: New South Parking – California, hereinafter referred to as “Contractor,” and the City and County of San Francisco, a municipal corporation, hereinafter referred to as “City,” acting by and through its Airport Commission or the Commission’s designated agent, hereinafter referred to as “Commission.”

Recitals

WHEREAS, the Commission wishes to engage an independent contractor to manage and operate the public and employee parking facilities at San Francisco International Airport (Airport), including janitorial maintenance and security services; and,

WHEREAS, Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and

WHEREAS, a Request for Proposal (“RFP”) was issued on October 26, 2011, and City selected Contractor as the highest qualified scorer pursuant to the RFP; and

WHEREAS, Commission awarded this contract to Contractor on February 21, 2012, pursuant to Resolution No. 12-0031; and

WHEREAS, Contractor represents and warrants that it is qualified to perform the services required by City as set forth under this Contract; and,

Now, THEREFORE, the parties agree as follows:

Defined Terms

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

- 1) **“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.

- 2) **“Airport Rules”** means the Airport’s Rules and Regulations, as the same may be amended from time to time. The Airport has provided same to Contractor prior to commencement of Agreement.
- 3) **“Cost Proposal”** means the cost proposal for each year of the Agreement approved by the Commission as shown on Appendix B.
- 4) **“Direct Labor”** means the actual costs of wages and salaries of personnel providing direct services under the contract as shown on Appendix B, incorporated herein by reference. Direct Labor includes only those costs incurred while actually providing contracted services as defined in Appendix A. Direct Labor costs do not include the costs of these employees while performing administrative tasks or while on paid leave.
- 5) **“Director”** means the airport director, the chief executive officer of the airport, or his or her designee.
- 6) **“Environmental Laws”** shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Resources Conservation and Recovery Act of 1976 (42 U.S.C. Section 9601, et seq.), the Clean Water Act (33 U.S.C. Section 1241, et seq.), the Safe Drinking Water Act (14 U.S.C. Section 401, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Toxic Substance Control Act (15 U.S.C. Section 2601, et seq.), the California Hazardous Waste Control Law (California Health and Safety Code Section 25100, et seq.), the Porter-Cologne Water Quality Control Act (California Water Code Section 13000, et seq.), and the Safe Drinking Water and Toxic Enforcement Act of 1986 (California Health and Safety Code section 25249.5, et seq.).
- 7) **“Facilities”** means, collectively: the Domestic Terminal Garage, the two International Parking Garages “IT-A” and “IT-G”, Long-Term Parking, the Westfield Employee Parking Garage, the Airport Impound Lot, and all as more particularly described on the attached Exhibit A. The term “Facilities” includes all ancillary exit and entry lanes, vehicular bridges, and driveways, and all equipment therein, including the entry and exit lane equipment, the computerized parking control systems, and security systems. City reserves the right to expand or contract the Facilities to include or exclude any new or existing parking facilities and/or systems to accommodate the Airport’s needs, all as determined in the Director’s sole discretion.
- 8) **“Fringe Benefits”** means the costs paid directly to or on behalf of employees other than salary and wage payments, such as health and dental care, contributions to pension funds and 401K plans, tuition reimbursements, etc. Fringe benefits do not include employer-obligated costs of payrolls, such as payroll taxes, workers’ compensation insurance or other statutorily required payments based on payroll. Such costs are to be included on the line for “Payroll Additives.”
- 9) **“Force Majeure”** means a delay or prevention of performance of any act required of Contractor under the Agreement by reason of acts of God, or the public enemy; terrorist acts, war (declared or undeclared; including any military action by the United States or United Nations); explosion; invasion; insurrection; rebellion; riots; acts of the government of sovereign as proprietary in nature; fires, floods, tidal waves; epidemics; quarantine or security restrictions; freight embargoes; earthquakes; strikes, and substantial interruption of work because of labor disputes; the time or times for performance of the obligations of the parties will be extended for the period of the delay; provided however (i) within ten(10) days after

the beginning of any such delay, the delayed party shall have first notified the other party in writing of the cause or causes of such delay and claimed an extension for the reasonably estimated period of the delay, and (ii) the delayed party cannot, through reasonable and diligent efforts, make up for the delay within the time period remaining prior to the applicable scheduled milestones and timelines.

- 10) **“Guaranteed Maximum Price” (GMP)** means the maximum consideration payable to the Contractor for performing the services as defined in Appendix A.
- 11) **“Hazardous Material”** shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. “Hazardous Material” includes, without limitation, any material or substance defined as a “hazardous substance,” or “pollutant” or “contaminant” pursuant to any Environmental Law; any asbestos and asbestos containing materials; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and any materials listed in the Airport’s TI Guide.
- 12) **“Indirect Costs”** means costs related to indirect labor, fringe benefits, payroll additives, paid leave, operating expenses, (materials, supplies, sundries and bonds) general and administrative expenses and liability insurance expense as shown on Appendix B, incorporated herein by reference. Indirect Costs do not include the cost of sub-contracted services. In no event shall the Indirect Costs exceed one hundred eighty-five percent (185%) of Direct Labor costs.
- 13) **“Indirect Labor”** includes the actual salary and wages of personnel providing support to the contract and specifically includes management, clerical and administrative personnel, the administrative time of direct employees and the period accrual for paid absences. Indirect Labor also includes the salary and wages of otherwise direct personnel while on compensated leave or performing duties not directly related to providing contracted services. Fringe Benefits on Direct Labor only include that portion of costs related to the direct labor salary or wages incurred. In no event shall the Indirect Labor costs exceed sixty five percent (65%) of Direct Labor costs.
- 14) **“Laws”** means, collectively, all present and future federal, state and local laws, as the same may be amended from time to time, whether foreseen or unforeseen, ordinary as well as extraordinary, including all laws relating to (a) health and safety; (b) disabled access, including the Americans With Disabilities Act, 42 U.S.C.S. Sections 12101 et. Seq. and Title 24 of the California Code of Regulations (collectively “ADA”), (C) Hazardous Materials; and (d) fire sprinkler, seismic retrofit, and other building code requirements.
- 15) **“Management Fee”** means the amount approved by the Commission as shown on Appendix B. In no event shall the Management Fee exceed five percent (5%) of the Total Base Cost.
- 16) **“Other Direct Costs,” (ODC’s)** means actual direct costs, other than Direct Labor costs of Contractor or subcontractor; or other sub-contracted services and reimbursable costs approved by the Director in advance.
- 17) **“Parking Management Staff”** shall mean the positions set forth on the attached Appendix C “Parking Management Personnel”, as Director may modify the same from time to time. Parking Management Staff will include staff responsible for overall operation of Contractor, those management employees engaged on-site in the day-to-day operation and provision of Services.

- 18) **"Payroll Additives"** are the costs incurred by the employer related to payroll costs. These costs are generally statutory requirements, such as payroll taxes and workers' compensation insurance.
- 19) **"Procedures Manual"** means the Procedures Manual submitted by the Contractor and kept up to date as to reflect current operating conditions.
- 20) **"Release"**, when used with respect to Hazardous Materials, shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on under or about the facilities.
- 21) **"Services"** means the management and operational services described in Section 4 below and as provided for in Appendix A, attached hereto and incorporated by reference as though fully set forth herein.
- 22) **"Subcontractor"** means a firm or entity, contracted by the Contractor with prior approval by the Airport Director, to provide certain Services in conjunction with this Agreement as shown on Appendix A, and incorporated herein by reference.
- 23) **"Total Base Cost"** means the total of Direct Labor costs and total Indirect Costs as shown on Appendix B, incorporated herein by reference. Total Base Cost does not include sub-contracted services, credit card transactions or other such costs.

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 hereunder 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.

2. Term of the Agreement. Subject to Section 1, the term of this Agreement shall be for a five-year period, from July 1, 2012 to June 30, 2017.

Upon expiration of this Agreement if the selection of a new contractor has not been finally approved, with the consent of Contractor, Director may direct Contractor to continue performance of the Services on a month-to-month basis not to exceed 60 additional days, on the same terms and conditions of this Agreement, until such time as City has engaged another Contractor. Contractor shall have no ability to continue such operations without Director's written consent.

3. Effective Date of Agreement. This Agreement shall become effective when the Controller has certified to the availability of funds and Contractor has been notified in writing.

4. Services Contractor Agrees to Perform. The Contractor agrees to perform the services provided for in Appendix A, "Description of Services," attached hereto and incorporated by reference as though fully set forth herein. 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 herein 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.

5. Compensation. Compensation shall be made in semi-monthly payments as provided in this section. Contractor shall invoice City for the Services, as provided in Appendices A (Scope of Services) and B (Calculation of Charges), (a) within ten (10) days after the 15th day of each month representing services performed during the period commencing on the 1st day of that month and ending on the 15th day of that month (the "First Period"), which the Director, in his or her discretion, concludes has been performed, and (b) within ten (10) days after the last day of each month, representing services performed during the period commencing on the 16th day of such month and ending on the last day of such month (the "Second Period"), which the Director, in his or her discretion, concludes has been performed. The Contractor's Management Fee for the immediate preceding calendar month shall be invoiced in the First Period invoice only. Contractor's invoice will list a total amount due and will include supporting documentation. By the fifteenth (15th) day following each month of the term of the contract, Contractor will send a complete monthly report (without documentation) for the entire preceding calendar month, with a final reconciliation of such month's results as compared to the semi-monthly reports for such month. City shall pay Contractor for each invoice submitted to City within 30 days after receipt and approval of such invoices and other materials as needed. City shall have no obligation to pay for any Services invoiced which have not been performed as required by this Agreement, as determined in the sole discretion of the Director. In no event shall the amount of this Agreement exceed a total of Ninety-Five Million Nine Hundred Sixty-Nine Thousand Nine Hundred Eighty Three Dollars (\$95,969,983) and in no event shall the maximum amount per year exceed the not-to-exceed Guaranteed Maximum Price for that year as set forth in Appendix B.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by **Airport Commission** as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall City be liable for interest or late charges for any late payments.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of Federal Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, and Contractor of the omission. If Contractor's failure to provide Federal Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until Federal Progress Payment Form is provided.

Following City's payment of an invoice, Contractor has ten days to file an affidavit using ACDBE Form (Appendix F) verifying that all subcontractors have been paid and specifying the amount.

6. Guaranteed Maximum Costs. The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Commodities or Services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

7. Payment; Invoice Format. Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller, and must include a unique invoice number. All amounts paid by City to Contractor shall be subject to audit by City. Payment shall be made by City to Contractor at the address specified in the section entitled “Notices to the Parties.”

8. Submitting False Claims; Monetary Penalties. Pursuant to 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. The text of Section 21.35, along with the entire San Francisco Administrative Code is available on the web at <http://www.municode.com/Library/clientCodePage.aspx?clientID=4201> . 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.

9. Disallowance (Left Blank by Agreement of the Parties).

10. Taxes

a. Payment of any taxes, including possessory interest taxes and California sales and use taxes, levied upon or as a result of this Agreement, or the services delivered pursuant hereto, shall be the obligation of Contractor.

b. Contractor recognizes and understands 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:

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;

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 accordingly 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.

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 accordingly 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.

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.

11. Payment Does Not Imply Acceptance of Work. The granting of any payment by City, or the receipt thereof by Contractor, shall in no way lessen the liability of Contractor to replace unsatisfactory work, equipment, or materials, although the unsatisfactory character of such work, equipment or materials may not have been apparent or detected at the time such payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay.

12. Qualified Personnel

a. **Personnel.** Work under this Agreement shall be performed only by competent personnel under the supervision of and in the employment of Contractor. Contractor will comply with City's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to perform services.

b. **Key Personnel.** Without limiting the generality of the foregoing, Contractor agrees that the specified Parking Management Personnel shall perform the corresponding functions during the entire term of this Agreement. Contractor agrees that Key Personnel, comprised of the General Manager, and the Assistant General Manger (identified in Appendix C), is subject to Airport approval and shall not change during the first year of the Agreement, even in the event the Agreement is assigned to another entity, unless such key personnel cease to be employed by Contractor, its parent company, or any successors thereto, or employed by any subsidiary, or partner or joint association of Contractor or its parent company, or any successors thereto, during the first year stabilization period. Thereafter, it is recognized that such personnel may not be bound by personal employment contracts to Contractor. Contractor agrees that reassignment or replacement of any of such key personnel during the Agreement period requires prior written approval of the Airport Director or his or her designee, which approval shall not be unreasonably withheld. During their respective period of responsibility, these managers must be on-Airport on a full-time basis.

c. **Subcontracting**

1) Without limiting the restrictions on assignment and subcontracting in Section 29, below, Contractor shall not subcontract any portion of this Agreement without Director's prior consent, which consent may be granted or denied in Director's sole discretion. In requesting Director's consent to any such subcontracts, Contractor will provide to Director all information relevant to such subcontracting arrangements, including the proposed form of subcontract. The form and substance of any such subcontract, and any amendments or modifications thereto, shall be subject to the prior consent of Director.

2) Contractor shall include in all of its subcontracts a provision requiring that the total compensation payable to the subcontractors shall not exceed compensation to Subcontractors contained in Appendix B attached hereto. Contractor shall also include in all subcontracts a provision requiring each subcontractor to include in all subcontracts a requirement for reimbursement if costs charged were improper, not paid, not allocable to this Agreement, or inadequately documented. Contractor shall include in all subcontracts a provision permitting City to audit the Subcontractor's books and records, as described in the Section 28 of this Agreement entitled "Audit and Inspection of Records."

13. Responsibility for Equipment. City shall not be responsible for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or by any of its employees, even though such equipment be furnished, rented or loaned to Contractor by City.

14. Independent Contractor; Payment of Taxes and Other Expenses

a. **Independent Contractor.** 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 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.

b. **Payment of 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, should any court, arbitrator, or administrative authority determine that Contractor is an employee for any other purpose, then Contractor agrees to a reduction in City's financial liability so that City's total expenses under this Agreement are not greater than they would have been had the court, arbitrator, or administrative authority determined that Contractor was not an employee.

15. Insurance

a. Without in any way limiting Contractor's liability pursuant to 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:

1) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$5,000,000 each accident, injury, or illness; and

2) Commercial General Liability Insurance with limits not less than \$5,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

3) Commercial Automobile Liability Insurance with limits not less than \$5,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, and

4) Garage keeper's Legal Liability Insurance, comprehensive and collision causes of loss, with limits of liability not less than \$1,000,000 each occurrence, on an all-risk basis, excluding earthquake and flood, with any deductible not to exceed \$1,000 each occurrence; and

5) Burglary and Robbery Insurance with a limit of liability not less than \$100,000 covering gross receipts from operation of Contractor's business on Airport premises.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide the following:

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

2) 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.

c. Regarding Workers' Compensation, Contractor hereby agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy 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.

d. All policies shall provide thirty days' advance written notice to the City of reduction or nonrenewal of coverages or cancellation of coverages for any reason. Notices shall be sent to the City address in the "Notices to the Parties" section.

e. 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.

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

g. 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.

h. Before commencing any operations under this Agreement, 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. Failure to maintain insurance shall constitute a material breach of this Agreement.

i. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

j. If a subcontractor will be used to complete any portion of this agreement, the Contractor shall ensure that the subcontractor shall provide all necessary insurance and shall name the City and County of San Francisco, its officers, agents and employees and the Contractor listed as additional insureds.

16. Indemnification. Contractor shall indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Contractor or loss of or damage to property, arising 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 in effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City. In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by City, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

17. 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. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

18. Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 5 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.

19. Liquidated Damages. By entering into this Agreement, Contractor agrees that in the event the Services, as provided under Section 4 herein, 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; further, Contractor agrees that the sum of Five Hundred Dollars (\$500) per 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 contract was awarded. City may deduct a sum representing the liquidated damages from any money due to Contractor. Such deductions shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to deliver to City within the time fixed or such

extensions of time permitted in writing the Airport.

20. Default; Remedies

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

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

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|---|---------------------------------------|
| 8. Submitting False Claims; Monetary Penalties. | 37. Drug-free workplace policy |
| 10. Taxes | 53. Compliance with laws |
| 15. Insurance | 55. Supervision of minors |
| 24. Proprietary or confidential information of City | 57. Protection of private information |
| 30. Assignment | 58. Graffiti removal |

2) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten days after written notice thereof from City to Contractor.

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

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

b. On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

c. All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

21. Termination for Convenience

a. 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.

b. Upon receipt of the notice, 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:

- 1) Halting the performance of all services and other work under this Agreement on the date(s) and in the manner specified by City.
- 2) Not placing any further orders or subcontracts for materials, services, equipment or other items.
- 3) Terminating all existing orders and subcontracts.
- 4) 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.
- 5) Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.
- 6) Completing performance of any services or work that City designates to be completed prior to the date of termination specified by City.
- 7) 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.

c. 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:

- 1) The reasonable cost to Contractor, without profit, for all services and other work City directed Contractor to perform prior to the specified termination date, for which services or work City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for services or other work. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.
- 2) A reasonable allowance for profit on the cost of the services and other work described in the immediately preceding subsection (1), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all services and other work under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.
- 3) The reasonable cost to Contractor of handling material or equipment returned to the vendor, delivered to the City or otherwise disposed of as directed by the City.
- 4) A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to City, and any other appropriate credits to City against the cost of the services or other work.

d. In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically enumerated and described in the immediately preceding subsection (c). Such non-recoverable costs include, but are

not limited to, anticipated profits on this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under such subsection (c).

e. In arriving at the amount due to Contractor under this Section, City may deduct: (1) all payments previously made by City for work or other services covered by Contractor's final invoice; (2) any claim which City may have against Contractor in connection with this Agreement; (3) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection (d); and (4) in instances in which, in the opinion of the City, the cost of any service or other work performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected services or other work, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced services or other work in compliance with the requirements of this Agreement.

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

22. Rights and Duties upon Termination or Expiration

This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement:

- | | |
|---|---|
| 8. Submitting false claims | 24. Proprietary or confidential information of City |
| 9. Disallowance | 26. Ownership of Results |
| 10. Taxes | 27. Works for Hire |
| 11. Payment does not imply acceptance of work | 28. Audit and Inspection of Records |
| 13. Responsibility for equipment | 48. Modification of Agreement. |
| 14. Independent Contractor; Payment of Taxes and Other Expenses | 49. Administrative Remedy for Agreement Interpretation. |
| 15. Insurance | 50. Agreement Made in California; Venue |
| 16. Indemnification | 51. Construction |
| 17. Incidental and Consequential Damages | 52. Entire Agreement |
| 18. Liability of City | 56. Severability |
| | 57. Protection of private information |

Subject to the immediately preceding sentence, upon termination of this Agreement prior to expiration of the term specified in Section 2, this Agreement shall terminate and be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City. This subsection shall survive termination of this Agreement.

23. Conflict of Interest. Through its execution of this Agreement, Contractor acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

24. Proprietary or Confidential Information of City. Contractor understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third

parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

25. Notices to the Parties

Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To City: **Airport Director**
San Francisco International Airport
Building 100, International Terminal
P.O. Box 8097
San Francisco, CA 94128
Ph. No. (650) 821-5000
Fax. No. (650) 821-5005

To Contractor: **President & CEO**
New South Parking - California
2401 21st Avenue South
Nashville, TN 37212
Ph. No. (615) 297-6250
Fax. No. (615) 291-4458

Any notice of default must be sent by registered mail.

26. Ownership of Results. Any interest of Contractor or its Subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors in connection with services to be performed under this Agreement, shall become the property of and will be transmitted to City. However, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

27. Works for Hire. If, in connection with services performed under this Agreement, Contractor or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of the City. If it is ever determined that any works created by Contractor or its subcontractors under this Agreement are not works for hire under U.S. law, Contractor hereby assigns all copyrights to such works to the City, and agrees to provide any material and execute any documents necessary to effectuate such assignment. With the approval of the City, Contractor may retain and use copies of such works for reference and as documentation of its experience and capabilities.

28. 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 work under this Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon City by this Section.

29. Subcontracting. Contractor is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is first approved by City in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made in violation of this provision shall confer no rights on any party and shall be null and void.

30. Assignment. The services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by the Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement.

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

32. Earned Income Credit (EIC) Forms. Administrative Code section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found. Contractor shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless Contractor has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Contractor; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement. Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Contractor of the terms of this Agreement. If, within thirty days after Contractor receives written notice of such a breach, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, Contractor fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law. Any Subcontract entered into by Contractor shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

33. Federal Non-Discrimination Provisions. The ACDBE 30% participation best efforts goal for this contract was achieved through the participation of Global Parking, LLC, a certified ACDBE firm. Contractor shall fulfill the ACDBE level of commitment made in its proposal throughout the term of this agreement, and pursuant to Appendix F, attached hereto.

This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23, Airport Concession Disadvantaged Business Enterprises (ACDBE).

Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Airport deems appropriate.

a. **Compliance & Enforcement.** The Airport ACDBE Liaison Officer will monitor this agreement to ensure compliance with the federal ACDBE regulations in that: a) the work committed to ACDBEs is actually performed by ACDBEs; and b) the ACDBEs and other subcontractors working on the contract are paid in a timely manner. Other compliance reviews may include: review of paperwork

associated with ACDBE's performance, onsite reviews and enforcement actions for any violations against the ACDBE program (49 CFR Part 26.103 and 26.107).

Contractor and its Subcontractor(s) shall maintain records necessary for monitoring its compliance with the ACDBE regulations for the term of this contract and for a period of three (3) years following the termination of this contract; and shall make such records available for audit and inspection by the Airport Director, FAA or the Controller, upon request.

b. **Payment of Subcontractors.** Contractor shall pay its subcontractors within thirty (30) working days after receiving payment from the City unless Contractor notifies the Airport Director in writing within ten working days prior to receiving payment from the City that there is a bona fide dispute between Contractor and its subcontractors in which case Contractor may withhold the disputed amount but shall pay the undisputed amount.

Contractor further agrees, within ten working days following receipt of payment from the City, to file an affidavit (Airport FAA/ACDBE Form 3) with the Airport, under penalty of perjury, that the Contractor has paid all subcontractors. The affidavit shall provide the names and addresses of all subcontractors and the amount paid to each. Failure to provide such affidavit may subject Contractor to enforcement procedure under 49 CFR Part 23.

34. Chapter 12B Nondiscrimination; Penalties

a. **Contractor Shall Not Discriminate.** In the performance of this Agreement, Contractor agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

b. **Subcontracts.** Contractor shall incorporate by reference in all subcontracts the provisions of §§12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

c. **Nondiscrimination in Benefits.** Contractor does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

d. **Condition to Contract.** As a condition to this Agreement, Contractor shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with

supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

e. **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to §§12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

35. MacBride Principles—Northern Ireland. Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Contractor acknowledges and agrees that he or she has read and understood this section.

36. Tropical Hardwood and Virgin Redwood Ban. Pursuant to §804(b) of the San Francisco Environment Code, the City and County of San Francisco urges contractors not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

37. Drug-Free Workplace Policy. Contractor acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Contractor agrees that any violation of this prohibition by Contractor, its employees, agents or assigns will be deemed a material breach of this Agreement.

38. Resource Conservation. Chapter 5 of the San Francisco Environment Code (“Resource Conservation”) is incorporated herein by reference. Failure by Contractor to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

39. Compliance with Americans with Disabilities Act. Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

40. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors’ bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization’s net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

41. Public Access to Meetings and Records. If the Contractor receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined

in Chapter 12L of the San Francisco Administrative Code, Contractor shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Contractor agrees to open its meetings and records to the public in the manner set forth in §§12L.4 and 12L.5 of the Administrative Code. Contractor further agrees to make-good faith efforts to promote community membership on its Board of Directors in the manner set forth in §12L.6 of the Administrative Code. The Contractor acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Contractor further acknowledges that such material breach of the Agreement shall be grounds for the City to terminate and/or not renew the Agreement, partially or in its entirety.

42. Limitations on Contributions. Through execution of 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. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that 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. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

43. Requiring Minimum Compensation for Covered Employees

a. Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Sections 12P.5 and 12P.5.1 of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

b. The MCO requires Contractor to pay Contractor's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Contractor is obligated to keep informed of the then-current requirements. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Contractor's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Contractor.

c. Contractor shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

d. Contractor shall maintain employee and payroll records as required by the MCO. If Contractor fails to do so, it shall be presumed that the Contractor paid no more than the minimum wage required under State law.

e. The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor

f. Contractor's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Contractor fails to comply with these requirements. Contractor agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Contractor's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

g. Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

h. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

i. If Contractor is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Contractor later enters into an agreement or agreements that cause contractor to exceed that amount in a fiscal year, Contractor shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Contractor and this department to exceed \$25,000 in the fiscal year.

44. Requiring Health Benefits for Covered Employees

Contractor agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of section 12Q.5.1 of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at www.sfgov.org/olse. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

a. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

b. Notwithstanding the above, if the Contractor is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

c. Contractor's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Contractor if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

d. Any Subcontract entered into by Contractor shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Contractor shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Contractor shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Contractor based on the Subcontractor's failure to comply, provided that City has first provided Contractor with notice and an opportunity to obtain a cure of the violation.

e. Contractor shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Contractor's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

f. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

g. Contractor shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

h. Contractor shall keep itself informed of the current requirements of the HCAO.

i. Contractor shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

j. Contractor shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

k. Contractor shall allow City to inspect Contractor's job sites and have access to Contractor's employees in order to monitor and determine compliance with HCAO.

l. City may conduct random audits of Contractor to ascertain its compliance with HCAO. Contractor agrees to cooperate with City when it conducts such audits.

m. If Contractor is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Contractor later enters into an agreement or agreements that cause Contractor's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the

agreement that causes the cumulative amount of agreements between Contractor and the City to be equal to or greater than \$75,000 in the fiscal year.

45. First Source Hiring Program

a. Application of Administrative Code Provisions by Reference.

The provisions of Chapter 83 of the San Francisco Administrative Code apply to this Agreement. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

b. First Source Hiring Agreement.

As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs maybe certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

6) Set the term of the requirements.

7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

c. **Hiring Decisions**

Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

d. **Exceptions**

Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

e. **Liquidated Damages**

Contractor agrees:

1) To be liable to the City for liquidated damages as provided in this section;

2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;

3) That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.

4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly

withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;

5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

(a) The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and

(b) In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year;

Therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

f. **Subcontracts**

Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

46. Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, Contractor may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Agreement. Contractor agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Contractor violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Contractor from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider Contractor's use of profit as a violation of this section.

47. Preservative-treated Wood Containing Arsenic. Contractor may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative,

ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Contractor may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Contractor from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

48. Modification of Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, 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 HRC 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% (HRC Contract Modification Form).

49. Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning and intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to Purchasing who shall decide the true meaning and intent of the Agreement.

50. 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.

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

52. Entire Agreement. This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This contract may be modified only as provided in Section 48, "Modification of Agreement."

53. Compliance with Laws. Contractor shall keep itself fully informed of the City's Charter, codes, ordinances 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.

54. Services Provided by Attorneys. Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. No invoices for services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

55. Supervision of Minors (Left Blank by Agreement of the Parties).

56. 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.

57. Protection of Private Information. Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. Contractor agrees that any failure of Contractor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Contractor.

58. Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti. Contractor shall remove all graffiti from any real property owned or leased by Contractor in the City and County of San Francisco within forty eight (48) hours of the earlier of Contractor's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a Contractor to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

Any failure of Contractor to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.

59. Food Service Waste Reduction Requirements. Effective June 1, 2007, Contractor agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Contractor agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply with this provision.

60. Slavery Era Disclosure (Left Blank by Agreement of the Parties).

61. Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, 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.

62. Dispute Resolution Procedure (Left Blank by Agreement of the Parties)

63. 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.

64. Labor Peace / Card Check Rule. Without limiting the generality of other provisions herein 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/Care Check Rule, Contractor shall, among other actions: (a) Enter into a Labor Peace/Care 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/Care 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.

65. Prevailing Rate of Wages Ordinance No. 3-03 / Worker Retention. Contractor must abide by (1) the City's Prevailing Rate of Wages and Displaced Worker Protection Ordinance, *San Francisco Administrative Code*, Sec. 21C.3; and (2) Airport Commission Resolution No. 01-0205 titled: Worker Retention Policy Applicable to Certain Service Providers, adopted June 19, 2001, hereafter referred to as the Airport Worker Retention Policy, attached as Appendix E. Pursuant to these requirements, Contractor is required to pay the prevailing rate of wage and to retain the existing workforce for a 90-day transition employment period. To the extent there are any conflicts between the two requirements, Contractor shall comply with the provisions that afford greater worker protection.

66. Fines. All cash shortages must be recovered to the City within the day of which cash is lost. Each day after a five-day period, Contractor will pay a \$250 fine for every \$1,000 lost until shortage is recovered. Additionally, any overage paid in excess will remain in City’s account. If Contractor defaults on any of the terms set forth in this Agreement, Airport may elect to impose the fines described below on the basis of per violation per day:

Violation	Fine
Violation of Insurance requirements (e.g. expiration of policy, failure to maintain required coverages or provide copies to Airport)	\$ 1,000
Excessive Customer Complaints (based upon repetitive occurrences for similar infractions following warning)	\$ 500

Missed/non-staffed scheduled cashier shifts	\$ 500
Failure to submit required reports on time	\$ 500
Failure to cause operations to comply with applicable laws, Rules or TI Guide	\$ 500
Failure to retain require Security Deposit	\$ 500
Violation of service standards or failure to perform Service (e.g. training on biannual basis)	\$ 250
Failure to account for all revenue (e.g. cash shortages)	\$ 250
Lack of Decorum by staff (e.g. rude behavior, improper conduct, out of uniform)	\$ 250
Late Bank Deposits	\$ 250
Failure to adhere to specified Cleaning Schedule	\$ 250

Airport's right to impose the foregoing Fines shall be in addition to and not in lieu of any and all other rights hereunder, in the Airport rules, or at law or in equity. City shall have no obligation to Contractor to impose Fines on or otherwise take action against any other Contractor at the Airport.

67. Performance Bond or Letter of Credit. To secure its obligations under the Agreement, the Contractor shall obtain and deliver on or before the date of execution of this Agreement, a performance bond in the sum of \$500,000 underwritten by a firm licensed to do business in the State of California and having an A.M. Best rating of A or better in favor of the City and County of San Francisco and the San Francisco International Airport Commission (Airport). The Operator may substitute a letter of credit for review and approval by the Airport in the same amount and with the same requirements as the bond.

68. License for Office Space. City shall provide Contractor with an office located on the third level of the Domestic Parking Garage. City hereby grants to Contractor a revocable license to use and occupy the office space referenced in this Agreement to provide the Services. In no event will Contractor: (a) use any portion of the space to conduct any activity other than the Services; or (b) make any alterations thereto without Director's approval. Contractor shall keep such office space in good repair and condition, and provide its own janitorial services therein. City may, at its option, expand, contract, or relocate the office space at any time.

Furnishings, including facsimile machines, photocopiers, and computers, are the property of City and shall be used strictly for the management and operation of the Facilities as set forth in this Agreement. The furnishings shall be maintained in good working order throughout the term of the Agreement by Contractor.

69. PCI Data Security Standard

a. The provisions set forth in this subsection apply to a Vendor who is a "Service Provider" that either itself, or through a processor, its agent, or subcontractor, stores, processes, handles or transmits cardholder data in any manner. For purposes of this subsection, the term "Cardholder Data" means personally identifiable data about the cardholder (i.e. the plastic card number, card expiration date in combination with the plastic card number, cardholder name in combination with the plastic card number,

track data/magnetic stripe, verification numbers CVV2, CVC2, CID, and PIN Block). This term also accounts for other personal insights gathered about the cardholder (i.e., addresses, telephone numbers, and so on), assigned by the card issuer that identifies the cardholder's account or other cardholder personal information. For purposes of this section, a "Service Provider" means any person or entity that maintains, processes, transmits or otherwise is permitted access to Cardholder Data, including through its provision of services to City. Customer Information shall include cardholder data and such other customer information as may be defined elsewhere in this Agreement.

1) Service Provider represents and warrants that it shall implement and maintain Payment Card Industry Data Security Standard Requirements ("PCI Data Security Standard Requirements") for Cardholder Data, as they may be amended from time to time. The current PCI Data Security Standard Requirements are available on the following internet site; <https://www.pcisecuritystandards.org/>. As evidence of compliance, Service Provider shall provide, when requested, current evidence of compliance with these data security standards certified by a third party authority recognized by the payment card industry for that purpose.

2) Service Provider shall maintain and protect in accordance with all applicable federal, state, local and PCI laws, rules and regulations the security of all Cardholder Data when performing the Services on behalf of City. Service Provider will use reasonable precautions, including but not limited to, physical, software and network security measures, employee screening, training, and supervision and appropriate agreements with employees, to prevent anyone other than City or its authorized employees from monitoring, using, gaining access to or learning the import of the Cardholder Data; protect appropriate copies of Cardholder Data from loss, corruption or unauthorized alteration; and prevent the disclosure of passwords and other access control information to anyone other than authorized City employees.

3) Service Provider shall indemnify, defend, protect and hold City harmless from and against any and all claims, losses, damages, notices and expenses, including without limitation, any fines which City may be required to pay, which result from Service Provider's breach of the provisions of this Section. Without limiting the generality of the foregoing, it is expressly agreed that if City pays any fine in connection with a breach by Service Provider of the provisions of this Section, the foregoing indemnity obligation shall require Service Provider to reimburse City the full amount of such fine within thirty (30) days of City delivering written notice to Service Provider of City's payment of such fine. Service Provider, at its sole cost and expense, shall fully cooperate with any investigation of any data loss or other breach of Service Provider's obligations under this Section.

b. The use of Cardholder Data is specifically restricted to only those applications directly pertaining to payments, including transaction authentication, or as required by applicable law.

c. If there is a breach or intrusion of, or otherwise unauthorized access to Cardholder Data stored at or for Service Provider, Service Provider shall immediately notify City, in the manner required by the PCI Data Security Standard Requirements, and provide City and the acquiring financial institution and their respective designees access to Service Provider's facilities and all pertinent records to conduct an audit of Service Provider's compliance with the PCI Data Security Standard Requirements. Service Provider shall fully cooperate with any audits of their facilities and records provided for in this paragraph. Any costs incurred as a result of the breach or audit shall be the responsibility of Service Provider.

d. Service Provider shall maintain appropriate business continuity procedures and systems to ensure availability and security of Cardholder Data in the event of a disruption, disaster or failure of Service Provider's primary data systems.

e. Service Provider's and its successors' and assigns', compliance with the PCI Data Security Standard Requirements expressly survives termination or expiration of this Agreement.

f. Destruction of Cardholder Data must be completed in accordance with section 9 of the PCI- DSS.

70. Board of Supervisors Approval of Contract. This Agreement is subject to approval under San Francisco Charter Section 9.118, and no award of this contract by the Commission shall be final unless and until a resolution of the Board of Supervisors approving the contract becomes effective. Consistent with Section 9.118, adoption of such resolution remains in the sole and absolute discretion of the Board of Supervisors and the Mayor. Accordingly, once the parties reach agreement on the contract terms and the Commission approves the contract, the City's sole commitment regarding the proposed contract is to submit it to the Board of Supervisors, with a recommendation by City staff for approval. City staff has no obligation to advocate, promote or lobby any City official for approval of the contract. Any such advocacy, promotion or lobbying shall be done by Contractor at Contractor's sole cost and expense.

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

CITY	CONTRACTOR
AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	
By: <u>John L. Martin, Airport Director</u> <i>John L. Martin</i>	By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.
Attest:	I have read and understood paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.
By: <u>Jean Caramatti, Secretary</u> Airport Commission	<u>James A. Marcum</u> Authorized Signature
Resolution No: <u>12-0031</u>	<u>James A. Marcum</u> Printed Name
Adopted on: <u>Feb. 21, 2012</u>	<u>President & CEO</u> Title
Approved as to Form: Dennis J. Herrera City Attorney	<u>New South Parking - California</u> Company Name
By: <u>Melba Yee</u> Deputy City Attorney	<u>74231</u> City Vendor Number
	<u>2401 21st Avenue South</u> Address
	<u>Nashville, TN 37212</u> City, State, ZIP
	<u>(615) 297-4255</u> Telephone Number
	<u>62-0789510</u> Federal Employer ID Number
	<u>Henry J. Alford</u> Authorized Signature <i>SECRETARY</i>

Appendices

- A. Services to be provided by Contractor
- B. Calculation of Charges
- C. Parking Management Personnel
- D. Workforce Data
- E. Airport Worker Retention Policy
- F. Role of ACDBE Partner

Exhibits

- A. Map of the Airport Parking Facilities
- B. Schedule of Janitorial and Maintenance Services

Appendix A

Services to be provided by Contractor

A. Description of Services

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

The following are work tasks assumed necessary to manage and operate the Airport parking facilities:

1. Collect all public parking lot fees and charges, including the processing of credit card charges, Pay-On-Foot transactions, ParkFast and *FASTRAK*® as payment options in its public garages.
2. Use the City's Parking Access and Revenue Control Systems (PARCS) to maintain a database, provide reports, and generally manage the parking facilities.
3. Distribute employee permits and proximity cards, and collect all fees and charges associated with the Employee Parking program.
4. Provide maintenance of the facilities and janitorial services.
5. Provide security services.
6. Furnish all management, technical and administrative personnel required to perform these services and supervise and train these personnel as needed. All services furnished shall include the use of any appropriate subcontractor as may be needed.
7. Proposer shall provide services on the basis of reimbursable costs plus a Management Fee up to the Guaranteed Maximum Price. As guidance in determining allowable and allocable costs, the Airport has adopted the Cost Principles contained in Title 48 Code of Federal Regulations Part 31. These cost principles can be found at: <http://www.arnet.gov/far/current/html/FARTOCP31.html>. The Airport will reach agreement with the successful Proposer on the costs allowed and the method of allocating costs consistent with these principles.

1. GENERAL

The Airport has an inventory of 13,685 public parking spaces and 7,126 employee parking spaces available for use.

In addition to traditional hourly, daily and long-term public parking options, the Airport also offers a valet parking service called 'ParkVALET' and a frequent parker program called ParkFAST' at its Domestic Terminal Garage. The Airport also provides employee parking at the Domestic Terminal Garage, Lot C, Lot D, the SFO Business Center, Westfield Garage and Cargo Lots (Table 1). Names and titles of garages and lots are subject to change at Airport's sole discretion. The Contractor shall manage and operate all Public and Employee Parking Facilities as detailed in Table 1 and depicted in Exhibit A on behalf of the City. This includes the Domestic Terminal Garage, (including valet services, taxi, limousine, and some employee parking), the International Terminal Garages, (IT-A and IT-G), the Westfield Employee Parking Garage, SFO Business Center, Lot C and D, the Airport Impound Lot, Long-Term Parking and Air Cargo Lots.

All public parking facilities are fully integrated with voice/data connections for operations management, security, and revenue control with fully automated revenue collection technology including ticketless entry and exit options. Long-Term Parking, Lot D and the International Terminal Garages include the use of Pay-On-Foot (POF) machines.

1.1 Public Parking Facilities (See Exhibit A, Map of the Airport Parking Facilities)

Domestic Terminal Garage

The Domestic Terminal Garage is a multi-story structure adjacent to the Domestic Terminal buildings and has six thousand six hundred thirty-one (6,631) spaces used for covered valet, daily, hourly and prepaid public parking and airport employee parking. This parking structure has a special security requirement that limits the height of vehicles that may enter the garage. Infrared sensors at the main entry plaza are designed to disable the ticket dispensers if the infrared beam is interrupted.

International Terminal Garage A (IT-A)

International Terminal Garage A is a multi-story garage located adjacent to the International Terminal with one thousand five hundred eighty-five (1,585) spaces used for covered daily and hourly public parking. Pay of foot machines are located in the garage walkway from the International Terminal.

International Terminal Garage G (IT-G)

International Terminal Garage G is a multi-story garage located adjacent to the International Terminal and it has one thousand four hundred and five (1,405) spaces used for covered daily and hourly public parking. Pay of foot machines are located in the garage walkway from the International Terminal.

Long-Term Parking

The Long-Term Parking facility is a remote garage structure and surface lot that has a capacity of four thousand eight hundred thirty (4,830) parking spaces. Cashiers are not staffed at exit lanes serving this facility. Staff is located on the first floor of the garage in the cashier office to handle customer transactions. This garage also has Pay-on-Foot machines.

1.2 Employee Parking Facilities (See Exhibit A, Map of the Airport Parking Facilities)

Lot C

Lot C is a surface parking lot with four hundred eighteen (418) parking spaces used for employee parking.

Lot D

Lot D is a remote employee parking lot with three thousand two hundred eighty-three (3,283) parking spaces. This facility will also be used as an overflow public parking lot for Long Term Parking. Pay-on-foot equipment is available at the exit plaza for cash and credit transactions.

Westfield Employee Parking Garage

The Westfield Employee Parking Garage is a multi-story parking garage located in the Airport's cargo handling complex. It has one thousand seven hundred and twenty two (1,722) parking spaces and is used for employee parking.

SFO Business Center

Employee parking takes place at the SFO Business Center located at 575 McDonnell Road, which can accommodate one hundred sixty eight (168) employees.

1.3 Other Facilities

Air Cargo Lots

Some employee parking takes place at the following Air Cargo Lots: Northfield Cargo Building 1A, Plot 3, Plot 5, Plot 7, Plot 9, Plot 10 and Plot 11.

Airport Impound Lot

The Airport Impound Lot is currently located in Employee Lot D and holds approximately sixty, (60) spaces. This lot may be reconfigured or moved as necessary, at the sole discretion of the Airport.

1.4 Applicable Technology

License Plate Inventory (LPI)

License Plate Inventory (LPI) shall mean a manual collection of information from vehicle license plates in a parking facility for the purpose of verifying calculated parking fees for vehicles staying in the facility overnight.

License Plate Recognition (LPR)

License Plate Recognition (LPR) means the automatic capture, decoding, storing and matching of vehicle license images or data for the purpose of uniquely identifying vehicles and ensuring the proper calculation of parking fees.

Parking Access and Revenue Control System (PARCS)

PARCS consists of a centrally managed group of hardware and software components or devices connected in a networked environment for the purpose of controlling access to, and accounting for all revenues generated by parking garages at San Francisco International Airport. PARCS also includes the operation of a Space Capacity System.

Pay-On-Foot (POF)

Pay-On-Foot is a stand-alone walk-up payment terminal used by parking patrons to make payment electronically before arriving at the exit plaza. Payment may be tendered using validations, credit/debit cards, currency notes or combination thereof that would be processed by the POF device.

FasTrak®

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

Table 1: Public, Employee, and Other Parking Facilities

Public Parking	Spaces	Levels	Entry Lanes	Exit Lanes	Comments
Domestic Terminal Garage	5,634	5	7	16	- Credit/debit card processing - FasTrak® - 4,000 sq. ft. for office space
Valet Parking	126	4 th	1	1	
ParkFAST	105	4 th	1	2	
Taxi	N/A	1 st	2	4	- 50% of 1st floor, uses - Smart card technology
Employee	766	4 th	2	2	
International Terminal Garage A (IT-A)	1,585	9	8	6	- Credit/debit card processing - FasTrak® - Pay-On-Foot machines - 1,000 sq. ft. for office space
International Terminal Garage G (IT-G)	1,405	9	2	7	- Credit/debit card processing - FasTrak® - Pay-On-Foot machines

Public Parking	Spaces	Levels	Entry Lanes	Exit Lanes	Comments
					- 1,000 sq. ft. for office space
Long-Term Parking	4,830	7	4	5	- Credit/debit card processing - FasTrak® - Pay-On-Foot (POF) machines
Employee Parking					
Lot C	418	N/A	2	2	- Access-controlled entry
Lot D	3,283	N/A	3	5	- Access-controlled entry
Westfield Garage	1,722	8	2	2	- Access-controlled entry
Air Cargo Lots	769	N/A	X	X	- Seven designated lots
SFO Business Center	168	N/A	1	1	- Access-controlled entry
Airport Impound Lot	N/A	N/A			- In Lot D

The Airport reserves the right at its sole discretion, to modify the scope of services, to add or delete parking areas, change Parking Access and Revenue Control Systems (PARCS), construct additional parking structures and to change parking assignments. The Airport also reserves the right to modify the scope of services, to add or delete any or all of the services performed by subcontractors or unrelated third parties or required to be performed by subcontractors or unrelated third parties.

Additions to the scope of services will result in an equitable adjustment to the Guaranteed Maximum Price and an equitable adjustment to the Management Fee not to exceed the rate at which the Management Fee was applied to the Total Cost Base prior to the modification. The equitable adjustment to the Guaranteed Maximum Price and the Management Fee will be mutually agreed upon by Airport and Contractor based on the estimated actual additional costs to perform the increased scope of services. Where mutual agreement cannot be reached, Contractor will perform the additional services on a reimbursable cost basis up to 75% of the current Guaranteed Maximum Price and submit a proposal to increase the Guaranteed Maximum Price to complete the remaining services. The Management Fee will be adjusted based on actual costs incurred. Deletions from the scope of services will result in an equitable reduction to the Guaranteed Maximum Price; however no adjustment to the Management Fee will be made.

This Scope of Work is not intended to be an exhaustive description of the elements of such management and operation. Contractor shall be required to perform other duties necessary to the management and operation of the Facilities as directed by the Airport. The Airport prides itself in providing first class accommodations and services to the traveling public; therefore, Contractor shall manage and operate the Facilities in an effective, efficient, courteous, and accommodating manner at all times. Contractor shall retain qualified personnel who meet the Airport's staffing requirements as defined further in Section 2.5. Contractor shall use its utmost skill, diligence and professional care in operating the Facilities. Contractor shall establish and maintain an organizational structure satisfactory to the Airport Commission that clearly assigns authority, accountability and responsibility to its employees, subcontractors, and their employees, and provides for clear reporting relationships. The organizational structure must also provide for an adequate segregation of duties to ensure that Airport assets under the custody and control of the Contractor are properly safeguarded.

2. OPERATIONAL REQUIREMENTS

This section summarizes the key operational requirements to be performed by the Contractor under this Agreement.

2.1 Hours of Operation

All services shall be provided on a 24-hour, seven days per week basis, including holidays, unless otherwise directed by the Airport.

2.2 Revenue Cashiering, Collection, Auditing, Reporting, and Depositing; Cost Controls.

Contractor must take every reasonable action to enforce the collection of all fees, charges and assessments due to City from users of the Facilities. All revenues shall be accounted for on a daily basis, then reconciled and delivered to City on not less than a weekly basis into a designated City account. Revenue shall include cash, checks, and credit cards. All monies collected by the Contractor are the property of the Airport. Contractor has no economic interest in the revenues collected by Contractor, and shall hold all collected revenues in trust for the City. Contractor may not deposit said revenues into Contractor's own account, use the collected revenues to pay for expenses, or for any other purpose except to transfer the funds to City. All revenues collected by the Contractor are to be remitted to the Airport, without any deduction for fees, taxes or other expenses that may be eligible for reimbursement under the Agreement. Contractor will not be permitted to recover any such costs by unilaterally offsetting revenues due the Airport prior to remitting revenues to the Airport. Contractor shall strictly adhere to detailed revenue handling procedures for counting and transferring revenue as defined in its Procedures Manual. Such manual shall be submitted within 60 days of the contract commencement date and amended from time to time upon agreement of the parties without requiring an amendment to the Agreement.

Cash shortages are the responsibility of the Contractor and the Contractor may not withhold the amounts of cash shortages from the City. The Contractor will be fined \$250 per day for each \$1,000 in cash shortages not deposited in the City's account as prescribed in Section 62 of the Agreement. Additionally, any cash overage collected by the Contractor is the property of the City and must be deposited into the City's account and may not be used to reduce any cash shortages.

City reserves the right to audit all Contractor records related to the Agreement and Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under the Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from its 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 the Agreement, whether funded in whole or in part under the Agreement. Contractor will maintain all relevant data and records in an accessible location and condition for a period of not less than five years after final payment under the 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 the Agreement or in the Airport will have the same rights conferred upon City.

Reports to be provided by Contractor will be specified by the Airport and submitted as directed.

At a minimum, Contractor will maintain accurate revenue controls through:

- a. Obtaining the most advantageous credit card transaction processing rates and bank charges based upon a comparison of competitive market rates and verifiable evidence of such rates, or through bid or other competitive process. To ensure the Airport is receiving favorable rates the Contractor will perform this competitive evaluation process on a recurring basis of at least once per year. Credit/debit card processing clearinghouses utilized must be certified to interface with PARCS and be compliant with all federal and state regulations. The Commission reserves the right at its sole discretion to enter directly into a contract with credit card processing providers, with a 30-day cancellation notice to Contractor for providing such services.
- b. Reconciling revenues received with cashier receipts, Cashier Terminals and Computer Server for each shift.
- c. Reconciling collections to shift and daily receipts.

- d. Accurate, monthly tracking of “Exception” ticket transactions (Detail required in monthly report).
- e. Implementing specific steps to minimize fraud due to lost/stolen tickets (ticket swapping) and unauthorized exits from controlled parking areas.

Contractor shall implement cost controls by, among other actions:

- a. Comparing Actual Incurred Costs to the approved service plan and Annual Cost Proposal (Actual Incurred Costs less than the approved/amended Annual Cost Proposal).
- b. Implementing cost saving measures including new supply sources and labor efficiency strategies.
- c. Employing worker retention programs to maintain experienced technical and public service personnel.

2.3. License Plate Recognition (LPR) and License Plate Inventory (LPI)

Contractor shall conduct a precise inventory of all vehicles parked in the public parking areas of the Facilities using License Plate Recognition (LPR) technology. As backup to LPR, Contractor will, at times, need to use License Plate Inventory (LPI) technology. The LPI data is to be collected manually and entered into hand-held data entry computer units, and then downloaded into the Parking Access and Revenue Control System (PARCS) database. That database is essential to accurate fee calculations and fraud minimization.

LPR is also critical to maintaining positive revenue control as the Airport implements new parking products and customer service options, such as ticketless transaction processing in combination with credit card used at entry and exit. LPR functionality improves accountability by aiding in the processing of exception transactions. Contractor will on a routine basis reconcile data between LPR and LPI to assist with fraud control.

2.4. Staffing Requirements

Contractor must hire and maintain a sufficient number of qualified staff to meet operational needs and provide high customer service levels to ensure patrons wait no longer than five minutes in exit lanes. Staffing levels, to provide this high level of customer service, shall be reflected in the Contractor’s Procedures Manual for the current conditions.

For janitorial and security services, the Airport expects at a minimum, the same level of staffing that is currently being provided as shown in Appendix D.

Contractor must comply with (1) the City's Prevailing Rate of Wage and Displaced Worker Protection Ordinance, San Francisco Administrative Code Sec. 21C.3, and (2) Airport Commission Resolution No. 01-0205 titled: Worker Retention Policy Applicable to Certain Service Providers adopted June 19, 2001, hereinafter referred to as the Airport Worker Retention Policy (see Appendix E). Pursuant to these requirements, Contractor is required to pay a prevailing wage and retain the existing workforce for a 90-day transition period. See Appendix D regarding the existing workforce. To the extent there are any conflicts between the two requirements, Contractor shall comply with the provisions that afford greater worker protection.

The Airport may request the Contractor have an employee reassigned or removed at any time for improper activities including, but not limited to, embezzlement, poor customer service, or violating any section of the *Airport Rules and Regulations*.

All Contractor staff will be subject to background checks and must wear Airport-issued

ID badges for purposes of safety and security as further detailed in Section 2.6.

Throughout the duration of the contract, the assignment of the General Manager and Assistant General Manager shall be subject to the Airport's prior review and approval. The General Manager and Assistant General Manager shall be available onsite during normal shift hours and business days. The Manager and the Assistant Manager may have an overlapping shift, but shall not work entire shifts together. General Manager and Assistant General Manager shall not be off-site at the same time, including during the holidays, with the exception of simultaneous training, illness, and/or personal emergency.

The General Manager and Assistant General Manager will devote their full time to the performance of the Contractor's responsibilities as set forth below. The General Manager and Assistant General Manager will have regular communications and will attend meetings, as scheduled, with Airport staff to keep them fully informed of day-to-day operations. Key functions include but are not limited to:

1. Hire, supervise and terminate, as necessary, personnel to operate cashier booths and perform the required duties under this contract;
2. Provide supervisory personnel necessary to ensure efficient operation of the facilities, equipment, and staff, and maintain business offices; and maintain the license plate inventory.
3. The Contractor shall provide the Airport an advance copy of its training guide and curriculum and proposed schedule of training, and shall take into consideration and incorporate any changes and comments from the Airport.
4. Provide annual employee Customer Service training and submit to the Airport mandatory documented proof of the nature and completion of training.
5. Provide the necessary retraining when the nature of a position(s) changes, such as, but not limited to, retraining cashiers to be customer service ambassadors whose duties would include assisting customers and facilitating the customer's use of the various available payment options in the Facilities.
6. On its own initiative or in response to an Airport request, the Contractor may require an employee(s) to undergo remedial training more than once if the employee fails to possess, display and exercise the basic levels of knowledge as determined by the Airport-approved training guide. Any expenses incurred in this subsequent remedial training shall not be a reimbursable expense.
7. Provide holiday and peak period staffing proposals for Airport approval a minimum of 30 days in advance so that service levels are adequately maintained during these times. Provide additional staff as needed to direct and assist parking customers in the lots and garages during peak periods.
8. The Airport has the right to request that Contractor reassign or remove any employee at any time for improper activities or unsatisfactory performance, including but not limited to embezzlement, poor customer service, or violating any section of the Airport's Rules and Regulations.
9. Manage and coordinate all activities related to subcontractors, including the selection processes, contracting, deployment, and day-to-day management.
10. The Contractor shall obtain, maintain and replace (as-needed) office furniture, supplies and equipment. Management staff must obtain prior approval from Airport for any item or combination of items amounting to \$250.00 or more in any semi-monthly billing cycle. A written three-quote purchase policy shall be in effect for those major items identified by the Airport. If Contractor does not receive pre-authorization, the Airport will not reimburse these unapproved expenses.

2.4.1. Operations Supervisor

Contractor shall have a fully trained supervising employee on-duty available to employees and patrons at all times to:

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

2.4.2. Security Staff

In general, security staff shall provide: traffic control, walk and patrol the facilities, report abandoned or unsupervised packages or any other suspicious items, escort customers to their vehicles upon request and provide directions to customers.

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

Contractor must provide a safe and secure environment for all parking patrons. This includes, but is not limited to the following:

1. Guards shall be trained for security patrol, traffic control and appropriate response to possible hazards.
2. Guards shall be uniformed, badged and neat in appearance and shall comply at all times with the Airport Rules and Regulations.
3. Regularly monitor and patrol parking areas (on foot and by vehicle), monitor Closed Circuit Television (CCTV) cameras from security offices and immediately reporting suspicious activities to the proper authorities and management.
4. Manage the vehicular flow of taxicabs through their designated staging areas within the Domestic Terminal Garage.
5. Monitor and patrol designated terminal courtyards, which may involve monitoring and ensuring authorized use of loading docks by delivery vehicles.
6. For Employee Parking areas, security shall; admit only employees who have a valid parking permit to the facility; provide counts of available parking spaces; provide lists of overstayed vehicles; provide properly logged and reported incident reports of employee difficulties or any lawless behavior, and provide emergency response to any hazards.
7. Guards shall promptly admit all Airport vehicles and Airport employees entering facilities on business, logging such activity as required.

8. Security patrol employees must be physically fit to conduct walking patrols for an entire eight-hour shift.

2.4.3. Janitorial and Facility Maintenance Staff

In general, the Contractor shall maintain the Facilities in a clean and orderly fashion at all times on a schedule as shown on Exhibit B, Schedule of Janitorial and Maintenance Services. Contractor shall provide janitorial services to present an attractive appearance to the public and employees including: trash and debris removal in areas including, but not limited to all parking areas including elevator waiting areas; cleaning the interior and exterior of cashier booths, administrative offices and all signs and restrooms.

Pressure washing and floor scrubbing must be conducted in an environmentally- sound manner as approved by the Airport, which includes pickup, removal and sanctioned disposal of wastewater. The latter will involve use and maintenance of mechanized, driver-controlled floor scrubbing equipment. Contractor must possess the requisite experience in operating and maintaining such equipment.

The Contractor shall provide facility maintenance duties including, but not limited to the following:

1. Inspect the Facilities daily and monitor operation of all equipment and fixtures, reporting all unsafe conditions to the Airport.
2. Maintain and/or replace arms on traffic entry and exit lane gates, as described in the appropriate maintenance manuals and as authorized by the Airport.
3. Replace light bulbs and ballasts in lighting fixtures in the Facilities and maintain all fire alarm call boxes, extinguishers and hose boxes in proper working order.
4. Paint pedestrian areas such as elevator lobbies, stairwells, and tunnels, as required by the Airport.
5. Make regular reports to the Airport identifying the condition of facilities and recommendations for repair and improvements as needed.
6. Take necessary emergency action to protect the facilities, revenue and public safety.
7. Maintain all Airport-owned vehicles and equipment that it uses in the course of its operations in a state of good repair, in accordance with agreed upon maintenance standards. .
8. Take any necessary steps to remove graffiti within a period time not-to-exceed 24-hours after sighting or so requested. Take any necessary steps to minimize proliferation of floor stains within a period time not-to-exceed 24-hours after sighting or so requested.
9. Provide and adhere to scheduled cleaning cycles for garage floors and wall surfaces steam cleaning of high-traffic pedestrian areas and garage floors as determined by the Contractor and the Airport.
10. Keep all brochure racks fully stocked.

2.4.4 Affiliate Relationships

The Contractor will disclose to the Airport the names and relationships of all subcontractors and affiliates of the Contractor who have agreements to provide goods or services or to acquire goods or services from the Contractor pursuant to the Contractor's performance under this Agreement. As used herein, the word "affiliate" is defined as a person, business or other entity that Contractor, directly or indirectly and/or through one or more intermediaries,

controls or is controlled by, or is under common control with, the Contractor and/or who has a business relationship with the Contractor with respect to the Contractor's performance under this Agreement. As used herein the word "control" means the right and/or power, directly or indirectly and/or through one or more intermediaries, to direct or cause the direction of any part of the management and policies of a person, business or other entity through ownership of voting securities and/or by contract and/or otherwise.

2.5. Background Check

All Contractor employees must pass a background check through the Airport's Security Access Office prior to the employee being hired. Contractor will be reimbursed an amount equal to actual incurred costs only, to cover the actual costs of background checks for the first contract period and for each subsequent contract period.

2.6. Uniforms and Identification

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

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

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

2.7. Professional Services

Contractor shall provide professional advice to the Airport when requested regarding improving operational procedures, opportunities to achieve cost savings, parking and traffic control methods and technologies, parking facility improvements, customer services, and marketing and public information plans.

2.8. Valet Parking Operations

Using Airport-owned vehicles, Contractor shall fully staff and operate the Airport Valet- Parking Operation, which features pickup and drop-off service from/to all Terminal Curb-fronts. Valet service is currently offered 24-hours a day, seven days a week. Contractor may be requested to develop valet parking program improvements designed to enhance services and increase valet patronage.

2.9. Customer Service

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

Contractor shall:

1. Respond to service related complaints from customers and/or citations by Airport staff.
2. Respond to results of Annual Customer Survey managed by the Airport's Customer Service Department.
3. Respond to customer comment cards that are distributed in garage elevator lobbies or at cashier booths.
4. Provide frequent Customer Service training for cashiers and supervisors with a mandatory provisioning of a minimum of one training session per year.
5. Utilize employee retention programs to retain experienced, qualified staff with good track record of good customer service.
6. Monitor the demeanor of employees.
7. Monitor the appearance of employees to ensure appropriate uniforms in a clean and professional manner.
8. Utilize secret shopper to identify service successes and areas in need of improvement.

2.10. Airport Impound Lot

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

2.11. Employee Permit Parking Operations

Contractor shall manage and operate the Airport's employee parking program. This responsibility includes, but is not limited to: sale of permits as specified by the Airport, issuance of permit decals and access cards, company billings, revenue collection, accounting and deposits to City's designated bank account.

All Contractor employees will be assigned parking in facilities locations determined by the Airport.

2.12. Reporting

Contractor shall submit written reports as requested by the Airport. 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. Contractor will submit various operational and financial reports using Airport-approved templates, all of which must be in form and substance satisfactory to the Airport. Required reports include, but are not limited to the following: Weekly/weekend parking operations highlights; Monthly Financial/Operating Statements providing line-item detail of all revenues and expenditures and operational statistics, with commentary; Year-end Financial Statement; and Annual inventory

reported for all equipment and ticket stock as of June 30th of each year.

Contractor shall provide prompt and accurate reporting to Airport staff in accordance with Airport established deadlines.

2.13. Other Operational Requirements

Contractor shall operate the Facilities in a manner that does not conflict with the operational requirements of the Airport and that fully accommodates those requirements. Without limiting any other provision herein, Contractor shall not, without the prior written consent of the Airport:

1. Cause or permit anything to be done, in or about the Facilities, or bring or keep anything thereon, which might: a) increase in any way the rate of fire insurance on the Facilities or any of its contents; b) create a nuisance; and/or c) in any way obstruct or interfere with the rights of others in the Facilities or injure or annoy them;
2. Commit or suffer to be committed any waste in the Facilities;
3. Use or allow the Facilities to be used for any improper, immoral, unlawful or objectionable purpose;
4. Place any loads upon the floor, walls or ceiling which endanger the structure or obstruct the sidewalk, passageways, stairways or escalators, in front of, within, or adjacent to Facilities;
5. Distribute handbills or circulars to Airport patrons or to cars in the parking garages/lots, or engage in any other advertising in the Airport, except as approved by the Airport;
6. Engage in any activity on the Airport for the recruitment or solicitation of business; or
7. Do or permit to be done anything in any way tending to injure the reputation of the City or the appearance of the Airport. Contractor shall make no improvements, alterations, or construction to the Facilities without Airport's prior consent.

3. FIXTURES AND EQUIPMENT

All parking facilities, entry and exit lane fixtures, parking tickets, office and shop equipment, vehicles, and parking revenue control equipment belong to City. Any operating equipment, such as, calculators, two-way radios, computers and accessories, cell phones, supplies, furniture, and vehicles purchased or leased by Contractor for the purpose of performing its services under this Agreement, paid for wholly or in partly by City under the terms of this Agreement or otherwise, shall be subject to the prior approval of the Airport and shall be owned by the Airport and shall be returned to the City in good working order at the termination or end of the Agreement.

As part of Contractor's proposal to the City, Contractor will acquire two new "green" vehicles for use at the Airport for operational purposes, with the cost associated with the initial purchase borne by Contractor. At the expiration of the vehicle lease period, after final payment is made on the vehicles (estimated 54 months), ownership of the vehicles will transfer to the City.

Appendix B Calculation of Charges

Compensation for the services provided under this Agreement will be provided on the basis of reimbursable costs plus a Management Fee up to a Guaranteed Maximum Price (GMP). Contractor shall be reimbursed for the actual costs of direct labor, indirect labor, fringe benefits on labor, payroll additives, approved operating expenses, allocated general and administrative expense, and other direct costs, including the costs of outside and subcontracted services approved by the Airport in accordance with the Cost Proposal attached hereto and made apart of this Agreement, subject to the following conditions and restrictions.

The actual costs of indirect labor, fringe benefits on total labor, payroll additives, and general and administrative expenses shall be limited to an amount not to exceed sixty-five percent (65%) of direct labor costs. The total indirect costs, including the costs of indirect labor, fringe benefits on total labor, payroll additives, approved operating expenses and general and administrative expenses shall be further limited to an amount not to exceed one hundred and eighty-five percent (185%) of cost of direct labor. Operating expenses included in the 185% limitation are only the supplies and materials consumed in the daily operations and does not include outside services such as credit card transaction fees and subcontracts. The Contractor will be reimbursed for the following site-specific costs:

Direct Labor

Labor costs directly related to the day-to-day parking operation including cashiers, lead cashiers, and valet attendants.

Indirect Costs

Indirect Labor (management, administration and clerical staff)
Fringe Benefits on Total Labor (medical and dental, pension, paid time off)
Payroll Additives (payroll taxes and workers compensation insurance)
Operating Expenses (services and supplies)
General and Administrative Expenses (insurance coverage)

Other Direct Costs and Outside Services

Subcontracted Janitorial Services
Subcontracted Security Services
Credit Card Clearing House services
Other Services (equipment maintenance, equipment rental)

Management Fee

As proposed by Contractor for each year of the five (5) year term, and regardless of any increase in scope of services, the Management Fee shall at no time exceed an amount of 5% of the annual proposed sum of direct labor costs and total indirect costs.

The GMP means the maximum consideration payable to the contractor per year, including all reimbursable expenses plus the Management Fee. The first year GMP is outlined in the Cost Proposal, with annual adjustments to the GMP not to exceed a cap of 3% per year for each subsequent contract year.

For each year of the contract term, City shall pay Contractor a Management Fee as compensation for the services provided under the contract in excess of reimbursable costs. The Management Fee shall include all profit and all components of costs that are not otherwise eligible for reimbursement under the Agreement. The Management Fee shall be paid on a pro rata basis as shown on the Cost Proposal attached hereto. Other Direct Costs and Outside Services are not included in the Management Fee percentage calculation.

The GMP may not be exceeded without approval by the City and only for the purpose of increasing the scope of services. Adjustments to Contractor's Management Fee and GMP shall be made as described below.

If a contract modification for increased services is approved by the City, additions to the scope of services will result in an adjustment to the GMP and an adjustment to the Management Fee equal to the rate at which the Management Fee was applied to the Total Base Cost prior to the modification. The adjustment to the GMP and Management Fee will be mutually agreed upon by Airport and Contractor based on the estimated actual additional costs to perform the increased scope of services. The Management Fee will be adjusted based on actual allowable costs incurred.

Deletions from the scope of services will result in an equitable reduction to the Guaranteed Maximum Price; however no adjustment to the Management Fee will be made.

1. BASIS FOR REIMBURSEMENT OF CONTRACTOR DIRECT LABOR COSTS:

- A. The individual direct labor rates, exclusive of any burden or markups, shall be the actual salaries or wages paid for Direct Labor not to exceed the amounts set forth in the Cost Proposal attached hereto.
- B. Notwithstanding the above, at no time will any individual direct labor rate exceed \$50.00 per hour.
- C. Direct Labor costs are allowable only to the extent they do not exceed the amounts set forth in the attached Cost Proposal or by prior written approval by the Airport Director.
- D. The following Direct Labor costs are not allowable without the prior approval of the Airport.
 1. Premium costs incurred as a result of working overtime or holidays.
 2. Notwithstanding the foregoing, and subject to the prior written approval of the Airport Director, the Contractor may perform services on a lump sum or agreed upon price basis.

2. INDIRECT COST RATES

- A. Indirect Costs include, but are not limited to the following and these Indirect Costs may not be reimbursed as Direct Costs:
 1. All costs incurred in preparing, submitting and supporting any modifications (whether or not accepted by Airport);
 2. All costs of financial administration (including but not limited to establishing final rates, invoicing, reporting, budgeting, and auditing);
 3. All costs associated with direct labor fringe, including but not limited to employee compensated personal absence, payroll taxes and payroll additives.
 4. All costs associated with the costs of employee incentive compensation (including cash bonuses, suggestion awards, safety awards and other forms of incentive compensation) shall be allowable only as indirect costs. Furthermore, such costs shall be allowable only to the extent that they are paid or accrued:
 - a. under an agreement (in effect for twelve months prior to award of this Agreement) entered into in good faith between Contractor and the employees, or,

- b. pursuant to an established organization wide plan or policy followed by the Contractor (for twelve months prior to award of this Agreement) so consistently as to imply, in effect, an agreement for such incentive compensation.

In no event shall distribution of any profits be allowable as a form of incentive compensation.

- 5. All costs associated with providing insurance coverage as set forth in this Agreement other than those provided by the Airport.

B. The indirect cost rates applied to Contractor's Direct Labor shall not exceed the percentages identified for each year of the contract term as shown on the Cost Proposal, attached hereto.

C. The rate for Contractor's Indirect Costs, including Indirect Labor, and the rate for Indirect Labor, as set forth in the Cost Proposal, attached hereto, are provisional rates, subject to final determination and acceptance by the Airport, as described in Section 3 below.

D Indirect Cost rates shall not be applied to Other Direct Costs for either the Contractor or any of its subcontractors at any tier.

3. BASIS FOR INDIRECT COST REIMBURSEMENT:

- 1. Any payments to Contractor under this Agreement submitted prior to a final determination of the Indirect Cost rates will be recalculated if these provisional rates differ from the final rates, unless Airport Director and Contractor mutually agree that recalculation will not be required, in which case the provisional rates will be considered the final rates.
- 2. Contractor agrees to accept payment of these final rates as its total compensation for all overhead, general and administrative costs for performing all services.
- 3. The final approved rates shall be limited each fiscal year to actual costs incurred, not exceeding a rate of 185% of Direct Labor, as set forth in the Cost Proposal, attached hereto.
- 4. If the Airport and the Contractor cannot mutually agree on the final rates, then Contractor, at its sole expense, shall retain an independent third party auditor, mutually agreed to by both parties, to determine the final rates, subject to the terms of this Agreement.

4. MANAGEMENT FEE

A. Contractor's Management Fee shall be as follows:

- 1. For Contractor direct labor costs and all allowable indirect costs as applied to Contractor direct labor costs
 - a. A Management Fee for each year of the contract term as set forth in the Cost Proposal.

- b. Contractor and subcontractors at any tier shall receive no fee or cost reimbursement on any overhead/indirect costs in excess of the percentage identified for each year of the contract term as shown on the Cost Proposal, attached hereto.
 - 2. For the costs of subcontracts, Contractor and subcontractors at any tier shall receive no Management Fee.
 - 3. For Contractor ODCs:
 - a. There shall be no Management Fee allowed for Contractor ODCs.
- B. For Subcontractor services performed at any tier on a cost reimbursable basis, Subcontractor's management fee will be proposed and negotiated by Contractor or Subcontractor as a percentage of subcontractor's estimated Direct Labor Cost and associated Indirect Costs. On this basis, the management fee for Contractor's Subcontractors at any tier shall not exceed the following:
- 1. For Subcontractor direct labor costs and associated indirect costs:
 - a. For the first \$100,000 in Subcontractor's direct labor costs and associated indirect costs; a management fee not to exceed 7%.
 - b. for the next \$100,000 in Subcontractor direct labor costs and associated indirect costs; a management fee not to exceed 6%.
 - a. Thereafter; a management fee not to exceed 5%
 - d. There shall be no fee allowed for Subcontractor ODCs or lower tier subcontract costs.
- C. The determination of final Indirect Costs rates shall not result in any changes to the Management Fee.
5. BASIS FOR REIMBURSEMENT OF SUBCONTRACTED COSTS:
- A. The parties intend that Contractor obtain subcontracted services primarily on a cost reimbursable basis. For subcontractors performing services on a cost reimbursable basis:
 - 1. Contractor will be reimbursed for Subcontractor direct labor costs at any tier.
 - 2. Contractor will be reimbursed for Subcontractor other direct costs at any tier in conformance with the requirements of Section 6 below.
 - 3. Contractor will be reimbursed for Subcontractor indirect costs. Such reimbursement for subcontracted indirect costs at any tier shall be in conformance with the requirements of Section 3 above.
 - 4. Contractor will be reimbursed for Subcontractor management fee at any tier in conformance with the requirements of Section 4 above.
 - 5. Notwithstanding the above, Contractor will be reimbursed for Subcontracted Services, not to exceed the amounts set forth in the Cost Proposal, attached hereto and the Guaranteed Maximum Price.

- B. Subject to approval by the Airport Director, Contractor may subcontract services on a 'time and material' basis when the following conditions have been met:
1. Contractor has identified at least three subcontractors for any specific services to be performed on this basis or if this is not possible, then Contractor has furnished a written justification acceptable to Airport Director or his or her designee, as to why the recommended subcontractor represents the most advantageous offer to the Airport, considering qualifications, cost or price factors as may be appropriate.
 2. Total compensation for subcontractor labor will not, in aggregate, exceed \$100,000 per contract year.
- C. As used herein the term 'time and material' is defined as a subcontract that provides for acquiring supplies or services. Services shall be reimbursed on the basis of direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit. To the extent materials and/or supplies are required they will be reimbursed at direct cost only with no overhead, profit or fee allowed.
- Subcontractor(s) time and material rates are allowable only to the extent that any individual rate complies with the following requirements:
1. Total reimbursement per individual, per day does not exceed eight hours or eight times the approved rate and forty hours in one week;
 2. For services performed on a time and material basis, the following costs shall be allowable only to the extent that they are a part of the overhead portion of the subcontractor's labor rate:
 - a. All subcontractor costs including, but not limited to subcontractor labor, associated with automobile travel within a 100 mile radius of the Airport's Administrative Offices at San Francisco International Airport.
 - b. All subcontractor costs associated with providing insurance as set forth in this Agreement in Section 15 other than Commission furnished coverages.
- D. Notwithstanding the above, and subject to approval by the Airport Director, the Contractor or subcontractors may perform services on a lump sum or price basis agreed upon in advance by the parties.
- E. In the event the Airport Director gives approval for specific subcontractor services pursuant to the above Sections 5.B. and C., Contractor shall thereafter be obligated, under this Agreement, to obtain such subcontractor services accordingly.

6. BASIS FOR REIMBURSEMENT OF OTHER DIRECT COSTS:

- A. Contractor will not be reimbursed for Other Direct Costs unless otherwise authorized in advance by the Airport Director.
- B. Only ODC in excess of \$25 shall be eligible for reimbursement.
- C. The following ODCs are not allowable without the prior written approval of the Airport Director:

1. Relocation, travel and/or subsistence related to travel into or out of the area, or where Airport offices are located.
2. Tuition for training, seminars, technical associations meetings, or other similar events.
3. Cost of any equipment, tools, or vehicles hired, leased or purchased for the performance of Services. Provided such costs are allowed with the prior written approval of the Airport Director or his or her designee, the depreciated value of such items purchased by Contractor shall be credited to Airport at the completion of the work hereunder.

7. APPLICABILITY

- A. Nothing herein shall be construed to prejudice, waive, or in any other way affect any rights of the Airport under the provisions of this Agreement.
- B. The rates set forth in this Agreement are applicable to all modifications under this Agreement, pending final determination of such rates for Contractor subject to approval by the Airport Director.
- C. Contractor shall submit an Annual Task Order Proposal of Summary of Costs and ACDBE and small business participation, including a separate schedule for each proposed subcontractor, pursuant to this Agreement.
- D. Contractor shall submit Invoice Backup Data, in sufficient detail to support the charges billed, with all invoices submitted by Contractor pursuant to this Agreement.

COST PROPOSAL FORM

Budget Line Item	LINE	Annual Costs Year 1
Direct Labor Costs		
Cashiers	1	\$ 2,294,592
Supervisors	2	\$ 1,164,530
Valet Attendants	3	\$ 413,617
Total Direct Labor Costs (Line 1 through Line 3)	4	\$ 3,872,739
Indirect Costs		
Fringe Benefits on Direct Labor		
Health and Welfare	5	\$ 1,084,837
Pension	6	\$ 429,873
401K	7	\$ 52,666
Other (provide details)	8	\$ -
Total Fringe Benefits on Direct Labor (Line 5 through Line 8)	9	\$ 1,567,376
Fringe Benefits % of Direct Labor (Line 9 divided by Line 4)	10	40.5%
Indirect Labor (On-site)		
General Manager	11	\$ 150,000
Assistant Managers/Supervisors	12	\$ 375,639
Office/Administrative Staffs	13	\$ 285,199
Customer Service/Audit Clerks	14	\$ 314,211
Maintenance Engineers	15	\$ 277,771
Equipment Technicians	16	\$ 66,560
Paid Time Off-Direct Personnel	17	\$ 557,506
Other (provide details)	18	\$ 1,500
Total Indirect Labor (Line 11 through Line 18)	19	\$ 2,028,386
Indirect Labor (On-Site) % of Direct Labor (not to exceed 65%) (Line 19 divided by Line 4)	20	52.4%
Fringe Benefits on Indirect Labor (On-site)		
Health and Welfare	21	\$ 257,251
Pension	22	\$ 99,193
401K	23	\$ 21,667
Other (provide details)	24	\$ 1,065
Total Fringe Benefits on Indirect Labor (Line 21 through Line 24)	25	\$ 379,176
Payroll Additives		
Payroll Taxes	26	\$ 805,299
Worker's Compensation	27	\$ 530,966
General Liability	28	\$ -
Other (provide details)	29	\$ -
Total Payroll Additives (Line 26 through Line 29)	30	\$ 1,336,265
Operating Expenses		
Advertising	31	\$ -
Auto Expenses	32	\$ 109,551
Bank Charges	33	\$ 19,200
Computer Maintenance	34	\$ 21,198
Laundry and Uniforms	35	\$ 43,318
Office Supplies	36	\$ 35,587
Recruiting and Training	37	\$ 1,342
Refunds and Fee Adjustments	38	\$ 30,341

ATTACHMENT B-1

Budget Line Item	LINE	Annual Costs Year 1
Repairs & Maintenance	39	\$ 37,224
Revenue Control Tickets and Forms	40	\$ 117,520
Small Tools & Supplies	41	\$ 1,664
Telephone/Communications	42	\$ 5,757
Other (provide details)	43	\$ 140,763
Total Operating Expenses (Line 31 through Line 43)	44	\$ 563,465
General and Administrative Expenses (Provide details, including allocation methodologies)		
Garage Keepers Legal Liability Insurance	45	\$ 33,748
Burglary & Robber Insurance	46	\$ 8,437
General Commercial & Auto Liability Insurance	47	\$ 63,278
Other (Provide Details)	48	\$ -
Total General and Administrative Expenses (Line 45 through Line 48)	49	\$ 105,463
Total Indirect Costs		
Total Fringe Benefits on Direct Labor (Line 9)	50	\$ 1,567,376
Total Indirect Labor (Line 19)	51	\$ 2,028,386
Total Fringe Benefits on Indirect Labor (Line 25)	52	\$ 379,176
Total Payroll Additives (Line 30)	53	\$ 1,336,265
Total Operating Expenses (Line 44)	54	\$ 563,465
Total General and Administrative Expenses (Line 49)	55	\$ 105,463
Total Indirect Costs (Line 50 through Line 55)	56	\$ 5,980,131
Indirect Costs (On-site) % of Direct Labor (not to exceed 185%) (Line 56 divided by Line 4)	57	154.4%
Base Costs for Fee Proposal:		
Total Direct Labor (Line 4)	58	\$ 3,872,739
Total Indirect Costs (Line 56)	59	\$ 5,980,131
Total Base Cost for Fee Proposal (Line 58 + Line 59)	60	\$ 9,852,870
Fee (Contract Year 1)	61	\$ 99,000
Fee as a Percentage of Total Base Cost (not to exceed 5%) (Line 61 divided by Line 60)	62	1.0%
Sub-contracted Services (provide details)		
Janitorial Services	63	\$ 2,399,087
Contract Services	64	\$ 525,740
Security and Traffic Control	65	\$ 3,616,035
Credit Card Merchant Fees	66	\$ 1,583,653
Other	67	\$ -
Total Sub-contracted Services (Line 63 through Line 67)	68	\$ 8,124,515
Estimated Annual Costs		
Total Base Cost for Fee Proposal (Line 60)	69	\$ 9,852,870
Total Sub-contracted Services (Line 68)	70	\$ 8,124,515
Total Estimated Annual Costs (Line 69 + Line 70)	71	\$ 17,977,385
Contract Price		
Fee (Line 61)	72	\$ 99,000
Total Estimated Annual Costs (Line 71)	73	\$ 17,977,385
Guaranteed Maximum Price (Year 1) (Line 72 + Line 73)	74	\$ 18,076,385

ATTACHMENT B-1

Budget Line Item	LINE	Annual Costs Year 1
MANAGEMENT FEE FOR THE FIVE-YEAR TERM		
YEAR 1 <i>(Same as Line 61)</i>		<u>\$ 99,000.00</u>
YEAR 2		<u>\$ 99,000.00</u>
YEAR 3		<u>\$ 99,000.00</u>
YEAR 4		<u>\$ 99,000.00</u>
YEAR 5		<u>\$ 99,000.00</u>
TOTAL MANAGEMENT FEE		\$ 495,000.00

Appendix C

PARKING MANAGEMENT PERSONNEL

New South Parking – Key Management Personnel:

General Manager

Jason Finch

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

Assistant General Manager

Joy Riddle

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

Appendix D

Current Workforce Data (as of November 2011)

Direct Labor

Position	Hourly Salary Rate ⁽¹⁾			Position Count ⁽²⁾	Hours	
	12/1 2010	12/1 2011	12/1 2012		Weekly	Annual
Cashier ⁽³⁾	\$ 22.32	\$ 23.04	n/a	66	1,808	94,016
Inventory Checker	\$ 22.32	\$ 23.04	n/a	5	168	8,736
Senior Lead	\$ 27.90	\$ 28.80	n/a	2	80	4,160
Lead	\$ 26.23	\$ 27.07	n/a	18	704	36,608
Valet Attendant	\$ 22.32	\$ 23.04	n/a	8	336	17,472
				99	3,096	160,992

In-Direct Labor

Position	Position Count	Hours	
		Weekly	Annual
General Manager	1	40	2,080
Assistant General Manager	1	40	2,080
Ops Mgr	1	40	2,080
Ops Mgr - EE Parking	1	40	2,080
HR Manager	1	40	2,080
Security Manager	1	40	2,080
Accounting Mgr	1	40	2,080
Assist Manager - EE	1	40	2,080
Assistant Fiscal Officer	1	40	2,080
Accounting Supervisor	1	40	2,080
Parking Supervisor Auditor	1	40	2,080
HR Assistant	1	40	2,080
LPI Lead	1	40	2,080
Lien Lead	0.40	16	832
Maintenance Engineers ⁽⁶⁾			
Chief Stationary Eng	1	40	2,080
Stationary Engineer	1	40	2,080
Stationary Engineer	1	40	2,080
PT Stationary Engineer	1	40	500
Office Clerk / Reliever Clerk	7.60	216	11,232
	25	912	45,844

Janitorial Sub-Contract

Position	Hourly Salary Rate ⁽⁴⁾		Position Count	Hours	
	4/1 2011	4/1 2012		Weekly	Annual
Probationary Custodians	\$ 11.35	\$ 11.75	2	40	2,080
Custodian (less than 8 yrs)	\$ 13.20	\$ 13.66	14	560	29,120
Custodian	\$ 13.90	\$ 14.39	16	600	31,200
LTP Custodian	\$ 14.20	\$ 14.70	1	40	2,080
Day Shift Lead Custodian	\$ 16.94	\$ 17.53	1	40	2,080
Graveyard Lead Custodian	\$ 16.94	\$ 17.53	1	40	2,080
Swing Shift Senior Supervisor	\$ 20.80	\$ 21.53	1	40	2,080
Utility Waxer	\$ 15.10	\$ 15.63	3	120	6,240
Machine Operator	\$ 15.10	\$ 15.63	3	160	8,320
			42	1,640	85,280

Security Sub-Contract

Position	Hourly Salary Rate ⁽⁵⁾		Position Count	Hours	
	1/3 2011	1/1 2012		Weekly	Annual
Guard	\$ 13.10	\$ 13.10	57	2,016	104,832
Dispatchers	\$ 14.10	\$ 14.10	5	168	8,736
Sgts.	\$ 14.10	\$ 14.10	4	168	8,736
Lieutenant	\$ 15.60	\$ 15.60	1	40	2,080
Captain	\$ 16.60	\$ 16.60	2	80	4,160
			69	2,472	128,544

(1) Source: Teamsters Local #665 Union Contract ending 11/30/2012

(2) Includes PT, FT and on-call positions

(3) Includes on call cashiers and ambassadors

(4) Source: Service Employees Union Local 1877 contract ending 3/31/2013

(5) Source: Teamsters Automotive Workers Local Union 665 Union Contract ending 1/2/2015

(6) Source: International Union of Operating Engineers Local 39 ending 6/30/2013

Appendix E

WORKER RETENTION POLICY

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01- 0205

RESOLUTION APPROVING A WORKER RETENTION POLICY
APPLICABLE TO CERTAIN AIRPORT OPERATIONS

- WHEREAS, the San Francisco International Airport ("Airport") is a separate enterprise department of the City and County of San Francisco ("the City"); and
- WHEREAS, the Airport Commission ("the Commission") has charge of the construction, management, supervision, maintenance, extension, operation, use and control of all property, as well as the real, personal and financial assets which are under the Commission's jurisdiction; and
- WHEREAS, the Commission has a strong proprietary interest in promoting efficient business operations at the Airport; and
- WHEREAS, the Commission finds that the continuity of the employment of employees performing certain business operations at the Airport contributes to the efficiency of business operations at the Airport resulting from such employees' Airport experience; now therefore, be it
- RESOLVED, this Commission hereby adopts the attached worker retention policy and authorizes the Airport Director to implement the policy.

WORKER RETENTION POLICY APPLICABLE
TO CERTAIN SERVICE PROVIDERS

Retention of Employees of Third Party Covered Employers when a Successor Contract is Awarded

When a Services Provider contract for parking garage and curbside management operations, the information booths and/or services by third party service providers subject to the Airport's Quality Standards Program, not including airlines, has been terminated or has ended, any person continuously employed as a service employee of the contractor or subcontractor for six months or more for 16 or more hours per week and whose primary place of employment is at the San Francisco International Airport shall be retained in his/her employment at the Airport by the successor contractor or subcontractor for a 90-day trial employment period.

The term "employee" does not include a person who is (1) a managerial, supervisory or confidential employee, including those who would be so defined under the Fair Labor Standards Act; or (2) does not meet any applicable quality standards specified in the Quality Standards Program; or (3) is employed less than sixteen hours per week.

A "successor service contract" means a service contract where the services to be performed have previously been rendered under another substantially similar services contract that recently has been terminated or has ended.

Required Employee Information

Where a service contract subject to this regulation has been terminated or ended, or where a service contractor has given notice of such termination, the service contractor shall, within ten (10) days of giving or receiving such notice, provide to the successor contractor and to the Airport Employment Center, the name, date of hire, and employment occupation classification of each such employee employed at the Airport covered by the prospective contractor at the time of contract termination. This requirement shall also apply to the subcontractors of the terminated contractor.

If the terminated contractor has not learned the identity of the successor contractor, if any, by the time that notice was given of the contract termination, the terminated contractor shall obtain such information from the Airport. If a successor service contract has not been awarded by the end of the ten (10) day period, the employment information referred to earlier shall be provided to the Airport at such time.

Successor Contractor's Obligation to Retain the Employees of the Contractor Whose Services Contract has been Terminated or has Ended

A successor contractor shall retain, for a 90-day trial employment period, the employees of the predecessor contractor, as defined above.

During such trial period, a successor contractor or subcontractor, where applicable, shall evaluate each employee retained pursuant to this policy. If the employee's performance during such period is satisfactory, the successor contractor or subcontractor shall offer the employee

continued employment under the terms and conditions established by the successor contractor or subcontractor or as required by the Airport's Quality Standards Program. If the employee's performance is determined to be unsatisfactory, in the opinion of the successor contractor or subcontractor, such employee may be released from employment and shall be referred to the Airport Employment Center.

If at any time a successor contractor determines that fewer employees are required to perform the new service contract than were required by the former contractor and/or subcontractor, if any, the successor contractor shall retain the predecessor contractor's employees by seniority within job classification. During the trial employment period, the successor contractor shall maintain a preferential hiring list of eligible covered employees not retained by the successor contractor or subcontractor from which the successor contractor or subcontractor shall hire additional employees.

Notwithstanding the requirements referred to herein, a successor contractor or subcontractor may otherwise replace an employee required to be retained pursuant to this policy with a person already actually employed by the successor contractor or subcontractor continuously for six months prior to the commencement of the successor service contract or subcontract in a capacity similar to that proposed under the successor service contract or subcontract if the successor contractor's or subcontractor's employee would otherwise be laid off work as a result of the award of the successor contract.

All contracts subject to this policy shall include a provision in which the contractor agrees to require subcontractors to comply with the obligations imposed by the worker retention program.

All disputes over interpretation or application of the worker retention regulations set forth herein shall be submitted to expedited binding arbitration in accordance with the American Arbitration Association Labor Arbitration Rules including its Expedited Labor Arbitration procedures. Costs incurred in connection with any such arbitration shall be borne equally by the contractor/subcontractor and affected employee(s) and/or the pertinent labor organization, if any.

Appendix F

ROLE OF ACDBE PARTNER: GLOBAL PARKING SYSTEMS

New South Parking – California (NSP) is a partnership between Central Parking System, Inc, and Global Parking Systems LLC. NSP will conduct monthly Partnership meetings where attendance is recorded, minutes are taken and votes on outstanding issues are conducted and recorded in the minutes.

As a general partner, and as expressly set forth in the NSP General Partnership Agreement, Global Parking will be responsible for 30% of all liabilities of NSP, which would include (among other obligations) 30% of all operational costs at the Airport. As a general partner, Global will receive 30% of NSP's net profits, or shall be responsible for 30% of NSP's losses.

In addition to fully sharing the NSP's management, profits and losses, Global Parking management will have a substantial and active role in the day-to-day operations of the Public and Employee Parking Facilities at the Airport.

Global, through Mr. Ronald Burns, is responsible for the accounting and financial oversight functions at the Airport. Global, through Mr. Burns, will select the Accounting Manager and Mr. Burns personally will oversee the audit functions for the SFO operations. The Accounting Manager's responsibilities, under Mr. Burns' supervision, will include auditing and financial oversight of the janitorial and security subcontractors.

In addition to being supervised by Mr. Burns, the Accounting Manager will also have direct reporting responsibilities to NSP's General Manger. Before NSP submits final accounting reports to the Airport, the reports will be reviewed by NSP's General Manager, Mr. Burns and the Accounting Manager.

All employees on-site will be part of the New South Parking team and will be employed and paid by NSP.

Exhibit A
Map of Parking Facilities

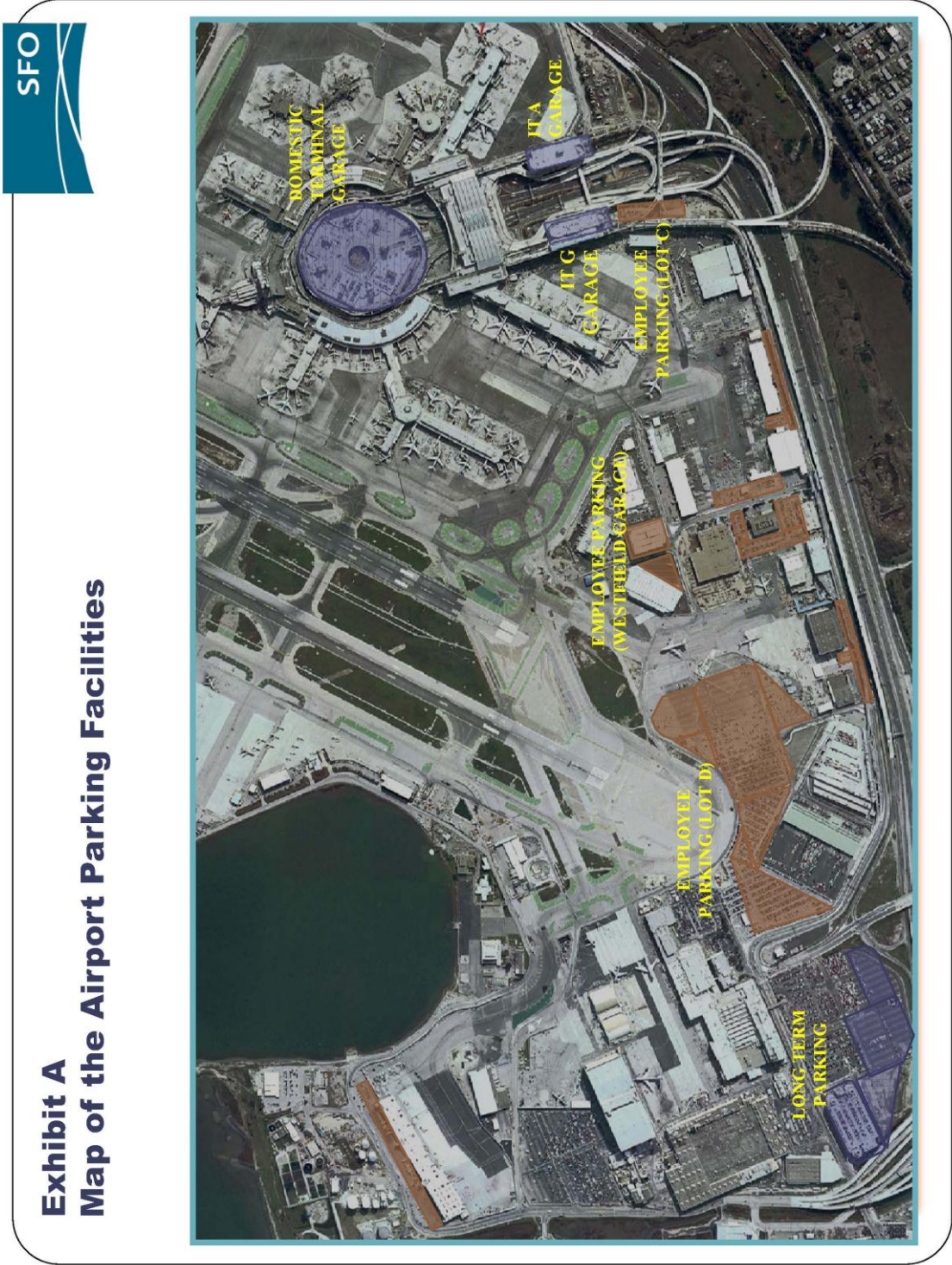


Exhibit B

Schedule of Janitorial and Maintenance Services

1. **ADMINISTRATIVE OFFICES, INCLUDES:**
 - A) CUSTOMER SERVICE AREAS, SUPERVISORS OFFICE, MANAGEMENT OFFICE, GENERAL MANAGER'S OFFICE, HUMAN RESOURCES, ACCOUNTING DEPT.
 - B) MAINTENANCE SHOP
 - C) EQUIPMENT & COMPUTER SHOP

2. **COMMON AREAS:**
 - A) MEN'S RESTROOM & LOCKER ROOM
 - B) WOMEN'S RESTROOM & LOCKER ROOM
 - C) KITCHEN/CAFETERIA AREAS
 - D) COMMON AREA LOBBY & ELEVATOR

3. **DOMESTIC PARKING GARAGE (INCLUDES PERMIT PARKING, VALET PARKING & EXIT STAIRWELLS).**

LONG TERM PARKING GARAGE - LOT DD

INTERNATIONAL PARKING GARAGE A (IT-A)

INTERNATIONAL PARKING GARAGE G (IT-G)

EMPLOYEE GARAGE; LOTS C & D

4. **ELEVATOR LOBBIES A THROUGH G, PEDESTRIAN TUNNELS AND PEOPLE MOVERS.**

CORE (A)	1st to 5th floor
CORE (B)	1st to 5th floor
CORE (C)	1st to 5th floor
CORE (D)	1st to 5th floor
CORE (E)	1st to 6th floor
CORE (F)	1st to 6th floor
CORE (G)	1st to 5th floor

5. **ENGINEERING OFFICES LEVEL 2, BOILER ROOM, CENTRAL PLANT AND ENGINEERING OFFICE TUNNEL**

6. **TAXI CAB LOTS (MAIN LOT, OVERFLOW LOTS SECTIONS A & G)**
 - A. RESTROOMS
 - B. DISPATCHERS OFFICE
 - C. EXIT BOOTHS (2)

PARKING ADMINISTRATIVE OFFICES

- A. **DAILY SERVICES (Monday through Sunday)**
 1. Gather all waste paper and place for disposal in dumpster located on level four
 2. Sweep and/ or dust mop all tile floors.

3. Spot clean or damp mop all stains on tile floors as needed.
4. Vacuum all carpeted areas.
5. Spot minor stains on carpets, as needed.
6. Dust/ wipe desks, chairs, tables, file cabinets, counter tops, telephones and other flat surfaces within reach.
7. Remove fingerprints from doors, walls and partition glass.
8. Spot clean coffee stains, etc. from desk tops.
9. Wash all drinking fountains or water coolers.
10. Close all drapes or blinds as directed.
11. Properly arrange chairs in offices.
12. Turn off all lights, leaving only designated lights on.
13. Secure all doors as directed.
14. Keep janitor closet clean and orderly at all times.

B. WEEKLY SERVICE

1. Remove fingerprints from woodwork, walls, and partitions.
2. Dust all picture frames and chair rugs.

C. MONTHLY SERVICE

1. Polish or clean door kick plates and thresholds.
2. Dust all door jambs.
3. Dust all high partitions, ledges and wall mounted objects.
4. Clean and refinish all resilient floors with a slip retardant floor finish.
5. Dust all Venetian blinds.
6. Dust or vacuum all office return air vents.

LUNCH ROOM AND KITCHEN AREA LEVEL #3

A. DAILY SERVICE (Monday through Sunday)

1. Remove trash and place for disposal.
2. Wipe tables, chairs and counter tops.
3. Wash kitchen sink.
4. Wipe coffee maker & wash coffee pots.
5. Wipe front of microwave oven and refrigerator.
6. Dust and wipe vending machines as needed.
7. Mop tile floor daily.

B. WEEKLY SERVICE

1. Spot clean doors and walls.
2. Wipe exterior of trash container.
3. Spray buff vinyl floor (Level #3 only).
4. Dust vending machines.

C. BI-WEEKLY

1. Wash interior of refrigerator and microwave oven.

D. MONTHLY SERVICE

1. Scrub and refinish vinyl floors.

E. QUARTERLY SERVICE

1. Strip flooring and refinish with slip resistant finish.

ADMINISTRATIVE OFFICE, RESTROOMS AND LOCKER ROOMS

A. DAILY SERVICE (Monday through Sunday)

1. Clean and sanitize all urinals, commodes and wash basins to include all chrome fittings and bright work.
2. Clean mirrors and frames.
3. Wet mop floors.
4. Dust ledges and tops of partitions.
5. Spot clean walls, doors and partitions.
6. Fill all dispensers from stock.
7. Empty and remove all trash from containers, clean exteriors of containers.
8. Report any fixtures not working properly.
9. Report any light fixtures burnt out.
10. Police restroom areas day & swing shifts. Grave crew detail cleans all rooms.

B. WEEKLY SERVICE

1. Empty, remove and sanitize all feminine napkin disposal units.
2. Spray buff tile in rest room and locker room areas.

C. MONTHLY SERVICE

1. Clean and/ or polish all door kick plates and thresholds.
2. Dust all door jambs.
3. Thoroughly machine scrub all floors (apply non-slip sealer)

D. QUARTERLY SERVICE

1. Wash all restroom walls and metal partitions.
2. Strip & reseal flooring.

PARKING AREAS, INCLUDING PERMIT AND VALET PARKING

A. DAILY SERVICE (Monday through Sunday)

1. Sweep garage areas 1st through 5th levels daily and clean lanes near cashier booths.
2. Pick up all boxes and miscellaneous debris.
3. Clean cashier booths, empty trash and dust counter space.
4. Spot clean window glass of cashier booths.
5. Clean entrance and exit gates of all lanes.
6. Clean ticket machines and remove all papers and debris in the area.
7. Deposit absorbent on oil and gas spills.
8. Degrease heavily oiled spots in garage as necessary.
9. Clean and deodorize corners of all cores A to G.
10. Remove gum from entrances and elevator lobbies.
11. Sweep, mop and sanitize those areas of Level #1 (taxi area) which emanate the odor of urine (most corners).

B. WEEKLY

1. Detail clean dumpster sites on Level #4.
2. Dust black grilles to lobby entrances

C. UPON REQUEST & AUTHORIZATION

1. Steam clean taxi eating area and overflow lot.
2. Steam clean cashier exit lanes.

LONG TERM AND EMPLOYEE PARKING GARAGES
(INCLUDES RESTROOMS, LUNCH ROOM, CASHIER BOOTHS AND BUS SHELTERS)

A. DAILY SERVICE (Monday through Sunday)

1. Clean cashier booths, empty trash, dust counter tops, spot clean glass.
2. Clean cashier lanes, clean entrance and exit gates.
3. Clean lunch room area, empty trash; wipe tables and chairs, spot clean doors and walls (Trailer).
4. Use truck to pick up all miscellaneous debris left in the lot.
5. Remove all papers and debris blown into the fenced area. Remove weeds from fences area as needed.
6. Sweep pavement as needed.
7. Bus shelters: Empty all trash containers, spot clean glass and remove all debris inside bus shelters.

B. DAILY SERVICE - RESTROOMS (Monday through Sunday)

1. Empty all trash containers and clean exterior.
2. Clean and sanitize toilets & wash basins.
3. Clean mirrors & frames.
4. Mop floors with germicide cleaner.
5. Spot clean walls, doors as needed.
6. Fill all dispensers from stock.
7. Report any fixtures not working properly, including burnt out lights.
8. Police restrooms day & swing shift. Grave shift service as needed.
9. Fill water tanks for restrooms when Port-O-Let personnel forget to complete their services.

C. WEEKLY SERVICE

1. Wash and clean interior and exterior of airport truck and valet van.

DOMESTIC PARKING GARAGE

ELEVATOR CORES "A" THROUGH "G"

A. DAILY SERVICE (Monday through Sunday)

1. Empty trash containers. Replace liners as needed.
2. Dust mop and wet mop lobby tile nightly. Spot clean as needed throughout the day.
3. Clean and polish public telephone center.
4. Remove graffiti and spillage from all doors and walls daily.
5. Clean and shine drinking fountains.
6. Sift cigarette debris and litter from sand urns. Replace sand as needed.
7. Report burned out lights, broken tiles and sand urns, or otherwise non-functioning fixtures to supervisor.
8. Remove gum from all entrance areas daily.
9. All tunnels, pick up trash, mop as needed, spot clean throughout the day.
10. Wipe/polish stainless steel on people movers. Spot clean glass on people movers daily.
11. Thoroughly clean glass as needed.

B. WEEKLY SERVICES

1. Dust all door jambs (includes front and back of doors)
2. Buff all lobby tile floors as designated nightly by supervisor until all lobbies have been completed.
3. Dust black air grills outside of each elevator core "A" through "G".

C. QUARTERLY SERVICES

1. Thoroughly scrub and refinish all resilient floors with a slip retardant floor finish.
2. Thoroughly scrub stairways.
3. Dust elevator lobby air vents.

ELEVATOR CABS

A. DAILY SERVICE (Monday through Sunday)

1. Dust all walls and ceilings.
2. Dry mop interior elevator flooring.
3. Shine metal doors and walls.
4. Spot clean all elevator saddles.
5. Remove all gum and graffiti from interior cabs.
6. Report burnt out light fixtures.

B. WEEKLY SERVICES

1. Steel wool and vacuum all saddles.

TAXI LOTS (MAIN LOT, 2 OVERFLOW LOTS)

A. DAILY SERVICES (Monday through Sunday)

1. Empty trash in dispatcher's office.
2. Empty trash from all containers in the taxi holding areas.
3. Deposit trash on Level #4.
4. Restock all supply cabinets for taxi servicing.
5. Remove all boxes, trash and debris left by catering truck.
6. Hand sweep all interior and exterior taxi lots.

B. DAILY SERVICES (RESTROOMS) (Monday through Sunday)

1. Clean and sanitize all urinals, commodes & wash basins.
2. Shine chrome fittings and bright work.
3. Clean mirror & frames.
4. Wet mop floors with germicide cleaner.
5. Spot clean walls, doors and partitions.
6. Fill all dispensers from stock.
7. Empty all trash containers, clean exteriors of containers.
8. Report any fixtures not working properly.
9. Police restrooms areas day and swing shifts. Grave crew detail clean all restrooms.

STAIRWELLS

A. DAILY SERVICE (Monday through Friday)

1. Remove all debris; wipe graffiti from walls and doors.
2. Sweep stairwells as needed.
3. Mop stairwells and deodorize as needed. Leave doors open to ventilate.
4. Close all doors by the end of the shift. (Exit stairwells only)

NOTATION:

HOSING OF STAIRWELLS IS PROVIDED BY SPECIAL CREWS WHO ARE AUTHORIZED TO CLOSE ALL DRAINS AND UTILIZE WET VACUUM EQUIPMENT FOLLOWING PROCEDURES TO LIMIT WATER RUN-OFF INTO THE BAY

UTILITY & FLOOR CREW

DAILY SERVICES (Monday through Friday)

A. SERVICE AREAS (ADMINISTRATIVE OFFICES & RESTROOMS)

1. Mop and buff Contractor's customer service areas.
2. Mop and buff Contractor's common areas and cafeteria.
3. Scrub restroom tile in men's & women's areas.
4. Mop & buff restroom flooring as needed.
5. Arrange with Contractor's Human Resources Mgr. to scrub and buff personnel & accounting offices.
6. Spot clean carpeting in general manager's office (upon request).

B. SERVICE AREAS (ELEVATOR LOBBIES)

1. CORE A 1ST THROUGH 5TH FLOORS
2. CORE B 1ST THROUGH 5TH FLOORS
3. CORE C 1ST THROUGH 5TH FLOORS
4. CORE D 1ST THROUGH 5TH FLOORS
5. CORE E 1ST THROUGH 5TH FLOORS
6. CORE F 1ST THROUGH 5TH FLOORS
7. CORE G 1ST THROUGH 5TH FLOORS

TOTAL OF 37 ELEVATOR LOBBIES

1. Manager, supervisor & foreperson review all lobbies to determine which areas require servicing first.
2. 1st floor elevator lobbies are to be maintained in quality condition at all times.
3. Stripping & refinishing of lobbies to be determined by supervisor & lead utility person.
4. Scrub & refinish security office by request.
5. Scrub lobby stairs as needed (NO FINISH APPLIED).

C. MONTHLY SERVICE

1. Scrub and refinish restroom tile.
2. Scrub and refinish common area vinyl tile.

SWEEPER SERVICES

A. DAILY SERVICE (Monday through Friday)

1. Sweep all ramps from levels 1st, 2nd, 3rd, 4th, & 5th levels.
2. Sweep taxi main lot and three (3) overflow lots.
3. Sweep all roadways of level #4 Valet Parking.
4. Receive all special service requests from janitorial manager and/or supervisor.
5. All steam cleaning services provided upon request and authorization
 - A. Steam clean taxi eating areas and tables.
 - B. Steam clean exterior areas of taxi restrooms.
 - C. Steam clean taxi Main Lot.
 - D. Steam clean taxi Overflow Lots.
 - E. Steam clean interior & exterior of taxi trash containers.
 - F. Steam clean exterior areas of taxi dispatcher's office.
 - G. Steam clean cashiers lanes.

B. SCRUBBER SERVICE

1. All scrubber services provided upon request of Contractor and coordinated with Contractor's chief engineer.

INTERNATIONAL PARKING GARAGE A - (IT-A)

1. ADMINISTRATIVE OFFICES INCLUDES:

- A) CUSTOMER SERVICE AREA (ENTRANACE)
- B) SUPERVISORS OFFICE (SECURE AREA)
- C) GENERAL OFFICE AREA

2. COMMON AREAS:

- A) MENS RESTROOM & LOCKER ROOM
- B) WOMENS RESTROOM & LOCKER ROOM
- C) KITCHEN AREA

3. ELEVATORS

4. PARKING LEVELS

- 1ST FLOOR ENTRANCE & EXIT GATES
- 2ND FLOOR WALKWAY TO TERMINAL
- 3RD FLOOR
- 4TH FLOOR
- 5TH FLOOR ENTRANCE GATE
- 6TH FLOOR
- 7TH FLOOR AIR TRAIN STATION
- 8TH FLOOR
- 9TH FLOOR

ADMINISTRATIVE OFFICE

A. DAILY SERVICES (Monday through Sunday)

1. Gather all waste paper and place for disposal on LEVEL #5.
2. Sweep and/ or dust mop all tile floors.
3. Spot clean or damp mop all stains on tile floors as needed.
4. Vacuum all carpeted areas.
5. Spot minor stains on carpets, as needed.
6. Dust/wipe desks, chairs, tables, file cabinets, counter tops, telephones and other flat surfaces within reach.
7. Remove fingerprints from doors, walls and partition glass.
8. Spot clean coffee stains, etc. from desk tops.
9. Wash all drinking fountains or water coolers.
10. Close all drapes or blinds as directed.
11. Properly arrange chairs in offices.
12. Turn off all lights as designated.
13. Secure all doors as directed.
14. Keep janitor closet clean and orderly at all times.

B. WEEKLY SERVICE

1. Remove fingerprints from woodwork, walls, and partitions.

2. Dust all picture frames and chair rugs.

C. MONTHLY SERVICE

1. Polish or clean door kick plates and thresholds.
2. Dust all door jambs.
3. Dust all high partitions, ledges and wall mounted objects.
4. Dust all Venetian blinds.
5. Dust or vacuum all office return air vents.

LUNCH ROOM AND KITCHEN AREA

A. DAILY SERVICE (Monday through Sunday)

1. Remove trash and place for disposal.
2. Wipe tables, chairs and counter tops.
3. Wash kitchen sink.
4. Wipe coffee maker & wash coffee pots.
5. Wipe inside & outside of microwave, wipe exterior of refrigerator.
6. Wipe clean water coolers.

B. WEEKLY SERVICE

1. Spot clean doors and walls.
2. Wipe exterior of trash container.

C. BI-WEEKLY

1. Wash interior of refrigerator upon request.

RESTROOMS AND LOCKER ROOMS

A. DAILY SERVICE (Monday through Sunday)

1. Clean and sanitize all urinals, commodes and wash basins to include all chrome fittings and bright work.
2. Clean mirrors and frames.
3. Wet mop floors.
4. Dust ledges and tops of partitions.
5. Clean & shine stainless doors and partitions.
6. Fill all dispensers from stock.
7. Empty and remove all trash from containers, clean exteriors of containers.
8. Report any fixtures not working properly.
9. Report any light fixtures burnt out.
10. Police restroom areas day & swing shifts. Grave crew provides utility floor care.

B. WEEKLY SERVICE

1. Empty, remove and sanitize all feminine napkin disposal units.
2. Spray buff tile in restroom and locker room areas.

C. MONTHLY SERVICE

1. Clean and/ or polish all door kick plates and thresholds.
2. Dust all door jambs.

D. QUARTERLY SERVICE

1. Wash all restroom walls and metal partitions.

2. Strip & refinish flooring.

PARKING AREAS & STALLS

A. DAILY SERVICE (Monday through Sunday)

1. Sweep garage areas 1st through 9th levels daily. Sweep cashier exit lanes.
2. Pick up all boxes and miscellaneous debris.
3. Clean cashier booths, empty trash and dust counter space.
4. Spot clean window glass of cashier booths.
5. Clean entrance and exit gates of all lanes.
6. Clean ticket machines and remove all papers and debris in the area.
7. Deposit absorbent on oil and gas spills.
8. Apply absorbent to heavily oiled spots in garage as necessary.
9. Clean and deodorize corners that emanate odors as necessary.
10. Remove gum from entrances to elevators.

B. MONTHLY SERVICE

1. Sweeper & scrubber services of all ramps and designated roadways.
2. Steam cleaning cashier lanes.
3. Steam cleaning entrances to elevators & terminal areas.

ELEVATOR CABS

A. DAILY SERVICE (Monday through Sunday)

1. Dust all walls and ceilings.
2. Dry mop interior of cabs.
3. Shine metal doors and walls.
4. Spot clean all elevator saddles.
5. Remove all gum and graffiti from interior cabs.
6. Report burnt out light fixtures.

B. MONTHLY SERVICES

1. Steel wool and vacuum all saddles.

STAIRWELLS

A. DAILY SERVICE (Monday through Friday)

1. Remove all debris; wipe graffiti from walls and doors.
2. Sweep stairwells as needed.
3. Mop stairwells and deodorize as needed.

NOTATION:

HOSING OF STAIRWELLS IS PROVIDED BY SPECIAL CREWS WHO ARE AUTHORIZED TO CLOSE ALL DRAINS AND UTILIZE WET VACUUM EQUIPMENT FOLLOWING PROCEDURES TO LIMIT WATER RUN-OFF INTO THE BAY

INTERNATIONAL PARKING GARAGE G – (IT-G)

1. ADMINISTRATIVE OFFICES INCLUDES:

- A) CUSTOMER SERVICE AREA (ENTRANCE)
- B) SUPERVISORS OFFICE (SECURE AREA)
- C) GENERAL OFFICE AREA

2. **COMMON AREAS:**
A) MENS RESTROOM & LOCKER ROOM
B) WOMENS RESTROOM & LOCKER ROOM
C) KITCHEN AREA

3. **ELEVATORS**

4. **PARKING LEVELS**

- 1ST FLOOR EXIT GATES
- 2ND FLOOR
- 3RD FLOOR EXIT GATES
- 4TH FLOOR
- 5TH FLOOR ENTRANCE GATE
- 6TH FLOOR
- 7TH FLOOR BART & AIR TRAIN STATIONS
- 8TH FLOOR
- 9TH FLOOR

ADMINISTRATIVE OFFICE

A. **DAILY SERVICES (Monday through Sunday)**

- 1. Gather all waste paper and place for disposal in IT-A, LEVEL #5.
- 2. Sweep and/ or dust mop all tile floors.
- 3. Spot clean or damp mop all stains on tile floors as needed.
- 4. Vacuum all carpeted areas.
- 5. Spot minor stains on carpets, as needed.
- 6. Dust/ wipe desks, chairs, tables, file cabinets, counter tops, telephones, and other flat surfaces within reach.
- 7. Remove fingerprints from doors, walls and partition glass.
- 8. Spot clean coffee stains, etc. from desk tops.
- 9. Wash all drinking fountains or water coolers.
- 10. Close all drapes or blinds as directed.
- 11. Properly arrange chairs in offices.
- 12. Turn off all lights as designated.
- 13. Secure all doors as directed.
- 14. Keep janitor closet clean and orderly at all times.

B. **WEEKLY SERVICE**

- 1. Remove fingerprints from woodwork, walls, and partitions.
- 2. Dust all picture frames and chair rugs.

C. **MONTHLY SERVICE**

- 1. Polish or clean door kick plates and thresholds.
- 2. Dust all door jambs.
- 3. Dust all high partitions, ledges and wall mounted objects.
- 4. Dust all Venetian blinds.
- 5. Dust or vacuum all office return air vents.

LUNCH ROOM AND KITCHEN AREA

A. **DAILY SERVICE (Monday through Sunday)**

- 1. Remove trash and place for disposal.

2. Wipe tables, chairs and counter tops.
3. Wash kitchen sink.
4. Wipe coffee maker & wash coffee pots.
5. Wipe inside & outside of microwave, wipe exterior of refrigerator.
6. Wipe clean water coolers.

B. WEEKLY SERVICE

1. Spot clean doors and walls.
2. Wipe exterior of trash container.

C. BI-WEEKLY

1. Wash interior of refrigerator upon request.

RESTROOMS AND LOCKER ROOMS

A. DAILY SERVICE (Monday through Sunday)

1. Clean and sanitize all urinals, commodes and wash basins to include all chrome fittings and bright work.
2. Clean mirrors and frames.
3. Wet mop floors.
4. Dust ledges and tops of partitions.
5. Clean & shine stainless doors and partitions.
6. Fill all dispensers from stock.
7. Empty and remove all trash from containers, clean exteriors of containers.
8. Report any fixtures not working properly.
9. Report any light fixtures burnt out.
10. Police restroom areas day & swing shifts. Grave crew provides utility floor care.

B. WEEKLY SERVICE

1. Empty, remove and sanitize all feminine napkin disposal units.
2. Spray buff tile in restroom and locker room areas.

C. MONTHLY SERVICE

1. Clean and/ or polish all door kick plates and thresholds.
2. Dust all door jambs.

D. QUARTERLY SERVICE

1. Wash all restroom walls and metal partitions.
2. Strip & reseal flooring.

PARKING AREAS & STALLS

A. DAILY SERVICE (Monday through Sunday)

1. Sweep garage areas 1st through 9th levels daily. Sweep cashier exit lanes.
2. Pick up all boxes and miscellaneous debris.
3. Clean cashier booths, empty trash and dust counter space.
4. Spot clean window glass of cashier booths.
5. Clean entrance and exit gates of all lanes.
6. Clean ticket machines and remove all papers and debris in the area.
7. Deposit absorbent on oil and gas spills.
8. Degrease heavily oiled spots in garage as necessary.
9. Clean and deodorize corners that emanate odors as necessary.
10. Remove gum from entrances to elevators.

B. MONTHLY SPECIAL SERVICE (ON REQUEST)

1. Sweeper & scrubber services of all ramps and designated roadways.
2. Steam clean cashier lanes.
3. Steam clean entrances to elevators & terminal areas.

ELEVATOR CABS

A. DAILY SERVICE (Monday through Sunday)

1. Dust all walls and ceilings.
2. Dry mop interior of cabs.
3. Shine metal doors and walls.
4. Spot clean all elevator saddles.
5. Remove all gum and graffiti from interior cabs.
6. Report burnt out light fixtures.

B. WEEKLY SERVICES

1. Steel wool and vacuum all saddles.

STAIRWELLS

A. DAILY SERVICE (Monday through Friday)

1. Remove all debris; wipe graffiti from walls and doors.
2. Sweep stairwells as needed.
3. Mop stairwells and deodorize as needed.

NOTATION:

HOSING OF STAIRWELLS IS PROVIDED BY SPECIAL CREWS WHO ARE AUTHORIZED TO CLOSE ALL DRAINS AND UTILIZE WET VACUUM EQUIPMENT FOLLOWING PROCEDURES TO LIMIT WATER RUN-OFF INTO THE BAY

ANNUAL SERVICES – DEEP CLEANING

Each of the public parking garages will receive an annual “Deep Cleaning”, which requires a parking area to be vacated, degreased and steam cleaned. The timing of this service will be coordinated with the Airport to ensure there is minimal disruption to the public during the closure of each section. Employee parking areas will receive deep cleaning on an as needed basis or upon request.