

File No. 110726

Committee Item No. 3
Board Item No. 23

COMMITTEE/BOARD OF SUPERVISORS AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: July 27, 2011

Board of Supervisors Meeting

Date 8/2/11

Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget & Legislative Analyst Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ethics Form 126 |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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OTHER

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Contract Amendments</u> |
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Completed by: Victor Young

Date: July 22, 2011

Completed by: Victor Young

Date: 7-28-11

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Agreement - Serco, Inc. - SFpark Pilot Project - Not to Exceed \$44,080,000]

2
3 **Resolution approving the Fourth Amendment to the Agreement with Serco, Inc., to: 1)**
4 **replace, upgrade, and add parking meters; 2) conduct an education campaign and**
5 **expand the pilot testing of new residential parking management strategies in support**
6 **of the SFpark Pilot Project; and 3) to increase the contract not-to-exceed amount by**
7 **\$22,000,000 utilizing a loan from the Metropolitan Transportation Commission for a**
8 **total not-to-exceed amount of \$44,080,000.**

9
10 WHEREAS, In Fall 2008, the San Francisco Municipal Transportation Agency (SFMTA)
11 Board approved the Agreement between the SFMTA and Serco Inc. for Administrative
12 Services in support of the SFpark Project, for a total not-to-exceed amount of twenty-two
13 million eighty thousand dollars (\$22,080,000); and,

14 WHEREAS, The SFpark program will assist the SFMTA to achieve its overall goals for
15 transportation, specifically for improving customer service and transit reliability, as well as
16 reducing congestion and greenhouse gas emissions through better parking management;
17 and,

18 WHEREAS, Since the program's implementation, SFMTA staff had discussed with
19 USDOT the possibility of securing additional federal funding for the eventual expansion of
20 SFpark to the rest of San Francisco and several years of operation and evaluation, which
21 would have the potential to save the City millions of dollars in capital expenditures; and,

22 WHEREAS, On August 3, 2010, the SFMTA Board approved a loan from the MTC and
23 on August 10, 2010 the Board of Supervisors approved the MTC loan under the Congestion
24 Mitigation and Air Quality Improvement Program (Resolution 392-10) for twenty-two million
25

1 dollars (\$22,000,000), which loan will be repaid from parking revenues over the next five
2 years; and,

3 WHEREAS, Without approval to increase the agreement's not-to-exceed amount, loan
4 funds could not be utilized by the SFpark Program, since procurement of materials and
5 support services are being managed through the SFMTA/Serco Inc. SFpark agreement; and,

6 WHEREAS, Use of expansion funds through the SFpark agreement would allow for
7 procurement of equipment, materials and supports services that would be consistent with
8 originally negotiated pricing and terms; and,

9 WHEREAS, The SFMTA Board of Directors approved Resolution No. 11-096 on June
10 28, 2011 approving the 4th Amendment to the Serco, Inc. Agreement increasing the not-to-
11 exceed amount by twenty-two million dollars (\$22,000,000) for a total not to exceed amount of
12 forty-four million eighty thousand dollars (\$44,080,000) on file with the Clerk of the Board of
13 Supervisors in File No. 110726, which is hereby declared to be part of this resolution as if set
14 forth fully herein; and,

15 WHEREAS, Section 9.118(b) of the San Francisco Charter requires that the Board of
16 Supervisors approve contract amendments having an impact of more than five hundred
17 thousand dollars (\$500,000); now, therefore, be it

18 RESOLVED, That the Board of Supervisors approves the Fourth Amendment to the
19 Agreement with Serco Inc. to replace, upgrade and add parking meters; conduct an education
20 campaign and expand the pilot testing of new residential parking management strategies in
21 support of the SFpark Pilot Project (Civil Service No. 4154-07/08) , and to increase the
22 contract not-to-exceed amount by twenty-two million dollars (\$22,000,000) utilizing a loan
23 from the Metropolitan Transportation Commission, for a total not-to-exceed amount of forty-
24 four million eighty thousand dollars (\$44,080,000).

Item 3
File 11-0726

Department:
San Francisco Municipal Transportation Agency (SFMTA)

EXECUTIVE SUMMARY

Legislative Objective

- Resolution authorizing the San Francisco Municipal Transportation Agency (SFMTA) to approve the Fourth Amendment to an existing agreement with Serco Inc. to support the SFpark Pilot Project increasing the not-to-exceed existing \$22,080,000 agreement by \$22,000,000 for a total not-to-exceed \$44,080,000.

Key Points

- On June 16, 2008, the Board of Supervisors approved a two-year not-to-exceed \$22,080,000 agreement between the SFMTA and Serco, Inc. for Serco, Inc. to provide administrative services in support of the SFpark Pilot Project effective from June 1, 2008 through June 3, 2010. (Resolution 289-08). The SFpark Pilot Program seeks to improve parking in San Francisco by providing real-time parking availability via smart phone applications and demand pricing in targeted areas throughout the city.
- On September 15, 2009, SFMTA approved the First Amendment to the Serco agreement to extend the term for an additional 25 months, for a total of 49 months, through June 30, 2012 with no additional cost. On May 1, 2010 and November 19, 2010, the SFMTA agreed on the Second and Third Amendments which were technical adjustments that documented specific subcontractor terms. There was no fiscal impact from the first three amendments and therefore approval of the Board of Supervisors was not required.
- On August 10, 2011, the Board of Supervisors approved a loan from the Metropolitan Transportation Commission (MTC) (Resolution 392-10) for \$22,000,000 of Congestion Mitigation and Air Quality Improvement (CMAQ) funding to expand the SFpark Pilot Project.
- The proposed Fourth Amendment would authorize Serco, Inc. to (a) replace, upgrade and install 11,100 parking meters in current targeted areas in the City as well as new areas, (b) provide improvements to the data warehouse and (c) provide for all related operational expenses.

Fiscal Impact

- The proposed resolution would also authorize the use of the proceeds from the \$22,000,000 loan from the MTC to increase the existing \$22,080,000 Serco agreement for a total not-to-exceed \$44,080,000 agreement in order to enhance the SFpark Pilot Program.
- Under the proposed five-year loan agreement between the SFMTA and the MTC, the SFMTA would repay MTC a total of \$22,799,803 over five fiscal years, including (a) \$22,000,000 in loan principal and (b) \$799,803 in interest, at an annual rate of zero percent for the first two fiscal years and three percent annually on the remaining unpaid loan balance for the subsequent three fiscal years.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT & BACKGROUND**Mandate Statement**

In accordance with Charter Section 9.118, any amendment of over \$500,000 to an agreement over \$10,000,000 in anticipated expenditures is subject to Board of Supervisors approval.

Background

On June 16, 2008, the Board of Supervisors approved a two-year not-to-exceed \$22,080,000 agreement between the San Francisco Municipal Transportation Agency (SFMTA) and Serco, Inc. for Serco, Inc. to provide SFMTA with administrative services in support of the SFpark Pilot Program from June 1, 2008 through June 3, 2010 (Resolution 289-08). The SFpark Pilot Program seeks to improve parking in San Francisco by providing real-time parking availability via smart phone applications and demand pricing in targeted areas throughout the city.¹

The original agreement, as previously approved by the Board of Supervisors, stated that the SFMTA did not conduct a competitive Request for Proposal process to select Serco for the existing agreement due to the specific knowledge and proprietary equipment that Serco retained, and therefore awarded Serco this agreement on a sole-source basis.

On September 15, 2009, the SFMTA approved the First Amendment to this agreement to extend the term by an additional 25 months, or through June 30, 2012 at no additional cost. On May 1, 2010 and November 19, 2010, the SFMTA approved the Second and Third Amendments respectively, to the existing Serco agreement, which were technical adjustments that documented specific subcontractor terms. There was no fiscal impact from the first three amendments and therefore approval of the Board of Supervisors was not required.

The SFpark Pilot Program is currently a \$24,750,000 SFMTA program which uses new technology and flexible pricing to make parking in San Francisco more efficient. The first phase of the Program upgraded 7,000 of San Francisco's 28,800 parking meters to accept credit cards and SF Smartcards (pre-paid parking cards). These new parking meters also have wireless sensors built into them that allow for real-time availability to be sent to an SFMTA data warehouse.

Since the 7,000 parking meters have been upgraded or installed, implementation of real time tracking of available parking spaces via smart phone applications has made it possible for drivers to find available parking spaces without circling the block numerous times. Along with these improvements, using the data from the sensors, the SFpark Pilot Program was able to institute flexible pricing which allows the City to change the price of parking based on demand.

As shown in the attached email, SFMTA Chief Financial Officer Sonali Bose stated that the SFpark Pilot Program has "improved driver convenience, Muni speed and reliability, economic vitality, and decreased collisions, greenhouse gas emissions, and fuel consumption."

¹ The areas with the updated meters include the Civic Center, Hayes Valley, Financial District, SoMa, Mission, Fisherman's Wharf, Fillmore and Marina neighborhoods.

From the beginning of the SFpark Pilot Program in 2008, SFMTA hoped to expand the \$24,750,000 Pilot Program if additional funding was made available. In 2010, The Metropolitan Transportation Commission (MTC) offered SFMTA \$22,000,000 of Congestion Mitigation and Air Quality Improvement (CMAQ) funding in order to expand the SFpark Program. On August 3, 2010, the SFMTA Board approved a \$22,000,000 loan from the MTC, which was approved by the Board of Supervisors on August 10, 2010 (Resolution 392-10).

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the SFMTA to approve the Fourth Amendment to the existing 49-month agreement, increasing the not-to-exceed \$22,080,000 agreement with Serco, Inc. by \$22,000,000, for a total not-to-exceed \$44,080,000 agreement. The funding for this increase is a loan from the MTC that was previously approved by the Board of Supervisors.

Mr. Jay Primus, SFpark Manager for the SFMTA, stated that the proceeds from a \$22,000,000 loan would be used for (a) \$16,755,000 in implementation costs and (b) \$5,245,000 for additional operating costs. Specifically, a total of 11,200 parking meters will be replaced, upgraded, or added in existing and new targeted areas. Further such monies would be used to enhance the SFMTA data warehouse for more accurate, real-time information on available parking spaces and to allow SFMTA to demonstrate and pilot test a residential parking program and enhance existing pilot programs to encourage additional car-sharing.

FISCAL IMPACTS

Under the proposed five-year loan agreement between the SFMTA and the MTC, the SFMTA is required to repay MTC a total amount of \$22,799,803 over five fiscal years, including (a) \$22,000,000 in loan principal and (b) \$799,803 in interest. As shown in Table 2 below, the \$22,000,000 loan would be paid back by SFMTA over five fiscal years from FY 2010-11 through FY 2014-15 from an estimated \$29,520,000 in increased SFMTA parking net revenues. According to Mr. Primus, FY 2010-11 and FY 2011-12 annual payments, or the first two years of the loan, are interest free followed by three fiscal years at three percent annual interest, on the outstanding balance, which will result in total interest payments of \$799,803, as shown in the table below:

| | Principal Payments | Interest Payments | Total Payments (A) | Estimated Annual Net Revenue Increase (B) | Net Revenue Increase / (Decrease) (B) - (A) |
|--------------|---------------------|-------------------|-----------------------|--|--|
| FY 2010-2011 | \$4,400,000 | \$0 | \$4,400,000 | \$3,280,000 | (\$1,120,000) |
| FY 2011-2012 | 4,400,000 | 0 | 4,400,000 | 6,560,000 | 2,160,000 |
| FY 2012-2013 | 4,270,601 | 396,000 | 4,666,601 | 6,560,000 | 1,893,399 |
| FY 2013-2014 | 4,398,719 | 267,882 | 4,666,601 | 6,560,000 | 1,893,399 |
| FY 2014-2015 | 4,530,680 | 135,921 | 4,666,601 | 6,560,000 | 1,893,399 |
| TOTAL | \$22,000,000 | \$799,803 | \$22,799,803 | \$29,520,000 | \$6,720,197 |

Mr. Primus stated that the SFMTA has already repaid the first loan payment to the MTC in the amount of \$4,400,000.

RECOMMENDATION

Approve the proposed resolution.

Edwin M. Lee | Mayor

Tom Nolan | Chairman

Jerry Lee | Vice-Chairman

Leona Bridges | Director

Cheryl Brinkman | Director

Malcolm Heinicke | Director

Bruce Oka | Director

Joél Ramos | Director

Debra A. Johnson | Acting Executive Director/CEO

MEMORANDUM

DATE: July 8, 2011

TO: Honorable Members of the San Francisco Board of Supervisors

FROM: Debra A. Johnson
Acting Executive Director/CEO

SUBJECT: Request for Approval of the Fourth Amendment to Serco, Inc. Contract increasing not-to-exceed amount by \$22 million

Approving the fourth amendment to the agreement with Serco Inc. in support of the SFpark Pilot Project, to replace, upgrade and add parking meters; conduct an education campaign; and expand a pilot test of new residential parking management strategies by increasing the not-to-exceed amount by \$22 million, utilizing a loan from the Metropolitan Transportation Commission (MTC), for a total, not-to-exceed amount of \$44,080,000.

Background

In the fall of 2008, the San Francisco Municipal Transportation Agency (SFMTA) Board approved the agreement between the SFMTA and Serco Inc. for Administrative Services in support of the SFpark pilot project, for a total, not-to-exceed amount of \$22.08 million. The term of that agreement was later amended to extend through June 30, 2012. Under SFpark, the SFMTA is working to ensure that the City is a world leader in parking management and communications in support of City transportation goals, specifically for improving transit reliability. Additionally, SFpark goals include reducing congestion and greenhouse gas emissions through better parking management. SFpark was successfully launched on April 21, 2011.

Since the program's implementation, the SFMTA has discussed with the US Department of Transportation (USDOT) the possibility of securing additional federal funding for the eventual expansion of SFpark to the rest of the City along with additional years of operation and evaluation which would save millions of dollars in upcoming needed capital expenditures that the SFMTA would have to fund.

As part of the expansion effort, in summer 2010 the SFMTA Board of Directors and the San Francisco Board of Supervisors approved a loan agreement with the MTC for an additional \$22 million in funding. The program expansion includes but is not limited to the following elements:

- Replacing existing parking meters with new parking meters and add parking sensors in the remainder of the existing SFpark pilot areas, including meters at motorcycle spaces.
- Upgrading approximately 1,700 existing meters and adding parking sensors in newly designated SFpark areas.
- Adding approximately 5,000 new meters and sensors in newly metered parking spaces in newly designated SFpark pilot areas.
- Adding new meters to the 20 additional metered parking lots to support more demand responsive pricing.
- Operating these additional metered spaces and sensors for approximately 18 months to match the term of the original pilot and, if applicable, help to pay for ongoing operating costs of the parking sensors and meters in the original SFpark pilot project areas.
- Enhancing the SFpark data warehouse/transactional system to accommodate additional metered spaces.
- Increasing public awareness and education of SFpark's goals and benefits.
- Implementing a pilot test of new residential parking management strategies, as required by the original scope of work for the Urban Partnership Program-funded SFpark pilot project.

As the loan has already been approved by both the SFMTA Board of Directors and the San Francisco Board of Supervisors, this item only formalizes use of these funds through the Serco/SFMTA SFpark agreement. As documented in the MTC Loan Agreement, the SFMTA will pay back the loan over a five-year period using parking related revenues.

Alternatives Considered

Without approval to increase the agreement's not-to-exceed amount, loan funds could not be utilized by the SFpark, since procurement of materials and support services are being managed through the SFMTA/Serco, Inc. SFpark Agreement.

Status of the Approval Process for the Agreement

- First amendment extended the contract with Serco, Inc. for two additional years, until June 30, 2012.
- Second and third amendments documented that subcontractor terms and conditions could not be agreed to without SFMTA approval.
- The SFMTA Board of Directors approved a loan agreement with the MTC for \$22 million to expand the scope of the SFpark Program (Resolution No. 10-107).
- The San Francisco Board of Supervisors approved the loan on August 10, 2010 (Resolution No. 392-10).
- The SFMTA Board of Directors approved the fourth amendment to the Serco, Inc. Agreement to increase the not-to-exceed amount by \$22 million for a total not-to-exceed amount of \$44,080,000 (Resolution No. 11-096).

Recommendations

The SFMTA Board of Directors requests that the San Francisco Board of Supervisors approve the fourth amendment to the agreement with Serco Inc. for Administrative Services in Support of the SF*park* Pilot Project (Civil Service No. 4154-07/08) to increase the contract not-to-exceed amount from \$22,080,000 to \$44,080,000 to incorporate the loan from the MTC in support of SF*park* to replace, upgrade and add parking meters; conduct an education campaign; and implement a pilot test of new residential parking management.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 11-096

WHEREAS, In Fall 2008, the SFMTA Board approved the Agreement between the SFMTA and Serco Inc. for Administrative Services in support of the SFpark Project, for a total not-to-exceed amount of \$22.08M; and,

WHEREAS, The SFpark program will assist the SFMTA to achieve its overall goals for transportation, specifically for improving customer service and transit reliability, as well as reducing congestion and greenhouse gas emissions through better parking management; and,

WHEREAS, Since the program's implementation, SFMTA staff had discussed with USDOT the possibility of securing additional federal funding for the eventual expansion of SFpark to the rest of San Francisco and several years of operation and evaluation, which would have the potential to save the City millions of dollars in capital expenditures; and,

WHEREAS, On August 3, 2010, the SFMTA Board approved a loan from the MTC and on August 10, 2010 the Board of Supervisors approved the MTC loan under the Congestion Mitigation and Air Quality Improvement Program (Resolution 392-10) for \$22M, which loan will be repaid from parking revenues over the next five years ; and,

WHEREAS, Without approval to increase the agreement's not-to-exceed amount, loan funds could not be utilized by the SFpark Program, since procurement of materials and support services are being managed through the SFMTA/Serco Inc. SFpark agreement; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves the Fourth Amendment to the Agreement with Serco Inc. to replace, upgrade and add parking meters; conduct an education campaign and expand the pilot testing of new residential parking management strategies in support of the SFpark Pilot Project (Civil Service No. 4154-07/08), and to increase the contract not-to-exceed amount by \$22,000,000 utilizing a loan from the Metropolitan Transportation Commission, for a total not-to-exceed amount of \$44,080,000.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of JUN 28 2011



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

**City and County of San Francisco
Municipal Transportation Agency
One South Van Ness Ave. 7th floor
San Francisco, California 94103**

Fourth Amendment

THIS AMENDMENT (this "Amendment") is made as of **June 28, 2011**, in San Francisco, California, by and between **Serco Inc.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Municipal Transportation Agency ("SFMTA").

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the not-to-exceed amount to facilitate expansion of the pilot.
- C. Approval for this Amendment was obtained when the Civil Service Commission approved Contract number **4154-0708** on **May 19, 2008**.

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

1. Definitions. The following definitions shall apply to this Amendment:

- a. **Agreement.** The term "Agreement" shall mean the Agreement dated **June 1, 2008** between Contractor and City, as amended by the:

**First amendment, dated September 15, 2009 and
Second amendment, dated May 28, 2011 and
Third amendment, dated November 19, 2011**

- b. **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

2. Modifications to the Agreement.

- a. **Section.** Section **5** of the Agreement is amended in its entirety to read as follows:

5. Compensation

a. In no event shall the total amount of all work, services, tasks and pilot projects (collectively "Work" or the "Project") under this Agreement exceed Forty Four Million, Eighty Thousand Dollars (\$44,080,000). The breakdown of costs associated with this Agreement appears in Appendix A, "Services to be Provided by Contractor and Payment Schedule.

b. Prior to giving Contractor notice to proceed with any Task or Pilot Project (as described in Appendix A to this Agreement), the City and Contractor shall agree in writing as an amendment to this Agreement as to the total costs for the Task or Pilot Project, which value shall not be exceeded without a lawfully approved written further amendment to this Agreement.

c. The City shall pay Contractor in monthly payments on or before the last day of each month for work, as set forth in Section 4 of this Agreement, that the Executive Director/Chief Executive Officer of the SFMTA, in his or her sole discretion, concludes has been performed as of the last day of the immediately preceding month.

d. 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 the SFMTA 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.

e. No later than three (3) working days from the date of Contractor's receipt of progress payments by the City, the Contractor shall pay any subconsultants for work that has been satisfactorily performed by said subconsultants, unless the prime consultant notifies the Director of SFMTA Office of Contract Compliance (OCC) in writing within ten (10) working days prior to receiving payment from the City that there is a bona fide dispute between the prime consultant and the subconsultant. Within five (5) working days of such payment, Contractor shall provide City with a declaration under penalty of perjury that it has promptly paid such subconsultants for the work they have performed. Failure to provide such evidence shall be cause for City to suspend future progress payments to Consultants.

Contractor may withhold retention from subconsultants if City withholds retention from Contractor. Should retention be withheld from Contractor, within thirty (30) days of City's payment of retention to Contractor for satisfactory completion of all work required of a subconsultant, Contractor shall release any retention withheld to the subconsultant. Satisfactory completion shall mean when

all the tasks called for in the subcontract with subconsultant have been accomplished and documented as required by City. Within forty (40) days of satisfactory completion of all work required of the subconsultant, Contractor should release any retention withheld to the subconsultant.

If the Contractor does not pay its subconsultant as required under the above paragraph, it shall pay interest to the subconsultant at the legal rate set forth in subdivision (a) of Section 685.010 of the California Code of Civil Procedure.

f. This Agreement is subject to the Office of Management and Budget (OMB) Circular A-87, Cost Principles for State and Local Governments. In addition, , Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items. Contractor and all subcontractors under this Agreement shall also comply with federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

g. This Agreement is subject to and Contractor shall comply with Article IV "Fiscal Provisions" and Article V "Audits, Third Party Contracting, Records Retention and Reporting" of the Master Agreement Administering Agency-State Agreement for Federal-Aid Projects ("Master Agreement") between the City and CalTrans, a copy of which is appended to this Agreement.

h. City's payments to Contractor for Project-related travel and subsistence (per diem) expenses shall not exceed rates authorized to be paid rank and file employees of the State of California under current State Department of Personnel Administration (DPA) rules. The City shall compensate Contractor for per diem reimbursements and travel costs incurred by Contractor and its subcontractors as project costs only after Contractor and its subcontractors have actually incurred those costs.

b. **Section.** Appendix A of the Agreement is amended in its entirety to read as follows:

APPENDIX A SCOPE OF WORK

TASK 1. Contract Procurement Support

Contractor shall, upon written request of the SFMTA, serve as a contractor/purchasing agent for the SFMTA in the procurement of equipment, parking meters, materials, software, and related equipment (collectively hereinafter "Equipment") and related services to support SFMTA Pilot Projects for testing and evaluating various parking meters, parking payment systems, and other traffic regulation and control devices ("Pilot Projects"). Contractor shall, within five (5) working days of SFMTA request, assist the SFMTA to develop specifications and cost estimates for the procurement of the Equipment. SFMTA will provide the standards, specifications and terms and conditions for each Equipment procurement, as well as standards, specifications, quantities and delivery dates for Equipment and any required spare parts.

SFMTA will review the Contractor's proposed specifications for the procurement and cost estimates. SFMTA reserves the right to modify standards, Equipment specifications, quantities and delivery dates, and may request modifications of the Contractor's proposal at no additional cost to SFMTA.

Contractor shall, within three (3) working days of SFMTA delivery of a specification, solicit discount agreements with subcontractors/vendors as requested by SFMTA to procure the Equipment. Contractor shall when negotiating purchasing agreements specify liquidated damages to be paid by the supplier, as directed by SFMTA, for late delivery of goods, or delivery of goods that do not comply with specifications. Contractor shall, when requested in writing by SFMTA, within five (5) working days of SFMTA delivery of specification, seek bids from at least three qualified vendors. The SFMTA reserves the right to reject a supplier or subcontractor proposed by Contractor based on qualifications or price. If the Contractor is unable to obtain at least three (3) bids from qualified subcontractors, the SFMTA may require that the Contractor solicit additional qualified contractors until three (3) are obtained. The SFMTA shall not compensate the Contractor for any additional costs associated with obtaining qualified subcontractors.

Contractor shall receive all materials purchased for use under this Agreement; inspect them for compliance with the procurement specifications. Contractor shall return to the appropriate vendor, supplier or manufacturer any Equipment received that does not comply with SFMTA specifications and requirements, at no cost to the SFMTA. Contractor is responsible for then obtaining Equipment that does comply with SFMTA specifications and requirements.

Contractor shall provide warehouse space for the storage of Equipment. Contractor shall also provide, in the same space as the warehouse space, space to be used as a staging area for installation of equipment and activities that precede installation or activation of equipment.

Contractor shall provide project management and technical oversight for all Equipment procurements. Contractor shall solicit discount agreements with subcontractors as requested by SFMTA. Contractor shall ensure that each of its subcontractors performs to the standards and specifications stated in this Agreement and as may be further provided in writing by the SFMTA

TASK 1. Payment Schedule - Compensation for Equipment Procurement

The SFMTA shall pay Contractor an administrative fee for its procurement of Equipment that is authorized by SFMTA, calculated as a percentage of the cost of the Equipment. Contractor shall not divide a single procurement into multiples or issue multiple purchase orders in order to qualify for a higher percentage compensation. Contractor's procurement compensation shall be calculated as a percentage of the total costs of all Equipment procured from a single source, manufacturer or vendor, regardless of the number of purchase orders issued. The administrative fee shall be calculated as follows:

| Value of Equipment Procured | Administrative Fee |
|------------------------------------|---------------------------|
| \$0 to \$499,999.99 | 6.0% |
| \$500,000.00 to \$749,999.99 | 5.5% |
| \$750,000.00 and above | 5.0% |

TASK 2. Parking Pilot Projects/Trial Support Services

Contractor shall, provide support for parking pilots and trials conducted by the Agency following the procedures generally described herein. As more specifically described below, the SFMTA will provide Contractor a general work proposal consisting of types of equipment to be procured and evaluated, the number of meters or other technology units to be installed, the timeline for completion of the work, and other requirements. Contractor will then provide the SFMTA with a price proposal for its review. The parties will then confer to negotiate a final work proposal and price schedule that will meet the SFMTA's goals and the Project budget.

1. Work Scope and Staffing Assessment.

SFMTA shall provide the Contractor with a proposed scope of services as it relates to the following items:

- a. Project Management
- b. Installation Supervision
- c. Installation Assistance

- d. Technical Support
- e. Training
- f. Product Support
 - i. Product Receipt
 - ii. Factory Acceptance Test
 - iii. Delivery
 - iv. Return Merchandise Authorization (RMA)
- g. Data Capture and Analysis
- h. Communications/Marketing

Within ten (10) working days of receipt of the SFMTA's scope of work, Contractor shall provide SFMTA with a detailed work plan and price quote. The price quote must detail staffing requirements by specific classification and total hours for each classification.

SFMTA will review the Contractor's proposed work plan and price quote and recommend any changes as appropriate. SFMTA reserves the right to modify its scope of work, or the Contractor's work plan and request a new price quote and work plan at no additional cost to SFMTA.

Contractor shall, within five (5) working days of SFMTA written request, seek at least three (3) bids from qualified subcontractors to subcontract services for training, Equipment installation, planning, communications/marketing, and other services as directed by the SFMTA. The SFMTA reserves the right to reject a subcontractor based on qualifications or price. If the Contractor is unable to obtain at least three (3) bids from qualified subcontractors, the SFMTA may request that the Contractor solicit additional qualified contractors until three (3) are obtained. The SFMTA shall not compensate the Contractor for any additional costs associated with obtaining qualified subcontractors.

2. Project Management Software - Dashboard.

Within 60 calendar days of the effective Date of the Contract, Contractor shall provide the SFMTA with specifications and a price quote for a web-based Data Visualization tool ("Dashboard") The Dashboard is a system that delivers approved targeted performance data with graphics enabling SFMTA to immediately ascertain pilot program performance. Contractor shall include in the price quote, detailed position descriptions and hours required by each function, using hourly rates as specified below.

SFMTA will review the Contractor's proposed work plan and price quote for the Dashboard, and recommend any changes as appropriate. SFMTA reserves the right to modify the Contractor's work plan and request a new price quote and work plan at no additional cost to SFMTA.

Within 45 calendar days of SFMTA approval of specifications, unless an alternative date is agreed to by the SFMTA and the Contractor, Contractor shall provide a functional Dashboard. Contractor shall provide qualified IT support personnel for development of Dashboard as well as configuration and administration. Contractor will grant a credit of \$300 to the SFMTA for each working day that the Dashboard is not available after 45 calendar days following SFMTA approval of Dashboard specifications.

Task 2 Payment Schedule

The SFMTA shall compensate Contractor for work on Task 2, provided that work meets SFMTA requirements at the following hourly rates:

| Description of Parking Pilot Projects/Trial Support Services | Year 1 | Years 2-4 |
|---|---------------|------------------|
| Project Management | \$58.62/hr | \$60.98/hr |
| Data Collection | \$41.04/hr | \$42.87/hr |
| Technical Analyst Support | \$48.88/hr | \$50.81/hr |
| Product Support Technician | \$43.12/hr | \$44.87/hr |

Year 1 rates shall take effect upon the Effective Date of this Contract. Year 2 rates shall take effect 365 days after the Effective Date of this Contract and shall remain as stated for the duration of this Contract.

TASK 3. Meter Replacement Pilot Project

SFMTA shall provide the Contractor with a proposed scope of services for the Meter Replacement Project. Within ten (10) working days of receipt of SFMTA scope of work, Contractor shall provide SFMTA with a detailed work plan and price quote for the Work and services listed below. The Contractor shall include a proposed schedule showing crew assignments by date, time and location. The price quote must detail staffing requirements by specific classification and total hours for each classification.

Contractor shall seek at least three (3) bids from qualified subcontractors to subcontract construction services as related to the meter pilot replacement project, as the provision of those services may be governed by applicable federal, state and local statutes. The parties shall confer as to the final selection of subcontractors. SFMTA reserves the right to reject a subcontractor based on qualifications or price, but shall not unreasonably reject a subcontractor selected by Contractor. If the Contractor is unable to obtain at least three (3) bids from qualified subcontractors, the SFMTA may request that the Contractor solicit additional qualified contractors until three (3) are obtained. The SFMTA shall not compensate the Contractor for any additional costs associated with obtaining qualified subcontractors.

SFMTA will review the Contractor's proposed work plan and price quote and recommend any changes as appropriate. SFMTA reserves the right to modify the scope of work, or the Contractor's work plan and require a new price quote and work plan from Contractor at no additional cost to SFMTA.

Contractor and/or designated subcontractors may be required to commence meter replacement as early as ten (10) working days after receiving a Notice to Proceed from SFMTA, unless an alternative date is agreed to by the SFMTA and the Contractor.

Street Survey Crew. Contractor and/or designated subcontractors shall investigate and document the pre-existing conditions in the pilot area. This phase shall include data collection (such as number of spaces occupied, time of day occupancy, customer intercept surveys, etc.), site conditions, construction planning, public and retail notifications of pending construction, provision of an e-mail address for additional information /clarification. The Street Survey Crew shall consist of two (2) Field Technicians.

Installation Crew. Using the results of the street survey, Contractor and/or designated subcontractors shall perform the non-construction installation of the Equipment designated for a particular Pilot Project. Contractor and/or designated subcontractors shall provide the services described below with a crew comprised of one (1) Field Supervisor and two (2) Field Technicians. Contractor shall install new Equipment (including but not limited to parking meters, sensors, parking space numbering, and signs) following manufacturer's and SFMTA's guidelines, directions and requirements.

Removal Crew. Upon written approval of SFMTA, Contractor and/or designated subcontractors Removal Crew shall remove the designated parking technology and restore the location to the SFMTA required standards. The crew shall consist of one (1) Field Supervisor and two (2) Field Technicians.

Activation Crew. Contractor and/or designated subcontractors shall activate Equipment and ensure it functions to specified standards. This service shall be provided by a Field Technician with the support of Contractor's existing staff (Product Support Technician).

Acceptance Testing and Exit Survey Crew. Utilizing test procedures provided by the Equipment supplier, and approved by SFMTA, Contractor and/or designated subcontractors shall test and document the Equipment's compliance with the functions required in the procurement specifications provided or approved by SFMTA. Contractor shall report all discrepancies to the Equipment supplier for correction. The Acceptance Testing Crew shall be comprised of two (2) Field Technicians.

Work Force. Contractor shall perform the services described in this Task utilizing its existing staff or subcontractors, in compliance with applicable federal, state and local statutes. If Contractor's existing staff or subcontractors prove insufficient to meet Pilot Project testing schedules, Contractor shall notify the SFMTA of the need for additional staffing, and shall negotiate with the SFMTA supplemental staffing costs in advance of incurring these costs using the labor rates set out in the table below. All labor rates quoted below include all overhead and labor costs.

Contractor shall provide status updates on meter replacements to the SFMTA on a weekly basis, which shall include, but not be limited to, the number of meter replacements completed by location.

Task 3 Payment Schedule

The SFMTA shall compensate Contractor for work on Task 3 on a pro-rated basis in relation to work completed, provided that work meets SFMTA requirements, at the following weekly rate:

| Parking Meter Crew Types | Year 1 | Years 2-4 |
|---|---------------|------------------|
| Street Survey Crew | \$4,311.09 | \$4,484.40 |
| Installation Survey Crew | \$7,458.87 | \$7,758.52 |
| Removal Crew | \$7,165.31 | \$7,453.22 |
| Activation Crew | \$2,585.89 | \$2,700.16 |
| Acceptance Testing and Exit Survey Crew | \$4,311.09 | \$4,484.41 |

Year 1 rates shall take effect upon the Effective Date of this Contract. Year 2 rates shall take effect 365 days after the Effective Date of this Contract and shall remain as stated for the duration of this Contract.

If the Contractor is unable to replace a parking meter per the Contractor's approved work plan such that a person occupying a parking space that is normally metered is unable to pay, Contractor shall credit SFMTA with the expected revenue that would have been generated had the parking space had a functioning meter.

TASK 4. *Call Center and Help Desk Services*

SFMTA shall provide the Contractor with a proposed scope of services to receive and manage public feedback and regarding the Pilot Projects and City on-street parking services. Expected minimum requirements are outlined below. Within ten (10) working days of receipt of SFMTA scope of work, Contractor shall provide SFMTA with a detailed work plan and price quote. Contractor's price quote must detail staffing requirements by specific classification and total hours for each classification.

SFMTA will review the Contractor's proposed work plan and price quote and recommend any changes as appropriate. SFMTA reserves the right to modify its scope of work, or the Contractor's work plan and request a new price quote and work plan at no additional cost to SFMTA.

Within thirty (30) calendar days of receiving a Notice to Proceed from the SFMTA, the Contractor shall provide call center and help desk services for the Pilot Projects, unless an alternative date is agreed to by the SFMTA and the Contractor. Contractor shall provide customer service/support from 8 a.m. to 6 p.m., Monday through Friday, excluding City holidays, through a dedicated phone line and e-mail. SFMTA will provide an e-mail alias/forwarder to receive written complaints and forward them to Contractor. SFMTA will be responsible for advertising, publication and posting of call center contact information. Contractor shall transfer all Commercial Off The Shelf (COTS) software and associated licenses and documentation to the SFMTA at the end of the Contract Term. All software developed by the Contractor and/or IT Consultants shall be governed as specified in Attachment 2.

Contractor will grant a credit of \$300 to the SFMTA for each working day that functional call center and help desk services are not available after the thirty (30) calendar days following the Contractor's receipt of a Notice to Proceed from SFMTA.

Contractor shall, within thirty (30) calendar days of Notice to Proceed from SFMTA unless an alternative date is agreed to by the SFMTA and the Contractor, track customer service issues, volumes of phone calls, e-mails and other correspondence by subject matter and Pilot Project area, and provide results and reports through Call Center/Help Desk software. Contractor shall summarize results each month in a report to be submitted to SFMTA no later than (30) calendar days following the close of each month. Report format, contents and any associated costs must be approved by SFMTA. Contractor shall, within thirty (30) calendar days of the initiation of the first Pilot Project unless an alternative date is agreed to by the SFMTA and the Contractor, report Pilot Project data through a Dashboard system for Performance Management, with Key Performance Indicators (KPI's) identified. The Dashboard system shall deliver targeted performance data with graphics and information objects to SFMTA.

Contractor will grant a credit of \$300 to the SFMTA for each working day that the tracking of customer service issues and/or the reporting of performance data is not available following the Contractor's receipt of a Notice to Proceed from SFMTA.

Contractor shall, within thirty (30) calendar days of Notice to Proceed from SFMTA unless an alternative date is agreed to by the SFMTA and the Contractor, provide a customer service website for Parking Meter and Pilot program-related issues, feedback, elementary customer surveys, assistance, and pilot update information for use by the general public. SFMTA must approve content and design of website. Contractor shall make all web-based deliverables available via the SFMTA website. Contractor shall provide IT support personnel as necessary to maintain Call Center software configuration and Web-site development.

Contractor will grant a credit of \$300 to the SFMTA for each working day that a functional customer service website is not available after the thirty (30) calendar days following the Contractor's receipt of a Notice to Proceed from SFMTA.

Task 4 Payment Schedule

The SFMTA shall compensate Contractor for work on Task 4, provided that work meets SFMTA requirements, as follows:

| Type of Service | Year 1 | Years 2-4 |
|--|------------|------------|
| One-time Contract Implementation Costs (includes Help Desk Software, computer and phone set-up) facility | \$2,882.25 | N/A |
| Call Center Monthly Administrative Fee (covers labor/staffing, overhead, telecommunications, application hosting costs) | \$6,167.56 | \$6,415.67 |

| Position | Year 1 | Years 2-4 |
|------------------------|-------------|-------------|
| IT Support | \$208.02/hr | \$218.47/hr |
| IT Solutions Developer | \$98.69/hr | \$102.64/hr |
| IT Consultant | \$208.36/hr | \$216.70/hr |

Year 1 rates shall take effect upon the Effective Date of this Contract. Year 2 rates shall take effect 365 days after the Effective Date of this Contract and shall remain as stated for the duration of this contract.

TASK 5. Information Technology (IT) Support Services

SFMTA shall provide the Contractor with a proposed scope of services related to providing additional IT services for the City’s existing Parking Meter Management System (SFPMMMS). The IT Solutions Developer shall be assigned to exclusively to the SFMTA, locally-based and provided by the Contractor. Contractor shall provide all Commercial Off The Shelf (COTS) software and associated licensing to the SFMTA at the end of the Contract Term. All software developed by the Contractor and/or IT Consultants shall be governed by Attachment 2.

SFMTA reserves the right to request additional IT support for tasks relating to the Pilot Projects listed above.

Within ten (10) working days of receipt of SFMTA scope of work or requests for additional IT support, Contractor shall provide SFMTA with a detailed work plan and price quote. Price quote must detail staffing requirements by specific classification and total hours for each classification.

SFMTA will review the Contractor’s proposed work plan and price quote and recommend any changes as appropriate. SFMTA reserves the right to modify its scope of work, or the Contractor’s work plan and request a new price quote and work plan at no additional cost to SFMTA.

Within fifteen (15) calendar days of receiving a Notice to Proceed from the SFMTA, the shall provide additional IT services as specified in the work plan, unless an alternative date is agreed to by the SFMTA and the Contractor. Contractor will grant a credit of \$300 to the SFMTA for each working day that functional IT services are not available after these fifteen (15) calendar days.

Task 5 Payment Schedule

The SFMTA shall compensate Contractor for work on Task 5, provided that work meets SFMTA requirements, as follows:

| Position | Year 1 | Years 2-4 |
|-------------------------------|---------------|------------------|
| Project Management | \$77.65/hr | \$80.75/hr |
| IT Solutions Developer | \$98.69/hr | \$102.64/hr |
| IT Consultant | \$208.36/hr | \$216.70/hr |
| IT Support | \$208.02/hr | \$218.47/hr |
| Monthly IT infrastructure fee | \$ 1,393.09 | \$1,199.02 |

The monthly IT infrastructure fee covers all equipment, hardware and software associated with providing information technology services. The Contractor shall replace any defective equipment, hardware or software shall be repaired or replaced within three (3) working days by the Contractor at no cost to the SFMTA. If said equipment, hardware or software is not repaired or replaced within these three days, the Contractor will grant a credit of \$300 to the SFMTA for each additional working day until this work is completed.

Year 1 rates shall take effect upon the Effective Date of this Contract. Year 2 rates shall take effect 365 days after the Effective Date of this Contract and shall remain as stated for the duration of this contract.

TASK 6. Customer Reporting and Performance Management Services

In addition to the Contractor's support of the existing Parking Meter Management System (SFPMMS), Contractor shall provide enhancements to the SFPMMS and identify and implement alternatives to existing reporting services. Contractor's customer reporting and performance management services are designed to improve responsiveness, timeliness and reduce costs and to support SFMTA Parking Pilot Projects. The following descriptions provide examples of such enhancements, but are not intended to be an exhaustive list.

1. Contractor shall provide reporting services via the proposed Contractor Solutions Developer or IT Consultant(s), to generate custom reports utilizing Crystal Reports/Xcelsius or Dashboard technologies. (Said Contractor Solutions Developer or IT Consultant(s) shall be approved by the SFMTA).

2. Contractor shall provide additional performance measurement services and recommend performance measures. These measures, referred to as Key Performance Indicators (KPI's), shall be available to the SFMTA through the web-based Dashboard system. At a minimum, Indicators/Measures shall include:

- a. Collection Activity measured by:
 - i. Route
 - ii. Meter type (Subcontractor, multi vs. single, etc.)
 - iii. Individual Meter
 - iv. Date/Time, Day of Week, Week, Month
 - v. Individual space (multi-space versus single space meters)
- b. Meter Maintenance
- c. Equipment performance

- d. Enforcement levels and effectiveness
- e. Human Resources
- f. Call Center Information
- g. SFPMMS System Performance/Availability of equipment
- h. Pilot Program Performance as specified by SFMTA

3. To support these enhancements, Contractor shall obtain necessary software on behalf of the SFMTA, which shall be the licensee. SFMTA shall be responsible for these software licensing costs and shall retain the license following the expiration of this Contract, as governed by the licensing agreements.

Contractor shall, within twenty (20) calendar days of Notice to Proceed of this Contract, propose a work plan to enhance Customer Reporting and Performance Management meeting the specifications listed above. Contractor shall include in the price quote, detailed position descriptions and hours required by each function, using the hourly rates specified below.

SFMTA will review the Contractor's proposed work plan and price quote, and will recommend any changes as appropriate. SFMTA reserves the right to modify its scope of work, or the Contractor's work plan and request a new price quote and work plan at no additional cost to SFMTA.

Contractor shall, within sixty (60) calendar days of SFMTA approval of this work plan, implement the enhancements specified in the work plan, unless an alternative date is agreed to by the SFMTA and the Contractor. If modifications per the work plan are not implemented within these sixty (60) calendar days, the Contractor will grant a credit of \$300 to the SFMTA for each additional working day until this work is completed.

Task 6 Payment Schedule

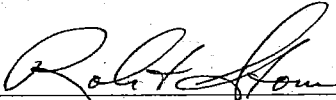
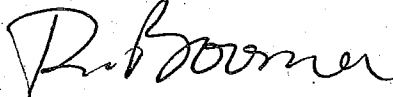
The SFMTA shall compensate Contractor for work on Task 6, provided that work meets SFMTA requirements, as follows:

| Type of Fee or Rate | Year 1 | Years 2-4 |
|-----------------------------|-------------|-------------|
| One-Time Implementation Fee | \$28,822.50 | N/A |
| IT Support Rate | \$208.02 | \$218.47 |
| IT Solutions Developer Rate | \$98.69/hr | \$102.64/hr |
| IT Consultant Rate | \$208.36 | \$216.70 |

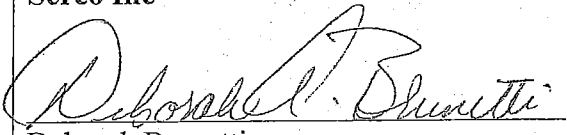
Year 1 rates shall take effect upon the Effective Date of this Contract. Year 2 rates shall take effect 365 days after the Effective Date of this Contract and shall remain as stated for the duration of this Contract.

The total compensation from the SFMTA to the Contractor for Tasks 1, 2, 3, 4, 5 and 6 shall not exceed \$45,000,000.

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

| | |
|---|--|
| <p>CITY</p> <p>San Francisco Municipal Transportation Agency</p> <hr/> <p>Debra A. Johnson Acting Executive Director/CEO</p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By:  Robert K. Stone Deputy City Attorney</p> <p>San Francisco Municipal Transportation Agency Board of Directors</p> <p>Resolution No. <u>11-096</u></p> <p>Adopted: _____ Attest:</p> <p> Secretary, SFMTA Board of Directors</p> | <p>CONTRACTOR</p> <p>Serco Inc</p> <hr/> <p>Deborah Brunetti Vice President of Contracts & Procurement 1818 Library Street Suite 1000 Reston, Virginia 20190</p> <p>City vendor number: <u>7390801</u></p> |
|---|--|

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

| CITY | CONTRACTOR |
|---|--|
| San Francisco Municipal Transportation Agency | Sercio Inc |
| _____ Nathaniel P. Ford Sr. Executive Director/CEO |  Deborah Brunetti |
| Approved as to Form: Dennis J. Herrera City Attorney | Vice President of Contracts & Procurement 1818 Library Street Suite 1000 Reston, Virginia 20190 |
| By: _____ Robert K. Stone Deputy City Attorney | City vendor number: <u>7390801</u> |
| San Francisco Municipal Transportation Agency Board of Directors | |
| Resolution No. _____ | |
| Adopted: _____ | |
| Attest: _____ Secretary, SFMTA Board of Directors | |



Municipal Transportation Agency

City and County of San Francisco

First Amendment

THIS AMENDMENT (this "Amendment") is made as of September 15, 2009, in San Francisco, California, by and between **Serco, Inc.**, ("Contractor"), and the **San Francisco Municipal Transportation Agency ("SFMTA")**, acting by and through its Executive Director/CEO

RECITALS

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, SFMTA and Contractor desire to modify the Agreement on the terms and conditions set forth herein to test and evaluate as pilot projects new parking meter technologies, parking payment systems and other traffic regulations and control devices ("the Project"); and

WHEREAS, approval for this Amendment was obtained when the Civil Service Commission approved Contract number 4154-0708 on May 19, 2008;

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

1. **Definitions.** The following definitions shall apply to this Amendment:

a. **Agreement.** The term "Agreement" shall mean the Agreement dated for convenience June 1, 2008 between Contractor and City, as amended by the:

First Amendment, dated September 15, 2009:

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

2. **Modifications to the Agreement.** The Agreement is hereby modified as follows:

a. Section 2 of the Agreement currently reads as follows:

Subject to Section 1, the term of this Agreement shall be twenty-four month from the effective date of the Agreement, as stated in the Notice to Proceed first issued by the City to the Contractor under this Agreement. In no case shall the term of this Agreement extend beyond June 3, 2010.

Such section is hereby amended in its entirety to read as follows:

Subject to Section 1, the term of this Agreement shall be **forty-nine months** from the effective date of the Agreement, as stated in the Notice to Proceed first issued by the City to the Contractor under this Agreement. In no case shall the term of this Agreement extend beyond **June 30, 2012**.

3. Effective Date. Each of the modifications set forth in Section 2 shall be effective on and after the date of this amendment.

4. Legal Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

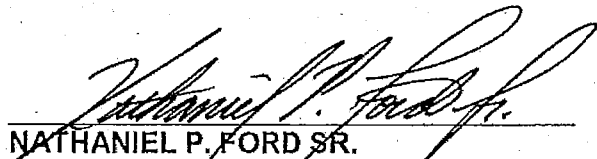
IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY

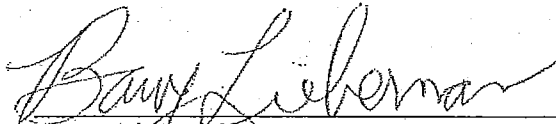
CONTRACTOR

Approved:

Serco, Inc.



NATHANIEL P. FORD SR.
Executive Director/CEO
San Francisco Municipal
Transportation Agency




Barry Lieberman
Senior Principal Contract Administrator
1818 Library Street
Reston, VA 20190

Municipal Transportation Agency
Board of Directors
Resolution No. 09-167

City vendor number: 7390801

Adopted: September 15, 2009

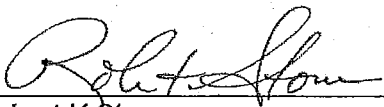
Attest:



Secretary, MTA Board

Approved as to Form:

Dennis J. Herrera
City Attorney

By: 

Robert K Stone
Deputy City Attorney

**CITY AND COUNTY OF SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

SECOND AMENDMENT

THIS SECOND AMENDMENT (this "Amendment") is made as of May, 2010, in San Francisco, California, by and between Serco Inc. ("Contractor" or "Serco"), and the City and County of San Francisco acting by and through its Municipal Transportation Agency ("SFMTA").

RECITALS

WHEREAS, SFMTA and Contractor have entered into the Agreement (as described below);

WHEREAS, Contractor and Duncan Solutions, Inc. ("Duncan") have negotiated and intend to enter into a subcontract for the hardware, software, and services for parking meters under the terms and conditions of a **SUPPLIER MASTER AGREEMENT NUMBER 09810.2008.0032** and an associated **PROJECT WORK ORDER NO.: 09810.2008.0032** (collectively, the "Duncan Subcontract");

WHEREAS, Contractor and IPS Group, Inc. ("IPS") have negotiated and intend to enter into a subcontract for the hardware, software, and services for parking meters under the terms and conditions of a **SUPPLIER MASTER AGREEMENT NUMBER 09810.2008.0033** and an associated **PROJECT WORK ORDER NO.: 09810.2008.0033** (collectively, the "IPS Subcontract"); and

WHEREAS, SFMTA and Contractor desire that upon the entry into effect of the Duncan Subcontract or IPS Subcontract the terms and conditions set forth in the Agreement shall be modified as set forth herein.

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

1. Definitions.

a. The following definitions shall apply to this Amendment:

Agreement. The term "Agreement" shall mean the Agreement between the City and County of San Francisco and Serco Inc. for Administrative Services in Support of the SFpark Project, dated as of June 1, 2008 (contract number 4154-0708), as amended by the First Amendment, made as of September 15, 2009.

Damages. The term "Damages" shall mean any and all claims, causes of action, losses, costs, expenses (including attorneys' fees and expenses and administrative or litigation costs and expenses), liabilities, fines, levies, penalties, credit assessments, and damages (including, without limitation, incidental, consequential, direct, indirect, liquidated, punitive, statutory, or exemplary damages).

b. Other Terms. Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

2. Modifications to the Agreement. The Agreement is modified as follows:

Duncan Subcontract. Notwithstanding any terms and conditions (express or implied) set forth in the Agreement, with respect to work arising out of or in connection with the Duncan Subcontract, in no event shall Contractor's liability for, or payment of, Damages to SFMTA arising out of or in connection with the Agreement exceed the amount of Damages paid by Duncan to Contractor or SFMTA pursuant to the terms and conditions of the Duncan Subcontract.

IPS Subcontract. Notwithstanding any terms and conditions (express or implied) set forth in the Agreement, with respect to work arising out of or in connection with the IPS Subcontract, in no event shall Contractor's liability for, or payment of, Damages to SFMTA arising out of or in connection with the Agreement exceed the amount of Damages paid by IPS to Contractor or SFMTA pursuant to the terms and conditions of the IPS Subcontract.

3. Effective Date. Upon entry into force of the Duncan Subcontract, the modifications set forth in Section 2 related to the Duncan Subcontract shall become effective. Upon entry into force of the IPS Subcontract, the modifications set forth in Section 2 related to the IPS Subcontract shall become effective.

4. Legal Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

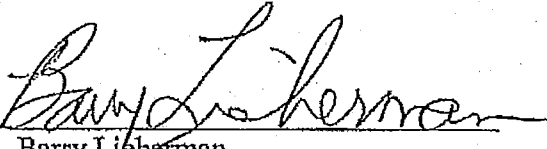
5. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall constitute the same Agreement. Executed counterparts of this Amendment may be delivered electronically, including, without limitation by facsimile and email, and such signatures that shall be considered legally binding for all purposes.

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

CITY
San Francisco Municipal Transportation
Agency

CONTRACTOR
Serco Inc.


Nathaniel P. Ford Sr.
Executive Director/CEO


Barry Lieberman
Senior Principal Contract Administrator
1818 Library Street

Reston, VA 20190
City vendor number: 7390801

Approved as to Form:

Dennis J. Herrera
City Attorney

By: Stephanie J. Stuart
Stephanie J. Stuart
Deputy City Attorney

SFMTA Board of Directors

Resolution No. _____

Dated: _____

R. Boomer
Secretary, SFMTA Board

Board of Supervisors

Resolution No. _____

Dated: _____

Clerk of the Board

**CITY AND COUNTY OF SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

THIRD AMENDMENT

THIS THIRD AMENDMENT (this "Amendment") is made as of **November 19, 2010**, in San Francisco, California, by and between Serco Inc. ("Contractor" or "Serco"), and the San Francisco Municipal Transportation Agency ("SFMTA"), acting by and through its Executive Director/CEO.

RECITALS

WHEREAS, SFMTA and Contractor have entered into the Agreement (as described below);

WHEREAS, Contractor and OpenGeo. ("OpenGeo") have negotiated and intend to enter into a subcontract for the hardware, software, and services for parking meters under the terms and conditions of a **PURCHASE ORDER NO. LD1000060** with an Effective Date of November 19, 2010, (the "OpenGeo Subcontract"); and

WHEREAS, SFMTA and Contractor desire that upon the entry into effect of the OpenGeo Subcontract the terms and conditions set forth in the Agreement shall be modified as set forth herein.

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

1. Definitions.

- a. The following definitions shall apply to this Amendment:

Agreement. The term "Agreement" shall mean the Agreement between the City and County of San Francisco and Serco Inc. for Administrative Services in Support of the SFpark Project, dated as of June 1, 2008 (contract number 4154-0708), as amended by the First Amendment, made as of September 15, 2009, and the Second Amendment made as of May 1, 2010.

Damages. The term "Damages" shall mean any and all claims, causes of action, losses, costs, expenses (including attorneys' fees and expenses and administrative or litigation costs and expenses), liabilities, fines, levies, penalties, credit assessments, and damages (including, without limitation, incidental, consequential, direct, indirect, liquidated, punitive, statutory, or exemplary damages).

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

2. **Modifications to the Agreement.** The Agreement is modified as follows:

Notwithstanding any terms and conditions (express or implied) set forth in the Agreement, with respect to work arising out of or in connection with the OpenGeo Subcontract, in no event shall Contractor's liability for, or payment of, Damages to SFMTA arising out of or in connection with the Agreement exceed the amount of Damages paid by OpenGeo to Contractor or SFMTA pursuant to the terms and conditions of the OpenGeo Subcontract.

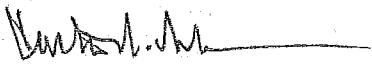
3. **Effective Date.** Upon entry into force of the OpenGeo Subcontract, each of the modifications set forth in Section 2 shall be effective as of November 19, 2010.

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

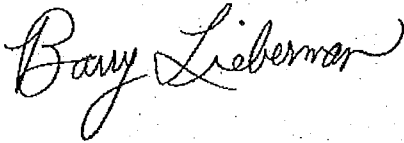
IN WITNESS WHEREOF, Contractor and SFMTA have executed this Amendment as of the date first referenced above.

CITY
San Francisco Municipal Transportation
Agency

CONTRACTOR
Serco Inc.

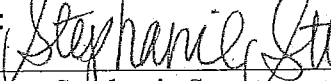


Nathaniel P. Ford Sr.
Executive Director/CEO



Barry Lieberman
Senior Principal Contract Administrator
1818 Library Street
Reston, VA 20190

City vendor number: 7390801

By: 

Stephanie Stuart
Deputy City Attorney

110726

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

| | |
|--|--|
| City Elective Officer Information <i>(Please print clearly.)</i> | |
| Name of City elective officer(s): Members, San Francisco Board of Supervisors | City elective office(s) held: Members, San Francisco Board of Supervisors |
| Contractor Information <i>(Please print clearly.)</i> | |
| Name of contractor: Serco Inc. | |
| <i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i> | |
| See Attached Page | |
| Contractor address: 1818 Library Street, Suite 1000, Reston, VA 20190 | |
| Date that contract was approved: April 15, 2008 | Amount of contract: Not-to-Exceed \$22,080,000 |
| Describe the nature of the contract that was approved: Administrative services in support of the SFpark Project and serve as a contractor/purchasing agent for the SFMTA in the procurement of equipment, parking meters, materials, software, and related equipment for testing and evaluating various parking meters, parking payment systems, and other traffic regulation and control devices. | |
| Comments: | |

This contract was approved by (check applicable):

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

Print Name of Board

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

Print Name of Board

| | |
|---|--|
| Filer Information <i>(Please print clearly.)</i> | |
| Name of filer: | Contact telephone number: () |
| Address: | E-mail: |

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

Date Signed

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

Date Signed

CONTRACTOR INFORMATION

1. Members of Contractor's Board of Directors:

Edward J. Casey, Jr.
Christopher R. Hyman
Riley M. Mixson
Robert Reynolds
Guy Leach
Bo Durickovic
James C. Morgan
Jacques S. Gansler

2. Contractor's Chief Executive Officer: Edward J. Casey, Jr.

Chief Financial Officer: James C. Morgan

Chief of Staff: Bo Durickovic

3. Any Person Who Has an Ownership of 20 % or more in the contractor:

Serco North America Limited owns 100% of the stock of the contractor

4. Any Subcontractor listed in the bid or contract: Not Applicable

5. Any political committee sponsored or controlled by the contractor:

Serco Inc. Political Action Committee (SercoPac)

City and County of San Francisco
San Francisco Municipal Transportation Agency
One South Van Ness Ave., 7th Floor
San Francisco, California 94103

**Agreement between the City and County of San Francisco
and
Serco, Inc. for Administrative Services
in Support of the SFpark Project**

This Agreement between the City and County of San Francisco and Serco, Inc. for Administrative Services in Support of the SFpark Project, hereinafter referred to as "Agreement" or "Contract," dated for convenience as June 1, 2008, is made in the City and County of San Francisco, State of California, by and between: Serco, Inc., hereinafter referred to as "Serco" or "Contractor," incorporated in Delaware, registered to do business in California, and the City and County of San Francisco, a municipal corporation, acting by and through its San Francisco Municipal Transportation Agency, hereinafter referred to as "City" or "SFMTA".

Recitals

WHEREAS, the San Francisco Municipal Transportation Agency ("Department") wishes to test and evaluate as pilot projects new parking meter technologies, parking payment systems, and other traffic regulation and control devices ("the Project"); and

WHEREAS, the Director of Transportation has determined that it is necessary and appropriate to award this contract to Serco as a sole-source contract because a competitive process would be infeasible given the need for the equipment vendor under this Agreement to access Serco's proprietary revenue collections and reporting systems and due to Serco's unique knowledge and experience as the collections service provider for the City's current parking meters, and on that basis CalTrans has approved the award of this contract to Serco as a sole-source; and

WHEREAS, No activities constituting construction will be performed under this Agreement; and

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

WHEREAS, Contractor acknowledges that federal funding for Contractor's Work under this agreement will come from in whole or in part from Federal Highway Administration grants from the federal Value Pricing Pilot Program and the Transportation, Community and System Preservation Program, which grants are administered by the California Department of Transportation (grant nos. _____ and _____); and,

WHEREAS, Contractor represents and warrants that it will comply with all federal and state requirements set out in this Agreement or attached to this Agreement in the Included Appendices or otherwise referenced in this Agreement, or imposed under federal or state law or regulations, as a result of said federal funding, and that all such requirements are incorporated into and are material terms of this Agreement that supercede any conflicting provisions of this agreement; and,

