File No	250773	Committee Item No	2
		Board Item No.	

#### **COMMITTEE/BOARD OF SUPERVISORS**

AGENDA PACKET CONTENTS LIST

AGENDATIAGNET GOTTENTO EIGT
Committee: Budget and Finance Committee Date September 10, 2029 Board of Supervisors Meeting Date
Cmte Board    Motion
OTHER (Use back side if additional space is needed)
✓ Original Agreement 6/16/2020   ✓ Modification No. 1 11/16/2023   ✓ Modification No. 2 4/1/2024   ✓ Modification No. 3 6/1/2024   ✓ Modification No. 4 10/1/2024   ✓ PLN CEQA Determination 6/12/2025   ✓ AIR Memo and Resolution No. 20-0108 6/16/2020   ✓ AIR Memo and Resolution No. 23-0221 9/5/2023   ✓ AIR Memo and Resolution No. 25-0100 7/1/2025
Completed by:Brent JalipaDateSeptember 4, 2025Completed by:Brent JalipaDate

1	<ul><li>[Airport Professional Services Agreement - AGS, Inc Project Management Support Services</li><li>- International Terminal Building Phase 2 Project - Not to Exceed \$12,500,000]</li></ul>
2	- International Terminal Building Phase 2 Project - Not to Exceed \$12,300,000]
3	Resolution approving Modification No. 5 to Airport Contract No. 11365.41, Project
4	Management Support Services for the San Francisco International Airport, International
5	Terminal Building Phase 2 Project, with AGS, Inc., to increase the Contract amount by
6	\$2,850,000 for a total not to exceed the amount of \$12,500,000 and extend the Contract
7	term for services by 187 days from June 27, 2026, for a total term of June 16, 2020,
8	through December 31, 2026, pursuant to Charter, Section 9.118(b).
9	
10	WHEREAS, The International Terminal Building (ITB) Phase 2 Project (Project)
11	renovates the Arrivals Level of the ITB to enhance passenger processing by improving the
12	Federal Inspection Services' primary immigration screening and reconfiguring the Customs
13	and Border Protection (CBP) support areas; and
14	WHEREAS, On June 16, 2020, by Resolution No. 20-0108, the Commission awarded
15	the Contract to AGS, Inc., in an amount not to exceed \$4,880,000 for 1,218 days of services;
16	and
17	WHEREAS, The Contract scope of work includes overall management expertise and
18	oversight of the Project, including design and construction management services, project
19	controls, contract administration, cost estimating services, and field inspections; and
20	WHEREAS, On September 5, 2023, by Resolution No. 23-0221, the Commission
21	approved Modification No. 1, to increase the Contract not-to-exceed amount by \$4,770,000
22	for a new Contract amount not to exceed \$9,650,000 and extend the Contract duration for an
23	additional 954 consecutive calendar days of services for a total duration of 2,172 days; this
24	accounted for the suspension of work following the onset of the COVID-19 pandemic; and
25	

1	WHEREAS, On April 1, 2024, the Airport Director approved Modification No. 2, adding
2	a new sub-consultant (Abadjis Systems, Ltd. dba ASLPM); and
3	WHEREAS, On April 1, 2024, the Airport Director approved Modification No. 3, adding
4	a new classification and updating labor rates; and
5	WHEREAS, On October 1, 2024, the Airport Director approved Modification No. 4,
6	adding a new sub-consultant (Hill International, Inc.) and updating its classification and range
7	of rates; and
8	WHEREAS, On July 1, 2025, by Resolution No. 25-0100, the Commission approved
9	Modification No. 5 to the Contract, increasing the not to exceed amount by \$2,850,000 for a
10	new total Contract amount not to exceed \$12,500,000 and extending the Contract term for
11	services through December 31, 2026, and directing the Commission Secretary to seek Board
12	of Supervisors' approval of the proposed increase to the Contract's not to exceed amount;
13	and
14	WHEREAS, Charter, Section 9.118(b), provides that for agreements entered into by a
15	department, board, or commission requiring anticipated expenditures of ten million dollars or
16	more, or modifications to such agreements having an impact that exceeds \$500,000 shall be
17	subject to approval by the Board of Supervisors ("Board") by resolution; and
18	WHEREAS, The Planning Department has determined that the actions contemplated in
19	this Resolution are "not a project" under the California Environmental Quality Act (California
20	Public Resources Code, Sections 21000 et seq.); said determination is on file with the Clerk of
21	the Board of Supervisors in File No. 250773 and is incorporated herein by reference; and the
22	Board affirms this determination; now, therefore, be it
23	RESOLVED, That the Board of Supervisors hereby approves Modification No. 5 to
24	Airport Contract No. 11365.41, Project Management Support Services for the International
25	Terminal Building Phase 2 Project, increasing the Contract amount by \$2,850,000 for a new

1	total Contract not to exceed amount of \$12,500,000; a copy of Modification No. 5 is contained
2	in Board of Supervisors File No. 250773 along with the Contract and the previously executed
3	modification; and, be it
4	FURTHER RESOLVED, That within thirty (30) days of Modification No. 5 being fully
5	executed by all parties, the Commission shall provide a copy to the Clerk of the Board for
6	inclusion in the official file.
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Item 2	Department:
File 25-0773	San Francisco International Airport (Airport)

#### **EXECUTIVE SUMMARY**

#### **Legislative Objectives**

• The proposed resolution would approve Modification No. 5 to the Airport's project management support services contract with AGS, Inc. (AGS), increasing the amount of the contract by \$2,850,000 for a total not to exceed \$12,500,000, and extending the term by an additional six months from June 27, 2026, for a total term of June 16, 2020 through December 31, 2026.

#### **Key Points**

- Under the International Terminal Building Phase 2 Project (the Project), the Airport is renovating and consolidating the Customs and Border Protection operations and Federal Inspection Services' primary immigration screening areas. The project includes new automated exit lane zones, replacement of two separate screening facilities in each boarding area, and expansion of international baggage capacity.
- In November 2019, the Airport issued a Request for Proposals (RFP) to award a project management support services contract for the International Terminal Building Phase 2 Project. AGS was deemed the highest scoring proposer and was awarded a contract for a term of 40 months and an amount not to exceed \$4,880,000. From September 2023 to October 2024, the Airport executed four modifications to the contract.
- Under the contract, AGS would support Airport staff with project management and oversight, as well as reporting on program data. The contract's scope of services includes project controls, managing project cost and schedule information, providing project budget analysis and cost estimating services, and preparing monthly project status reports.
- The most recent performance evaluation completed in March 2025 found that AGS met or exceeded expectations in all areas except for communication, which the contractor is working to improve.

#### **Fiscal Impact**

- The proposed modification would increase the amount of the AGS contract by \$2,850,000 for a total not to exceed \$12.5 million. The proposed contract increase will fund a total of 8.0 FTE during the construction phase (to March 2026) and 4.5 FTE during the closeout phase (from March to December 2026). The contract is funded by Airport revenue bonds.
- The contract increase is driven by increases in the overall project budget, which has doubled due to the transfer of scope from other contracts/projects, other scope changes requested by Customs and Border Protection, and cost escalation. The proposed contract as a share of the total project budget (4.2 percent) is comparable to the share estimated in the 2019 RFP (4.5 percent).

#### Recommendation

Approve the proposed resolution.

#### MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

#### **BACKGROUND**

#### **International Terminal Building Phase 2 Project**

Adopted in October 2023, the Airport's FY 2023-24 – FY 2024-25 \$11 billion Capital Improvement Plan consists of two programs: (1) the \$8 billion Ascent Program – Phase 1.5<sup>1</sup> and (2) the \$3 billion Infrastructure Projects Plan<sup>2</sup>. The International Terminal Building Phase 2 Project is a part of the Ascent Program and aims to improve the international arrivals passenger experience by renovating and consolidating the Customs and Border Protection operations and Federal Inspection Services' primary immigration screening areas. This includes providing four new automated exit lane zones, replacing two separate screening facilities in each boarding area, and expanding international baggage capacity from 10 to 12 baggage carousels. According to the Airport, the current total International Terminal Building Phase 2 Project budget is \$297.2 million<sup>3</sup>. The Airport states that \$193.6 million (or approximately 65.1 percent) has been expended to date, and the project is currently in the construction phase with a scheduled opening in June 2026. The Airport states that 67 percent of construction has been completed to date with a projected project closeout date of December 31, 2026<sup>4</sup>. As discussed below, the project was delayed due to the COVID-19 pandemic, and the project budget has doubled due to the transfer of scope from other contracts/projects, other scope changes requested by Customs and Border Protection, and cost escalation.

#### **Procurement of Project Management Support Services Contract**

In November 2019, the Airport issued a Request for Proposals (RFP) to award a project management support services contract for the International Terminal Building Phase 2 Project. The Airport received six proposals, with one disqualified from evaluation for not meeting Local Business Enterprise (LBE) participation requirements. A three-member selection panel scored the

<sup>&</sup>lt;sup>1</sup> This consists of a fixed set of 27 projects (within 17 project categories) with an estimated completion in FY 2029-30.

<sup>&</sup>lt;sup>2</sup> This consists of a dynamic set of projects that can be updated bi-annually to include newly emerging needs. The total budget of the program is approximately \$3 billion over two years and currently consists of 218 projects (within 29 project categories)

<sup>&</sup>lt;sup>3</sup> According to the Capital Improvement Plan Update presentation at the April 22, 2024 Capital Planning Committee meeting, the total International Terminal Building Phase 2 Project budget is \$289.5 million. The Airport states the current total budget of \$297.2 million includes scope of work from other related approved capital projects that has been incorporated into the Phase 2 Project. This includes a new Global Entry Office, shell space for two concessions, relocation of the Customs and Border Protection's Special Response Team, and wayfinding signage.

<sup>&</sup>lt;sup>4</sup> The original project end date was October 16, 2023.

proposals, as shown in Exhibit 1 below.<sup>5</sup> Proposals were evaluated based on experience/qualifications (80 points), organization and key personnel (120 points), project approach (100 points), and an oral interview (250 points). The proposed term of the contract in the RFP was 40 months with an estimated amount of \$6.7 million.

**Exhibit 1: Proposals and Scores from RFP** 

Proposer	Score (550 Possible Points)		
AGS, Inc.	538.27		
ITB Refresh Phase 2 Joint Venture	503.82		
Allen Group, LLC/Hollins Consulting, Inc. Joint Venture	421.04		
Cumming Management Group, Inc.	155.00		
Studio 151, LLC	154.00		

Source: Airport

AGS, Inc. (AGS) was deemed the highest scoring proposer and was awarded a contract. In June 2020, the Airport Commission approved a contract with AGS for a term of 40 months and an amount not to exceed \$4,880,000. Because of the pandemic's impact on Airport finances, the Airport suspended most of the International Terminal Building Phase 2 scope of work in October 2020. This suspension ended on January 30, 2023. In September 2023, the Airport Commission approved Modification No. 1 to the contract, which increased the amount by \$4,770,000 to a not to exceed \$9,650,000, extended the contract term through June 27, 2026, and made several administrative modifications<sup>6</sup>. In April 2024, the Airport executed Modification No. 2 to add a new subcontractor and update standard contractual provisions. In June 2024, the Airport executed Modification No. 3 to add a new classification and update the range of labor rates. In October 2024, the Airport executed Modification No. 4 to add a new subcontractor, update the calculation of charges and method of payment in Appendix B, and revise the labor and overhead rates and fees<sup>7</sup>. Because the contract was less than \$10 million and less than 10 years, the contract and subsequent modifications did not require Board of Supervisors' approval. In July 2025, the Airport Commission approved Modification No. 5 to the contract to extend the contract by an additional six months from June 27, 2026 through December 31, 2026 and increased the not to exceed amount to \$12.5 million.

#### **DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve Modification No. 5 to the Airport's project management support services contract with AGS, Inc. (AGS), increasing the amount of the contract by \$2,850,000 for a total not to exceed \$12.5 million, and extending the term by an additional six months from June 27, 2026, for a total term of June 16, 2020 through December 31, 2026.

<sup>&</sup>lt;sup>5</sup> The selection panel consisted of a Project Manager at the Airport, a Project Manager at the San Francisco Public Utilities Commission, and the Aviation Planning and Development Manager at the Oakland Port Authority.

<sup>&</sup>lt;sup>6</sup> This includes revising the range of rates to adjust for CPI increases, adding new rates and classifications, allowing for a 2 percent markup on first-tier subcontractor invoices, and revising standard contractual provisions

<sup>&</sup>lt;sup>7</sup> The Airport states that overhead rates were changed to align with the Airport's standard practice, which is to base overhead rates on audited rates (or financial statements if audits are not available).

#### Services

Under the contract, AGS would support Airport staff with project management and oversight, as well as reporting on program data, for the International Terminal Building Phase 2 Project. The contract's scope of services includes project controls, managing project cost and schedule information, providing project budget analysis and cost estimating services, and preparing monthly project status reports. Contract staff would also provide project management, administration and oversight services during the design, construction and closeout phases of the project, including conducting final field inspections. The proposed Modification No. 5 would not change the scope of services.

As detailed in the contract's Appendix B, compensation for services is on a time and materials basis. Direct labor rates range from \$90/per hour to \$140/per hour for a Program Controls Manager to \$26.23/per hour to \$36.72/per hour for an Administrative Assistant.<sup>8</sup> Optional annual rate adjustments will be based on CPI and require Airport approval. Field and home office overhead rates<sup>9</sup> are applied as a percentage markup on top of the direct labor rate for each staff member<sup>10</sup>. The contract also states that the prime contractor may include a maximum profit rate of 10 percent and a two percent fee/markup for first-tier subcontractor labor. The markup is to cover the additional costs and risks the prime contractor may incur when managing subcontractors.

The Airport is increasing the contract amount and extending the term to address the project support needed to complete the International Terminal Building Phase 2 project and align the six-month proposed extension with the anticipated project closeout date of December 31, 2026.

#### **Local Business Enterprise Program**

The Contract Monitoring Division established an 18 percent Local Business Enterprise (LBE) subcontracting requirement for the contract. AGS committed to an 18 percent LBE participation goal. As of August 2025, AGS reports an 18.5 percent LBE achievement. Exhibit 2 shows the LBE percentage and tasks committed to each subcontractor.

<sup>&</sup>lt;sup>8</sup> The Airport states that the direct labor and overhead rates were established during the Airport's pre-award negotiation process with the vendor.

<sup>&</sup>lt;sup>9</sup> According to the Airport, field and home office overhead rates are used to account for the indirect costs associated with supporting labor on a project. The field office overhead rate is applied to staff working onsite at the project location (SFO Airport), and the home office overhead rate is applied to staff working off-site, typically from the contractor's office.

<sup>&</sup>lt;sup>10</sup> The field office overhead rate for AGS is 145 percent and for the subcontractors range from 54.39 percent for Construction Management West, Inc. to 145 percent for Chaves & Associates, InnoActive Group, MicroEstimating, RES Engineers, Ross & Baruzzini/CAGE, and Stok, LLC. The home office overhead rate for AGS is 160 percent. Subcontractors with a home office overhead rate range from 54.39 percent for Construction Management West, Inc. to 160 percent for Hill International, MicroEstimating, RES Engineers, and Stok, LLC. According to the contract, overhead rates must not exceed 145 percent for field offices and 160 percent for home offices

Exhibit 2: LBE Utilization To Date (August 2025)

Subcontractors	Tasks	LBE Commitment (%)	LBE Usage-to-Date (%)
InnoActive Group	Cost Controls & Support	5	4.9
MCK America, Inc.	Budget Management and Scheduling	5	3.2
MicroEstimating, Inc.	Cost Estimating	2	2.5
CM West, Inc.	Inspection	3	0.8
Chaves & Associates	Administrative Support	3	7.1
	Total	18	18.5

Source: Airport

Other Subcontractors

Exhibit 3 below shows the other non-LBE subcontractors and their tasks for the contract.

**Exhibit 3: Subcontractors (non-LBE)** 

Subcontractors	Tasks		
Abadjis Systems, Ltd. Dba ASLPM	Wayfinding Scope Project Management and Stakeholder		
	Engagement		
Hill International	Contract Administration and Project Management Support		
RES Engineers, Inc.	Materials Testing and Inspection		
Ross & Baruzzini/CAGE	Baggage Handling Systems		
Stok, LLC	Stakeholder Engagement, Sustainability, Commissioning Support		
WSP USA, Inc.	Mechanical, Electrical, and Plumbing and Special Systems Support		

Source: Airport

#### **Performance Monitoring**

Airport staff monitors contractor performance through semi-annual evaluations. The most recent performance evaluation was completed in March 2025 for the period of September 2024 through February 2025. Airport staff found that AGS at least met or exceeded expectations in all areas reviewed except for communication, and the evaluation stated that the field team was working on improving communication between the field and the office. Other areas reviewed included project controls, data entry into the Unifier system, change order preparation, quality control, contract administration, teamwork, project cost and schedule management, safety and security, and project management support services team resources management. No corrective actions were identified.

#### **FISCAL IMPACT**

The proposed Modification No. 5 would increase the amount of the AGS contract by \$2,850,000 for a total not to exceed \$12.5 million. The estimated contract budget of \$12.5 million is shown in Exhibit 4 below.

**Exhibit 4: Estimated Contract Budget by Phase** 

Phase	Design/Programming (June 2020 – Feb 2024)	Construction (Nov 2020 – March 2026)	Closeout (March 2026 – Dec 2026)	Total
Construction Management	\$174,736	\$1,971,192	\$261,996	\$2,407,924
Project Controls	1,152,018	2,130,414	340,303	3,622,734
Design Management	1,113,378	1,282,635	127,193	2,523,205
Project Management	962,275	1,395,494	133,890	2,491,658
Cost Estimating Support	106,070	278,668	0	384,738
Special Systems <sup>11</sup>	0	112,894	0	112,894
Special Inspection <sup>12</sup>	37,426	161,400	0	198,826
Other Direct Costs <sup>13</sup>	7,600	522,917	7,431	537,948
Total Expenditures	\$3,553,503	\$7,855,613	\$870,812	\$12,279,928
Contingency (7%)				220,072
Not to Exceed Amount				\$12,500,000

Source: Airport

According to Airport staff, the increased amount was determined by assessing forecasted staff support projections needed through the end of the project in December 2026. Airport staff states that \$9,055,623 has been invoiced as of June 2025, and \$3,224,305 is projected to be expended by the end of the proposed term (December 31, 2026) for a total of \$12,279,928 to be expended of the \$12.5 million not to exceed amount. An approximately seven percent contingency on top of the projected remaining spending of \$3.2 million accounts for unforeseen costs. The proposed contract increase will fund a total of eight FTE during the construction phase (to March 2026) and 4.5 FTE during the closeout phase (from March to December 2026).

The contract is funded by Airport revenue bonds. According to the Airport, there are no impacts on operating costs as a result of the contract.

#### **Contract Share of Project Budget**

The proposed contract as a share of the total project budget is comparable to the share estimated in the 2019 RFP. However, the total project budget has doubled and the project management contract amount has increased by 87 percent relative to estimates in the RFP. According to the Airport, the drivers for the project's total budget increase from \$147.6 million to \$297.2 million are the following: (1) \$36 million for the transfer of the scope of work from another International Terminal project from a terminated contract<sup>14</sup>, (2) \$92 million to accommodate updated

<sup>&</sup>lt;sup>11</sup> According to the Airport, Special Systems includes overseeing project scope involving low-voltage systems, such as security, fire alarms, and communication networks.

<sup>&</sup>lt;sup>12</sup> This includes detailed examinations of specific materials, installations, or procedures during a construction project to ensure they meet the approved plans, specifications, and relevant building codes.

<sup>&</sup>lt;sup>13</sup> This includes costs incurred by AGS to support the project, such as office materials and equipment, partnering sessions between project teams and stakeholders, and other services.

<sup>&</sup>lt;sup>14</sup> According to the January 19, 2021 Airport Commission memo, in October 2020, the Airport suspended construction on the International Terminal Building Phase 1 Project, and the Airport Commission subsequently

passenger processing needs of the Customs and Border Protection and higher costs as a result of the pandemic and relocation of a large volume of conduits and systems after the project restarted in 2023, and (3) \$21.6 million from scope that was incorporated from other approved capital projects.<sup>15</sup> The Airport states that the vendor's role in cost containment of the project budget includes providing a controls manager, who is responsible for maintaining the project cost model and using their cost estimating resources<sup>16</sup> to validate the builder's cost model pricing. The proposed contract amount of \$12.5 million is equal to 4.2 percent of the International Terminal Building Phase 2 Project budget (\$297.2 million). The 2019 RFP estimated a contract amount of \$6.7 million which was equal to 4.5 percent of the total project budget at that time (\$147.6 million).

#### **RECOMMENDATION**

Approve the proposed resolution.

SAN FRANCISCO BOARD OF SUPERVISORS

**BUDGET AND LEGISLATIVE ANALYST** 

terminated for convenience the contract with Clark Construction Group - California LP. This project was consolidated under the International Terminal Building Phase 2 project.

<sup>&</sup>lt;sup>15</sup> The added scope included a new Global Entry Office, shell space for two future concessions, relocation of CBP's Special Response Team, and wayfinding signage.

<sup>&</sup>lt;sup>16</sup> The cost estimators also validate subcontractor procurement pricing and change orders.

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

# Initial CL Initial CL for J.Mosqueda

#### Modification No. 5

## Contract No. 11365.41 Project Management Support Services for the International Terminal Building Phase 2 Project

This Modification is made this , in the City and County of San Francisco, State of California, by and between AGS, Inc., 5 Freelon Street, San Francisco, California 94107 (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

#### **Recitals**

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") for Project Management Support Services for the International Terminal Building Phase 2 Project; and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On June 16, 2020, by Resolution No. 20-0108, the Commission awarded the Agreement to Contractor in the not-to-exceed amount of \$4,880,000 with a duration of 1,218 consecutive calendar days; and
- D. On September 5, 2023, by Resolution No. 23-0221, the Commission approved Modification No. 1 increasing the contract amount by \$4,770,000 for a new total contract amount not to exceed \$9,650,000 and extending the term of the Agreement through June 27, 2026, for a total of 2,172 consecutive calendar days. Updates to the range of rates to adjust for CPI increases, to allow for 2% markup on first-tier subcontractor invoices, the addition of new classifications and rates, and standard contractual clauses were also updated through Modification No. 1; and
- E. On April 1, 2024, City and Contractor administratively modified the Agreement to add a new sub-consultant (Abadjis Systems, Ltd. dba ASLPM) through Modification No. 2; and
- F. On June 1, 2024, City and Contractor administratively modified the Agreement to add a new classification and its range of rates through Modification No. 3; and
- G. On October 1, 2024, City and Contractor administratively modified the Agreement to update Appendix B, Calculation of Charges, and to add a new sub-consultant (Hill International, Inc.) and its classification and range of rates through Modification No. 4; and
- H. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount and extend the contract duration; and
- I. On July 1, 2025, by Resolution No. 25-0100, the Commission approved this Modification, increasing the contract not-to-exceed amount by \$2,850,000 for a new total contract amount not

AIR-650 (1-22) Page 1 of 3 Contract No. 11365.41, Mod 5

to exceed \$12,500,000, extending the Agreement for services by an additional 187consecutive calendar day, and directing the Director of Commission Affairs to seek Board of Supervisors approval of Modification No. 5; and

- J. On , by Resolution No. , the City's Board of Supervisors approved this Modification in the not-to-exceed amount of \$12,500,000; and
- K. Approval for the Agreement was obtained when the Civil Service Commission approved DHRPSC0004369 (formerly PSC No. 43332-16/17) on November 20, 2023; and
- L. Contractor represents and warrants that it is qualified to perform the services required by City under the Agreement.

NOW, THEREFORE, Contractor and City agree as follows:

- 1. **Section 1.1 Agreement** is replaced as follows:
- 1.1 "Agreement" means the contract document dated June 16, 2020, Modification No. 1 dated November 16, 2023, Modification No. 2 dated April 1, 2024, Modification No. 3 dated June 1, 2024, and Modification No. 4 dated October 1, 2025, including all attached appendices, and all applicable City ordinances and "Mandatory City Requirements" which are specifically incorporated by reference into the Agreement.
- 2. **Section 2.1 Term** is hereby amended to extend the term of the Agreement for a new ending date of **December 31, 2026**.
- 3. **Section 3.3.1 Payment** is hereby amended to increase the total compensation payable by an amount not to exceed \$2,850,000 (Two Million Eight Hundred Fifty Thousand Dollars) for a new total not-to-exceed amount of \$12,500,000 (Twelve Million Five Hundred Thousand Dollars).
- 4. **Section 4.2 Personnel** is replaced in its entirety with the following:
- 4.2 **Qualified Personnel.** Contractor represents and warrants that it is qualified to perform the Services required by City, and that all Services will be performed by competent personnel with the degree of skill and care required by current and sound professional procedures and practices. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit sufficient resources for timely completion within the project schedule.
- 5. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.
- 6. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

AIR-650 (1-22) Page 2 of 3 Contract No. 11365.41, Mod 5

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

CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	CONTRACTOR
By: Mike Nakornkhet, Airport Director	Baliram Eliamenelipour  R515877352ER474  Authorized Signature
Attest:	Bahram Khamenehpour, President AGS, Inc. 5 Freelon Street San Francisco, California 94107
By:  Kantrice Ogletree, Director Commission Affairs	City Supplier Number: 0000003436 Federal Employer ID Number: 68-0010385
Resolution No.: 25-0100	Todoral Employor IB Hambol. 00 00 10000
Adopted on: July 1, 2025	
Approved as to Form:	
David Chiu City Attorney	
By: Daniel A. Edington, Deputy City Attorney	

CITY AND COUNTY OF SAN F	FRANCISC	O	Original		*	Department: 27 Airport Commiss	sion	Controll 0000444	
CONTRACT ORDER Modification - Increase						Department Contact Derrick Homer	::	Tel. No: (650) 82	
CONTRACT WITH: - Decrease					PS Contract ID: Date: 07/16/2020 1000018276 Page 1 of				
AGS, INC.  Date change						Category 95877	Supplier ID Job No. CT 11365.41		
5 FREELON STREET						Period Covered: Amount: 06/17/2020-10/16/2023 \$300,000.00			
SAN FRANCISCO, CA 94 FOR THE PURPOSE OF: CT1	THE STATE OF THE S	ASS FOR THE ITE	DHASE 2 DDO IECT			Insurance Required	200	Amount	Expiration Date
FOR THE PURPOSE OF: C11	1365.41 PN	VISS FOR THE ITB	PHASE 2 PROJECT			Worker's Comp.		000,000	10/10/2020
PROJECT MANAGEMENT SUP	PORT SER	VICES FOR THE INT	ERNATIONAL TERMIN	IAL BUILDING	6 PHASE			000,000	10/10/2020
2 PROJECT FOR TOTAL CONT	TRACT AM	OUNT NOT TO EXC	CEED \$4,880,000.			Automobile		000,000	10/10/202
PSC 43332-16/17 05/17/2017-05/	/01/2022 FC	ORM 2 AMOUNT \$4.	.880.000					000,000	10/10/202
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# 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

#### AGS, Inc.

### Contract No. 11365.41 Project Management Support Services for the International Terminal Building Phase 2 Project

This Agreement is made this 16<sup>th</sup> day of June, 2020, in the City and County of San Francisco, State of California, by and between: **AGS, Inc., 5 Freelon Street, San Francisco, California 94107** (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

#### Recitals

- A. The Commission wishes to enter into an Agreement for Project Management Support Services for the International Terminal Building Phase 2 Project for the San Francisco International Airport (the "Airport" or "SFO"); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On November 22, 2019, the Commission issued a Request for Qualifications/Request for Proposals ("RFQ/RFP") and as a result of the selection process prescribed in the RFQ/RFP and upon the recommendation of the Airport Director, the Commission determined that the Contractor was the qualified proposer receiving the highest evaluation score; and
- D. On June 16, 2020, by Resolution No. 20-0108, the Commission awarded this Agreement to the Contractor for 40 months of services in a not-to-exceed amount of \$4,880,000; and
- E. The Local Business Entity ("LBE") subcontracting participation requirement for this Agreement is 18%: and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 43332-16/17 on May 15, 2017; and
- G. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement;

Now, THEREFORE, the parties agree as follows:

#### **Article 1** Definitions

The following definitions apply to this Agreement:

- 1.1 "Agreement" means this contract document, including all attached appendices, and all applicable City Ordinances and Mandatory City Requirements which are specifically incorporated by reference into this Agreement.
- 1.2 "City" or "the City" means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration, referred to as "Purchasing," or the Director's designated agent, Airport Commission.
- 1.3 "City Data" or "Data" includes, but is not limited to, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement. This includes data that is provided by a third-party for use under this Agreement.
  - 1.4 "CMD" means the Contract Monitoring Division of the City.
- 1.5 "Confidential Information" means confidential City information including, but not limited to, personally-identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).
- 1.6 "Contractor" or "Consultant" means AGS, Inc., 5 Freelon Street, San Francisco, California 94107.
- 1.7 "Deliverables" means Contractor's work product resulting from the Services that are provided by Contractor to City during the course of Contractor's performance of the Agreement, including without limitation, the work product described in the "Scope of Services" attached as Appendix A.
- 1.8 "Effective Date" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.
- 1.9 "Mandatory City Requirements" means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws that impose specific duties and obligations upon Contractor.
  - 1.10 "Party" and "Parties" mean the City and Contractor either collectively or individually.
- 1.11 "Services" means the work performed by Contractor under this Agreement as specifically described in the "Scope of Services" attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

#### **Article 2** Term of the Agreement

2.1 The term of this Agreement shall commence on the first working day following the Effective Date and expire 40 months later, unless earlier terminated as otherwise provided in this Agreement.

#### **Article 3** Financial Matters

Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation under this Agreement shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

3.2 **Guaranteed Maximum Costs.** The City's payment obligation to Contractor cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5, "Modification of this Agreement."

#### 3.3 Compensation.

- 3.3.1 **Payment.** Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the Airport Director, in the Director's sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed **Four Million Eight Hundred Eighty Thousand Dollars (\$4,880,000)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached and incorporated by reference as though fully set forth in this Agreement. A portion of payment may be withheld until conclusion of the Agreement if agreed to both parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments.
- 3.3.2 **Payment Limited to Satisfactory Services.** Contractor is not entitled to any payments from City until Airport Commission approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables, including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. The City may reject Deliverables, equipment, components, materials and Services that do not conform to the requirements of this Agreement and in such case must be replaced by Contractor without delay at no cost to the City.

- 3.3.3 **Withhold Payments.** If Contractor fails to provide Services consistent with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided in this Agreement.
- 3.3.4 **Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City, and must include a unique invoice number. Payment shall be made by City as specified in 3.3.6, or in such alternate manner as the Parties have mutually agreed upon in writing.
- 3.3.5 LBE Payment and Utilization Tracking System. Contractor must submit all required payment information using the City's Financial System as required by CMD to enable the City to monitor Contractor's compliance with the LBE subcontracting commitments in this Agreement. Contractor shall pay its LBE subcontractors within three working days after receiving payment from the City, except as otherwise authorized by the LBE Ordinance. The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of all required CMD payment information. Failure to submit all required payment information to the City's Financial System with each payment request may result in the Controller withholding 20% of the payment due pursuant to that invoice until the required payment information is provided. Following City's payment of an invoice, Contractor has ten calendar days to acknowledge using the City's Financial System that all subcontractors have been paid. Self-Service Training for suppliers is located at this link: https://sfcitypartner.sfgov.org/Training/Training Guide.

#### 3.3.6 Getting paid for goods and/or services from the City.

- (a) All City suppliers receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through the City's third party service that provides Automated Clearing House (ACH) payments. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit www.sfgov.org/ach.
- (b) The following information is required to sign up: (i) the enroller must be the company's authorized financial representative, (ii) the company's legal name, main telephone number and all physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (in cases of sole proprietors), and (iv) the company's bank account information, including routing and account numbers.
- 3.4 Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not fewer than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon City by this Section. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.
- 3.5 **Submitting False Claims.** The full text of San Francisco Administrative Code §§6.80-6.83, including the enforcement and penalty provisions, is incorporated into this Agreement. Under San Francisco Administrative Code §6.80-6.83, any contractor, subcontractor, supplier, consultant or subconsultant who submits a false claim shall be liable to the City for the statutory penalties set forth in those sections. A contractor, subcontractor, supplier, consultant or subconsultant 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.

#### 3.6 **Payment of Prevailing Wages.**

- 3.6.1 **Covered Services.** Services to be performed by Contractor under this Agreement may involve the performance of trade work covered by the provisions of Section 6.22(e) [Prevailing Wages] or Section 21C [Miscellaneous Prevailing Wage Requirements] of the Administrative Code (collectively, "Covered Services"). The provisions of Sections 6.22(e) and 21C of the Administrative Code are incorporated as provisions of this Agreement as if fully set forth herein and will apply to any Covered Services performed by Contractor and its subcontractors.
- 3.6.2 **Wage Rates.** The latest prevailing wage rates for private employment on public contracts as determined by the San Francisco Board of Supervisors and the Director of the California Department of Industrial Relations, as such prevailing wage rates may be changed during the term of this Agreement, are hereby incorporated as provisions of this Agreement. Copies of the prevailing wage rates as fixed and determined by the Board of Supervisors are available from the Office of Labor Standards and Enforcement ("OLSE") and on the Internet at <a href="http://www.dir.ca.gov/DLSR/PWD">http://www.dir.ca.gov/DLSR/PWD</a> and <a href="http://www.dir.ca.gov/DLSR/PWD">http://sfgov.org/olse/prevailing-wage</a>. Contractor agrees that it shall pay not less than the prevailing wage rates, as fixed and determined by the Board, to all workers employed by Contractor who perform Covered Services under this Agreement. Contractor further agrees as follows:
- 3.6.3 **Subcontract Requirements.** As required by Section 6.22(e)(5) of the Administrative Code, Contractor shall insert in every subcontract or other arrangement, which it may make for the performance of Covered Services under this Agreement, a provision that such subcontractor shall pay to all persons performing labor in connection with Covered Services under such subcontract or other arrangement not less than the highest general prevailing rate of wages as fixed and determined by the Board of Supervisors for such labor or services.
- 3.6.4 **Posted Notices.** As required by Section 1771.4 of the California Labor Code, Contractor shall post job site notices prescribed by the California Department of Industrial Relations ("DIR") at all job sites where services covered by Chapter 6.22 are to be performed.
- 3.6.5 **Payroll Records.** As required by Section 6.22(e)(6) of the Administrative Code and Section 1776 of the California Labor Code, Contractor shall keep or cause to be kept complete and accurate payroll records for all trade workers performing Covered Services. Such records shall include the name, address and social security number of each worker who provided Covered Services on the project, including apprentices, his or her classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every subcontractor who shall undertake the performance of any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives and the DIR.

- 3.6.6 Certified Payrolls. Certified payrolls shall be prepared pursuant to Administrative Code Section 6.22(e)(6) and California Labor Code Section 1776 for the period involved for all employees, including those of subcontractors, who performed labor in connection with Covered Services. Contractor and each subcontractor performing Covered Services shall submit certified payrolls to the City and to the DIR electronically. Contractor shall submit payrolls to the City via the reporting system selected by the City. The DIR will specify how to submit certified payrolls to it. The City will provide basic training in the use of the reporting system at a scheduled training session. Contractor and all subcontractors that will perform Covered Services must attend the training session. Contractor and applicable subcontractors shall comply with electronic certified payroll requirements (including training) at no additional cost to the City.
- 3.6.7 Compliance Monitoring. Covered Services to be performed under this Agreement are subject to compliance monitoring and enforcement of prevailing wage requirements by the DIR and /or the OLSE. Contractor and any subcontractors performing Covered Services will cooperate fully with the DIR and/or the OLSE and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements, and agrees to take the specific steps and actions as required by Section 6.22(e)(7) of the Administrative Code. Steps and actions include but are not limited to requirements that: (i) the Contractor will cooperate fully with the Labor Standards Enforcement Officer and other City employees and agents authorized to assist in the administration and enforcement of the Prevailing Wage requirements and other labor standards imposed on Public Works Contractor by the Charter and Chapter 6 of the San Francisco Administrative Code; (ii) the Contractor agrees that the Labor Standards Enforcement Officer and his or her designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, payroll records and employee paychecks; (iii) the contractor shall maintain a sign-in and sign-out sheet showing which employees are present on the job site; (iv) the Contractor shall prominently post at each job-site a sign informing employees that the project is subject to the City's Prevailing Wage requirements and that these requirements are enforced by the Labor Standards Enforcement Officer; and (v) that the Labor Standards Enforcement Officer may audit such records of the Contractor as he or she reasonably deems necessary to determine compliance with the Prevailing Wage and other labor standards imposed by the Charter and this Chapter on Public Works Contractors. Failure to comply with these requirements may result in penalties and forfeitures consistent with analogous provisions of the California Labor Code, including Section 1776(g), as amended from time to time.
- 3.6.8 **Remedies.** Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this Contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay such wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus the penalties set forth in Administrative Code Section 6.22 (e) and/or California Labor Code Section 1775. The City, when certifying any payment which may become due under the terms of this Agreement, shall deduct from the amount that would otherwise be due on such payment the amount of such forfeiture.

#### 3.7 Apprentices.

3.7.1 Contractor and its subcontractors of every tier that provide Covered Services under this Agreement (as defined in Section 3.6.1 above) shall, as a material term of the Agreement, comply with the requirements of the State Apprenticeship Program (as set forth in the California Labor Code, Division 3, Chapter 4 [commencing at Section 3070], and Section 1777.5 of the Labor Code) and Administrative Code Section 6.22(n). Contractor shall be solely responsible for securing compliance with Labor Code Section 1777.5 for all apprenticeable occupations.

- 3.7.2 Contractor shall include in all of its subcontracts the obligation for subcontractors to comply with the requirements of the State Apprenticeship Program.
- 3.7.3 Should Contractor fail to comply with the apprenticeship requirements of Labor Code Section 1777.5, Contractor shall be subject to the penalties prescribed in Labor Code Section 1777.7. The interpretation and enforcement of Labor Code Section 1777.5 shall be in accordance with rules and procedures prescribed by the California Apprenticeship Council.
- 3.7.4 Contractor, if not signatory to a recognized apprenticeship training program under Labor Code, Chapter 4, shall provide to the City with all progress payment requests, starting with the second such request, satisfactory evidence that it has contributed to the appropriate apprenticeship fund(s). Contractor shall require its subcontractors who are not signatories to provide such evidence to the City as a condition precedent for qualifying for payment from the City.
- 3.7.5 Contractor shall comply with all requests by the City to provide proof that Contractor and all of its subcontractors at every tier providing Covered Services are in compliance with the State Apprenticeship Program, including proof that Contractor and all of its subcontractors at any tier providing Covered Services contributed to the appropriate apprenticeship fund(s).

#### **Article 4** Services and Resources

- 4.1 **Services Contractor Agrees to Perform.** Contractor agrees to perform the Services provided for in Appendix A, "Scope of Services." Officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Services beyond the Scope of Services listed in Appendix A, unless Appendix A is modified as provided in Section 11.5, "Modification of this Agreement."
- 4.2 **Qualified Personnel.** Contractor shall use only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to allow timely completion within the project schedule specified in this Agreement.

#### 4.3 **Subcontracting.**

- 4.3.1 Contractor may subcontract portions of the Services only upon prior written approval of City. Contractor is responsible for its subcontractors throughout the course of the work required to perform the Services. All subcontracts must incorporate the terms of Article 10 "Additional Requirements Incorporated by Reference" of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void.
- 4.3.2 City's execution of this Agreement constitutes its approval of the subcontractors listed in Appendix B, Calculation of Charges.

#### 4.4 Independent Contractor; Payment of Employment Taxes and Other Expenses.

4.4.1 **Independent Contractor.** For the purposes of this Section 4.4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor

acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, the Federal Insurance Contributions Act, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor, Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this Section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing consistent with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five (5) business days of Contractor's receipt of such notice, and consistent with Contractor policy and procedure, Contractor shall remedy the deficiency. If City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

- Payment of Employment Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this Section.
- 4.5 **Assignment.** The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be directly or indirectly assigned, novated, hypothecated, transferred, or delegated by Contractor, or, where the Contractor is a joint venture, a joint venture partner, (collectively referred to as an "Assignment") unless first approved by City by written instrument executed and approved in the same manner as this Agreement in accordance with the Administrative Code. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (i) reputable and capable, financially and otherwise, of performing each of Contractor's obligations under this Agreement and any

other documents to be assigned, (ii) not forbidden by applicable law from transacting business or entering into contracts with City; and (iii) subject to the jurisdiction of the courts of the State of California. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets of Contractor shall be deemed an Assignment for purposes of this Agreement. Contractor shall immediately notify City about any Assignment. Any purported Assignment made in violation of this provision shall be null and void.

4.6 **Warranty.** Contractor warrants to City that the Services will be performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at the time the Services are performed so as to ensure that all Services performed are correct and appropriate for the purposes contemplated in this Agreement.

#### **Article 5 Insurance and Indemnity**

#### 5.1 **Insurance.**

- 5.1.1 **Required Coverages.** In the event that Contractor is a Joint Venture (JV) entity without insurance policies issued to the JV as policyholder, each individual JV member must separately comply with this Section 5.1 by providing evidence of the required coverages. Without in any way limiting Contractor's liability pursuant to either Sections 5.2 or 5.3 of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:
- (a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and
- (b) Commercial General Liability Insurance with limits not less than \$2,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and
- (c) Commercial Automobile Liability Insurance with limits not less than \$2,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.
- (d) Professional Liability Insurance, applicable to Contractor's profession, with limits not less than \$2,000,000 for each claim with respect to negligent acts, errors or omissions in connection with the Services. If the Contractor is a JV entity without its own professional liability insurance policy, each JV member shall provide documentation to City's satisfaction that its respective policy includes coverage for services performed for joint ventures or will be required to provide professional liability insurance with the joint venture as a named insured.
- (e) Technology Errors and Omissions Liability coverage, with limits of \$1,000,000 for each occurrence and each loss, and \$2,000,000 general aggregate. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of services defined in the contract and shall also provide coverage for the following risks:
- (i) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and
- (ii) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to the City's or third person's

computer, computer system, network, or similar computer related property and the data, software, and programs thereon.

- 5.1.2 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:
- (a) Name as Additional Insured the City and County of San Francisco, its Officers, Directors, and Employees.
- (b) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.
- (c) If Contractor is a JV without its own insurance policies, each JV member's insurance policies must be endorsed to designate as Additional Insured, the JV entity and each other Joint Venture member. Policies of each JV member shall contain no exclusions of coverage for "newly formed organizations."
- 5.1.3 All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 11.1, entitled "Notices to the Parties."

Contractor shall provide thirty (30) days' advance written notice to the City of cancellation, intended non-renewal, or reduction in coverages, except for non-payment for which no less than ten (10) days' notice shall be provided to City. Notices shall be sent to the City address set forth in Section 11.1 entitled "Notices to the Parties."

- 5.1.4 Should any of the required insurance be provided under a claims-made form, Contractor, or its JV members, shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.
- 5.1.5 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.
- 5.1.6 Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.
- 5.1.7 Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

- 5.1.8 The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.
- 5.1.9 If Contractor, or any JV member, will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.
- 5.2 Indemnification. Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The 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 arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's Services.

- 5.3 **Indemnification and Defense Obligations For Design Professionals.** To the extent design professional services are performed under this Agreement, if any, the following indemnity and defense obligations shall apply:
- 5.3.1 **Defense Obligations.** To the fullest extent permitted by law, Contractor shall, following a tender of defense from City, assume the immediate defense of (with legal counsel subject to approval of the City), the City, its boards, commissions, officers, and employees (collectively "Indemnitees"), from and against any and all claims, losses, costs, damages, expenses and liabilities of every kind, nature, and description including, without limitation, injury to or death of any person(s) and incidental and consequential damages (collectively "Damages"), court costs, attorneys' fees, litigation expenses, fees of expert consultants or witnesses in litigation, and costs of investigation (collectively "Litigation Expenses"), that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part,

the alleged negligence, recklessness, or willful misconduct of Contractor, any subconsultant, anyone directly or indirectly employed by them, or anyone that they control (collectively, "Liabilities"). City will reimburse Contractor for the proportionate percentage of defense costs exceeding Contractor's proportionate percentage of fault as determined by a Court of competent jurisdiction.

- 5.3.2 **Indemnity Obligations.** To the fullest extent permitted by law, Contractor shall indemnify and hold harmless Indemnitees from and against any and all Liabilities, including but not limited to those for Damages or Litigation Expenses specified in Section 5.3.1.
- 5.3.3 **Copyright Infringement.** Contractor shall also indemnify, defend and hold harmless all Indemnitees from all suits or claims for infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark, or any other proprietary right of any person or persons in consequence of the use by the City, or any of its boards, commissions, officers, or employees of articles, work or deliverables supplied in the performance of Services. Infringement of patent rights, copyrights, or other proprietary rights in the performance of this Agreement, if not the basis for indemnification under the law, shall nevertheless be considered a material breach of contract.
- 5.3.4 Severability Clause Specific to Indemnification and/or Defense Obligations. To the extent any Court of competent jurisdiction or law invalidates any word, clause, phrase, or sentence herein that word, clause, phrase, or sentence, and no other portion, shall be deemed removed from this Section. All other words, clauses, phrases and/or sentences remain enforceable to the fullest extent permitted by law.

#### **Article 6** Liability of the Parties

- 6.1 **Liability of City.** CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "PAYMENT," OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.
- 6.2 **Liability for Use of Equipment.** City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.
- 6.3 **Liability for Incidental and Consequential Damages.** Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions.

#### **Article 7 Payment of Taxes**

7.1 **Contractor to Pay All Taxes.** Except for any applicable California sales and use taxes charged by Contractor to City, Contractor shall pay all taxes, including possessory interest taxes levied upon or as a result of this Agreement, or the Services delivered under this Agreement. Contractor shall remit to the State of California any sales or use taxes paid by City to Contractor under this Agreement. Contractor agrees to promptly provide information requested by the City to verify Contractor's compliance with any State requirements for reporting sales and use tax paid by City under this Agreement.

- 7.2 **Possessory Interest Taxes.** Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:
- 7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.
- 7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code Section 480.5, as amended from time to time, and any successor provision.
- 7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code Section 64, as amended from time to time). Contractor agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.
- 7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.
- 7.3 **Withholding.** Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

#### Article 8 Termination and Default

#### 8.1 Termination for Convenience.

- 8.1.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.
- 8.1.2 Upon receipt of the notice of termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions may include any or all of the following, without limitation:

- (a) Halting the performance of all Services under this Agreement on the date(s) and in the manner specified by City.
- (b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, Services, equipment or other items.
- (c) At City's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. Upon such assignment, City shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
- (d) Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.
- (e) Completing performance of any Services that City designates to be completed prior to the date of termination specified by City.
- (f) Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.
- 8.1.3 Within 30 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:
- (a) The reasonable cost to Contractor, without profit, for all Services prior to the specified termination date, for which Services City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for Services. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.
- (b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all Services under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.
- (c) The reasonable cost to Contractor of handling material or equipment returned to the supplier, delivered to the City or otherwise disposed of as directed by the City.
- (d) 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.
- 8.1.4 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 listed in Section 8.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Services under 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 Section 8.1.3.

- 8.1.5 In arriving at the amount due to Contractor under this Section, City may deduct: (i) all payments previously made by City for Services covered by Contractor's final invoice; (ii) any claim which City may have against Contractor in connection with this Agreement; (iii) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection 8.1.4; and (iv) in instances in which, in the opinion of the City, the cost of any Service performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected Services, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.
- 8.1.6 City's payment obligation under this Section shall survive termination of this Agreement.

#### 8.2 Termination for Default; Remedies.

- 8.2.1 Each of the following shall constitute an immediate event of default ("Event of Default") under this Agreement:
- (a) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

3.5	Submitting False Claims	10.10	Alcohol and Drug-Free Workplace	
4.5	Assignment	10.13	Consideration of Criminal History in	
			Hiring and Employment Decisions	
Article 5	Insurance and Indemnity	11.10	Compliance with Laws	
Article 7	Payment of Taxes	Article 13	Data and Security	

- (b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated into this Agreement by reference, and such default is not cured within ten days after written notice thereof from City to Contractor. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, City may in its sole discretion immediately terminate the Agreement for default or grant an additional period not to exceed five days for Contractor to cure the default.
- (c) Contractor (i) is generally not paying its debts as they become due; (ii) 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; (iii) makes an assignment for the benefit of its creditors; (iv) 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 (v) takes action for the purpose of any of the foregoing.
- (d) A court or government authority enters an order (i) 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, (ii) 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 (iii) ordering the dissolution, winding-up or liquidation of Contractor.
- 8.2.2 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, where applicable, 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: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City.

- 8.2.3 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. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.
- 8.2.4 Any notice of default must be sent by registered mail to the address set forth in Article 11.
- 8.3 **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.

#### 8.4 Rights and Duties upon Termination or Expiration.

8.4.1 This Section and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	Payment Limited to Satisfactory	9.2	Works for Hire
	Services		
3.4	Audit and Inspection of Records	11.6	Dispute Resolution Procedure
3.5	Submitting False Claims	11.7	Agreement Made in California; Venue
Article 5	Insurance and Indemnity	11.8	Construction
6.1	Liability of City	11.9	Entire Agreement
6.3	Liability for Incidental and	11.10	Compliance with Laws
	Consequential Damages		
Article 7	Payment of Taxes	11.11	Severability
8.1.6	Payment Obligation	Article 13	Data and Security
9.1	Ownership of Results		

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall 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.

#### **Article 9 Rights In Deliverables**

- 9.1 **Ownership of Results.** Any interest of Contractor or its subcontractors, in the Deliverables, including any drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors for the purposes of this agreement, shall become the property of and will be transmitted to City. However, unless expressly prohibited elsewhere in this Agreement, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.
- 9.2 Works for Hire. If, in connection with Services, Contractor or its subcontractors creates Deliverables including, without limitation, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes, or any other original works of authorship, whether in digital or any other format, 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 shall be the property of the City. If any Deliverables created by Contractor or its subcontractor(s) under this Agreement are ever determined not to be works for hire under U.S. law, Contractor hereby assigns all Contractor's copyrights to such Deliverables to the City, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon subcontractor(s). With City's prior written approval, Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

#### **Article 10** Additional Requirements Incorporated by Reference

- 10.1 **Laws Incorporated by Reference.** The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement ("Mandatory City Requirements") are available at: <a href="http://www.amlegal.com/codes/client/san-francisco\_ca/">http://www.amlegal.com/codes/client/san-francisco\_ca/</a>.
- 10.2 **Conflict of Interest.** By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.
- 10.3 **Prohibition on Use of Public Funds for Political Activity.** In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G ("Chapter 12G"), which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.
- 10.4 **Consideration of Salary History.** Contractor shall comply with San Francisco Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history

without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <a href="https://sfgov.org/olse/consideration-salary-history">https://sfgov.org/olse/consideration-salary-history</a>. Contractor is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section.

#### 10.5 Nondiscrimination Requirements.

- 10.5.1 **Nondiscrimination in Contracts.** Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Administrative Code Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
- 10.5.2 **Nondiscrimination in the Provision of Employee Benefits.** San Francisco Administrative Code Section 12B.2. 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 employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
- 10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Contractor shall comply with all applicable provisions of Chapter 14B ("LBE Ordinance"). Contractor is subject to the enforcement and penalty provisions in Chapter 14B. Contractor shall use LBE Subcontractors for at least **eighteen percent (18%)** of the Services except as otherwise authorized in writing by the Director of CMD. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor's LBE subcontracting commitments.
- 10.7 **Minimum Compensation Ordinance.** If Administrative Code Chapter 12P ("Chapter 12P") applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at <a href="http://sfgov.org/olse/mco">http://sfgov.org/olse/mco</a>. Contractor is required to comply with all of the applicable provisions of Chapter 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.
- 10.8 **Health Care Accountability Ordinance.** If Administrative Code Chapter 12Q ("Chapter 12Q") applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. 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. Information about and the text of the Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at <a href="http://sfgov.org/olse/hcao">http://sfgov.org/olse/hcao</a>. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

- 10.9 **First Source Hiring Program.** Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.
- 10.10 Alcohol and Drug-Free Workplace. City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.
- 10.11 **Limitations on Contributions.** By executing this Agreement, Contractor acknowledges its obligations under Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of 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, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. 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 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

#### 10.12 Slavery Era Disclosure. NOT APPLICABLE

#### 10.13 Consideration of Criminal History in Hiring and Employment Decisions.

10.13.1 Contractor agrees to comply fully with and be bound by all of the provisions of Administrative Code Chapter 12T ("Chapter 12T"), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <a href="http://sfgov.org/olse/fco">http://sfgov.org/olse/fco</a>. Contractor is required to comply with all of the applicable provisions of Chapter 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

10.13.2 The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco which excludes

Airport property. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

#### 10.14 **Public Access to Nonprofit Records and Meetings.** NOT APPLICABLE.

10.15 **Food Service Waste Reduction Requirements.** Contractor shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the provided remedies for noncompliance.

#### 10.16 **Distribution of Beverages and Water.**

- 10.16.1 **Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.
- 10.16.2 **Packaged Water Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.
- 10.17 **Tropical Hardwood and Virgin Redwood Ban.** Under San Francisco Environment Code Section 804(b), the City urges Contractor not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

#### 10.18 Preservative Treated Wood Products. NOT APPLICABLE

#### **Article 11 General Provisions**

11.1 **Notices to the Parties.** Unless otherwise indicated in this Agreement, all written communications sent by the Parties may be by U.S. mail or email, and shall be addressed as follows:

#### To City:

By US Mail: Derrick Homer

Airport Project Manager

San Francisco International Airport

P.O. Box 8097

San Francisco, California 94128 Email: derrick.homer@flysfo.com

By Personal Delivery

or Express Mail: Derrick Homer

Airport Project Manager

Planning, Design and Construction

674 West Field Road

San Francisco, California 94128

<u>To Contractor</u>: Bahram Khamenehpour

President AGS, Inc.

5 Freelon Street

San Francisco, California 94107

#### Email: bahram.khamenehpour@agsinc.com

Any notice of default must be sent by registered mail. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

- 11.2 **Compliance with Americans with Disabilities Act.** Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.
- 11.3 **Incorporation of Recitals.** The matters recited above are hereby incorporated into and made part of this Agreement.
- 11.4 **Sunshine Ordinance.** Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are subject to the California Public Records Act, (California Government Code §6250 *et. seq.*), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.
- 11.5 **Modification of this Agreement.** This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1, "Notices to the Parties," regarding change in personnel or place, and except by written instrument executed and approved in the same manner as this Agreement. Contractor shall cooperate with Department to submit to the Director of CMD any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

#### 11.6 **Dispute Resolution Procedure.**

- 11.6.1 **Negotiation; Alternative Dispute Resolution.** The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, under San Francisco Administrative Code Section 21.36, Contractor may submit to the Contracting Officer a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contracting Officer shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations consistent with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this Section.
- 11.6.2 **Government Code Claim Requirement.** No suit for money or damages may be brought against the City until a written claim therefor has been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the California Government Code Claim requirements set forth in San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq.

- 11.7 **Agreement Made in California; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.
- 11.8 **Construction.** All paragraph captions are for reference only and shall not be considered in construing this Agreement.
- 11.9 **Entire Agreement.** This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5, "Modification of this Agreement."
- 11.10 **Compliance with Laws.** Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.
- 11.11 **Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.
- 11.12 **Cooperative Drafting.** This Agreement has been drafted through a cooperative effort of City and Contractor, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.
- 11.13 **Order of Precedence.** Contractor agrees to perform the services described in Appendix A in accordance with the terms and conditions of this Agreement, implementing the RFQ/RFP and Contractor's proposal dated January 27, 2020. The RFQ/RFP and Contractor's proposal are incorporated by reference as though fully set forth herein. Should there be a conflict of terms or conditions, this Agreement and any implementing task orders shall control over the RFQ/RFP and the Contractor's proposal. If the Appendices to this Agreement include any standard printed terms from the Contractor, Contractor agrees that in the event of discrepancy, inconsistency, gap, ambiguity, or conflicting language between the City's terms and Contractor's printed terms attached, the City's terms shall take precedence, followed by the procurement issued by the department, Contractor's proposal, and Contractor's printed terms, respectively.
- 11.14 **Notification of Legal Requests.** Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests and other legal requests ("Legal Requests") related to all data given to Contractor by City in the performance of this Agreement ("City Data" or "Data"), or which in any way might reasonably require access to City's Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

#### **Article 12 Requirements For Airport Contracts**

- 12.1 **Airport Commission Rules and Regulations.** Contractor agrees to comply with the Airport Commission's Rules and Regulations for the San Francisco International Airport as amended from time to time. A copy of the current Rules and Regulations can be found at: <a href="http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations">http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations</a>.
- 12.2 **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. No proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior written consent.

#### 12.3 Labor Peace / Card Check Rule. NOT APPLICABLE

- 12.4 **Federal Fair Labor Standards Act.** This Agreement incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Contractor has full responsibility to monitor compliance to the referenced statute or regulation. Contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor Wage and Hour Division.
- 12.5 Occupational Safety and Health Act of 1970. This Agreement incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor Occupational Safety and Health Administration.
- 12.6 **Federal Nondiscrimination Requirements.** During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as "Contractor") agrees as follows:
- 12.6.1 **Compliance with Regulations.** Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.
- 12.6.2 **Nondiscrimination.** Contractor, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR §21.
- 12.6.3 **Solicitations for Subcontracts.** Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of Contractor's obligations under this

Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

- 12.6.4 **Information and Reports.** Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Airport or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Airport or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
- 12.6.5 **Sanctions for Noncompliance.** In the event of a Contractor's noncompliance with the Non-discrimination provisions of this Agreement, the Airport will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
- (a) Withholding payments to the contractor under the contract until the contractor complies; and/or
  - (b) Cancelling, terminating, or suspending a contract, in whole or in part.
- 12.6.6 **Incorporation of Provisions.** Contractor will include the provisions of paragraphs 12.6.1 through 12.6.6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor will take action with respect to any subcontract or procurement as the Airport or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contractor may request the Airport to enter into any litigation to protect the interests of the Airport. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.
- 12.6.7 **Title VI List of Pertinent Nondiscrimination Acts and Authorities.** During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:
- Title VI of the Civil Rights Act of 1964 (42 USC §2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

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- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 *et seq.*).
- 12.7 **Quality Standards Program.** This Agreement is subject to the Airport's Quality Standards Program. The Airport's Employment and Quality Standards (EQS) office oversees the Airport's Quality Standards Program (QSP) which is applicable to Service Providers at the Airport whose employees are involved in performing services that have an impact on Airport security and safety. More information may be found at: <a href="http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations">http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations</a>. EQS may be contacted at (650) 821-1003.

#### Article 13 Data and Security

#### 13.1 Nondisclosure of City Data, Private or Confidential Information.

- 13.1.1 **Protection of Private Information.** If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M ("Chapter 12M"), Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.
- 13.1.2 **Confidential Information.** In the performance of Services, Contractor may have access to City Data and /or City's Confidential Information, the disclosure of which to third parties may damage City. If City discloses City Data or Confidential Information to Contractor, such information must be held by Contractor in confidence and used only in performing 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 Confidential Information.

### 13.2 Payment Card Industry ("PCI") Requirements. NOT APPLICABLE

#### 13.3 **Business Associate Agreement.** NOT APPLICABLE

#### 13.4 Management of City Data and Confidential Information.

- 13.4.1 Access to City Data. City shall at all times have access to and control of all data given to Contractor by City in the performance of this Agreement ("City Data" or "Data"), and shall be able to retrieve it in a readable format, in electronic form and/or print, at any time, at no additional cost.
- 13.4.2 Use of City Data and Confidential Information. Contractor agrees to hold City's Confidential Information received from or created on behalf of the City in strictest confidence. Contractor shall not use or disclose City's Data or Confidential Information except as permitted or required by this Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City's Confidential Information outside the United States is subject to prior written authorization by the City. Access to City's Confidential Information must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data or Confidential Information solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data or Confidential Information by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.
- 13.4.3 **Disposition of Confidential Information.** Upon termination of Agreement or request of City, Contractor shall within forty-eight (48) hours return all Confidential Information, including all original media. Once Contractor has received written confirmation from City that Confidential Information has been successfully transferred to City, Contractor shall within ten (10) business days purge all Confidential Information from its servers, any hosted environment Contractor has used in performance of this Agreement, work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five (5) business days of the purge.

#### **Article 14** MacBride And Signature

14.1 **MacBride Principles -Northern Ireland.** The provisions of San Francisco Administrative Code §12F are incorporated by this reference and made part of this Agreement. By signing this Agreement, Contractor confirms that Contractor has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

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

CITY

AIRPORT COMMISSION CITY AND COUNTY OF

SAN FRANCISCO

By:

Ivar C. Satero, Airport Director

Attest:

By

C. Corina Monzón, Secretary Airport Commission

Resolution No: 20-0108

Adopted on: June 16, 2020

Approved as to Form:

Dennis J. Herrera City Attorney

By

Daniel A. Edington
Deputy City Attorney

CONTRACTOR

Authorized Signature

Bahram Khamenehpour

President AGS, Inc.

5 Freelon Street

San Francisco, California 94107

City Supplier Number: 0000003436

Federal Employer ID Number: 68-0010385

#### **Appendices**

A: Scope of Work

B: Calculation of Charges

C: Strategic Plan

#### APPENDIX A SCOPE OF WORK

The International Terminal Building ("ITB") Phase 2 Project ("Project") aims to renovate areas of the ITB Departures and Arrivals Levels to meet current and forecasted international passenger growth and increase revenue generating opportunities by enhancing the guest experience and optimizing Airport operations.

The renovation of the arrivals level will include, but is not limited to:

- 1. Converting Baggage Claim Units 3, 9, and 12 from domestic to international arrivals.
- 2. Adding Automated Passport Control units or new Customs and Border Protection ("CBP") approved technology for passenger process and reconfiguring the queue areas on each of the Boarding Area A ("BAA") and Boarding Area G ("BAG") arrival areas prior to primary screening to accommodate new international flights from Terminals 1 and 3.
- 3. Providing new, phased consolidated secondary screening (formerly immigration), and converting existing BAA and BAG immigration into office space or other CBP and Airport required functions.
- 4. Shortening and reconfiguring BAA and BAG baggage recheck counters.
- 5. Providing new exit lane technology.
- 6. Upgrading Airport services to support passenger hospitality and processing.

It is the intent of the San Francisco International Airport ("Airport") to implement the Project through a single design-build contract. The Project is in the planning stage and some of the activities described above may be implemented through other delivery methods. Consultant shall provide the following services for all activities, whether included in the design-build contract or in other contracts.

The Project site is within CBP's Federal Inspection Service area, which is operational twenty-four (24) hours a day throughout the year. CBP's passenger processing shall remain operational at all times during the implementation of the Project. Work will need to be implemented in phases and all the requirements for interim life safety and guest interface guidelines during construction should be applied.

Consultant will be responsible for providing all staffing and services listed below to oversee the Project.

#### A. PROJECT CONTROLS AND REPORTING

At a minimum, Consultant shall provide the following Project controls and reporting services:

1. Utilize systems that are compatible with current Airport project control software.

These systems include, but are not limited to:

- Last Planner for scheduling
- Primavera Unifier ("Unifier") for cost management and business processes
- CIP Planner for Project financial planning
- OpenText eDocs for document control

- Microsoft Outlook for e-mails
- AutoCAD, and
- Revit
- 2. Input real-time Project data into the Airport-provided Project Management System, Unifier. The data will be used to report on the progress of the Project, including information on Consultant and sub-consultants' Work, percentage of completion of Work, current estimates, forecasted Contract growth, trade package buyouts, updated monthly schedules, including projected time to completion and estimated cost to complete the Work, digital progress photographs, logs for Requests for Information, submittals and shop drawings, pending and approved change orders, meetings minutes, and other Project metrics as requested by the Airport.
- 3. Diligently perform data entry into Unifier to ensure that real-time data is readily available. Consultant shall perform quality control to reduce input error, thus enhancing consistency and accuracy in the reporting of all information.
- 4. Provide an environment that allows the Design-Builder to uniformly exchange information with other contractors relating to Project budgets, costs, estimates, risk, and schedule using the Stakeholder Engagement Process ("SEP") to maintain transparency between interfacing with adjoining projects.
- 5. Produce reports and deliverables that help the Airport manage the Project and make decisions. Reports and deliverables shall be outputted from and generated using the data entered into Unifier. At the request of the Airport, hard copy, colored duplicates shall be made available. The reports and deliverables shall include, but are not limited to, the following:
  - a. A monthly report to the Airport on services provided under this Agreement in a format consistent with the Airport reporting process. Consultant shall report on its progress and any problems in performing the services of which Consultant becomes aware.
  - b. Project cost and budget reports as part of the required monthly report in a format determined by the Airport to include total Project budget amounts, total Project cost to date, earned value estimates, trends, and forecasts. Reports shall include costs and payments to the Design-Builder and Airport costs and expenses.
  - c. Update schedules by monitoring progress in relationship to the existing baseline schedules for adjoining projects. Prepare detailed monthly schedule reports and schedule trend reports. Provide schedule recovery recommendations on a monthly basis and anticipated schedule phases.
  - d. A monthly cash flow and trend reports and additional reports as requested by the Airport.
  - e. Report all potential and anticipated Project risks and issues. Provide cost recovery recommendations on a monthly basis.
  - f. Quality assurance and quality control processes and how these are being engaged on a monthly basis.
  - g. A monthly safety report.

- h. Other reports and presentations so that varying levels of details can be communicated to different management levels within the Airport organization as well as to the public, as requested. Consultant shall provide reports monthly, quarterly, annually, or as requested by the Airport.
- 6. Provide high-level Project cost information to the Airport's Capital Program Support Services Consultant ("CPSS Consultant") for input into the overall program-level management and coordination of the Airport's Capital Improvement Program ("CIP").
- 7. Participate with the Design-Builder in Building Information Modeling ("BIM") coordination meetings and review the Revit model on a monthly basis to ensure that the Design-Builder is producing a Revit model that meets the requirements of the Airport's BIM Requirements.

#### **B. PROJECT SCHEDULING SERVICES**

Using scheduling tools, Consultant shall, at a minimum, provide the following project schedules and analysis services:

- 1. Compile applicable schedules from Airport staff, major tenants, Design-Builder, and other agencies to prepare a Level 1 schedule for the Project using scheduling tools as requested by the Airport. The Level 1, or Contract Master Schedule, is a summary level schedule that establishes key completion objectives for the Project. At a minimum, it defines the overall period of performance, major milestones, contractual milestones, deliveries, and other major Project phases. The Level 1 schedule shall also show milestones that interface with other adjoining projects.
- 2. Verify and validate Level 2 schedules provided by the Design-Builder. The Level 2, or Intermediate Schedule, shall contain a detailed reflection of the activities that must be accomplished to achieve the Level 1 schedule objectives. At a minimum, the Level 2 schedule shall include deliveries of critical long lead items, hardware, software, and performance requirements.
- 3. Verify and validate Level 3 schedules provided by Design-Builder. The Level 3, or Detailed Schedule, shall contain a detailed set of activities that must be accomplished to achieve Level 2 schedule objectives. This schedule should contain enough detail for the Airport Project Manager to plan, direct, and monitor the completion of work and to reliably calculate the Project's critical path. The Level 3 schedule shall reflect Consultant's review and monitoring of construction schedules and the coordination of those schedules with other Airport projects, either planned or ongoing.
- 4. Identify and analyze dependencies, controls, and interfaces for the Project with other Airport operational activities, and/or with external projects and perform alternative analysis project sequence to optimize Project delivery within the Level 3 schedule.
- 5. Develop, review, update, and monitor Project schedules to the required management level during all Project phases as directed by the Airport Project Manager.
- 6. Provide high-level Project schedule information to the CPSS Consultant for input into the overall program-level management and coordination of the Airport's CIP.
- 7. Design-Builder will lead Last Planner scheduling meetings. Consultant will participate in the scheduling meetings and report back to the Airport Project Manager on Project constraints that

have been identified and track with a constraint log. Consultant shall support the Airport in resolving constraints identified by Design-Builder.

#### C. PROJECT BUDGET AND ESTIMATING SERVICES

At a minimum, Consultant shall support Airport financial analyses by performing the following tasks:

- 1. Prepare and review Project hard and soft cost budget estimates, resulting in the establishment of the Project baseline budget. The estimates shall follow a Work Breakdown Structure consistent with Airport requirements.
- 2. Analyze financial consequences of design alternatives, alternatives resulting from value engineering reviews of design and construction techniques, and costs due to site and schedule constraints.
- 3. Provide Project-level cost and trend management services.
- 4. Provide a wide range of cost estimates, including pre-construction, concept, budgetary, design, construction, and engineer's estimates.
- 5. Use the cost management system provided by the Airport.
- 6. Establish, review, and support Airport staff in making appropriate budgetary contingencies and reviewing Project risks.
- 7. Provide budget and funding report services, documenting sources of funds and cash flow projections for the Project.
- 8. Develop and maintain procedures to forecast Project costs and advise the Airport on corrective actions if forecasted budgets are to be exceeded.
- 9. Prepare and review life cycle costs, including operations and maintenance costs.
- 10. Prepare and review cost benefit analysis.
- 11. Reconcile the Project scope with appropriate budgets.
- 12. Prepare preliminary estimates of construction costs and times of completion for the Project.

#### D. DOCUMENT CONTROL SERVICES

At a minimum, Contractor shall provide the following document control services:

- 1. Use the Airport's document control system and tools and provide training to Design-Builder.
- 2. Maintain all Project documentation in an integrated, accessible electronic format with hard copy stored in a retrievable system as directed by the Airport.
- 3. Using Unifier, maintain status logs of Project documents, including, but not limited to, design activities and status, requests for information, submittals, substitution requests.

4. Develop and maintain systems for the efficient distribution of Project documents to Design-Builder, external agencies, other City departments, and other stakeholders as directed.

#### E. SPECIALIZED TECHNICAL SUPPORT SERVICES

Consultant shall provide specialized services to manage the complex programming, design, construction, activation, and closeout issues associated with the systems listed below. Consultant's team should include individual team members with specific expertise in each of the following areas:

- 1. Mechanical, Electrical, and Plumbing
- 2. Airport Special Systems
- 3. Federal agencies, including Customs and Border Protection ("CPB") and Transportation Security Administration ("TSA")
- 4. Baggage Handling Systems
- 5. Commissioning
- 6. Sustainability
- 7. BIM

#### F. AIRPORT STRATEGIC PLAN

Consultant shall assist in the advancement of the Mission, Vision, Overall Goals, and Core Values in the Airport's Strategic Plan, which can be found using the following link: <a href="https://www.flysfo.com/about-sfo/the-organization/strategic-5-year-plan">https://www.flysfo.com/about-sfo/the-organization/strategic-5-year-plan</a> and will become Appendix C of the Agreement.

#### G. STRUCTURED COLLABORATIVE PARTNERING PROCESS

Consultant shall participate in the Structured Collaborative Partnering process as described in the Delivering Exceptional Projects: Our Guiding Principles document which can be found using the following link: <a href="https://sfoconnect.com/ae-standards-and-guidance-documents">https://sfoconnect.com/ae-standards-and-guidance-documents</a>.

#### H. STAKEHOLDER ENGAGEMENT PROCESS PARTICIPATION AND ADMINISTRATION

Consultant shall coordinate, participate in, and document the SEP process throughout the Project lifecycle and:

- 1. Manage the overall SEP process for the Project, including organizing the SEP groups, scheduling and coordinating meetings and ensuring that invitees can attend, assigning SEP leaders where Airport staff is not available and providing administrative and documentation support, including the preparation and distribution of meeting agendas and minutes and tracking action items.
- 2. Prepare the Project requirements narrative as appropriate and approved by the Airport Project Manager, and oversee inclusion of requirements into Design-Builder construction documents.
- 3. Use the SEPs to prepare for all start-up and activation activities.

#### I. REVENUE ENHANCEMENT AND CUSTOMER HOSPITALITY

The Airport is proud of the development of the Principles of Revenue Enhancement and Customer Hospitality (R.E.A.C.H.) which can be found using the following link: <a href="https://sfoconnect.com/sites/default/files/02\_Principles%20of%20R.E.A.C.H\_Acc.pdf">https://sfoconnect.com/sites/default/files/02\_Principles%20of%20R.E.A.C.H\_Acc.pdf</a>. Consultant shall provide support to Airport staff for the incorporation of R.E.A.C.H. principles and goals into the Project. At a minimum, Consultant shall:

- 1. Ensure that the Principles of R.E.A.C.H. are incorporated into all applicable aspects of the Project.
- 2. Work alongside the Airport, stakeholders, and Design-Builder to incorporate the Principles of R.E.A.C.H. throughout the Project.
- 3. Review the Project construction documents and construction site for consistency with the applicable R.E.A.C.H. principles and goals set for the Project.

#### J. COMMISSIONING, ACTIVATION, AND SIMULATION

- 1. Consultant shall support Airport staff during the commissioning process from the Programming Phase through the Closeout Phase.
  - a. The Airport will provide a Commissioning Provider (Sustainability), who will be responsible for managing the commissioning process for the Airport. This provider will be responsible for ensuring that those areas targeted for LEED are commissioned in accordance with the LEED requirements and will upload all LEED documentation.
  - b. There may be two (2) Commissioning Providers: one for sustainability systems (CxP Sustainability), required by LEED, and one for Airport systems such as security or wayfinding (CxP Airport Systems). The CxP Sustainability will have overall responsibility for managing the Commissioning process.
  - c. The CxP Airport Systems will be provided by Consultant and will leverage the expertise of various subject matter experts hired by the Design-Builder to commission the Airport systems through the Commissioning process as defined by the CxP Sustainability.
  - d. The CxP Airport Systems will support the CxP Sustainability in developing the Commissioning Plan and submitting to the Airport Project Manager for review and acceptance.

#### 2. At a minimum, Consultant shall:

- a. Lead the development of the Owner's Project Requirement document during the Programming Phase.
- b. Fulfill the role of the Owner's Commissioning Representative (CxR). The CxR will oversee the commissioning efforts of both sustainability and Airport systems. They will have day to day involvement in the Project and are part of the Core Commissioning Team. They are not directly responsible for developing and implementing the Cx Plan, but will i) facilitate the CxP's efforts, ii) provide a conduit for communication and coordination with Airport stakeholders, and 3) ensure the Airport's interests are addressed throughout the commissioning process.

#### K. SUSTAINABILITY

The Airport has achieved significant environmental sustainability goals and intends to incorporate sustainability procedures and practices in all spheres of Airport operations. Consultant shall provide support to Airport staff for the incorporation of sustainability requirements and goals into the procurement and bid documents for the design-build contract. At a minimum, Consultant shall:

- 1. Ensure that all applicable Sustainability Guidelines of the Airport, as well as relevant local, state, and federal codes and regulations for renovation or construction of non-residential buildings are incorporated into the Project.
- 2. Work alongside the Airport, stakeholders, and Design-Builder to consider and implement sustainable design and construction solutions throughout the Project.
- 3. Review the design-build construction documents and construction site for consistency with the applicable Airport sustainability guidelines, and green building codes and standards based on the sustainability goals set for the Project.

#### L. PROJECT COORDINATION

At a minimum, Consultant shall provide the following coordination services:

- 1. In all phases of the Project, assist Airport staff with Project coordination and development efforts with Airport Management, Airline partners, TSA, CBP, Airport Architecture and Engineering staff, and other stakeholders as defined in the SEP, as required and directed by the Airport.
- 2. Coordinate work with all ongoing Airport activities, and other adjacent or coordinated projects.
- 3. Assist with the establishment, implementation, and modification of Project administrative procedures.
- 4. Implement and support an action item system to track key Project activities.
- 5. Develop and monitor a risk register to identify, track, and respond to Project risks.
- 6. Develop and monitor a list of Project trends.
- 7. Coordinate and document SEP programming and design review input.
- 8. Coordinate, lead, and document appropriate weekly Project meetings throughout each phase of the Project.
- 9. Mange the programming, design, construction, activation, and closeout activities associated with the following systems:
  - a. Mechanical, Electrical, and Plumbing
  - b. Airport Special Systems
  - c. Baggage Handling Systems
  - d. Commissioning
  - e. Sustainability

#### f. BIM

- 10. Assist Airport staff with maintaining phasing, environmental issues, off-hours work, utility connection, and associated activities.
- 11. Coordinate any hazardous material survey, reporting and abatements work to ensure compliance with appropriate entities.
- 12. Assist Airport staff with the San Francisco Arts Commission Civic Design Review and Art Enrichment processes, as appropriate to the size and scope of this Project.
- 13. Assist Airport staff with preparing reports and presentations to various levels of Airport Management, including the Planning, Design and Construction Advisory Board and the Executive Committee, as directed by the Airport Project Manager.
- 14. Assist the Airport Project Manager in gathering information for and responding to internal and external audits of the Project, and modify and implement processes to address any findings from such audits.
- 15. Coordinate and document monthly BIM coordination meetings with the Design-Builder.

#### M. PRE-PROGRAMMING PHASE

At a minimum, Consultant shall provide the following Pre-Programming Phase services:

- 1. Develop preliminary Project schedules in coordination with all components of the Project and all other affected Airport activities and stakeholders.
- 2. Provide an initial cost model for the Project and develop strategies to ensure the Project remains within budget.
- 3. Prepare a list of Project permits and requirements pertaining to environmental quality, including but not limited to, air quality and water quality. Consultant shall ensure permits required to be obtained are listed in the construction documents, and proper permits are obtained and facilitate adherence to all applicable requirements.

#### N. PROGRAMMING PHASE

At a minimum, Consultant shall provide the following Programming Phase services:

- 1. Develop a comprehensive Project Management Plan ("PMP") detailing the organization, reporting structure, tools, systems, and procedures to be followed by the Project team. The PMP shall also detail how the Design-Builder will support the Airport Project Manager overseeing the management of the Project.
- 2. Oversee and coordinate with the Design-Builder to generate its deliverables for the Programming Phase, which shall include, but is not limited to:

- a. SEP Narratives. For each SEP Group, ensure information collected during the Programming Phase is assembled in a comprehensive narrative report to be used to prepare the Basis of Design. Narratives shall include minimum performance criteria and standards.
- b. Conceptual drawings illustrating key project requirements.
- c. Cost model
- d. Project Schedule
- e. Testing and acceptance criteria and plans
- 3. Oversee and coordinate with the Design-Builder to generate Project design criteria and standards based on Airport and other regulatory standards as well as input and requirements from the SEP. Design criteria shall include, but is not limited to:
  - a. Identification of preliminary civil, architectural, engineering, landscaping, site layout, utility, vertical transportation, security and special systems for the Project.
  - b. Compilation of civil, architectural, engineering, landscaping/site layout, vertical circulation, security and special systems specification outlines based on conceptual design. The outline specifications shall include minimum performance criteria and standards and preferred manufacturers.
  - c. Identification of preliminary building code classifications, accessibility, egress requirements, and life safety requirements.
  - d. Identification of sustainability goals and expectations.
  - e. Preliminary schedules and cost models based on all proposed Basis of Implementation.
- 4. Continually reconcile the Project estimate with the Airport's budget, advise the Airport if the Project and budget are not in compliance, and recommend potential solutions.
- 5. Prepare reports, exhibits, and presentation materials to present the Project as requested by the Airport Project Manager.
- 6. Identify, analyze, and conform to the requirements of authorities having jurisdiction to approve the design of the Project and participate in consultations with such authorities.
- 7. At the end of the Programming Phase, Consultant shall provide a cost loaded staffing plan for each phase of the remainder of the Project and an anticipated direct labor cost for the remainder of the Project.
- 8. Oversee and review proposed design fees and construction fees.
- 9. Assist in preparing documents for the Airport Commission as requested by the Airport Project Manager.
- 10. BIM Execution Plan and model setup

- 11. Provide QA/QC services for the Basis of Implementation development and deliverables.
- 12. Develop Owner's Project Requirements document and review the CxP's initial Commissioning Plan.

#### O. DESIGN PHASE

At a minimum, Consultant shall provide the following Design Phase services:

- 1. Management, administration, and oversight of the design-build contract. Coordinate with other Airport projects and stakeholders.
- 2. Third-party, peer, and quality assurance reviews of design deliverables and construction documents produced by the Design-Builder and verify that all design review comments are incorporated. Consultant shall ensure that the Design-Builder implements the standards and Basis of Design developed in the SEP.
- 3. Coordinate and facilitate additional SEP meetings to resolve design issues and identify any necessary deviations from the Basis of Design developed during the Programming Phase and propose alternative solutions.
- 4. Provide design oversight, monitor design progress and deliverables, and recommend corrective action when required.
- 5. Coordinate proposed design elements and phasing in conjunction with all components of the Project and all other affected Airport activities and stakeholders.
- 6. Ensure that the Design-Builder prepares Revit Models as required for all aspects of the Design Phase work and that Models from all disciplines are coordinated.
- 7. Coordinate commissioning process tasks between the CxP and Design-Builder. These tasks include assisting the CxP in ensuring the Design-Builder incorporates its design review comments and reviewing the CxP-provided commissioning specifications.

#### P. CONSTRUCTION PHASE

At a minimum, Consultant shall provide the following Construction Phase services:

- 1. Provide trade package procurement support, management, administration, and oversight of the design-build contract.
- 2. Perform third-party cost estimates for independent cost verification as requested by the Airport Project Manager.
- 3. Acting as the construction manager during the Project lifecycle, Consultant shall provide the following services, at a minimum:

- a. Review construction documents for constructability, impact to Airport operations, and consistency with the Project schedule.
- b. Review construction work plans and make recommendations.
- c. Report on and participate in the trade package procurement process with the Design-Builder.
- d. Review and prepare construction quality assurance/quality control plans.
- e. Provide technical, full-time, on-site observation and inspection of the progress and quality of the construction work.
  - Consultant may need to integrate with Airport and/or City staff to provide on-site observation of the work, depending upon availability of Airport and/or City staff.
- f. Monitor environmental inspection for compliance with environmental regulations.
- g. Examine materials and equipment being incorporated into the work to verify that they are supported by approved submittals, handled, stored, and installed properly.
- h. Coordinate or procure the services of testing laboratories to assure that the proper number and type of tests are being performed in a timely manner.
- i. Provide special inspections and materials testing as required.
- j. Prepare inspection and engineer's reports for submission to the Airport.
- k. Manage and review for Contract and code compliance the submission of samples, shop drawings, operation and maintenance manuals, and other submittals between Design-Builder and the Airport. Consultant shall maintain a log of all submittals for the Project.
- 1. Identify problems encountered in accomplishing the work and recommend appropriate action to the Airport in order to resolve problems with a minimum effect on the timely completion of the Project.
- m. Provide all testing and special inspections required by the California Building Code. The Airport Project Manager will judge the acceptability of all testing and inspection means, methods, results, and reports performed on behalf of Consultant. The Airport's Building Inspection Code Enforcement office has the authority to require additional testing based on final code requirements and interpretation.
- n. Maintain a log of any requests for information and prepare responses for approval by the Airport Project Manager.
- o. Review progress payment requests for accuracy and recommend approval. Consultant shall prepare all supporting documentation for progress payment requests, including, but not limited to, certified payroll tracking reports.
- p. Review Design-Builder reports, as-built drawings, and other construction documentation and ensure information is captured in the Airport's record keeping system.

- q. Attend job site meetings and prepare meeting minutes. Consultant shall review and communicate information presented at the meetings to Airport Management and all attendees.
- r. Ensure Design-Builder complies with all contract terms and conditions, including, but not limited to, Contract Monitoring Division requirements, certified payroll, labor standards, drug policy, security requirements, site cleanliness, and safety requirements.
- s. Administer the evaluation and negotiation of change orders and prepare and process change orders.
- t. Conduct final inspections prior to Project acceptance, notify the Airport in a timely manner of the results of the inspections, and administer acceptance procedures and tests for each phase of the Project.
- u. Support dispute and/or claim resolution analysis and reconciliation efforts.
- v. Negotiate, on the Airport's behalf, the guaranteed maximum price for each Trade Package Set and the final guaranteed maximum price.
- w. Confirm that the Design-Builder uses the Revit models for construction-related activities, including, but not limited to, submittals, scheduling construction phasing, tracking work progress and completion, and cost tracking for both fabrication and installation.
- x. Assist in the development and preparation of materials for the Commissioning, Activation and Simulation Steering Committee and stakeholders.
- y. Coordinate commissioning process tasks between the CxP and Design-Builder, including coordinating commissioning meetings and ensuring commissioning documentation is provided by the Design-Builder in accordance with the contract. Consultant will facilitate and review the development of the Integrated Systems Test as provided by the Design-Builder's systems' integrator.

#### Q. ACTIVATION PHASE

At a minimum, Consultant shall provide the following Activation Phase services:

- 1. Participate and provide oversight of the Design-Builder to develop an activation plan. The plan shall include input from the SEP and meet testing and acceptance criteria developed during the Programming Phase.
- 2. Manage activation activities and prepare written status reports. Status reports shall verify that the facility and all of its systems and assemblies are constructed, installed, tested, operated, and maintained to meet the Project's requirements.
- 3. Coordinate and conduct final inspections prior to Project acceptance and administer acceptance procedures and tests for each phase of the Project.
- 4. Provide coordination with the Design-Builder regarding testing procedures and clearly document the procedures in a test plan as it pertains to technology infrastructure.

- 5. Confirm that the Design-Builder uses the Revit models to schedule and record the startup procedures and testing of building systems as outlined in Document 01 78 23.23 (Equipment Inventory Sheets) and Document 01 91 00 (Facility Startup). Any non-conforming work discovered during activation of building systems shall be updated and corrected within the models, as applicable.
- 6. Assist in the development and preparation of materials for the Commissioning, Activation and Simulation Steering Committee and stakeholders.

#### R. CLOSEOUT PHASE

At a minimum, Consultant shall provide the following Closeout Phase services:

- 1. Coordinate and conduct final inspections prior to Project acceptance and administer acceptance procedures and tests for each phase of the Project.
- 2. Review and report on progress of the Design-Builder regarding testing procedures and clearly document the procedures in a test plan as it pertains to technology infrastructure.
- 3. Review and report on progress of training or operation and maintenance of new systems as required by the Airport and in accordance with the design-build contract specifications.
- 4. Provide oversight of all LEED commissioning activities.
- 5. Support closeout activities for the Project. All procedures and documentation conform to Airport standards for the closeout process.
- 6. Support dispute and/or claim resolution analysis and reconciliation efforts.
- 7. Confirm that the Design-Builder utilizes the Revit models for preparation of the required closeout documentation.

#### **END OF APPENDIX A**

# APPENDIX B CALCULATION OF CHARGES

#### A. GENERAL

- 1. As set forth in Section 3.3, "Compensation," of the Agreement, compensation for Work performed under this Agreement will be on a time and materials basis, unless otherwise approved in writing by the Airport Project Manager.
- 2. No charges shall be incurred under this Agreement, nor shall any payments become due to Consultant, until reports or services required under this Agreement are received from Consultant and approved by the Airport as being in accordance with this Agreement. In no event shall the Airport be liable for interest or late charges for any late payments.

#### **B. METHOD OF PAYMENT**

- 1. Unless approved otherwise by the Airport, Consultant's services shall be invoiced on a monthly basis and payment will be made within thirty (30) days of receipt of an acceptable invoice with satisfactory backup documentation, approved by the Airport Project Manager. The term "invoice" shall include Consultant's bill or other written request for payment under this Agreement for services performed. All invoices shall be made in writing and delivered or mailed to the Airport to the mailing address listed in Section 11.1, "Notices to the Parties," of the Agreement.
- 2. Consultant shall invoice for the Work performed in conformance with procedures approved by the Airport.
  - a. Such invoices shall segregate current costs from previously invoiced costs.
  - b. Costs for individual labor shall be segregated by phases, if any.
  - c. In no case shall Consultant's invoice include costs which the Airport has disallowed or otherwise indicated that it will not recognize. Costs shall be invoiced by Consultant's accounting categories and shall be subject to the audit provisions of this Agreement.
  - d. Each invoice shall clearly distinguish Consultant's personnel invoiced at either the home office multiplier or the field office multiplier. See Section C below for rate definitions.
  - e. Such invoices shall be, at a minimum, (i) mechanically accurate, (ii) substantially evidenced and properly supported, and (iii) in compliance with generally accepted accounting principles.
- 3. Consultant shall also certify, for each invoice, that (i) the hourly rates for direct labor, whether for Consultant or its sub-consultants or subcontractor(s), to be paid under this Agreement are not in excess of the actual hourly rates in effect for Consultant, sub-consultant, or subcontractor employees engaged in the performance of services under this Agreement at that time, and (ii) that such hourly rates are in conformance with the Agreement.
- 4. The Airport reserves the right to withhold payment(s) otherwise due Consultant in the event of Consultant's material non-compliance with any of the provisions of this Agreement, including, but not limited to, the requirements imposed upon Consultant in Article 5, "Insurance and Indemnity,"

of the Agreement. The Airport shall provide notice of withholding and may continue the withholding until Consultant has provided evidence of compliance which is acceptable to the Airport.

#### C. LABOR RATES AND FEES

- 1. Direct Labor Rates and Direct Labor Rate Adjustments
  - a. Salaried personnel shall be paid on a maximum of forty (40) hours per week with no overtime. Salaried personnel assigned to multiple projects shall be paid on a pro-rata share of a forty (40)-hour week. Consultant shall provide copies of signed timecards or other verifiable time records showing all assigned projects and the shared calculation.
  - b. The approved direct labor rates stated in Paragraph C.5 below shall remain in effect for the first year of Services. At the option of the Airport, if this is a multi-year contract, the Airport may approve an annual adjustment to the direct labor rates, effective twelve (12) months after the Effective Date of the Agreement, based on an increase in the Consumer Price Index for the preceding twelve (12) months for the San Francisco Bay Area as published by the U.S. Department of Labor, Bureau of Labor Statistics, under the title of: "All Urban Consumers San Francisco-Oakland-San Jose, California" or negotiated Local 21 City Employee rate increases. Such adjustments are subject to prior written approval by the Airport Project Manager and must be included in a written modification to the Agreement before any increase to any labor rate is incurred, unless the adjustment is made to meet the requirements of prevailing or minimum wage legislative mandates.

#### 2. Field Office and Home Office Multipliers

The following multipliers shall be applied to Consultant's, sub-consultants', and subcontractors' direct labor rates:

- a. A field office multiplier of 2.3 shall be applied to direct labor rates for all field staff (resident engineers, field inspectors, etc.) and all office staff provided with a work station at the Airport, furnished with normal office equipment and materials including computers, printers, internet access, email addresses, and office supplies.
- b. A home office multiplier of 2.5 shall be applied to direct labor rates for staff working from Contractor's, sub-consultants', or subcontractors' offices and not provided with an Airport computer. Use of the home office multiplier requires prior written authorization from the Airport Project Manager.

#### 3. Consultant Fee

No additional fees shall be applied to the direct labor rate for Work performed by Consultant or Other Direct Costs, unless approved in writing by the Airport in advance.

#### 4. Sub-Consultant or Subcontractor Fee

No additional fees shall be applied to the direct labor rate for Work performed by sub-consultants or subcontractors of any tier, unless approved in writing by the Airport in advance.

No additional mark-ups shall be applied to subcontractor (of any tier) invoices.

#### 5. Direct Labor Rates

The approved direct labor rates are as follows:

	RANGE (	OF RATES
CLASSIFICATION	LOW	HIGH
Administrative Assistant (First Source)	\$25.00	\$35.00
Administrative/Clerical	\$30.00	\$40.00
Airport Special Systems Manager	\$75.00	\$90.00
Assistant Construction Manager	\$45.00	\$75.00
Assistant Design Manager	\$40.00	\$65.00
Assistant Project Controls Manager	\$40.00	\$65.00
Assistant Resident Engineer	\$45.00	\$75.00
Building Inspector	\$50.00	\$90.00
CBP/TSA Technical Advisor	\$60.00	\$85.00
Civil Inspector	\$50.00	\$90.00
Commissioning Agent	\$50.00	\$75.00
Commissioning Representative	\$70.00	\$85.00
Construction Manager	\$65.00	\$95.00
Cost Engineer/Estimator	\$35.00	\$80.00
Design Manager	\$60.00	\$85.00
Document Control Manager	\$45.00	\$75.00
Document Control Tech	\$35.00	\$45.00
Document Controls	\$30.00	\$60.00
Electrical Estimator	\$50.00	\$80.00
Electrical Inspector	\$50.00	\$75.00
Field Engineer	\$65.00	\$80.00
Inspector	\$50.00	\$75.00
Materials Testing Inspector	\$35.00	\$50.00
MEP Inspector	\$50.00	\$75.00
MEP Manager	\$60.00	\$84.00
MEP Support	\$60.00	\$84.00
Office Engineer	\$30.00	\$60.00
Project Controls	\$58.00	\$73.00
Project Controls Manager	\$50.00	\$90.00
Project Engineer	\$50.00	\$85.00
Project Manager	\$50.00	\$95.00
QA/QC Manager	\$75.00	\$85.00
Resident Engineer	\$65.00	\$95.00

Scheduler	\$45.00	\$80.00
Scheduling Engineer/Estimator	\$45.00	\$70.00
Senior Cost Engineer/Estimator	\$55.00	\$90.00
Senior Engineer	\$60.00	\$70.00
Senior Inspector	\$60.00	\$75.00
Senior Office Engineer	\$45.00	\$60.00
Senior Scheduler	\$65.00	\$90.00
Senior/Lead Scheduling Engineer/Estimator	\$65.00	\$90.00
Senior Special Inspector	\$40.00	\$50.00
SEP Manager	\$60.00	\$90.00
Special Inspector	\$25.00	\$50.00
Structural Inspector	\$50.00	\$75.00
Sustainability Manager	\$60.00	\$90.00
Unifier Support	\$50.00	\$80.00

#### 6. Approved Sub-Consultants and Subcontractors

The approved sub-consultants and subcontractors are as follows:

Chaves and Associates
Construction Management West, Inc.
InnoActive Group
MCK Americas, Inc.
MicroEstimating Inc.
RES Engineers, Inc.
Ross & Baruzzini | CAGE
Stok, LLC
WSP USA Inc.

#### D. OTHER DIRECT COSTS (ODC)

- 1. Only the actual costs incurred by Consultant shall be allowed and invoiced as ODCs. Consultant shall not submit any cost in excess of five hundred dollars (\$500) without prior written authorization from the Airport. There shall be no mark-ups of any kind allowed on costs reimbursed under this Section D. Costs shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with the Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).
- 2. The following items may not be included as ODCs: (i) phone calls, faxes, mail, express mail, courier delivery or overnight delivery service charges, or other communications charges between members of Consultant's team, regardless of location; regional phone calls and faxes for all area codes having any geographical land area within one hundred (100) miles of San Francisco even though its outlying boundary exceeds the one hundred (100) mile limitation; (ii) internet gateways, electronic mail service or other technology-based communication service, FTP sites, or data file transfer or research services; (iii) travel by Consultant, sub-consultants, or subcontractors between its home office and the San Francisco Bay Area; (iv) travel within one hundred (100) mile radius

of San Francisco; travel outside one hundred (100) mile radius of San Francisco, unless approved in writing in advance by the Airport; (v) in-house coordination materials among Consultant's team and sub-consultants or subcontractors, including photocopy and drawing materials, messenger services; and (vi) food and beverage and/or entertainment charges of any kind unless approved in writing in advance by the Airport.

3. Unless authorized in writing by the Airport, the Airport will not reimburse Consultant for the costs of business travel, contractor meals, and accommodations. This includes specialists that are based out of town and not assigned to the jobsite office. Travel and per diem expenses for the project team's management, jobsite personnel, or staff that commute to or from other offices or residences are not allowed. When authorized, travel expenses shall be in accordance with the City & County of San Francisco Travel Guidelines, found at the following link:

https://www.google.com/url?q=http://sfcontroller.org/Modules/ShowDocument.aspx%3Fdocumentid%3D2174&sa=U&ved=0CAUQFjAAahUKEwjU0\_TaqLjHAhUImogKHT3iCMw&client=internal-uds-cse&usg=AFQjCNHkyPKe3iRnxQ0y7-OQ2M7NqoiPbA

END OF APPENDIX B



# APPENDIX C STRATEGIC PLAN 2017-2021



# SAN FRANCISCO INTERNATIONAL AIRPORT

FIVE-YEAR STRATEGIC PLAN 2017-2021



SFO continues to be an economic engine for our region, powering jobs, tourism, and revenue. I congratulate the Airport for their achievements, and wish the team continued success as they embark on their 5-Year Strategic Plan.

San Francisco Mayor Edwin M. Lee

# **Airport Commission**



**Larry Mazzola**President



**Linda S. Crayton**Vice President



**Eleanor Johns** 



Richard J. Guggenhime



Peter A. Stern

# Senior Staff

John L. Martin

Airport Director

**Shauna Marie Rose** 

Executive Assistant to the Airport Director

Sheryl L. Bregman

Airport General Counsel

**Ivar Satero** 

Chief Operating Officer

Kandace Bender

Chief Marketing and Communications Officer

Leo Fermin

Chief Business and Finance Officer

Julian Potter

Chief Administrative and Policy Officer

**Ian Law** 

Deputy Airport Director/CIO

**Blake Summers** 

Director and Chief Curator

Jeff Littlefield

Deputy Airport Director Operations & Security

**Geoffrey W. Neumayr** 

Deputy Airport Director Design & Construction

John Bergener

Airport Planning Director

**Peter Acton** 

Director of Facilities

**Linda Yeung** 

Director

People, Performance & Development

Jean Caramatti

Commission Secretary

# A Message from the Director



I am pleased to present San Francisco International Airport's new Strategic Plan, 2017-2021, which along with our core values and task force committee recommendations, provides a solid road map for SFO for the next five years.

The Plan was a truly collaborative venture. Its monthslong development was led by SFO's Senior Staff and included significant input from several hundred SFO employees, who participated in numerous brainstorming sessions.

The Plan includes seven major goals supported by 32 objectives, as outlined in this document. More than 160 initiatives were created by employees to support these objectives and goals. The process of supporting SFO's overall goals will be extended to individual employees as they prepare their personal goals. In this way, we are all working as one team.

In addition, this document includes a policy statement on SFO's overall philosophy on doing business with the Airport and another statement that reiterates our commitment to work collaboratively with all departments in the City family to deliver services in an efficient and innovative manner.

I am extraordinarily proud of the work that went into creating this new strategic plan. SFO continues to be an exceptional Airport, delivering an outstanding guest experience, strong business performances, top-rated safety and security practices and demonstrating a genuine devotion to environmental leadership. SFO has a world class dream team, and I am confident the Airport is in good hands as we move forward into the next five years.

John L. Martin

Airport Director (1995-2016)



### **MISSION**

We provide an exceptional airport in service to our communities



### VISION

Reaching for #1



### **OVERALL GOALS**

7 New Goals



### **OBJECTIVES**

32 New Key Objectives



## **STRATEGIC INITIATIVES**



### **CORE VALUES**

Safety and security is our first priority

We are one team

We treat everyone with respect

We communicate fully and

help one another

We strive to be the best

We are innovative

We are open to new ideas

We are committed to SFO being a great place to work for all employees

We are each responsible for the

Airport's success

We take pride in SFO and in our accomplishments

# Goals and Objectives

Our new Strategic Plan includes seven high-level goals which will guide us in the next five years. The seven goals are supported by 32 key objectives. These are supported by more than 160 initiatives created by individual divisions working together. In a seamless fashion, the initiatives, objectives, and goals help SFO achieve its mission "To provide an exceptional Airport in service to our communities."

### **GOALS AND OBJECTIVES**

GOAL #1:	GOAL #2:	GOAL #3:	GOAL #4:
REVOLUTIONIZE THE PASSENGER EXPERIENCE	ACHIEVE ZERO BY 2021	BE THE INDUSTRY LEADER IN SAFETY AND SECURITY	NURTURE A HIGHLY COMPETITIVE AND ROBUST AIR SERVICE MARKET
1. Ensure Terminal 1 is rated as the best terminal in the world by Skytrax and Airport Service Quality (ASQ) Surveys  2. Create seamless door-to-door airport experience for passengers who want leisurely dwell time and passengers who want a speedy and efficient process and achieve overall airport score of 4.4 on ASQ survey  3. Bring the innovative flair of San Francisco and Silicon Valley with revolutionary technology solutions	<ol> <li>Achieve Net Zero Energy at SFO</li> <li>Achieve Zero Waste</li> <li>Achieve carbon neutrality and reduce greenhouse gas emission by 50% (From 1990 Baseline)</li> <li>Implement a Healthy Buildings strategy for new and existing infrastructure</li> <li>Maximize water conservation to achieve 15% reduction per passenger per year<sup>1</sup></li> </ol>	<ol> <li>Achieve an exceptional safety culture and superior regulatory inspections through a robust Safety Management System (SMS)</li> <li>By 2020, be the safest and most secure Airport in the U.S. with the lowest number of breaches and incursions</li> <li>Implement international standards for cyber-security</li> <li>Be excellent in the operation and maintenance of our airfield</li> <li>Enhance partnerships with local/federal regulators and law enforcement agencies (FAA, TSA, CBP, etc.)</li> </ol>	<ol> <li>Goal of maintaining and controlling CPE through 2021²</li> <li>Increase international carrier service by 25% and ensure maintenance of 24% low-cost carriers (LCC)</li> <li>Ensure a competitive environment by providing sufficient operational capacity for new and current airlines</li> <li>Educate stakeholders on value of SFO airline services</li> <li>Create the most welcoming and efficient Federal Inspection Services (FIS) area by ASQ survey</li> <li>Provide for an innovative and friendly environment for airlines</li> </ol>
R4N1 Committees:  Disrupters Universal Access	R4N1 Committees:  · Sustainability  · Water Conservation	R4N1 Committees:  · Safety & Security Best Practices	R4N1 Committees:  · CBP Processing

<sup>&</sup>lt;sup>1</sup> Baseline year: 2013

<sup>&</sup>lt;sup>2</sup> Final amount TBD upon approval of Capital Improvement Plan

GOAL #5: BE A WORLD CLASS DREAM TEAM	GOAL #6: DELIVER EXCEPTIONAL BUSINESS	GOAL #7:  CARE FOR AND PROTECT OUR AIRPORT
1. Be the Employer of Choice and achieve 85% overall employee satisfaction in bi-annual Work Climate survey  2. Ensure diversity of people, ideas, socio-economic and cultural backgrounds across entire Airport community  3. Engage Airport community to embrace SFO's standard of excellence  4. Provide a work climate that supports wellness, health and work/life balance	1. Have the highest per passenger spend rate for combined food & beverage, retail and duty free in the U.S.  2. Achieve an airport wide goal of 40% small business participation  3. Introduce new technology to improve and streamline business performance  4. Own and maintain superior technological infrastructure to support airport stakeholder business needs  5. Maximize non-airline revenues	1. Maintain Airport's infrastructure to the highest standard of excellence to ensure no interruption in operations  2. Ensure that on site airport employers meet the safety, security, and employee benefit standards of SFO  3. Promote safe & healthy working conditions for Airport-based employees  4. Support and promote giving back to the communities we serve
R4N1 Committees:  · Great Place to Work  · Team SFO  · Wellness	R4N1 Committees:  · Performance Management	R4N1 Committees:  · MVP  · Airport Business Continuity

# Implementing the Strategic Plan

SFO's five-year strategic plan will be overseen by the Airport Director and Senior Staff. It is the responsibility of these groups to ensure all Airport staff work toward achieving the goals that have been established in a collaborative and collegial fashion. "Reaching for Number 1" (R4N1) is our aspirational vision that guides us to achieve the strategic plan. Established in 2011, R4N1 comprises 12 ad hoc task force committees, consisting of several hundred Airport employees, who provide recommendations and suggestions as the Airport works toward achieving its goals.

#### SFO'S REACHING FOR #1 TASK FORCE COMMITTEES:

- **Airport Business Continuity** Utilize the Airport's Business Continuity Plan to further refine organizational structure and training programs that will support post-event recovery efforts.
- **Customs and Border Protection Processing** Create a superior customer experience in the customs and immigration hall using facility upgrades, technology enhancements and collaboration with CBP officers.
- **Disrupters** Identify and monitor new trends that could increase efficiency and the guest experiences at SFO; and conversely, evaluate those trends for risks to current business models.
- **Universal Access** Research and recommend ideas that will make SFO the most accessible airport in the world for guests with unique traveling needs, disabilities and those whose first language is not English.
- **Safety and Security Best Practices** Implement one new safety and one new security best practice that is industry-leading.
- **Performance Management** Facilitate continuous organizational improvement and collaboration through the use of Airport data.
- **Sustainability** Increase community awareness of airport-wide principles of sustainability. The following are subcommittees:
  - Transit Establish SFO as a leader in airport transit and sustainability.
  - Solid waste Achieve Zero waste by 2020.
  - Social-economic responsibility Establish SFO's framework and priorities for social-economic programs.
  - **Net Zero Energy** Achieve Net Zero Energy throughout the SFO campus.
- **Water Conservation** Use education, new procedures and technologies to achieve a 15 percent water reduction per passengers by December 2016.
- **Great Place to Work** Create new programs that celebrate and strengthen SFO as a great place to work.
- **Wellness** Promote existing wellness programs and expand curriculum with additional stress-relieving activities.
- **Team SFO** Create innovative programs and events that build camaraderie and teamwork.
- **MVP** Motivate and maximize employee volunteer participation, such as Human Trafficking Awareness fundraising and training programs.

### The SFO Way

SFO has been highly successful in achieving its mission of providing an exceptional airport in service to our communities through collaboration and fairness, creating a level playing field for all tenants, encouraging excellence in all areas and maintaining Airport control of its assets.

SFO adheres to three guiding principles in doing business with its hundreds of tenants and stakeholders:

- Ensuring high standards of Safety and Security
- Maintaining full control of all Airport assets and infrastructure
- Fostering a high level of market competition

Several Airport Commission policies help frame the management and operation of SFO while following the guiding principles. The policies include:

### 1. Wi-Fi Policy

• SFO is committed to providing exceptional Wi-Fi services to guests, airlines and concessionaires. This policy documents the approach for setting the standards and controlling SFO's Wi-Fi system.

### 2. Shared Use Policy

• This policy describes SFO's method of managing systems, infrastructure and services shared by multiple airline tenants, concessionaires and other Airport partners. This policy gives SFO the greatest flexibility in managing its operations.

### 3. Policy on Control of Data and Digital Assets

• This policy acknowledges the value of SFO data and digital assets and mandates that SFO retains ownership and control its data and digital assets and that such data and digital assets be used exclusively for the benefit and protection of SFO. SFO data includes all internal metrics, measures, counts and information concerning any aspect of SFO property, facilities or operations. SFO digital assets include all outward-facing media including but not limited to SFO's Wi-Fi splash pages, social media outlets, and information display units (FIDs).

#### 4. Policy on Control of International Air Service Marketing

• This policy recognizes SFO as the lead agency in all international aviation development programs undertaken in partnership with the San Francisco Chamber of Commerce, SF Travel, Bay Area Council and other organizations. This policy also provides for the use of SFO's digital media in providing incentives to air carriers.

### 5. Policy on Maintaining a Competitive Air Service Environment

• This policy underscores SFO's commitment to provide a level playing field for all air carriers in order to foster competitive air service choices and competitive air fares for the traveling public.

### 6. Policy on Controlling, Developing and Financing of Airport Assets

• SFO is committed to the control, development and financing of Airport assets and infrastructure to meet the changing needs of the aviation industry in the future. This policy outlines SFO's need, as a land-constrained entity, to manage its assets without resorting to public-private partnerships. The policy also ensures SFO reaps the greatest financial benefit of development on behalf of the City and County of San Francisco.

### 7. Policy on Partnering

• Collaborative, structured partnering in all development programs is key to SFO's successful delivery of its projects. This policy outlines the elevated role of integrating partnering into all of the airports business processes to influence the exceptional outcome of all Airport development projects.



# Collaboration with other City & County of San Francisco Departments

SFO has identified various initiatives that demonstrate how the Airport will work interdependently with other City Departments to achieve citywide goals in an innovative and efficient manner.

#### **Department of Environment**

Partner in support of the Airport's strategic goal to Achieve Zero and our adoption of the airport-specific EONS (Economic Viability, Operational Efficiency, Natural Resource Conservation, Social Responsibility).

#### **Department of Public Works**

Continue to share best practices in project delivery through our Partnering Program and Small Business/LBE Participation Program.

### Department of Technology and Committee on Information Technology (COIT)

Collaborate to establish citywide Information Technology & Telecommunications (ITT) policies and standards to ensure technology sustainability and compliance, as well as manage risk.

### **Department of Human Resources**

Continue to partner in support of improving HR processes and growing of talent to ensure operational excellence.

#### Office of the Controller and Office of Contract Administration

Collaborate to support the Airport's growing capital program by adding resources in the Purchaser's office, as well as streamlining financial and contracting processes through new technology systems.

### **Planning Department**

Partner in support of our capital improvement program to obtain environmental determination in accordance with CCSF Chapter 31 Code and California Environmental Quality Act (CEQA) implementing procedures.

#### **Public Utilities Commission**

Collaborate to drive further water conservation efforts

### San Francisco Fire Department, San Francisco Police Department and Department of Emergency Management

Partner in support of the Airport's Core Value: Safety and Security is our first priority, and the Airport Business Continuity Plan.



### **Goal #1:**

### Revolutionize the Passenger Experience

Revolutionizing the Passenger Experience will require dedication and focus on the Terminal 1 Program and every Journey Moment of the passenger experience. This will involve the integration of Revenue Enhancement and Customer Hospitality (REACH) program into the Airport's standards, capital projects, services and amenities, and require us to consider our passengers' needs and preferences. In addition, Airport Service Quality (ASQ), along with other surveys, are key performance indicators that will assist the Airport in identifying opportunities for improvement. These improvements, e.g. Wi-Fi and passenger mobile applications, will provide support in achieving Goal #1: Revolutionize the Passenger Experience.

#### **OBJECTIVE #1**

ENSURE TERMINAL 1 IS RATED AS THE BEST TERMINAL IN THE WORLD BY SKYTRAX AND AIRPORT SERVICE QUALITY (ASQ) SURVEYS

STRATEGIC INITIATIVES	LEAD DIVISION
1.1.1 Complete Terminal 1 and open initial 17 Gates by 3rd quarter of 2019, remaining gates by 3rd quarter of 2020.	Design & Construction
1.1.2 Work closely with Design & Construction to incorporate public art and Museum exhibit programming throughout Terminal 1.	Museum
1.1.3 Utilize exhibition collateral to create digital and static displays throughout Terminal 1 to increase public awareness of the Museum's offerings.	Museum
1.1.4 Ensure SFO Brand is showcased throughout T1.	Marketing & Communications
1.1.5 Engage the broader community for input on T1 Design and amenities to capture our guests' point of view and to drive higher guest satisfaction. The broader community could include: ACI representatives responsible for the ASQ survey, technology and futurists from around the Bay Area, corporate travel managers, and frequent travelers.	Marketing & Communications

CREATE SEAMLESS DOOR-TO-DOOR AIRPORT EXPERIENCE FOR PASSENGERS WHO WANT LEISURELY DWELL TIME AND PASSENGERS WHO WANT A SPEEDY AND EFFICIENT PROCESS AND ACHIEVE OVERALL AIRPORT SCORE OF 4.4 ON AIRPORT SERVICE QUALITY (ASQ) SURVEY

STRATEGIC INITIATIVES			LEAD DIVISION
1.2.1 Raise existing facilities to T2 Standard with unique SFO amenities.		ing facilities to T2 Standard with unique SFO amenities.	Design & Construction
1.2.2 Upgrade REACH Program to incorporate Airport's design philosophy regarding uniquely-SFO passenger experiences, and ensure a consistent process is implemented to achieve REACH objectives.		Design & Construction Marketing & Communications Information Technology & Telecommunications	
1.2.3	Produce th	nirty original museum exhibitions annually.	Museum
1.2.4 By 2017 establish a Video Arts gallery in the International Terminal and implement an ongoing content refresh schedule.		· ,	Museum
1.2.5 Complete the Aviation Annex and establish an Aviation Film			Museum
	Archive by	the end of calendar year 2018.	Design & Construction
1.2.6 Select artists and artwork, and coordinate installation for locations within the International Terminal by the end of calendar year 2017.		vithin the International Terminal by the end of	Museum
1.2.7	1.2.7 By 2018, create a vision for the new Aviation History Center.		Museum
1.2.8 Evaluate the feasibility for SFO's Concessions Program to include the following:			
	1.2.8.1	A quiet space for guests in each terminal	
	1.2.8.2	A healthy grab & go food and beverage option	
	1.2.8.3	Food order and delivery service to gate	
	1.2.8.4	Sleeping pods	Business & Finance
	1.2.8.5	Pet Hotel	dusiness a finance
	1.2.8.6	Complimentary shower facilities with warm towels	
	1.2.8.7	A fitness center for passengers	
	1.2.8.8	Movie Theater	
	1.2.8.9	Flexibility in concessions hours	
	1.2.8.10	Greater variety of price points.	

1.2.9	Enhance our guests' digital and mobile experiences, providing cutting edge features and functionality.	Marketing & Communications Information Technology & Telecommunications
1.2.10	Define and evaluate feasibility, cost and benefits of constructing a "Common Use" Lounge.	Business & Finance
1.2.11	Create and begin implementation of a marketing and communications strategic plan to engage stakeholders, including guests, in SFO's construction projects	Marketing & Communications
1.2.12	Re-imagine the way we communicate with our guests in the terminal. Leverage other communications tools and technologies to limit or remove the announcements broadcast over the PA system to make SFO a "silent airport".	Marketing & Communications
1.2.13	Create three note-worthy, extraordinary (e.g. Wag Brigade, Yoga Room, "Employee as Concierge", etc.) amenities each year.	Marketing & Communications
1.2.14	By 2018, develop a comprehensive apron equipment storage program designed to ensure ground support equipment (GSE) and vehicles are readily available to the airlines, without impeding aircraft access by passenger and service support vehicles.	Operations & Security
1.2.15	Implement Airport-wide passenger flow analytics by developing and implementing wait time technologies throughout the airport for checkpoints and walking times.	Information Technology & Telecommunications Operations & Security
1.2.16	Collaborate with airlines to develop self-service bag check and remote luggage check-in and passenger bag drop services at Rental Car Center and parking lots/garages.	Operations & Security Design & Construction
1.2.17	Install digital signage/maps/ directories on AirTrain platforms and Rental Car Center, and improve signage to BART, Rental Car Center and Downtown San Francisco.	Operations & Security Marketing & Communications Design & Construction
1.2.18	Deliver High Density Wi-Fi throughout Airport, achieving a Wi-Fi ASQ score of 4.6.	Information Technology & Telecommunications Facilities
1.2.19	Implement Information Integration Platform to deliver important Airport travel information to passengers and Airport business stakeholders.	Information Technology & Telecommunications Marketing & Communications
1.2.20	Build an Observation Deck with amenities.	Design & Construction Business & Finance Operations & Security Museum

# BRING THE INNOVATIVE FLAIR OF SAN FRANCISCO AND SILICON VALLEY WITH REVOLUTIONARY TECHNOLOGY SOLUTIONS

STRATEGIC INITIATIVES	LEAD DIVISION
1.3.1 By 2017, create indoor navigational capability for disabled travelers that encompasses the entire airport beyond the pilot T2 terminal, including the AirTrain and the Rental Car Center with the appropriate Airport divisions; expanding to languages beyond English.	Marketing & Communications Information Technology & Telecommunications Facilities
1.3.2 By 2018, deploy asset tracking technology to support location of vehicles and other mobile assets including wheelchairs.	Administration & Policy Information Technology & Telecommunications Marketing & Communications
1.3.3 By 2018, develop capability to use the AIDMS Mobile Application to conduct random identification inspections with card swipe technology.	Operations & Security Information Technology & Telecommunications
1.3.4 Develop better tracking technologies for ground support equipment (GSE) and baggage handling systems (BHS).	Operations & Security Information Technology & Telecommunications
1.3.5 Form Academic Research Partnership with a Bay Area University to develop thought leadership on airport business challenges.	Information Technology & Telecommunications Marketing & Communications
1.3.6 Partner with Silicon Valley tech leaders to prototype new travel solutions.	Information Technology & Telecommunications Marketing & Communications
1.3.7 Create a Technology Exhibition facility.	Information Technology & Telecommunications Design & Construction Marketing & Communications Museum Business & Finance





### **Goal #2:**

### Achieve Zero By 2021

We have been involved in sustainability planning and made great progress towards making our organization and operations one of the most sustainable within the airport industry. We have achieved LEED Gold certification in several new buildings across our campus: Terminal 2, Boarding Area E, Airfield Operations Facility, and West Field Cargo Building 632. In addition, we made strides towards carbon neutrality by installing electrical chargers in the Central and IT garages. In 2014, we adopted the Airports Council International EONS (Economic viability, Operational efficiency, Natural resource conservation, and Social Responsibility) framework, which has broadened our approach to sustainability. In 2015, we set several Big, Hairy, Audacious Goals (BHAG) to further advance sustainability at SFO. We will continue this effort by developing guidelines to achieve long-term goals, which include carbon-neutrality for Airport Commission-controlled operations, net zero energy buildings, and Airport-wide zero-waste generation.

#### **OBJECTIVE #1**

#### ACHIEVE NET ZERO ENERGY AT SFO

STRATEGIC INITIATIVES	LEAD DIVISION
2.1.1 Establish a baseline and identify annual reduction targets.	Administration & Policy
2.1.2 Assess the potential for on-Airport and offsite solar power generation by evaluating the suitability of existing building roofs, parking lots, etc. for installation of solar panels.	Administration & Policy
2.1.3 Develop a Net Zero Energy Master Plan which will include: a global evaluation of the campuses energy use, renewable energy capacity and future energy efficiency projects; the implementation of an energy optimization platform for the Terminal Complex; and the development and implementation of Net Zero Energy Guidelines and Specifications for all capital projects.	Design & Construction Administration & Policy

### Objective #1 - continued

2.1.4 Design & Construct a new Central Plant that aligns with Airport's goal of net zero energy by 2019.	Design & Construction
2.1.5 Implement Airport-wide integrated Smart Building management system and reporting system, which will include Energy Management & Control System (EMCS) plan for terminal buildings. Implement technologies to monitor Airport environmental ecosystem.	Design & Construction Facilities Information Technology & Telecommunications

### **OBJECTIVE #2**

### ACHIEVE ZERO WASTE

STR	ATEGIC INITIATIVES	LEAD DIVISION
2.2.1	Evaluate opportunity to design and build a Solid Waste Sorting Facility and Program.	Facilities Design & Construction Administration & Policy
2.2.2	Eliminate the sale of plastic water bottles to promote use of reusable water bottles.	Administration & Policy Business & Finance
2.2.3	Work with food and beverage vendors to create a program where perishable goods are donated to people in need, which will reduce land fill.	Administration & Policy Business & Finance
2.2.4	Establish a baseline and identify annual reduction targets.	Administration & Policy
2.2.5	Develop and implement a Zero Solid Waste Management Plan by end of 2017.	Administration & Policy Design & Construction
2.2.6	Eliminate sale of plastic shopping bags at SFO and promote the use of recycled-paper shopping bags.	Administration & Policy Business & Finance
2.2.7	Achieve 30% reduction in paper use.	Administration & Policy Information Technology & Telecommunications Design & Construction

# ACHIEVE CARBON NEUTRALITY AND REDUCE GREENHOUSE GAS EMISSION BY 50% (FROM 1990 BASELINE)

STRATEGIC INITIATIVES	LEAD DIVISION
2.3.1 Improve roadways for biking.	Operations & Security Facilities
2.3.2 Convert all eligible vehicles to zero emissions and ensure SFO buses become carbon neutral.	Facilities Administration & Policy
2.3.3 Develop and implement a GSE Fleet Emission Reduction Program and ensure eligible GSE fleet vehicles are electric by 2021.	Operations & Security
2.3.4 Establish emission targets for all types of vehicles.	Operations & Security
2.3.5 Study feasibility of implementing an Airport toll to reduce congestion and discourage single occupancy vehicle use.	Operations & Security Planning

### **OBJECTIVE #4**

## IMPLEMENT A HEALTHY BUILDINGS STRATEGY FOR NEW AND EXISTING INFRASTRUCTURE

STRATEGIC INITIATIVES		<b>LEAD DIVISION</b>
2.4.1	Develop Healthy Building Standards for airport facilities that include indoor air and water quality management, building operations and facilities maintenance programs.	Design & Construction Facilities
2.4.2	Create standard technical specifications for the design and procurement of environmentally safe building materials and furniture.	Design & Construction Facilities

# MAXIMIZE WATER CONSERVATION TO ACHIEVE 15% REDUCTION PER PASSENGER PER YEAR<sup>1</sup>

STR	ATEGIC INITIATIVES	LEAD DIVISION
2.5.1	By 2018, Complete California Environmental Quality Act (CEQA) Review of the Recycled Water Master Plan and obtain environmental determination in accordance to CCSF Chapter 31 Environmental Code, and SF Planning Department CEQA implementing procedures.	Planning
2.5.2	Develop and implement an Airport-wide recycled water plan which includes the design and construction of a recycled water treatment plant as well as the distribution and supply pipelines to supply recycled water.	Design & Construction Facilities
2.5.3	By 2017, develop method/strategy to identify and repair leaking infrastructure by performing reconnaissance study to investigate leak detection, leak prevention, and overall resilience of SFO potable water distribution system.	Faciliities Design & Construction
2.5.4	Develop and implement Smart Meters Initiative and deploy the Water Modernization Program	Design & Construction Facilities Information Technology & Telecommunications

<sup>&</sup>lt;sup>1</sup> Baseline Year: 2013





### **Goal #3:**

### Be the Industry Leader in Safety & Security

Safety and Security is SFO's first priority. Our valued passengers, employees, airlines and tenants depend on the Airport safety and security systems to provide a safe and secure travel environment.

We are committed to exceeding all aviation safety and security regulations. We hold ourselves to high standards that align with our Core Values. Through the use of advanced technology, implementation of best practices and industry expect assessments, we continue to advance our safety and security profile.

#### **OBJECTIVE #1**

ACHIEVE AN EXCEPTIONAL SAFETY CULTURE AND SUPERIOR REGULATORY INSPECTIONS THROUGH A ROBUST SAFETY MANAGEMENT SYSTEM (SMS)

STRATEGIC INITIATIVES			<b>LEAD DIVISION</b>	
3.1.1		SMS on the airfield and by 2019, afety and functional areas into SMS. 1S implementation by:	Operations & Security Administration & Policy	
	3.1.1.1 Making SMS Ko available to sta	ey Performance Indicators electronically keholders.	Information Technology & Telecommunications	
	3.1.1.2 Providing supposed component of	port for the Safety Promotion SMS.	Marketing & Communications	
	3.1.1.3 Incorporating specific to safe	new training for all Airport employees ety.	Business & Finance	
3.1.2	Develop and implement support the Airport.	t a 5-year Strategic Safety Plan to	Administration & Policy	
3.1.3	Emergency Operations C Command Structure mod	structured training program for enter participants that includes Incident dules 100 and 200, National Incident nodules 700 and 800, Section Chief and	Operations & Security Administration & Policy	

#### Objective #1 - continued

3.1.4 By 2017, develop Risk Profile (Heat Map) and identify/define what is high-risk.	Business & Finance
3.1.5 Include Safety management in a new mobile Part 139 Airfield Incident Reporting System (AIRS).	Information Technology & Telecommunications
3.1.6 By 1st quarter 2017, establish new performance standards for markings/lights/signs where no FAA specifics exist.	Operations & Security

### **OBJECTIVE #2**

# BY 2020, BE THE SAFEST AND MOST SECURE AIRPORT IN THE U.S. WITH THE LOWEST NUMBER OF BREACHES AND INCURSIONS

STRATEGIC INITIATIVES		LEAD DIVISION
	the Security Improvement Program by 4th quarter of the will implement the following:	
3.2.1.2 3.2.1.3	Comprehensive Perimeter Intrusion Detection System Ground-based Radar Security enhancements for cargo area and critical infrastructure Increased Closed-Circuit Television (CCTV) coverage	Design & Construction Operations & Security Information Technology & Telecommunications
3.2.1.5	and enhanced usage of analytics in high-risk areas Improved perimeter fencing	

3.2.2	By summer 2 Program by:	2018, execute Comprehensive Access Control	
	Со	eating and implementing new Airport Access ontrol System which encompasses, badges, all keys, rport Identity Management System, etc.	Operations & Security Design & Construction
		emoving or replacing all by-pass access point single pors with turnstiles.	Information Technology & Telecommunications
	3.2.2.3 Ne	ext generation badging and video surveillance	
		plementing security threat and advanced report ta analytics	
3.2.3		lement Single Sign On product to simplify and ure staff access to Airport systems.	Information Technology & Telecommunications
3.2.4		nsolidated Receiving & Distribution Facility for AOA ery – improving security and limiting vehicles on	Operations & Security Planning Design & Construction Business & Finance
3.2.5	Complete re February 201	design of Westfield Vehicle Checkpoint by 7.	Design & Construction Operations & Security
3.2.6	Research and mitigation pi	d establish a drone/Unmanned Aerial Vehicle (UAV) rogram.	Operations & Security Marketing & Communications Administration & Policy

### IMPLEMENT INTERNATIONAL STANDARDS FOR CYBER-SECURITY

STRATEGIC INITIATIVES		LEAD DIVISION
3.3.1	Achieve international cyber-security accreditation and implement an Airport cyber-security governance council.	Information Technology & Telecommunications
3.3.2	Deliver threat & vulnerability assessment and remediation of critical Airfield systems.	Information Technology & Telecommunications Facilities

# BE EXCELLENT IN THE OPERATION AND MAINTENANCE OF OUR AIRFIELD

STRATEGIC INITIATIVES	LEAD DIVISION
<ul> <li>3.4.1 By 2017, enhance Ground Support Equipment (GSE) Safety Inspection Program (GSESIP) by:</li> <li>3.4.1.1 Regularly auditing 100% of GSE and increase GSE safety awareness and reduce equipment and property damage caused by defective GSE.</li> <li>3.4.1.2 Developing and implementing a strategy to automate tracking and administration of safety and security related fines and penalties.</li> <li>3.4.1.3 Developing and implementing leading edge equipment, such as rolling stock scanners and Radio Frequency Identification (RFID) sensors, to accurately track tenant GSE.</li> </ul>	Administration & Policy Operations & Security Business & Finance Information Technology & Telecommunications
3.4.2 By December 2017, implement a screening/certification program for Airline Service Providers.	Business & Finance Operations & Security
3.4.3 Develop and implement new FAR Part 139 tracking system.	Operations & Security

### **OBJECTIVE #5**

## ENHANCE PARTNERSHIPS WITH LOCAL/FEDERAL REGULATORS AND LAW ENFORCEMENT AGENCIES

STRATEGIC INITIATIVES		LEAD DIVISION
3.5.1	By 2019, develop a comprehensive license plate recognition program (LPR) which integrates existing systems in an interactive fashion for vehicle plate review.	Operations & Security Information Technology & Telecommunications Design & Construction
3.5.2	Collaborate with Airport divisions and with other City departments on preparation for climate change effects.  Monitor regional policymaking and support regional strategy building while engaging external stakeholders.	Planning





### **Goal #4:**

# Nurture a Highly Competitive and Robust Air Service Market

In order to avoid becoming a high airfare airport and thus losing passengers to other Bay Area airports where fares could be lower, SFO must work to ensure that the Airport fosters a competitive environment for air carriers. This includes, but is not limited to: ensuring space for new airline entrants and for the expansion of current airlines, ensuring a healthy mix of legacy and low-cost carriers and ensuring that the Cost Per Enplaned Passenger (CPE) remains competitive with other large, international gateway airports in the United States. In addition, SFO will continue to focus on the development of international routes, as this provides maximum efficiency on our airfield.

#### **OBJECTIVE #1**

### GOAL OF MAINTAINING AND CONTROLLING CPE THROUGH 2021.2

STRATEGIC INITIATIVES	LEAD DIVISION
4.1.1 Execute cash defeasance of bonds for operating budget debt service funding	BIIGINGS & FINANCE
4.1.2 Explore innovative financial product will reduce costs.	s for capital projects which  Business & Finance
4.1.3 Continue to support legislation to in Charge (PFC).	crease Passenger Facility  Business & Finance
4.1.4 By 3rd year of hotel operation, achie (NOI) after debt service of \$2M.	ve net operating income  Business & Finance
4.1.5 Manage capital costs by maximizing using PFCs and achieving the highesto minimize the Airport's borrowing	t appropriate bond rating Business & Finance

<sup>&</sup>lt;sup>2</sup> Final amount TBD upon approval of Capital Improvement Plan

### Objective #1 - continued

4.1.6 File a minimum of two PFC applications on eligible capital projects by December 2020.	Business & Finance
4.1.7 Increase non-airline revenues.	Business & Finance

### **OBJECTIVE #2**

# INCREASE INTERNATIONAL CARRIER SERVICE BY 25% AND ENSURE MAINTENANCE OF 24% LOW-COST CARRIERS (LCC)

STRATEGIC INITIATIVES		LEAD DIVISION
4.2.1	Identify new Bay Area business and demographic data relevant to individual international carriers in order to encourage and/or support new service.	Marketing & Communications
4.2.2	Create three new unique marketing incentive programs to encourage expansion and/or start of new international service.	Marketing & Communications
4.2.3	Create a new detailed template for overall marketing support for international carriers, from which carriers may pick and choose the support they find most helpful.	Marketing & Communications

# ENSURE A COMPETITIVE ENVIRONMENT BY PROVIDING SUFFICIENT OPERATIONAL CAPACITY FOR NEW AND CURRENT AIRLINES

STRATEGIC INITIATIVES		<b>LEAD DIVISION</b>
4.3.1	<ul> <li>Expand available gates and ensure completion of the following:</li> <li>4.3.1.1 Boarding Area A Gates Reconfiguration by December 2018.</li> <li>4.3.1.2 T2 15th Gate by December 2016.</li> <li>4.3.1.3 Boarding Area F Gates Improvements by fall 2019.</li> <li>4.3.1.4 Bus Gate G91 by January 2017.</li> <li>4.3.1.5 Bus Gate A2 by 1st quarter 2018.</li> </ul>	Design & Construction Operations & Security Information Technology & Telecommunications Marketing & Communications
4.3.2	Provide connectivity between terminals including secure and sterile.  4.3.2.1 Complete T2 to T3 Connector by December 2019.	Design & Construction
4.3.3	Evaluate and develop alternate and creative gate allocation methodology to optimize allocation of gate capacity, such as using forward rather than past capacity for determining gate allocation.	Business & Finance Operations & Security
4.3.4	By December 2018, develop and agree with Airlines on a swing gate methodology.	Business & Finance
4.3.5	Negotiate and execute a new Lease & Use Agreement with the Airlines by June 30, 2021.  4.3.5.1 Develop Airport strategy and term sheet by December 2017.  4.3.5.2 Begin negotiations with airlines by January 2018.  4.3.5.3 Complete negotiations by June 2019.	Business & Finance
4.3.6	Modernize Common Use services in IT to a single Shared Use platform serving IT, T1 and other Shared Use gates. Consolidate tenant technology support into one Airport-wide Airport-led support service.	Information Technology & Telecommunications Operations & Security
4.3.7	Create an integrated internationally themed annual campaign to appear both domestically and internationally.	Marketing & Communications
4.3.8	Identify and incorporate infrastructure projects needed to keep pace with traffic growth. Conduct more detailed planning of near-term infrastructure projects in preparation for environmental review and transition to Design & Construction.	Planning Design & Construction

### EDUCATE STAKEHOLDERS ON VALUE OF SFO AIRLINE SERVICES

STRATEGIC INITIATIVES LEAD DIVISION	
4.4.1 Share economic impact of airline services with community.	Marketing & Communications Business & Finance
4.4.2 Create targeted advertising with local markets and develop business relationships with corporate partners.	Marketing & Communications

### **OBJECTIVE #5**

CREATE THE MOST WELCOMING AND EFFICIENT FEDERAL INSPECTION SERVICES (FIS) AREA BY AIRPORT SERVICE QUALITY (ASQ) SURVEY

STR	ATEGIC INITIATIVES	LEAD DIVISION
4.5.1	Implement extension of CBP FIS Core Hours by 1st quarter 2017.	Operations & Security Marketing & Communications
4.5.2	Complete long-term renovations to improve guest experience in FIS arrivals, including new technologies (apps), new artwork (SFTA joint project), new signage, marketing for Global Entry and MPC, etc.	Design & Construction Marketing & Communications Information Technology & Telecommunications Operations & Security
4.5.3	Strengthen partnership with CBP through structured meetings and engagement of all stakeholders (measured by line wait improvements and satisfaction surveys), and ensure proper staffing of CBP/FIS.	Facilities Operations & Security

# PROVIDE FOR AN INNOVATIVE AND FRIENDLY ENVIRONMENT FOR AIRLINES

STRATEGIC INITIATIVES		<b>LEAD DIVISION</b>
4.6.1	Create a formal program for educating external stakeholders on the importance of supporting international carriers, including but not limited to business groups, corporate travel organizations, etc.	Marketing & Communications
4.6.2	Pilot new technologies with airlines.	Marketing & Communications Information Technology & Telecommunications



### **Goal #5:**

### Be a World Class Dream Team

"Be a World Class Dream Team" inspires us all to work together to foster a high performing organization, ensure operational excellence and grow our talent and people. We are recognized as one of the best places to work because we care about the health & wellness of our team and we share core values that differentiates us from other organizations. In the next five years, our Dream Team will drive the Airport towards our Reaching for Number 1 Vision.

#### **OBJECTIVE #1**

### BE THE EMPLOYER OF CHOICE AND ACHIEVE 85% OVERALL EMPLOYEE SATISFACTION IN BI-ANNUAL WORK CLIMATE SURVEY

STRATEGIC INITIATIVES	LEAD DIVISION
5.1.1 By 2018, complete and implement the Strategic Human Capital Plan to foster a high performance organization, ensure operational excellence and grow our talent and people.	Administration & Policy Chief Operating Officer's Office
5.1.2 By 2019, develop and implement the SFO Learning Academy/ Institute into an industry-recognized exceptional program focusing on all Airport employees from entry level to senior executives	Administration & Policy
5.1.3 Evaluate opportunities to provide easily accessible child care services.	Administration & Policy
5.1.4 Reduce the number of (individual vehicle) employee commuters by adding parking/parking efficiencies and point-to-point shuttle services where possible.	Administration & Policy
5.1.5 By 2018, develop a real-time measure of employee satisfaction and engagement to be used in conjunction with the bi-annual climate survey, along with faster implementation and dash board-style reporting processes.	Administration & Policy Chief Operating Officer's Office

### Objective #1 - continued

that wil a more and de	and continuing, develop a needs assessment process use the bi-annual work climate survey's results to take ocused look at separate Section/Units' training needs elop internal and external training solutions and be development opportunities to meet those needs.	Administration & Policy Chief Operating Officer's Office
	pols for Senior Management to communicate with staff nect with staff, which may include, but not limited to pwing:	
5.1.7.	Monthly video from Airport Director addressing staff.	Manufaction of O
5.1.7.	Including a short introductive video from Airport Director on the required Computer-Based Training (CBT) courses.	Marketing & Communications
5.1.7.	Publishing Management Meeting minutes and distributing via SFO Announcements.	

5.1.8 Complete construction of a new, efficient and collaborative, multi-divisional Consolidated Administrative Campus, Phase I by 2018, which promotes greater cross-divisional/staff interaction and communication.

Design & Construction

### **OBJECTIVE #2**

# ENSURE DIVERSITY OF PEOPLE, IDEAS, SOCIO-ECONOMIC AND CULTURAL BACKGROUNDS ACROSS ENTIRE AIRPORT COMMUNITY

STR	ATEGIC INITIATIVES	LEAD DIVISION
5.2.1	Increase diversity of Airport's workforce and implement EEO improvements with DHR for increased functionality and compliance.	Administration & Policy
5.2.2	Explore and implement new models for obtaining experience and employment at the Airport, including "earn and learn" apprentice-style employment and training programs.	Administration & Policy
5.2.3	Develop and implement a Video Creation and Promotion program to engage with a broad and diverse audience including Commission staff, tenants, stakeholders, and the community.	Marketing & Communications

# ENGAGE AIRPORT COMMUNITY TO EMBRACE SFO'S STANDARD OF EXCELLENCE

STRA	ATEGIC INITIATIVES	LEAD DIVISION
	Develop communication plan to show economic benefits of Airport.	Marketing & Communications Business & Finance
	Educate and communicate SFO Brand and Customer Service standards to employees.	Marketing & Communications
	Work with tenants to have their employees embrace the Airport's customer service standards and Core Values.	Marketing & Communications Business & Finance
	Review contracts terms and include all sustainability goals/targets where applicable (. energy, waste, water, emissions).	Administration & Policy

### **OBJECTIVE #4**

# PROVIDE A WORK CLIMATE THAT SUPPORTS WELLNESS, HEALTH AND WORK/LIFE BALANCE

STR	ATEGIC INITIATIVES	LEAD DIVISION
5.4.1	Provide high performance facilities and expand financial and emotional/spiritual components of SFO's wellness program that will engage Commission employees.	Administration & Policy
5.4.2	Conduct ongoing patient satisfaction surveys at SFO Medical Clinic.	Business & Finance
5.4.3	Conduct comprehensive analysis of work schedule policies in order to develop and recommend a clear and comprehensive alternate work schedule policy for the Airport.	Administration & Policy
5.4.4	Provide Airport Commission employees access to interim fitness areas and wellness classes by 2019.	Administration & Policy



### **Goal #6:**

### **Deliver Exceptional Business Performance**

In the past five years, we have been a leader in business performance by accomplishing average annual growth in concession revenues by 11.4% (\$1,724,813) in Food & Beverage, by 4.5% (\$562,057) in Goods & Merchandise, and by 4.1% (\$1,159,048) in Duty Free. In addition to this performance, we have managed capital costs to the Airport and Airlines by maximizing use of grants, strategically using PFCs, and achieving good bond ratings to minimize Airport borrowing costs. To continue this success, we must deliver exceptional business performance in the next five years.

Achieving this goal will require controlling CPE, increasing non-airline revenues, engaging with the contracting communities, maintaining superior technological infrastructure, delivering projects in an expeditious and fiscally responsible manner, improving and streamlining our business performance, and taking care of our passengers.

#### **OBJECTIVE #1**

HAVE THE HIGHEST PER PASSENGER SPEND RATE FOR COMBINED FOOD & BEVERAGE, RETAIL AND DUTY FREE IN THE U.S.

STR	ATEGIC INITIATIVES	LEAD DIVISION
6.1.1	Complete REACH Program's Phase 1 and ensure International Terminal Food & Beverage Concessions by 2nd quarter of 2018.	Design & Construction Business & Finance
6.1.2	Issue an enhanced and comprehensive Duty Free RFP/Contract with a longer lease term.	Business & Finance
6.1.3	Implement concession lease programs that include at least 40% local San Francisco themes and concepts or local business participation by June 30, 2021.	Business & Finance
6.1.4	Implement information data broker solution to connect passengers with concessions and airlines and increase spending.	Information Technology & Telecommunications

## ACHIEVE AN AIRPORT- WIDE GOAL OF 40% SMALL BUSINESS PARTICIPATION

STRATEGIC INITIATIVES	LEAD DIVISION
6.2.1 Facilitate small business match-making, mentor-protégé programs, small business incentives and other initiatives (including researching feasibility/opportunity to implement a loan program for small businesses to expand to airport) to support the growth and development of small businesses.	Administration & Policy
6.2.2 Work closely with Contract Monitoring Division (CMD) and community stakeholders to implement a targeted, inclusive, and comprehensive outreach program to stimulate and mentor small business participation in direct contracting and leasing opportunities.	Administration & Policy Design & Construction

### **OBJECTIVE #3**

## INTRODUCE NEW TECHNOLOGY TO IMPROVE AND STREAMLINE BUSINESS PERFORMANCE

STRATEGIC INITIATIVES	LEAD DIVISION
6.3.1 By summer 2017, implement internal Operating Budget System	n. Business & Finance
6.3.2 Ensure successful implementation and integration of the City & County of San Francisco's new Financial System Project (F\$P) targeted for July 2017, including interfaces with Airport's specialized systems.	Business & Finance Information Technology & Telecommunications
6.3.3 Implement Contract Monitoring and Compliance System (CMCS).	Administration & Policy Information Technology & Telecommunications
6.3.4 By 2019, implement eMerge 9.2 to improve human resources processes, and support sustainability goals, such as ePerformance and FlexSelect.	Administration & Policy

6.3.5	Integrate facilities management systems (BMS, SCADA, Data, etc.) and other existing and emerging systems (GIS & BIM) and technologies to create more efficient and streamlined processes.	Design & Construction Facilities Information Technology & Telecommunications
6.3.6	Deploy mobile collaboration technology tools to improve communication and coordination of operational issues across the Airport community.	Information Technology & Telecommunications Operations & Security Facilities
6.3.7	By 2018, achieve international accreditation for information technology practices.	Information Technology & Telecommunications
6.3.8	By summer 2017, develop next generation Ground Transportation Management Systems (GTMS) and complete GTMS Phase 2.	Operations & Security Information Technology & Telecommunications Design & Construction

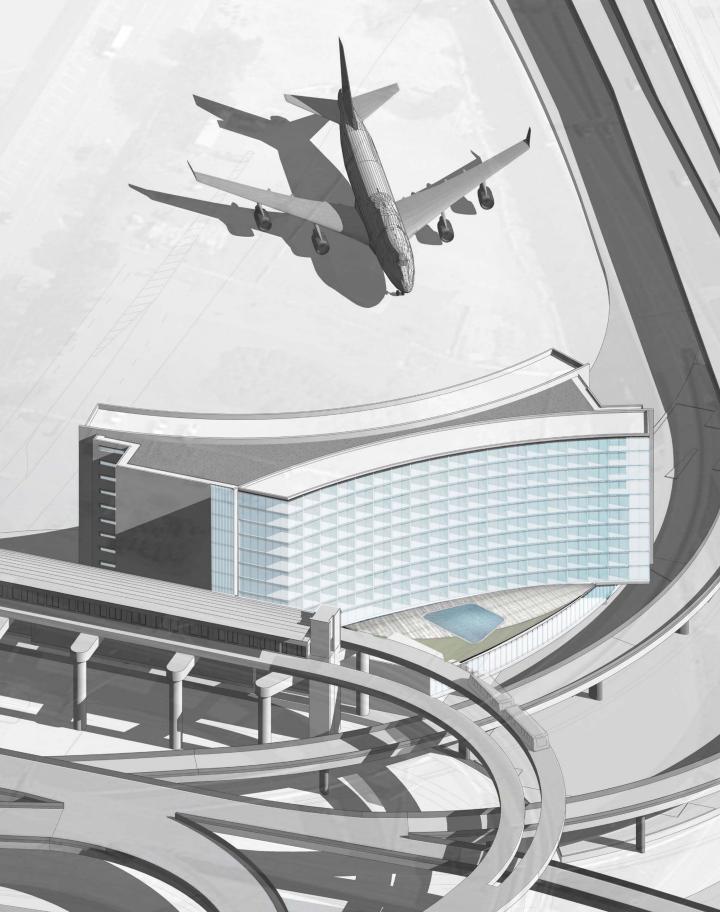
# OWN AND MAINTAIN SUPERIOR TECHNOLOGICAL INFRASTRUCTURE TO SUPPORT AIRPORT STAKEHOLDER BUSINESS NEEDS

STRATEGIC INITIATIVES	LEAD DIVISION
	Business & Finance
6.4.1 By 2018, develop a cellular service replacement strategy and plan and execute to coincide with expiration of current leases in 2019.	Information Technology & Telecommunications
2019.	Facilities
6.4.2 Upgrade tenant network services (DWDM) and modernize	Information Technology & Telecommunications Facilities
other Airport core data network components.	
6.4.3 Implement next generation Distributed Antenna System.	Information Technology & Telecommunications
6.4.4 Deliver high-speed compute and scalable storage enterprise architecture to improve operations such as CCTV management.	Information Technology & Telecommunications

#### **OBJECTIVE #5**

#### MAXIMIZE NON-AIRLINE REVENUES

STRATEGIC INITIATIVES		LEAD DIVISION	
6.5.1	Explore new concession concepts in all terminal renovation projects to drive additional revenue.	Business & Finance	
6.5.2	Develop and implement initiatives to increase revenues at SFO Medical Clinic by reducing expenses and reducing airport subsidies.	Business & Finance	
6.5.3	Increase terminal concession, parking and rental car revenues by 2% annually.	Business & Finance	





#### **Goal #7:**

# Care For and Protect our Airport and Communities

Over the years, we have experienced success through our consistent attention to and care for existing facilities and surrounding communities. In the past five years, we have collaborated with communities by educating local planners about land use compatibility and sharing information about new projects and collaborating with 70+ community based organizations serving at-risk youth. We have maintained our infrastructure in optimal condition by completing deep cleaning of all parking garages and conducting regular cleanliness inspections on airfield, apron areas, back rooms, and all tenant leasehold spaces. We will continue to improve and raise the standards of existing facilities, partner with communities to ensure viability, and be flexible to the evolving communities and conditions that surround it.

#### **OBJECTIVE #1**

MAINTAIN AIRPORT'S INFRASTRUCTURE TO THE HIGHEST STANDARD OF EXCELLENCE TO ENSURE NO INTERRUPTION IN OPERATIONS

STRATEGIC	INITIATIVES	LEAD DIVISION	
10-year M	San Francisco Arts Commission to renew the OU, which allows the Museum to maintain the collection.	Museum	
7.1.2 By 2017, op	perationalize the Airport's Business Continuity Plan.	Operations & Security	
environm Environm implemer 7.1.3.1	CEQA Review of the following projects and obtain ental determination in accordance to CCSF Chapter 31 ental Code, and SF Planning Department CEQA ting procedures, pending feasibility analysis:  Airport Development Plan: Complete by June 2018 Shoreline Protection: CEQA Negative Complete by	Planning	

#### Objective #1 - continued

7.1.4	Establish a centralized infrastructure information system that allows the Airport to optimize the full life cycle value of its facilities and infrastructure by minimizing the cost of operations and management through the development and implementation of an enterprise Virtual Design and Construction Program.	Design & Construction Information Technology & Telecommunications
7.1.5	Deliver a mobile tool which consolidates alarms, alerts, issues, tickets and responses to better coordinate awareness of and resolution of operations, including custodial and maintenance, issues. Extend as a 'Fix-My-Airport' service to passengers and the wider Airport community.	Information Technology & Telecommunications Facilities Operations & Security
7.1.6	By end of 2016, obtain and secure long-term procurement frame works to facilitate better and faster buying of technology.	Information Technology & Telecommunications
7.1.7	By 2018, develop a comprehensive Airport-wide Utility Master Plan with robust and reliable infrastructure in support of Airport growth identified in the ADP.	Design & Construction
7.1.8	Increase reliability and capacity of Airport and passenger service systems BHS, PBBs (Baggage Handling System, Passenger Boarding Bridges) to accommodate projected passenger volumes.	Operations & Security Design & Construction Information Technology & Telecommunications
7.1.9	Develop new cost effective and modern engineering standards that align with Airport goals and standards?.	Design & Construction Facilities

#### **OBJECTIVE #2**

# ENSURE THAT ON SITE AIRPORT EMPLOYERS MEET THE SAFETY, SECURITY, AND EMPLOYEE BENEFIT STANDARDS OF SFO

STR	ATEGIC INITIATIVES	LEAD DIVISION
	Promote QSP requirements by training all Airport employers on safety, security, customer service, and quality standards best practices and advocate for policies that continue to improve job quality at the Airport.	Administration & Policy Marketing & Communications
7.2.2	Fully implement the Job Site Interview Program to get direct employee observations on employer safety, security and job quality practices.	Administration & Policy

#### **OBJECTIVE #3**

# PROMOTE SAFE & HEALTHY WORKING CONDITIONS FOR AIRPORT-BASED EMPLOYEES

STRATEGIC INITIATIVES	LEAD DIVISION	
7.3.1 Regularly audit employers and publish an annual report to ensure they are meeting all applicable federal and state Occupational Safety and Health standards, implementing an Injury and Illness Prevention Program (IIPP) and promptly ad dressing any Cal/OSHA inspection results and/or citations related to operations at the Airport.	Administration & Policy	
7.3.2 Conduct assessment and preparation for 100% employee screening by end of calendar year 2016 and implement as required by TSA in 2019.	Operations & Security Administration & Policy	
7.3.3 By 2017, incorporate and mandate active shooter training for all applicable employees.	Operations & Security Administration & Policy	

#### **OBJECTIVE #4**

# SUPPORT AND PROMOTE GIVING BACK TO THE COMMUNITIES WE SERVE

STRATEGIC INITIATIVES	LEAD DIVISION
7.4.1 Lead the study and scholarship of aviation culture and history, making the Aviation Museum and Library a recognized center for the subject, by hosting two symposia/seminars annually.	Museum
7.4.2 Create three annual education programs for exhibitions within the International Terminal.	Museum
7.4.3 Use technology and new media to promote the Museum and to increase participation with exhibitions and online channels.	Museum Marketing & Communications
7.4.4 Provide self-guided tours and educational opportunities for public art and Museum exhibitions located throughout the terminals.	Museum
7.4.5 Proactively engage internal divisions and external constituents to address Airport planning issues by collaborating with local planners from the cities surrounding the Airport to educate them about land use compatibility and learn about new projects.	Planning
7.4.6 Develop and implement a strategy in partnership with the FAA to reduce noise impacts, improve collaborative decision making, and reduce delays associated with roll out of the FAA's NextGen program through Metroplex redesign and other FAA projects.	Planning
7.4.7 Implement regular needs/stakeholder assessments to determine priority social/economic community projects, programs, and investments.	Administration & Policy
7.4.8 Promote and communicate SFO's social/economic priorities for giving back to the communities with all Airport stakeholders, and ensure all SFO social/economic activities and efforts across the Airport are aligned with the articulated community priorities and have articulated impact targets.	Administration & Policy
7.4.9 Implement opportunities to achieve high staff participation in at least one social/economic activity or initiative per year.	Administration & Policy

7.4.10	Issue an annual social responsibility/community sustainability report detailing SFO's priorities, strategies, and community impact, and create a more focused airport-wide community-outreach strategy and program by bundling community-based organizations into specific focus areas.	Administration & Policy Marketing & Communications
7.4.11	Develop and implement more airport-related fundraising events and fundraisers, in partnership with community-based organizations to promote the Airport's business needs and priorities while also benefiting the community (follow "Ready, Set, Fly" model for future partnerships with community-based organizations).	Marketing & Communications Administration & Policy
7.4.12	Collaborate with the California Airport Council to bring Airport curriculum to schools by 2018.	Administration & Policy



### San Francisco International Airport Fact Sheet

Passengers (Caler	ıdar Year 20	15)	
<b>Total Airport Passengers</b> (7th in U.S., 21st in the world in 2014)	50,067,094	Bay Area Market Share	70.4%
Domestic Enplaned & Deplaned Passengers (77.5%)	38,824,059	Bay Area Market Share	65.7%
International Enplaned & Deplaned Passengers (22.5%)	11,243,035	Bay Area Market Share	94.0%
Traffic by Region (Share of SFO International Passengers)		Asia	43.4%
		Europe	28.5%
		Canada	13.9%
		Mexico/Caribbean/ Central America	10.6%
		Australia/Oceania	3.6%
Average Number of Passengers per Day (2015)	137,170		
Most Passengers in a Calendar Year (2015)	50,067,094		

Most Operations in a Calendar Year (2015)	
Total Operations	429,815
Total Air Carrier Operations (82.4%)	354,151
Total Commuter Operations (13.9%)	59,556
Total General Aviation Operations (3.2%)	13,686
Total Military Operations (<1.0%)	2,422
Most Operations in a Calendar Year (2000)	438,685

Cargo	(Calendar Year 2	015)	
Total Loaded and Unloaded Cargo	459,468		
(Air Mail & Freight)	metric tons	Bay Area Market Share	44.0%
<b>Total Domestic Cargo</b> (Air Mail & Freight)	185,390 metric tons	Bay Area Market Share	25.0%
International Cargo (Air Mail & Freight)	274,078 metric tons	Bay Area Market Share	92.0%
A	irport & Airfield		
Total Airport Property Size	5,171 acres	Usable Land : Unused tideland:	2,383 acres 2,788 acres
International Terminal	2,533,196 sq. ft		
Terminal 1	713,036 sq. ft		
Terminal 2	720,790 sq. ft		
Terminal 3	1,184,614 sq. ft		
Total Number of Gates	91		
Total Number of Domestic Gates	67		
Runway Lengths	28R/10L	11,870 feet	
	28L/10R	11,381 feet	
	01R/19L	8,650 feet	
	01L/19R	7,650 feet	
Runway Widths (all four)	200 feet		
I	AirTrain System		
Number of Stations	9	Total Number of Cars	38
Total System Length (2 Independent Loops)	5 miles	Capacity (Passengers/Hour)	3,400

30

mph

Top Speed

	Airlines at SFO (Cal	endar Year	· 2015)	
Total Number of Airlines	Operating at SFO			58
Domestic Passenger Carr	iers			13
International Foreign Fla	g Carriers			32
Commuter Air Carriers				5
Seasonal/Charter Air Car	riers			1
Cargo Only Air Carriers				7
Airline Market Share at Sl	FO			
	United	44.4%	Alaska	2.9%
	American/US Airways	9.6%	JetBlue	2.8%
	Delta	8.4%	Air Canada	1.7%
	Virgin America	8.4%	Frontier	1.2%
	Southwest	6.9%	Lufthansa	1.0%
			All Other Air Carriers	<1.0% each
Top Five Domestic Markets	s (Weekly Flights)			
	Los Angeles – (BUR/LAX/LG	ib/ont/sna)		577
	New York – (EWR/JFK)			314
	Chicago – (MDW/ORD)			224
	Seattle – (SEA)			200
	Las Vegas – (LAS)			161

### San Francisco International Airport Fact Sheet

Airport Finances (Calendar Year 2015)				
Sources of Revenues FY 2015/16 Budget				
Terminal Rentals	\$259.0	million	26.7%	
Landing Fees	\$161.3	million	16.6%	
Concessions	\$89.3	million	9.2%	
Parking & Ground Transportation	\$179.3	million	18.5%	
Other Aviation Revenue	\$76.5	million	7.9%	
Other Sales & Services	\$79.8	million	8.2%	
Sales of Electricity	\$25.5	million	2.6%	
Interest Income	\$5.4	million	0.6%	
PFC Revenues	\$58.1	million	6.0%	
Fund Balance	\$36.5	million	3.8%	
Total Revenues	\$970.8	million		
Airline Rates - FY 2015-16				
Landing Fees (per 1,000 lbs)	\$4.87			
Average Cost per Enplaned Passenger	\$17.26			
Food/Beverage/Retail Sales FY 2014/15				
Gross Sales (w/o duty free)	\$328.8	million		
Food & Beverage Sales	\$209.2	million		
Retails Sales (w/o duty free)	\$119.6	million		
Duty Free Sales	\$116.6	million		
Average concession spent per passenger	\$13.68			

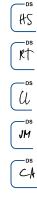
### San Francisco International Airport Fact Sheet

Airport Finances (Calendar Year 2015)						
FY2015/16 Approved Budget			% of Total			
Debt Service	\$ 424.4	million	43.7%			
Personnel Costs	\$ 218.3	million	22.5%			
Non-Personnel Services	\$ 105.9	million	10.9%			
Police & Fire Services	\$ 76.5	million	7.9%			
Annual Service Payment	\$ 40.8	million	4.2%			
Services of Other City Departments	\$ 68.6	million	7.1%			
Materials & Supplies	\$ 17.4	million	1.8%			
Other Transfers	\$ 17.0	million	1.8%			
Equipment	\$ 2.0	million	0.2%			
Total	\$ 970.8	million				
Airport Commission Staffing and Assets						
Budgeted Positions	FY 2015/16	=	1,732.5			
Filled Positions	FY 2015/16	=	1,512.5			
Current Assets	FY 2014/15	=	\$696,316,749			
Total Net Position	FY 2014/15	=	\$117,135,800			



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

#### **Modification No. 1**

# Contract No. 11365.41 Project Management Support Services for the International Terminal Building Phase 2 Project

This Modification is made this 16th day of November, 2023, in the City and County of San Francisco, State of California, by and between: AGS, Inc., 5 Freelon Street, San Francisco, California 94107 (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

#### Recitals

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") (as defined below); and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On June 16, 2020, by Resolution No. 20-0108, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$4,880,000 for 1,218 consecutive calendar days of services; and
- D. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount by \$4,770,000 for a new total contract amount not to exceed \$9,650,000, to extend the term of the Agreement through June 27, 2026, update the range of rates to adjust for CPI increases, allow for a 2% markup on first-tier subcontractor invoices, add new classifications and rates, and update standard contractual clauses; and
- E. On September 5, 2023, by Resolution No. 23-0221, the Commission approved Modification No. 1 increasing the contract amount by \$4,770,000 for a new total contract amount not to exceed \$9,650,000 and extending the term of the Agreement through June 27, 2026; and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 43332-16/17 on November 20, 2023; and
- G. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement.

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

- 1. **Section 1.1Article 1, Agreement** is replaced in its entirety as follows:
  - **a. Section 1.1, Agreement** is replaced as follows:

- 1.1 "Agreement" means the contract document dated June 16, 2020, including all attached appendices, and all applicable city ordinances and "Mandatory City Requirements" which are specifically incorporated by reference into the Agreement.
- 2. **Section 1.5, Confidential Information** is replaced in its entirety as follows:

#### 1.5 Confidential Information

- 1.5.1 "Confidential Information" means confidential City information including, but not limited to, personally-identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of Part 164); and Administrative Code Chapter 12M ("Chapter 12M").
- 1.5.2 "Confidential Information" also means any and all nonpublic information, whether written, electronic, or oral, concerning or relating to Airport technology, computer, or data systems, processes, or procedures, or Critical Infrastructure Information or Protected Critical Infrastructure Information as defined under the Homeland Security Act of 2002 and 6 CFR §29.2, which information or access to such information is supplied by the Airport or on behalf of the Airport to Contractor or otherwise acquired by Contractor during the course of dealings with the Airport. Additionally, "Confidential Information" includes security or security-related information, whether or not such information constitutes sensitive security information ("SSI") as provided under 49 CFR Part 1520. In the event Contractor acquires SSI, it shall treat such information in conformance with federal law and the provisions of this Agreement.
- 1.5.3 "Confidential Information" is confidential regardless of whether such information is in its original form, a copy, or a derivative product. "Derivative" means written or electronic material created from or with, or based on Confidential Information (i.e., a report analyzing Confidential Information shall also be considered Confidential Information). Confidential Information shall also mean proprietary, trade secret or other protected information, identified as Confidential Information by the Airport.
- 3. **Section 1.12, Digital Signature** is added to the Agreement as follows:
- 1.12 "Digital Signature" means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature.
- 4. **Section 2.1** is hereby amended to define the term start date as July 16, 2020 and to extend the term of the Agreement for a new ending date of June 27, 2026.
- 5. **Section 3.3.1 Payment** is hereby amended to increase the contract amount by \$4,770,000 for a new contract not-to-exceed amount of \$9,650,000.
- 6. **Section 11.1 Notices to the Parties** is amended to replace the City's contact from Derrick Homer to Rick Thall and his email as <u>rick.thall@flysfo.com</u> and to add Section 11.1.1 to the Agreement as follows:

- 11.1.1 The Parties consent to the use of Digital Signatures, affixed using the City's DocuSign platform, to execute this Agreement and all subsequent modifications.
- 7. **Section 12.3 Labor Peace/Card Check Rule** is added to the Agreement as follows:
- 12.3 **Labor Peace/Card Check Rule.** Without limiting the generality of other provisions in this Agreement requiring Contractor to comply with all Airport Rules and Regulations, for all Covered Contracts, Contractor shall comply with the Airport's Labor Peace/Card Check Rule, a revised version of which was adopted as Rule 12.1 on February 7, 2023 by Airport Commission Resolution No. 23-0018 (as amended the "Labor Peace/Card Check Rule"). To comply with the Labor Peace/Card Check Rule, each Covered Employer shall comply with the Labor Peace/Card Check Rule, Section C, Covered Employer Duties, Items 1-13. If the Airport determines that Contractor violated the Labor Peace/Card Check Rule, the Airport shall have the option to terminate this Agreement, in addition to exercising all other remedies available to the Airport. Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule.
- 8. **Section 12.7 Quality Standards Program** is removed from the Agreement.
- 9. **Section 13.4 Management of City Data and Confidential Information** is replaced in its entirety as follows:
  - 13.4 Management of City Data and Confidential Information
- 13.4.1 Use of City Data and Confidential Information. Contractor agrees to hold City Data received from, or collected on behalf of, the City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City Data outside the United States is subject to prior written authorization by the City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing in this Agreement shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.
- 13.4.2 **Disposition of Confidential Information**. Upon request of City or termination or expiration of this Agreement, and under any document retention period required by this Agreement, Contractor shall promptly, but in no event later than thirty (30) calendar days, return all data given to or collected by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that City Data has been successfully transferred to City, Contractor shall within ten (10) business days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors' environment(s), work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five (5) business days of the purge. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," consistent with National Institute of Standards and Technology Special Publication 800-88 or most current industry standard.

#### 10. **Section 13.5 Ownership of City Data** is hereby added to the Agreement as follows:

13.5 Ownership of City Data. The Parties agree that as between them, all rights, including all intellectual property rights, in and to the City Data and any derivative works of the City Data is the exclusive property of the City.

### 11. Appendix B, Calculation of Charges, C. Labor Rates and Fees, Section 4, Sub-Consultant or Subcontractor Fee, is hereby replaced in its entirety as follows:

#### 4. Sub-Consultant or Subcontractor Fee

- a. No additional fees shall be applied to the direct labor rate for Work performed by sub-consultants or subcontractors of any tier, unless approved in writing by the Airport in advance.
- b. The Airport will allow a **two percent (2%)** markup on the first-tier approved subcontractor invoices.

### 12. Appendix B, Calculation of Charges, C. Labor Rates and Fees, Section 5, Direct Labor Rates is hereby replaced in its entirety as follows:

#### 5. Direct Labor Rates

The approved direct labor rates are as follows:

	RANGE OF RATES		
CLASSIFICATION	LOW	HIGH	
Administrative Assistant (First Source)	\$26.23	\$36.72	
Administrative/Clerical	\$31.47	\$41.96	
Airport Special Systems Manager	\$78.68	\$94.41	
Apprentice Step 1	\$32.46	\$32.46	
Apprentice Step 2	\$35.16	\$35.16	
Apprentice Step 3	\$37.86	\$37.86	
Apprentice Step 4	\$40.56	\$40.56	
Apprentice Step 5	\$48.67	\$48.67	
Assistant Construction Manager	\$47.21	\$78.68	
Assistant Design Manager	\$41.96	\$68.19	
Assistant Project Controls Manager	\$41.96	\$68.19	
Assistant Resident Engineer	\$47.21	\$78.68	
Building/Construction Inspector Group 1	\$58.27	\$58.27	
Building/Construction Inspector Group 2	\$56.27	\$56.27	
Building/Construction Inspector Group 3	\$49.09	\$49.09	
Building/Construction Inspector Group 4	\$43.09	\$43.09	
Building Inspector	\$52.45	\$94.41	
CBP/TSA Technical Advisor	\$62.94	\$89.17	
Civil Inspector	\$52.45	\$94.41	
Commissioning Agent	\$52.45	\$78.68	
Commissioning Representative	\$73.43	\$89.17	
Construction Manager	\$68.19	\$99.66	
Cost Engineer/Estimator	\$36.72	\$83.92	

Design Manager	\$62.94	\$89.17
Document Control Manager	\$47.21	\$78.68
Document Control Tech	\$36.72	\$47.21
Document Controls	\$31.47	\$62.94
Electrical Estimator	\$52.45	\$83.92
Electrical Inspector	\$52.45	\$78.68
Field Engineer	\$68.19	\$83.92
Inspector	\$52.45	\$78.68
Journeyman Group 1	\$58.77	\$58.77
Journeyman Group 2	\$56.77	\$56.77
Journeyman Group 3	\$49.56	\$49.56
Journeyman Group 4	\$43.59	\$43.59
Journeyman Group 5	\$35.16	\$35.16
Journeyman Group 6	\$32.46	\$32.46
Laboratory Technician	\$35.00	\$55.00
Materials Testing Inspector	\$36.72	\$52.45
MEP Inspector	\$52.45	\$78.68
MEP Manager	\$62.94	\$88.12
MEP Support	\$62.94	\$88.12
Office Engineer	\$31.47	\$62.94
Project Controls	\$60.84	\$76.58
Project Controls Manager	\$52.45	\$94.41
Project Engineer	\$52.45	\$89.17
Project Manager	\$52.45	\$99.66
QA/QC Manager	\$78.68	\$89.17
Resident Engineer	\$68.19	\$99.66
Scheduler	\$47.21	\$83.92
Scheduling Engineer/Estimator	\$47.21	\$73.43
Senior Cost Engineer/Estimator	\$57.70	\$94.41
Senior Engineer	\$62.94	\$73.43
Senior Inspector	\$62.94	\$78.68
Senior Office Engineer	\$47.21	\$62.94
Senior Project Controls Manager	\$85.00	\$105.00
Senior Scheduler	\$68.19	\$94.41
Senior/Lead Scheduling Engineer/Estimator	\$68.19	\$94.41
Senior Special Inspector	\$41.96	\$52.45
SEP Manager	\$62.94	\$94.41
Special Inspector	\$26.23	\$52.45
Special Inspector (ICBO/CWI)	\$58.27	\$58.27
Special Inspector (OSPHD)	\$56.27	\$56.27
Structural Inspector	\$52.45	\$78.68
Sustainability Manager	\$62.94	\$94.41
Unifier Support	\$52.45	\$83.92

### 13. Appendix B, Calculation of Charges, D. Other Direct Costs (ODC), Section 4, Fixed Price Schedule – RES Engineers, Inc is hereby added as follows:

4. Fixed Price Schedule - RES Engineers, Inc.

MECHANICAL TESTS*	Each
Tensile Tests - Specimens up to 1sq. in. in area	\$ 99.00
- Specimens over 1 sq. in. in area	
- Temperature controlled (-320 to 2,200 F)	
- Cast iron	
Bend Test	80.00
Stress-strain curves (offset yield) - 0.505 or less	
Rockwell hardness test (regular and superficial	
Impact tests, Charpy or Izod (Izod at room temperature of	only) 1 to 9 68.00
Reduced temperature to - 100 F - 1 to 6	
Reduced temperature to - 100 F - 320 F	
When lateral expansion and/or percent shear is required,	, add 61.00
Flexure test (flexural yield, ultimate and modulus)	
Flattening or flaring test	
* Prices do not include machining and sample preparation charges.	
REINFORCING STEEL	Each
Tensile test #8 bar and smaller	A-615, A-706 \$101.00
Tensile test #9 through #11 bar ASTM .	A-615, A-706 176.00
Tensile test #14 Bar ASTM 2	4-615, A-706 428.00
Bend test #8 bar and smaller ASTM	A-615, A-706 80.00

PRESTRESS			Each
	Cable, 1/2" x 5' length, per heat	ASTM A-416	\$ 471.00
	Wire	ASTM A-421	QOR
HIGH STREN	GTH BOLT TEST		Each
Bolts:	Proof load and ultimate load		
	Hardness (including preparation) per bolt		
Nuts:	Proof load		
	Hardness (including preparation) per nut		
	Washers: Hardness, per washer		
WELDER QUA	ALIFICATION*		Each
~	Tensile test, reduced section		\$ 107.00
	Tensile test, plug weld		107.00
	Bend test, side, face, root		86.00
	Fillet weld break test		95.00
	Macro etch test		121.00
*Prices do not in	clude machining and sample preparation charge	es.	
CH	HEMICAL ANALYSIS		
	Emission Spectrographic Analysis, Low A		
MACHINING	AND CUTTING		
	Rush charge		Cost + 50%
M	NIMUM CHARGE		
	Tests, per report		\$ 375.00
PORTLAND	CEMENT CONCRETE		Each
	Compression test, 6"x 12" cylinder (incl		
	Compression test,4"x 8" cylinder (includ		
	Cylinder molds, 6"x 12"		
	Concrete cylinder pick-up (per cylinder)		
	Compression test, cores		
	Compression test, 2" x 2" x 2" cubes		
	Flexural test, 6"x 6" x 18"		
	Splitting tensile test, 6"x 12" cylinder		
	Unit weight, concrete cylinder		
	Modulus of elasticity (static)		
	Mix design or review		
	Laboratory trial batch (mixing and mold		711.00
	Drying shrinkage (3 specimens - 28 days ASTM C-157 Mod		704.00
	Cylinder pick-up (per trip)		
	Chloride Content		
	Coring - 1 person, including equipment,		
	Coring - 2 persons, including equipment,		
	Shotcrete (set of 3 cores from panels)		
	Shotcrete pick-up (per trip)		
FIREPROOF	ING		Each
	Unit weight -fireproofing, each	ASTM E-605	

Compression test - mortar 2"x 4" cylinder, U.B.C. (including mold) - mortar molds, 2"x 4", strigle use	MASONRY		Each
- grout, U.B.C. 74.00 - composite grouted prism, each 258.00 CMU shear tests - in-situ (including sample prep) 281.00 Compression test, gross area only, each ASTM C-140. 169.00 Compression test, net area and gross area, each ASTM C-140. 193.00 Absorption, moisture content, and unit weight ASTM C-140. 193.00 Flatjack Test ASTM C-140. 193.00 Brick - Modulus of rupture ASTM C-170. 00R Brick - Compression ASTM C67. 141.00 Brick - Saturation coefficient (including absorption)ASTM C67. 141.00 Brick - In-place shear test UBC - 21.6. 284.00 HCT - In-place shear test UBC - 21.6. 337.00 CMU - In-place shear test UBC - 21.6. 396.00  Unusual sample preparation for brick specimens will be charged at the established hourly rates.  AGGREGATES Sieve Analysis -  (a) Coarse or fine, each Calif. 202. \$ 178.00 Combined 270.00 (b) Coarse or fine, each ASTM C-136. 177.00 Combined 273.00 (c) 200 Wash ASTM C-117. 107.00 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 201.00 Fine (includes absorption) ASTM C-128 244.00 Cleanness value Calif. 217 316.00 Durability factor - coarse Calif. 229 482.00 - fine Calif. 229 482.00 - fine Calif. 229 482.00 Crushed Particles, coarse and fine Calif. 229 482.00 Crushed Particles, coarse and fine Calif. 229 482.00 Crushed Particles, coarse and fine Calif. 229 198.00 Contained Calif. 229 482.00 Crushed Particles, coarse and fine Calif. 2505 198.00 Contained Calif. 2615 198.00	Compression test - mortar 2"x 4" cylinder, U.B.C.	(including mold)	\$ 60.00
Composite grouted prism, each   258.00	- mortar molds, 2"x 4", single use	-	12.00
CMU shear tests - in-situ (including sample prep)         281.00           Compression test, gross area only, each         ASTM C-140         169.00           Compression test, net area and gross area, each         ASTM C-140         193.00           Absorption, moisture content, and unit weight         ASTM C-140         158.00           Flatjack Test         ASTM C-1196         QOR           Brick - Modulus of rupture         ASTM C67         141.00           Brick - Ompression         ASTM C67         141.00           Brick - Saturation coefficient (including absorption)ASTM C67         145.00           Brick - In-place shear test         UBC -21.6         284.00           HCT - In-place shear test         UBC -21.6         337.00           CMU - In-place shear test         UBC -21.6         396.00           Unusual sample preparation for brick specimens will be charged at the established hourly rates.           AGGREGATES         Each           Sieve Analysis -         (a) Coarse or fine, each         Calif. 202         \$ 178.00           Combined         270.00         (b) Coarse or fine, each         ASTM C-136         177.00           Combined         273.00         (c) 200 Wash         ASTM C-117         107.00           Specific gravity, bulk S.S.D         (a) Coarse (includes	- grout, U.B.C		74.00
Compression test, gross area only, each ASTM C-140 193.00 Compression test, net area and gross area, each ASTM C-140 193.00 Absorption, moisture content, and unit weight ASTM C-140 158.00 Flatjack Test ASTM C-1196 QOR Brick - Modulus of rupture ASTM C67 141.00 Brick - Compression ASTM C67 141.00 Brick - Saturation coefficient (including absorption)ASTM C67 145.00 Brick - In-place shear test UBC - 21.6 284.00 HCT - In-place shear test UBC - 21.6 337.00 CMU - In-place shear test UBC - 21.6 396.00  Unusual sample preparation for brick specimens will be charged at the established hourly rates.  AGGREGATES Each Sieve Analysis -  (a) Coarse or fine, each Calif. 202 \$ 178.00 Combined 270.00 (b) Coarse or fine, each ASTM C-136 177.00 Combined 373.00 (c) 200 Wash ASTM C-117 107.00 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 201.00 Fine (includes absorption) ASTM C-127 201.00 Fine (includes absorption) ASTM C-127 449.00 Cleanness value Calif. 227 449.00 Cleanness value Calif. 229 482.00 - combined Calif. 229 482.00 - combined Calif. 229 482.00 Crushed Particles, coarse and fine Calif. 229 845.00 Crushed Particles, coarse and fine Calif. 229 845.00 Crushed Particles, coarse and fine Calif. 205 198.00 Codum sulfate soundness*, per size fraction (5 cycles) ASTM C-88, Calif. 214 476.00 Unit weight of aggregate ASTM C-99 145.00 Organic Impurities ASTM C-40 145.00	- composite grouted prism, each		258.00
Compression test, net area and gross area, each ASTM C-140. 193.00 Absorption, moisture content, and unit weight ASTM C-140. 158.00 Flatjack Test ASTM C-170. QOR Brick - Modulus of rupture ASTM C67. 141.00 Brick - Compression ASTM C67. 141.00 Brick - Saturation coefficient (including absorption)ASTM C67. 145.00 Brick - In-place shear test UBC - 21.6. 284.00 HCT - In-place shear test UBC - 21.6. 337.00 CMU - In-place shear test UBC - 21.6. 396.00  Unusual sample preparation for brick specimens will be charged at the established hourly rates.  AGGREGATES Sieve Analysis -  (a) Coarse or fine, each Calif. 202. \$ 178.00 Combined 270.00 (b) Coarse or fine, each ASTM C-136. 177.00 Combined 273.00 (c) 200 Wash ASTM C-117. 107.00 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 (a) Coarse (includes absorption) ASTM C-127 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 Sand equivalent (average of 3) Calif. 217 316.00 Durability factor - coarse Calif. 229 Sand equivalent (average of 3) Calif. 219 Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 229 Sound Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 210 Sound Sand equivalent (average of 3) Calif. 211 Sound Sand Education (5 cycles) ASTM C-88, Calif. 214 Sound Sand Sand Sand Sand Sand Sand Sand Sa			
Compression test, net area and gross area, each ASTM C-140. 193.00 Absorption, moisture content, and unit weight ASTM C-140. 158.00 Flatjack Test ASTM C-170. QOR Brick - Modulus of rupture ASTM C67. 141.00 Brick - Compression ASTM C67. 141.00 Brick - Saturation coefficient (including absorption)ASTM C67. 145.00 Brick - In-place shear test UBC - 21.6. 284.00 HCT - In-place shear test UBC - 21.6. 337.00 CMU - In-place shear test UBC - 21.6. 396.00  Unusual sample preparation for brick specimens will be charged at the established hourly rates.  AGGREGATES Sieve Analysis -  (a) Coarse or fine, each Calif. 202. \$ 178.00 Combined 270.00 (b) Coarse or fine, each ASTM C-136. 177.00 Combined 273.00 (c) 200 Wash ASTM C-117. 107.00 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 (a) Coarse (includes absorption) ASTM C-127 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 Sand equivalent (average of 3) Calif. 217 316.00 Durability factor - coarse Calif. 229 Sand equivalent (average of 3) Calif. 219 Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 229 Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 229 Sound Sand equivalent (average of 3) Calif. 219 Sound Sand equivalent (average of 3) Calif. 210 Sound Sand equivalent (average of 3) Calif. 211 Sound Sand Education (5 cycles) ASTM C-88, Calif. 214 Sound Sand Sand Sand Sand Sand Sand Sand Sa			
Absorption, moisture content, and unit weight ASTM C-140. 158.00 Flatjack Test ASTM C-1196 QOR Brick - Modulus of rupture ASTM C67 141.00 Brick - Compression ASTM C67 141.00 Brick - Saturation coefficient (including absorption)ASTM C67 145.00 Brick - In-place shear test. UBC - 21.6 284.00 HCT - In-place shear test UBC - 21.6 337.00 CMU - In-place shear test UBC - 21.6 396.00  Unusual sample preparation for brick specimens will be charged at the established hourly rates.  AGGREGATES Sieve Analysis -  (a) Coarse or fine, each Calif. 202 \$ 178.00 Combined 270.00 (b) Coarse or fine, each ASTM C-136 177.00 Combined 273.00 (c) 200 Wash ASTM C-117 107.00 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 201.00 Fine (includes absorption) ASTM C-128 244.00 Cleanness value Calif. 227 449.00 Sand equivalent (average of 3) Calif. 217 316.00 Durability factor - coarse Calif. 229 482.00 - fine Calif. 229 482.00 Crushed Particles, coarse and fine Calif. 229 845.00 Crushed Particles, coarse and fine Calif. 229 845.00 Crushed Particles, coarse and fine Calif. 217 440.00 Clos Angeles Rattler ASTM C-131, Calif. 211 444.00 Unit weight of aggregate ASTM C-29 145.00 Organic Impurities ASTM C-0 145.00			
Flatjack Test			
Brick - Compression         ASTM C67         141.00           Brick - Saturation coefficient (including absorption)ASTM C67         145.00           Brick - In-place shear test         UBC - 21.6         284.00           HCT - In-place shear test         UBC - 21.6         337.00           CMU - In-place shear test         UBC - 21.6         396.00           Unusual sample preparation for brick specimens will be charged at the established hourly rates.           AGGREGATES         Each           Sieve Analysis -			
Brick - Compression         ASTM C67         141.00           Brick - Saturation coefficient (including absorption)ASTM C67         145.00           Brick - In-place shear test         UBC - 21.6         284.00           HCT - In-place shear test         UBC - 21.6         337.00           CMU - In-place shear test         UBC - 21.6         396.00           Unusual sample preparation for brick specimens will be charged at the established hourly rates.           AGGREGATES         Each           Sieve Analysis -	Brick - Modulus of rupture	ASTM C67	141.00
Brick - Saturation coefficient (including absorption)ASTM C67			
Brick - In-place shear test			
HCT - In-place shear test			
CMU - In-place shear test UBC - 21.6 396.00  Unusual sample preparation for brick specimens will be charged at the established hourly rates.  AGGREGATES Each Sieve Analysis -  (a) Coarse or fine, each Calif. 202 \$178.00 Combined 270.00 (b) Coarse or fine, each ASTM C-136 177.00 Combined 273.00 (c) 200 Wash ASTM C-117 107.00 Specific gravity, bulk S.S.D  (a) Coarse (includes absorption) ASTM C-127 201.00 Fine (includes absorption) ASTM C-128 244.00 Cleanness value Calif. 227 449.00 Sand equivalent (average of 3) Calif. 217 316.00 Durability factor - coarse Calif. 229 482.00 - fine Calif. 229 482.00 - combined Calif. 229 845.00 Crushed Particles, coarse and fine Calif. 205 198.00 Sodium sulfate soundness*, per size fraction (5 cycles) ASTM C-8, Calif. 214 476.00 Los Angeles Rattler ASTM C-131, Calif. 211 444.00 Unit weight of aggregate ASTM C-29 145.00 Organic Impurities ASTM C-40 145.00	•		
Unusual sample preparation for brick specimens will be charged at the established hourly rates.    AGGREGATES   Each	-		
(a) Coarse or fine, each       Calif. 202       \$ 178.00         Combined       270.00         (b) Coarse or fine, each       ASTM C-136       177.00         Combined       273.00         (c) 200 Wash       ASTM C-117       107.00         Specific gravity, bulk S.S.D       201.00         (a) Coarse (includes absorption)       ASTM C-127       201.00         Fine (includes absorption)       ASTM C-128       244.00         Cleanness value       Calif. 227       449.00         Sand equivalent (average of 3)       Calif. 217       316.00         Durability factor - coarse       Calif. 229       482.00         - fine       Calif. 229       482.00         - combined       Calif. 229       845.00         Crushed Particles, coarse and fine       Calif. 205       198.00         Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214       476.00         Los Angeles Rattler       ASTM C-131, Calif. 211       444.00         Unit weight of aggregate       ASTM C-29       145.00         Organic Impurities       ASTM C-40       145.00			Each
Combined   270.00		Calif 202	¢ 170 00
(b) Coarse or fine, each       ASTM C-136       177.00         Combined       273.00         (c) 200 Wash       ASTM C-117       107.00         Specific gravity, bulk S.S.D         (a) Coarse (includes absorption)       ASTM C-127       201.00         Fine (includes absorption)       ASTM C-128       244.00         Cleanness value       Calif. 227       449.00         Sand equivalent (average of 3)       Calif. 217       316.00         Durability factor - coarse       Calif. 229       482.00         - fine       Calif. 229       482.00         - combined       Calif. 229       845.00         Crushed Particles, coarse and fine       Calif. 205       198.00         Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214       476.00         Los Angeles Rattler       ASTM C-131, Calif. 211       444.00         Unit weight of aggregate       ASTM C-29       145.00         Organic Impurities       ASTM C-40       145.00			
Combined       273.00         (c) 200 Wash       ASTM C-117       107.00         Specific gravity, bulk S.S.D       201.00         (a) Coarse (includes absorption)       ASTM C-127       201.00         Fine (includes absorption)       ASTM C-128       244.00         Cleanness value       Calif. 227       449.00         Sand equivalent (average of 3)       Calif. 217       316.00         Durability factor - coarse       Calif. 229       482.00         - fine       Calif. 229       482.00         - combined       Calif. 229       845.00         Crushed Particles, coarse and fine       Calif. 205       198.00         Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214       476.00         Los Angeles Rattler       ASTM C-131, Calif. 211       444.00         Unit weight of aggregate       ASTM C-29       145.00         Organic Impurities       ASTM C-40       145.00			
(c) 200 Wash       ASTM C-117       107.00         Specific gravity, bulk S.S.D       (a) Coarse (includes absorption)       ASTM C-127       201.00         Fine (includes absorption)       ASTM C-128       244.00         Cleanness value       Calif. 227       449.00         Sand equivalent (average of 3)       Calif. 217       316.00         Durability factor - coarse       Calif. 229       482.00         - fine       Calif. 229       482.00         - combined       Calif. 229       845.00         Crushed Particles, coarse and fine       Calif. 205       198.00         Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214       476.00         Los Angeles Rattler       ASTM C-131, Calif. 211       444.00         Unit weight of aggregate       ASTM C-29       145.00         Organic Impurities       ASTM C-40       145.00	•		
Specific gravity, bulk S.S.D         (a) Coarse (includes absorption)         ASTM C-127         201.00           Fine (includes absorption)         ASTM C-128         244.00           Cleanness value         Calif. 227         449.00           Sand equivalent (average of 3)         Calif. 217         316.00           Durability factor - coarse         Calif. 229         482.00           - fine         Calif. 229         482.00           - combined         Calif. 229         845.00           Crushed Particles, coarse and fine         Calif. 205         198.00           Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214         476.00           Los Angeles Rattler         ASTM C-131, Calif. 211         444.00           Unit weight of aggregate         ASTM C-29         145.00           Organic Impurities         ASTM C-40         145.00			
(a) Coarse (includes absorption)       ASTM C-127       201.00         Fine (includes absorption)       ASTM C-128       244.00         Cleanness value       Calif. 227       449.00         Sand equivalent (average of 3)       Calif. 217       316.00         Durability factor - coarse       Calif. 229       482.00         - fine       Calif. 229       482.00         - combined       Calif. 229       845.00         Crushed Particles, coarse and fine       Calif. 205       198.00         Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214       476.00         Los Angeles Rattler       ASTM C-131, Calif. 211       444.00         Unit weight of aggregate       ASTM C-29       145.00         Organic Impurities       ASTM C-40       145.00	17	ASIM C-117	107.00
Fine (includes absorption)         ASTM C-128         244.00           Cleanness value         Calif. 227         449.00           Sand equivalent (average of 3)         Calif. 217         316.00           Durability factor - coarse         Calif. 229         482.00           - fine         Calif. 229         845.00           - combined         Calif. 229         845.00           Crushed Particles, coarse and fine         Calif. 205         198.00           Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214         476.00           Los Angeles Rattler         ASTM C-131, Calif. 211         444.00           Unit weight of aggregate         ASTM C-29         145.00           Organic Impurities         ASTM C-40         145.00	1 1 0 1	4STM C-127	201.00
Cleanness value         Calif. 227         449.00           Sand equivalent (average of 3)         Calif. 217         316.00           Durability factor - coarse         Calif. 229         482.00           - fine         Calif. 229         482.00           - combined         Calif. 229         845.00           Crushed Particles, coarse and fine         Calif. 205         198.00           Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214         476.00           Los Angeles Rattler         ASTM C-131, Calif. 211         444.00           Unit weight of aggregate         ASTM C-29         145.00           Organic Impurities         ASTM C-40         145.00			
Sand equivalent (average of 3)       Calif. 217       316.00         Durability factor - coarse       Calif. 229       482.00         - fine       Calif. 229       482.00         - combined       Calif. 229       845.00         Crushed Particles, coarse and fine       Calif. 205       198.00         Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214       476.00         Los Angeles Rattler       ASTM C-131, Calif. 211       444.00         Unit weight of aggregate       ASTM C-29       145.00         Organic Impurities       ASTM C-40       145.00			
Durability factor - coarse         Calif. 229         482.00           - fine         Calif. 229         482.00           - combined         Calif. 229         845.00           Crushed Particles, coarse and fine         Calif. 205         198.00           Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214         476.00           Los Angeles Rattler         ASTM C-131, Calif. 211         444.00           Unit weight of aggregate         ASTM C-29         145.00           Organic Impurities         ASTM C-40         145.00			
-fine         Calif. 229         482.00           - combined         Calif. 229         845.00           Crushed Particles, coarse and fine         Calif. 205         198.00           Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214         476.00           Los Angeles Rattler         ASTM C-131, Calif. 211         444.00           Unit weight of aggregate         ASTM C-29         145.00           Organic Impurities         ASTM C-40         145.00			
- combined         Calif. 229         845.00           Crushed Particles, coarse and fine         Calif. 205         198.00           Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214         476.00           Los Angeles Rattler         ASTM C-131, Calif. 211         444.00           Unit weight of aggregate         ASTM C-29         145.00           Organic Impurities         ASTM C-40         145.00		Calif 229	
Crushed Particles, coarse and fine Calif. 205. 198.00 Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214. 476.00 Los Angeles Rattler ASTM C-131, Calif. 211 444.00 Unit weight of aggregate ASTM C-29 145.00 Organic Impurities ASTM C-40 145.00	•		
Sodium sulfate soundness*, per size fraction (5 cycles)ASTM C-88, Calif. 214		Calif. 229	482.00
Los Angeles RattlerASTM C-131, Calif. 211444.00Unit weight of aggregateASTM C-29145.00Organic ImpuritiesASTM C-40145.00	Crushed Particles coarse and tine	Calif. 229 Calif. 229	482.00 845.00
Unit weight of aggregate ASTM C-29 145.00  Organic Impurities ASTM C-40 145.00		Calif. 229 Calif. 229 Calif. 205	482.00 845.00 198.00
Organic Impurities ASTM C-40 145.00	Sodium sulfate soundness*, per size fraction (5 cycles)ASTM	Calif. 229	482.00 845.00 198.00 476.00
	Sodium sulfate soundness*, per size fraction (5 cycles)ASTM Los Angeles Rattler	Calif. 229	482.00 845.00 198.00 476.00 444.00
	Sodium sulfate soundness*, per size fraction (5 cycles)ASTM  Los Angeles Rattler  Unit weight of aggregate	Calif. 229	482.00 845.00 198.00 476.00 444.00 145.00

<sup>\*</sup> Does not include sample preparation or sieve analysis.

METALLOGRAPHY AND METALLURG	ICAL TESTS	
Macro etch examination*	\$	128.00
Microspecimen preparation*		219.00
- Standard with photo	ographs (2)	184.00
- Intercept method		272.00
Depth of case determination (visual) $*$ .		145.00
Microhardness* - Knoop		228.00
- Vickers		256.00
- Knoop Survey		284.00
- Vickers Survey		321.00
Plating Thickness* - Microscopic		213.00
- Weight of Coating (	(chemical)	184.00
*On samples requiring machining or extensive preparation, p	rices will be quoted on request.	
INTER-GRANULAR CORROSION TESTS (ASTM A		
· · · · · · · · · · · · · · · · · · ·	\$	
Practice E (Copper, 24 hours, bend on	hy)	193.00
SOILS		Each
Hydrometer analysis	ASTM D-422\$ 4	17.00
		08.00
Laboratory moisture density tests	ASTM D-1557 5	35.00
Calif. 216 (wet method)	4	171.00
Calif. 216 (dry method)		198.00
"R"(Resistance) value (minimum 3 pts.), incl. agg	regate base and lime treated Calif. 301* 8	372.00
	_	56.00
*Unusual sample preparation (dried clays, saturated clays, etc soils, aggregate sub-base and aggregate base will be charged		
	hout curve ASTM D-1883\$ 3	
	dd 2	
	(3 specimens) Calif. 312 4	
	Calif. 312 3	391.00
*Note: Aggregate quality tests not included.		

SOILS - continued		Each
Cement treated base Mix Design (additional c		
Moisture Content Determination		 . 86.00
Moisture Density Check Point		 . 137.00
pH of soil		 . 278.00
ASPHALTIC CONCRETE		Each
Stability tests, premixed per sample		
Hveem (2 specimens)	Calif. 366	\$ 562.00
Marshall (3 specimens)	ASTM D-1559	 539.00
Marshall (1 specimen)	ASTM D-1559	 191.00
A.C. Mix Design Review		 394.00
Percent air void in paving mix		669.00
Lab mixing of asphalt samples		QOR
Cohesiometer (in conjunction w/Hveem stabiliometer)		137.00
Cohesiometers (on cores)		169.00
Swell (in conjunction with Hveem stabiliometer)		366.00
Moisture content, xylene reflux	-	345.00
Extraction, % asphalt - Method B		325.00
- (excluding ash correction)		348.00
Asphalt stripping	-	281.00
Gradation on extracted sample (including ash)		310.00
Centrifuge Kerosene equivalent, percent of oil retained		310.00
Moisture vapor susceptibility (including stability test a		455.00
Maximum theoretical unit weight (Rice Gravity)		281.00
Unit weight compacted sample		136.00
Unit weight compacted core		136.00
Thickness of asphalt concrete cores	ASIM D-3549	 74.00
* Does not include sample preparation or sieve analysis.		
ROOFING LABORATORY SERVICES		Each
Standard Quantitative Analysis*		
Weight of bitumen, ply structure diagram		\$ 214.00
Standard Quantitative Analysis* with gravel		
Weight of bitumen, weight of gravel, ply struc	ture diagram	 257.00
Quantitative Analysis		348.00
Quantitative Analysis	Unit weight of sample	 86.00
Diagram of sample		177.00
Quantitative Analysis* (in addition to quantitative and		
Void analysis		128.00
Ply Type identification		145.00
Mat Type identification		86.00
Bitumen sample recovery		86.00
MISCELLANEOUS CHARGES		
Testing equipment (Torque wrenches & Load Testing)	Fauinment)	29.00/hr
Ultrasonic Testing Equipment		29.00/hi
[End of Fee Sche		 29.00/11/
[End of Fee Sched	ишеј	

- 14. **Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.
- 15. **Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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

**CITY** CONTRACTOR AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO DocuSigned by: Baliran Khamenelipour By: Ivar C. Satero, Airport Director Authorized Signature Bahram Khamenehpour, President Attest: AGS, Inc. 5 Freelon Street DocuSigned by: San Francisco, California 94107 (415) 777-2166 By Kantrice Ogletree, Secretary Airport Commission City Supplier Number: 0000003436 Federal Employer ID Number: 68-0010385 Resolution No: 23-0221 Adopted on: September 5, 2023 Approved as to Form: David Chiu City Attorney DocuSigned by: By Daniel A. Edington, Deputy City Attorney

DocuSign Envelope ID: BDD40A8B-24A5-4FA7-B2	288-96E6D5579CAA							
CITY AND COUNTY OF SAN FRANCISO	CO	Original			Department: 27 Airport Commissi	on		ller No.: 14548; 0000747587, 27022
CONTRACT ORDER		Change	- Increase		Department Contact: Rick Thall		Tel. No (650) 8	o: 321-7878
CONTRACT WITH:			- Decrease		PS Contract ID: 1000018276			5/21/2024 <u>1</u> of <u>2</u>
AGS, INC.	•	Other		*	Category 95877	Supplier ID 0000003436	Job No CT 113	
<u>5 FREELON STREET</u> SAN FRANCISCO, CA 94107					Period Covered: 06/17/2020-06/27/20	26	Amour \$0.00	nt:
FOR THE PURPOSE OF: MODIFICATI	ION 2 FOR CT11365.41 PMSS FO	R THE ITI	B PHASE 2 PRO	JECT	Insurance Required	A	Amount	Expiration Date
					Worker's Comp.	\$1,0	000,000	10/10/2024
PROJECT MANAGEMENT SUPPOR BUILDING PHASE 2 PROJECT. THE C					Comp. Gen. Liab.	\$2,0	00,000	10/10/2024
TERM OF THE AGREEMENT					Automobile	\$1,0	00,000	10/10/2024
ADMINISTRATIVELY MODIFY THI	E AGREEMENT ON THE TER	MS AND	CONDITIONS	SET	Umbrella	\$3,0	000,000	10/10/2024
FORTH HEREIN TO ADD A NEW SU	`	YSTEMS,	LTD. DBA ASI	LPM)	Prof. Liab	000,000	10/10/2024	
AND UPDATE STANDARD CONTRA	ACTUAL CLAUSES.							
PSC 43332-16/17 (05/17/17 - 12/31/26) AM					Mail Invoice to:			
PSC 43332-16/17 FORM 2 AMOUNT \$9,6:	50,000				RICK THALL	N. O. CONCEDIC	TION	
	590,000.00 (PO-0000444548-Closed				PLANNING, DESIG	N & CONSTRUC	TION	
	190,000.00 (PO-0000444548-Closed) 065,000.00 (PO 0000444548-Closed)				San Francisco Airpoi	t Commission		
	02,742.12) (PO 0000444548-Closed)		olled FY23		P.O. Box 8097	t Commission		
	02,742.12 (PO 0000747587)				San Francisco, CA 9	4128		
	86,000.00 (PO-0000747587) – FR50 70,000.00 ( PO-0000827022)-FR533							
THIS ENCUMBRANCE:	0.00 (PO-0000827022)	0, 3 1 12						
TOTAL ENCUMBRANCE: 4,70	01,000.00							
<b>CONTRACT PERIOD</b> : 06/17/2020-06/27/	/2026							
CONTRACT AWARD: \$4,880,000 PER COMMISSION RESOLUTION 23-0221.	COMMISSION RESOLUTION 20-01	108. \$9,650	0,000 PER					
	RECO	MMENDE	D AND APPROV	VED	Į.			
IVAR C. SATERO Airport Director	Chief Administrative Officer Board of Supervis11or	,	Purchaser Real	Propert	es & Services ty Leases & Rents Property	Ce	rtificatior	n Date:
By: Doyu Chan  B0B2612647D5468						5/22	/2024	

DocuSign Envelope ID: BDD40A8B-24A5-4FA7-B288-96E6D5579CAA

Number	Ln	Amount	Account	Fund	Dept.	Authority	Project	Activity
0000827022	01		527080		109722	10345	10036498	0031

#### CERTIFICATION CHECKLIST FOR NON-FEDERAL FUNDED CONTRACTS

Contractor N	ame: AGS, Inc.			Date:	05/16/2	2024	
Contract #:11365.41							
	e Amount:				Source: Capital Fu		
	nager Name & Telephone #: Rick			r unumg c	,ourec		
	nager ivame & Telephone #						
Included?:	Budget Confirmation (Inform	nal contracts <b>only</b>	v needed wi	th increase	in compensation	)	
	2. Airport Commission Resolut	•			1	,	
— — N	3. Civil Service Commission or	DHR Approval	(PSC Form	1 and <u>PSC</u>	Form 2)		
$\square$ Y $\boxtimes$ N	4. First Source Hiring Agreeme	nt email verificat	tion				
$\boxtimes Y \square N$	5. MCO/HCAO and Company	Headquarter Info	rmation in	PeopleSoft	(If not, contact C	AU)	
$XY \square N$	6. Certificate of Insurance and/o	or Bond:					
		Amour	nt		Expiration	Add. Insured	
<b>⊠</b> 6.1	Commercial General Liability	\$ 2,000,000	/		Date 10/10/2024	Endorsement XY N	
⊠6.1 ⊠6.2	Commercial Automobile Liabili		/		10/10/2024	$\square$ $\square$ $\square$ $\square$ $\square$ $\square$ $\square$ $\square$ $\square$	
<b>⊠</b> 6.3	Workers' Compensation with	\$ 1,000,000	/		10/10/2024	$\square$ Y $\square$ N	
<b>E-1</b> 0.5	Waiver of Subrogation	ψ 1,000,000	,		10/10/2021		
<b>⊠</b> 6.4	Professional Liability	\$ 2,000,000	/		10/10/2024		
<b>⊠</b> 6.5	Umbrella Liability	\$ 3,000,000	/		10/10/2024		
☐ 6.6	Other:		/				
			/				
□Y⊠N	7. CMD Form 2A: CMD Contra Construction Cts	act Participation	Form <u>or</u> Do	oc 00 43 36	, Contractor/Subc	contractor List for	
$\square$ Y $\boxtimes$ N	8. CMD Form 3 (original) Com	pliance Affidavi	t				
$\square$ Y $\boxtimes$ N	9. CMD Form 5 (original) Emp	loyment Form					
$\square$ Y $\boxtimes$ N	10. CMD Form 10 (modification	> 20% increase)	)				
$\square$ Y $\boxtimes$ N	11. CMD Waiver Approval#:		SNOW# C	CMD14B			
$\square$ Y $\boxtimes$ N	12. OCA (Purchasing) Waiver	SNOW#: OCA	WVR				
$\square$ Y $\boxtimes$ N	13. OCA Review (if required)	SNOW#: OCA	ACON				
$\square_{Y} \boxtimes_{N}$	14. Admin Code 12X Waiver	SNOW#: OCA	WVR12X				
$\square$ Y $\boxtimes$ N	15. CRA determination						
$\square$ Y $\boxtimes$ N	16. DT CIO approval DT#: SER						
$\square$ Y $\boxtimes$ N	17. Admin Code 19B SNOW#: S	TOQ					
$\square$ Y $\boxtimes$ N	18. Prop. "J" approval (if require	d)					
$\square$ Y $\boxtimes$ N	19. BOS File#	Res#					
$\boxtimes$ Y $\square$ N	20. Secretary of State business se	earch (https://biz	fileonline.sc	os.ca.gov/se	earch/business): A	Active	
$\square Y \square N$	21. Other (state): Enter additional	documents					
PS Ct ID	1000018276	NIGP Code	91200	Dept	Code 109°	722	

CLEAR

Contractor Name: Enter the supplier name.

Date: Enter the date the certification packet is submitted for review.

**Contract #:** Enter the contract number assigned. If you do not have a contract number, contact CAU.

**Original or Modification #:** Identify if the contract is an <u>Original</u> contract or a <u>Modification</u>. For Mods, list the Mod number (1, 2, etc).

**Encumbrance Amount:** Enter the requested encumbrance amount in dollars only. For Modifications, this equals to the additional funding being added as a result of the Modification.

Funding Source: Indicate the funding source (Operating or Capital).

**Contract Manager Name & Telephone #**: Identify the name and phone number of the Contract Manager.

#### CHECKLIST ITEMS

(Please submit only one set of the following items with your contract)

- 1. Budget Confirmation: Include an email from the Budget Office indicating that the informal contract has been budgeted. No email is needed from the Budget Office if the amount is \$0.
- 2. Airport Commission Resolution (AC Res): Attach a copy of the signed and dated AC Res only. (An AC Res is required if funding for Chapter 21 > \$200,000 or Chapter 6 > \$1,000,000). Please make sure to insert the AC Res # and approval date in the recitals and the signature page of the contract or modification.
- **3.** Civil Service Commission or DHR approval: Include PSC Form 1 and PSC Form 2. To request a PSC Form 2, send an email to Cynthia Avakian with the following items: Contractor's name, contract number, amount to be encumbered in which fiscal year, and PSC #. NOTE: Not required for Prop J approved contracts. Do not provide a previously submitted PSC Form 2.
- 4. First Source Hiring Agreement: Send a completed of the current First Source Hiring Agreement form to your CAU analyst who will email it to <a href="mailto:troy.henry@sfgov.org">troy.henry@sfgov.org</a> with a cc to <a href="mailto:employer.services@sfgov.org">employer.services@sfgov.org</a>. Insert the email confirmation as part of this checklist. For Chapter 6 Mods, not required. For Chapter 21 Mods, you will need a new First Source Hiring Agreement for every Mod that increases the contract amount and adding subcontractor.
- **5.** MCO/HCAO and Company Headquarters: If the MCO and HCAO documents and Company Headquarters Information are not in PeopleSoft, contact your CAU analyst for the next steps. If the information is in PeopleSoft, check the Yes box.
- **6.** Certificate of Insurance or Bond: Include copies of memo from Risk Management, current insurance, waiver of subrogation, bonds and accompanying endorsements corresponding to dollar amounts stipulated in the original contract. Ensure that risk management has reviewed and signed all insurance documents.
- 7. CMD Form 2A or Document 00 43 36 (For Original Contracts Only): Attach a copy of the completed Form 2A (for A/E and Professional Services Contracts and General Services Contracts) or completed Document 00 43 36 (for Construction Contracts). Copies of CMD forms are available at the CMD website: http://sfgsa.org/index.aspx?page=6058
- **8.** CMD Form 3 (*Original Contracts Only*): Complete the Form 3 included in CMD Att. 1 (*Construction Contracts*), CMD Att. 2 (A/E and Professional Services Contracts), and for General Services Contracts include Form 3 included in CMD Att. 3 (*General Services*), CMD Att. 7 (*Design-Build*). Copies of CMD forms are available at the CMD website: http://sfgsa.org/index.aspx?page=6058
- **9. CMD Form 5** (*Original Contracts Only*): Complete Form 5. Copies of CMD forms are available at the CMD website. See link above.

- **10. CMD Form 10** (*For Modifications Only >20% increase*): For Construction Contracts, attach a completed copy of CMD Form 10 included in CMD Att. 1; for A/E and Professional Contracts include the CMD Form 10 included in CMD Att. 2 or others as appropriate. See link above.
- **11. CMD Waiver**: Required if CMD granted either a 12B or 14B Waiver. Attach a copy of the email approval only.
- **12. OCA (Purchasing) Waiver:** Required for sole source contracts. Attach a copy of the email approval from OCA only.
- 13. OCA Review: Provide the SNOW number.
- **14. Admin Code 12X:** For contracts with approved 12X waiver, provide the SNOW approval number and attach a copy of the email approval only.
- **15.** Cybersecurity Risk Assessment (CRA): Required for all original and mods that involve technology. Attach a copy of the CRA determination.
- **16. Department of Technology (DT) CIO approval:** Required for all original and mods that involve technology. Attach a copy of the email approval only.
- **17.** Admin Code 19B Surveillance Technology Ordinance: Required for all original and mods. Attach a copy of the email of determination.
- **18. Prop J**: For contracts approved under Prop J, attach the approved Prop J resolution from the BOS.
- **19. Board of Supervisors (BOS) Approval:** For contracts approved under BOS, attach the approved BOS resolution from the BOS.
- **20.** Secretary of State business search: Required for all original and mods. Search status in SOS site (<a href="https://bizfileonline.sos.ca.gov/search/business">https://bizfileonline.sos.ca.gov/search/business</a>) and select the status of the business from the dropdown list.

PeopleSoft Ct ID and NIGP Code are for CAU/PCS to record the transaction.

**DocuSign Routing:** Division Chief, Contractor, CAU, Legal, Commission Affairs (if needed), Airport Director, CAU or PCS depending on who will enter the contract into PS, OCA (if needed)

SUMMARY OF REQUIRED FORMS

SUMMARY OF REQUIRED FORMS				
	REQUIRE	REQUIRED FOR:		
CHECKLIST ITEM	Original	Mods		
Budget Confirmation (informal)	X	X		
Airport Commission Resolution	X	X		
CSC or DHR Approval (except Prop. J)	X	X		
First Source Hiring (Chapter 6)	X			
First Source Hiring (Chapter 21)	X	X		
MCO/HCAO and HQ Info	X			
Certificate of Insurance and/or Bond	X	X		
CMD Form 2A or Doc00435 for Construction	X			
CMD Form 3	X			
CMD Form 5	X			
CMD Form 10		X		
CMD Waiver	X	X		
OCA Waiver	X	X		
OCA Review	X	X		
Admin Code 12X	X	X		
CRA	X	X		
DT CIO approval	X	X		
Admin Code 19B	X	X		
Business search	X	X		
Prop J	X	X		
BOS Approval	X	X		

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

AGS, Inc. Modification No. 2 Contract No. 11365.41

This Modification is made this 1<sup>st</sup> day of April, 2024, in the City and County of San Francisco, State of California, by and between: AGS, Inc., 5 Freelon Street, San Francisco, California 94107 (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

#### Recitals

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") (as defined below) for Project Management Support Services for the International Terminal Building Phase 2 Project; and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On June 16, 2020, by Resolution No. 20-0108, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$4,880,000 for 1,218 consecutive calendar days of services; and
- D. On September 5, 2023, by Resolution No. 23-0221, the Commission approved Modification No. 1 increasing the contract amount by \$4,770,000 for a new total contract amount not to exceed \$9,650,000 and extending the term of the Agreement through June 27, 2026. Updates to the range of rates to adjust for CPI increases to allow for a 2% markup on first-tier subcontractor invoices, addition of new classifications and rates, and standard contractual clauses were also updated through Modification No. 1; and
- E. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to add a new sub-consultant (Abadjis Systems, Ltd. dba ASLPM) and update standard contractual clauses; and
- F. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 43332-16/17 on November 20, 2023; and
- G. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement.

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

- 1. **Article 1, Agreement, Section 1.1** is replaced in its entirety as follows:
- 1.1 "Agreement" means the contract document dated June 16, 2020, Modification No. 1 dated November 16, 2023, including all attached appendices, and all applicable City ordinances and "Mandatory City Requirements" which are specifically incorporated by reference into the Agreement.

- 2. Appendix B, Calculation of Charges, C. Labor Rates and Fees, Section 6, Approved Sub-Consultants and Subcontractors is hereby replaced in its entirety as follows:
  - 6. Approved Sub-Consultants

The approved sub-consultants are as follows:

Abadjis Systems, Ltd. Dba ASLPM
Chaves and Associates
Construction Management West, Inc.
InnoActive Group
MCK Americas, Inc.
MicroEstimating, Inc.
RES Engineers, Inc.
Ross & Baruzzini | CAGE
Stok, LLC
WSP USA Inc.

- **3. Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.
- **4. Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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

CITY	CONTRACTOR			
AIRPORT COMMISSION				
CITY AND COUNTY OF				
SAN FRANCISCO				
DocuSigned by:	DocuSigned by:			
By: Var C. Saturo	Baliram Eliamenelipour			
Ivar C. Satero, Airport Director	Authorized Signature			
	Bahram Khamenehpour Printed Name			
	Frinted Name			
	President			
	Title			
	AGS, Inc.			
	Company Name			
	0000003436			
	City Supplier Number			
Approved as to Form:	5 Freelon Street			
	Address			
David Chiu				
City Attorney	San Francisco, California 94107			
DocuSigned by:	City, State, ZIP			
By Daniel Edington	(415) 777-2166			
Daniel A. Edington	Telephone Number			
Deputy City Attorney				
	68-0010385			
	Federal Employer ID Number			

#### PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: <u>AIRPO</u>	RT COMMISSION	Dept. Code: <u>AIR</u>					
Type of Request:	□Initial	✓ Modification of an existing PSC (PSC # 43332 - 16/17)					
Type of Approval:	□Expedited	<b>☑</b> Regular	□Annual	☐ Continuing	☐ (Omit Posting)		
Type of Service: Project Management Support Services & Design Build for International Terminal Refresh Project							
Funding Source: <u>Airport Capital Funds</u>							
PSC Original Approved Amount: \$380,000,000		PSC Original Approved Duration: <u>05/17/17 - 05/01/22 (4 years 50 weeks)</u>					
PSC Mod#1 Amount: <u>no amount added</u>			PSC Mod#1 Duration: <u>05/01/22-10/15/24 (2 years 24 weeks)</u>				
PSC Mod#2 Amount: <u>\$40,000,000</u>		PSC Mod#2 Duration: <u>10/15/24-12/31/26 (2 years 11 weeks)</u>					
PSC Cumulative Amount Proposed: \$420,000,000			PSC Cumulative Duration Proposed: 9 years 32 weeks				

#### 1. Description of Work

A. Scope of Work/Services to be Contracted Out:

Project Management Support Services (PMSS) and Design Build (DB) teams will manage and complete the design and construction of the International Terminal Building (ITB) Refresh Project at the San Francisco International Airport (Airport). Services include project controls, scheduling, document control, design management, contracts management, architectural and engineering design services, and construction of the project. This project includes renovation of the International Terminal to improve passenger processing, design and construction of modifications to the arrivals and departures levels, including upgrades to the security screening checkpoints, Federal Inspection Service Area, security and access control systems and equipment, Customs and Borders Protection (CBP) support areas, and various utility and support infrastructure upgrades. Of the PSC Amount requested, construction costs will account for an estimated \$322,000,000.

B. Explain why this service is necessary and the consequence of denial:

With significant international passenger growth and continued forecasted growth over the long term, as well as a goal to increase efficiencies to passenger processing, the Airport will upgrade and refresh the existing ITB. Changes in Federal security standards, technology advances in passenger processing, & significant airline growth in the international market require upgrading of the existing facility. Denial will result in project delays, and loss of potential long-term business for international carriers & revenue from planned concession expansions. Delays may decrease the level of service to passengers who face long processing times. Additionally, denial would cause delays to follow-on projects, impacting the long term development plan for the western half of the Airport.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

PSC 43332-16/17

D. Will the contract(s) be renewed?

Yes, if there continues to be a need at the Airport.

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why:

Need to align with the revised new end date of the contracts since the project was put on hold during the pandemic.

#### 2. Reason(s) for the Request

A. Display all that apply

☑ Short-term or capital projects requiring diverse skills, expertise and/or knowledge.

Explain the qualifying circumstances:

Services are directly related to the ITB Refresh Project, a short-term capital project that requires expertise in airport terminal design and management. Specifically, knowledge in baggage handling system, TSA and CBP requirements and passenger processing security, fuel hydrant systems, aircraft systems and operations, airport planning, and integration of airline operations and construction management are necessary.

B. Reason for the request for modification:

Need to add time and money to the contracts.

#### 3. Description of Required Skills/Expertise

- A. Specify required skills and/or expertise: PMSS and DB teams with airport terminal design and management expertise are required. Project architectural, engineering, planning, programming and construction administration skills with direct and current experience related to airport terminal development, baggage handling systems, design management, integration of airline business requirements, and project and construction management are required.
- B. Which, if any, civil service class(es) normally perform(s) this work? 5174, Administrative Engineer; 5201, Junior Engineer; 5203, Asst Engr; 5207, Assoc Engineer; 5211, Eng/Arch/Landscape Arch Sr; 5212, Engineer/Architect Principal; 5218, Structural Engineer; 5241, Engineer; 5260, Architectural Assistant 1; 5261, Architectural Assistant 2; 5265, Architectural Associate 1; 5266, Architectural Associate 2; 5268, Architect; 5362, Engineering Assistant; 5364, Engineering Associate 1; 5366, Engineering Associate 2; 5502, Project Manager 1; 5504, Project Manager 2; 5506, Project Manager 3; 5508, Project Manager 4;
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: The contractor will provide construction equipment to build the project and will also provide construction office space for the project team.

### 4. <u>If applicable, what efforts has the department made to obtain these services through available resources within the City?</u>

Not Applicable

### 5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
  - Existing classes do no have the required expertise and specialized skills necessary for the development, project and construction management of a large-scale airport terminal redevelopment project. Airport systems & airline operations knowledge in baggage handling system, Transportation Security Administration (TSA) and CBP requirements and passenger processing security, fuel hydrant systems, aircraft systems and operations, airport planning, and integration of airline operations and construction management are necessary.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain: No, as an Airport terminal redevelopment project of this scope and scale does not occur frequently enough to justify permanent staffing. Once the project is completed, specialized services will not be required.

### 6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation. No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.

  No as redevelopment projects of this scope do not occur frequently.
- C. Are there legal mandates requiring the use of contractual services? No.
- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.

  No.
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
  No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.

ITB Refresh JV, McCarty Building Co, and AGS.

**7.** <u>Union Notification</u>: On <u>10/10/23</u>, the Department notified the following employee organizations of this PSC/RFP request:

Architect & Engineers, Local 21;

☑ I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: <u>Cynthia Avakian</u> Phone: <u>650-821-2014</u> Email: <u>cynthia.avakian@flysfo.com</u>

Address: PO Box 8097, San Francisco, CA 94128

\*

### FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC#<u>43332 - 16/17</u>

DHR Analysis/Recommendation:

Commission Approval Required

11/20/2023 DHR Approved for 11/20/2023

11/20/2023

Approved by Civil Service Commission

# City and County of San Francisco

### PERSONAL SERVICES CONTRACT AWARD NOTICE

D.A. EEG. 1	2024					
DATE: January 22, 2	2024					
DEPARTMENT: <u>AIRI</u>	PORT COMMISSIO	<u>N</u>	DEPAR	RTMENT N	UMBER:	27
PERSONAL SERVICE	ES CONTRACT NUM	MBER (PSC#):	43332-16/17			
PERSONAL SERVICE	S CONTRACT APP	PROVAL DATE:	November 20,	2023		
WILL THIS CONTRA	CT BE AWARDED	TO MULTIPLE CO	NTRACTORS?		Yes	
IF YES, THIS AWAR	RD NOTICE IS FOR	CONTRACTOR NU	JMBER	1	OF	1
CONTRACTOR:	AGS, Inc Ct 113	365.41			-	
AMOUNT:	\$4,770,000	DURATION:	7/1/2023 - 6/30/202	24		,
					_	
<b>Prior History Date</b>	Amount	Fiscal Year	Unspent Balance			
6/19/20	\$ 4,880,000	FY19-20				
				_		
				_		
Total	\$ 4,880,000					
		SUBMITTED AS C	COMPLETE AND ACC	CURATE O	N BEHALI	FOF
THE DEPAR	TMENT HEAD.					
	ent:	· Cuhi				
Signature of I		al Services Contract (	PSC) Coordinator			r
	nia Avakian		(650) 821-2014			
	Type Name		Telephone Number	<del>_</del>		

NOTE: At the same time the contract is awarded, the department must submit this form to Personal Services Contracts, Department of Human Resources (Dept. 33), 1 South Van Ness Avenue, 4th Floor, San Francisco, CA 94103.

# **CONTRACT MONITORING DIVISION**

# Firm Addition/Substitution Request Form for *Professional Services Agreements*

	Type of Request  New Firm Addition  Substitution						
1 Date of Request			03/04/24	3 Prime Co	nsultant		AGS, Inc
2	Agreement Number	r	CT11365.41	4 Task Orde	er No.		
Sec	tion A - Firm Informa	ation					
5	Name of Proposed S	Subconsultant	ASLPM				
6	Address	4190 Bonita Road, #2	201		7 FEIN#	80-080153	86
8	City, State, ZIP	Bonita, CA 91902			9 Phone	619-472-8	195
10	LBE (Y/N) and Type	(MBE/WBE/OBE)	N		11 E-mail A	ddress	silyas@aslpm.com
12	License (Y/N); Numb	per and Type	N/A				
13	Work Allocation (\$)		\$492,000				
14 Budget for Scope of Work (\$)		Work (\$)	\$492,000				
15 Total Task Order Amount  If applicable (e.g., JOC, As-Needed Contracts, etc.)		N/A					
16 Source of budget for new firm  Which existing firm's budget is being reallocated?							
17 Scope of work Include an explanation on why the prime or existing subcontractors on the team are unable to perform the work. Please also include an Excel spreadsheet showing each firm's participation for the overall contract.			Wayfinding scope project management and stakeholder engagement.				
18 Please confirm that you have conducted a go  Please attach outreach efforts.			ood faith effort to o	outreach to LE	BE firms:	Client requ	est (Prime Contractor initials)

Please return completed form to CMD Contract Compliance Officer assigned to the contract.

Reference: CT 11365.41 AGS, Inc.

# AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO SAN FRANCISCO INTERNATIONAL AIRPORT

### INTEROFFICE MEMORANDUM

	TO:	Hirokazu Sato	DATE:	October 12, 2023
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FROM: Kevin Kone

SUBJECT: Approved Insurance Certificate(s) RE: <u>CT 11365.41 AGS, Inc.</u>

Enclosed for your files are copy(s) of approved certificate(s) of insurance for contract/permit number(s) with scope: <u>To provide PMSS for ITB Phrase 2 Project.</u>

	Check if	Minimum	
	Applicable	Required	Date of
Type of Coverage	and Verified	Limits	Expiration
		\$2,000,000/	
General Liability	X	\$4,000,000	10/10/2024
Automobile Liability	X	\$2,000,000	10/10/2024
Excess Liability	X, for General & Auto	\$1,000,000	10/10/2024
Workers Compensation	X	\$1,000,000	10/10/2024
Professional Liability	X	\$2,000,000	10/10/2024
Technology Errors &		\$1,000,000/	
Omission Liability	X	\$2,000,000	10/10/2024

Notes: Insurance meets all compliance requirements. The next insurance compliance review should be performed on or before 10/10/2024.

cc: Rick Thall

Cherry Sun

Gary Hong Teresa Wei

Tien Vu

Insurance File



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 10/10/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)

	gitts to the certificate floider in fled of st					
PRODUCER		CONTACT NAME: Maurice Thornton				
AssuredPartners Design Profess	ionals Insurance Services, LLC	PHONE (A/C, No, Ext): 510-272-1476	FAX (A/C. No):			
3697 Mt. Diablo Blvd., Suite 230 Lafayette CA 94549		E-MAIL ADDRESS: CertsDesignPro@AssuredPartners.com				
		INSURER(S) AFFORDING COVERAGE	NAIC#			
		INSURER A: BERKLEY INSURANCE COMPANY				
NSURED	AGSINC0-01	INSURER B: Hartford Accident and Indemnity Co	mpany 22357			
AGS, Inc. 5 Freelon Street		INSURER C: Sentinel Insurance Company	11000			
San Francisco CA 94107-3617		INSURER D: Hartford Casualty Insurance Compa	ny 29424			
		INSURER E:				
		INSURER F:				
COVERAGES	CERTIFICATE NUMBER: 1479741083	REVISION N	UMBER:			

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR			SUBR	EIMITO OTIOWN WAT TIAVE BEENT	POLICY EFF	POLICY EXP		
LTR	TYPE OF INSURANCE	INSD	WVD	POLICY NUMBER	(MM/DD/YYYY)	(MM/DD/YYYY)	LIMIT	S
С	X COMMERCIAL GENERAL LIABILITY	Υ	Υ	57SBWBN0485	10/10/2023	10/10/2024	EACH OCCURRENCE	\$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$ 2,000,000
	POLICY X PRO- JECT LOC						PRODUCTS - COMP/OP AGG	\$ 2,000,000
	OTHER:							\$
В	AUTOMOBILE LIABILITY	Υ	Υ	57UEGZC0362	10/10/2023	10/10/2024	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	\$
	OWNED SCHEDULED AUTOS						BODILY INJURY (Per accident)	\$
	X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
								\$
С	X UMBRELLA LIAB X OCCUR	Υ	Υ	57SBWBN0485	10/10/2023	10/10/2024	EACH OCCURRENCE	\$ 3,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	\$3,000,000
	DED RETENTION\$							\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		Υ	57WEGGH0173	10/10/2023	10/10/2024	X PER OTH- STATUTE ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N/A					E.L. EACH ACCIDENT	\$1,000,000
	(Mandatory in NH)	,,,					E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	\$1,000,000
A	Professional & Pollution Liability + Cyber/Technology Liability			AEC907122608	10/10/2023	10/10/2024	\$2,000,000 \$2,000,000	Per Claim Aggregate Limit

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Umbrella Liability policy is a follow-form underlying General Liability/Auto Liability/Employers Liability.

Re: Contract No. 11365.41/ Project Management Support Services for the/ International Terminal Building - Phase 2 Project/AGS-19-054.

City and County of San Francisco, its Airport Commission, its Officers, Agents, employees are named as additional insureds as respects general and auto liability as required per written contract or agreement. General and Auto Liability insurance is Primary/Non-Contributory per policy form wording. General Liability includes a Severability of Interests Clause per policy form. The Umbrella is follow form over the General Liability, Auto Liability and Employer's Liability. Insurance coverage includes Waiver of Subrogation per the attached endorsement(s). 30 Days Notice of Cancellation.

CERTIFICATE HOLDER	CANCELLATION 30 Day Notice of Cancellation
City and County of San Francisco Airport Commission	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
P.O. Box 8097 San Francisco, CA 94128	AUTHORIZED REPRESENTATIVE  Mo How For

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POLICY NUMBER: 57 SBW BN0485



### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - PERSON-ORGANIZAION

THE CITY AND COUNTY OF SAN FRANCISCO, ITS OFFICERS, AGENTS, AND EMPLOYEES

Form IH 12 00 11 85 T SEQ. NO. 006 Printed in U.S.A. Page 001

 Policy # 57SBWBN0485



# THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# **ADDITIONAL INSURED PROVISIONS - CALIFORNIA**

This endorsement modifies insurance provided under the following:

### **BUSINESS LIABILITY COVERAGE FORM**

- A. It is agreed that paragraph (2) of subsections 6.d. and 6.f. of Section C. - WHO IS AN INSURED is replaced by the following:
  - (2) The insurance afforded by paragraph (1) above does not apply if your acts or omissions, or the acts or omissions of those acting on your behalf, that are alleged to have caused the "bodily injury", "property damage" or "personal and advertising injury", involve professional architectural, engineering or surveying services, including but not limited to:
    - (a) The preparing, approving, editing of or failure to prepare or approve, shop drawings, maps, opinions, reports, surveys, change orders, field orders, designs, drawings, specifications, warnings, recommendations, permit applications payment requests, manuals or instructions;
    - **(b)** Supervisory, inspection, quality control, architectural, engineering or surveying activities or services;
    - (c) Maintenance of job site safety, construction administration, construction contracting, construction management, computer consulting or design software development or programming service, or selection of a contractor or programming service;
    - (d) Monitoring, sampling, or testing service necessary to perform any of the services included in a. b. or c. above;
    - (e) Supervision, hiring, employment, training or monitoring of others who are performing any of the services included in a., b. or c. above.

The insurance afforded to such additional insured:

- (a) Only applies to the extent permitted by law; and
- **(b)** Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- B. It is agreed that the following paragraphs are added to the end of subsections 1. and 8. of Section F -

OPTIONAL ADDITIONAL INSURED COVERAGES; and it is agreed the following paragraphs replace section **b.** of subsection **9.** of Section **F. - OPTIONAL ADDITIONAL INSURED COVERAGES.** These paragraphs do not attach or amend the language of any of the other subsections of Section F - OPTIONAL ADDITIONAL INSURED COVERAGES:

The insurance afforded by this subsection does not apply if your acts or omissions, or the acts or omissions of those acting on your behalf, that are alleged to have caused the "bodily injury", "property damage" or "personal and advertising injury", involve professional architectural, engineering or surveying services, including but not limited to:

- (a) The preparing, approving, editing of or failure to prepare or approve, shop drawings, maps, opinions, reports, surveys, change orders, field orders, designs, drawings, specifications, warnings, recommendations, permit applications payment requests, manuals or instructions;
- **(b)** Supervisory, inspection, quality control, architectural, engineering or surveying activities or services;
- (c) Maintenance of job site safety, construction administration, construction contracting, construction management, computer consulting or design software development or programming service, or selection of a contractor or programming service;
- (d) Monitoring, sampling, or testing service necessary to perform any of the services included in a. b. or c. above;
- **(e)** Supervision, hiring, employment, training or monitoring of others who are performing any of the services included in a., b. or c. above.

The insurance afforded to such additional insured:

- (a) Only applies to the extent permitted by law; and
- **(b)** Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**BUSINESS LIABILITY COVERAGE FORM** 

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

### b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

# c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

### d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

### e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

### 3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

- **b.** Coverage under this provision does not apply to:
  - (1) "Bodily injury" or "property damage" that occurred; or
  - (2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

### 4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- **a.** "Bodily injury" to a co-"employee" of the person driving the equipment; or
- **b.** "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

### 5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- **a.** "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- **b.** "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

## Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a.** through **f.** below are additional insureds when you have agreed, in a written

Form SS 00 08 04 05 Page 11 of 24

#### **BUSINESS LIABILITY COVERAGE FORM**

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section **F.** – Optional Additional Insured Coverages.

#### a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- **(b)** Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
  - (i) The exceptions contained in Subparagraphs (d) or (f); or
  - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

# b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

Page 12 of 24 Form SS 00 08 04 05

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

### c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
  - (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
  - (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

### d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
  - (a) In connection with your premises; or
  - (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:
  - This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:
  - (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
  - (b) Supervisory, inspection, architectural or engineering activities.

# e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
  - (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
  - **(b)** "Bodily injury" or "property damage" included within the "products-completed operations hazard".

## f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
  - (a) In the performance of your ongoing operations;
  - **(b)** In connection with your premises owned by or rented to you; or
  - (c) In connection with "your work" and included within the "productscompleted operations hazard", but only if
    - (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
    - (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

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#### **BUSINESS LIABILITY COVERAGE FORM**

- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section **D.** – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

# D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

### 1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- **b.** Claims made or "suits" brought; or
- **c.** Persons or organizations making claims or bringing "suits".

### 2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

### 3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

### 4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

### 5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

### → 6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- **b.** The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

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If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

# E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

### 1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

# 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

#### a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

#### b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

# c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

### **BUSINESS LIABILITY COVERAGE FORM**

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit":
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

## d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

# f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;
- **(5)** Any trustee, if you or an additional insured is a trust; or
- **(6)** Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

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#### BUSINESS LIABILITY COVERAGE FORM

This Paragraph **f.** applies separately to you and any additional insured.

### 3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

### 4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- **b.** To sue us on this Coverage Form unless all of its terms have been fully complied with

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### 5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- **a.** As if each Named Insured were the only Named Insured; and
- **b.** Separately to each insured against whom a claim is made or "suit" is brought.

### 6. Representations

#### a. When You Accept This Policy

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and

(3) We have issued this policy in reliance upon your representations.

# b. Unintentional Failure To Disclose

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

### 7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

### a. Primary Insurance

This insurance is primary except when **b**. below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c**. below.

#### b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

### (1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

### (2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

### (3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

#### (4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **A.** – Coverages.

# (5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **A.** – Coverages.

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# (6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

# (7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

# (a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

## (b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

#### **BUSINESS LIABILITY COVERAGE FORM**

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and selfinsured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

### c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

# 8. Transfer Of Rights Of Recovery Against Others To Us

### a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

# b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

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POLICY NUMBER: 57 UEG ZC0362

COMMERCIAL AUTO CA 20 48 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM BUSINESS AUTO COVERAGE FORM MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: AGS, Inc.

**Endorsement Effective Date: 10/10/2023** 

#### **SCHEDULE**

### Name Of Person(s) Or Organization(s):

THE CITY AND COUNTY OF SAN FRANCISCO, ITS OFFICERS, AGENTS, AND EMPLOYEES

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph A.1. of Section II — Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph D.2. of Section I — Covered Autos Coverages of the Auto Dealers Coverage Form.

## THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

#### **BUSINESS AUTO COVERAGE FORM**

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

### 1. BROAD FORM INSURED

Paragraph .1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add the following:

# d. Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

- (1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.
- (2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:
  - (a) That is a partnership or joint venture,
  - (b) That is an "insured" under any other policy,
  - (c) That has exhausted its Limit of Insurance under any other policy, or
  - (d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

### e. Employees as Insureds

(1). Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

### f. Lessors as Insureds

- (1). The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:
  - (a) The agreement requires you to provide direct primary insurance for the lessor and
  - (b) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

### g. Additional Insured if Required by Contract

(1) When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

- (a) During the policy period, and
- (b) Subsequent to the execution of such written contract, and

(c) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

### (2) How Limits Apply

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- (a) The limits of insurance specified in the written contract or written agreement;
- (b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

## (3) Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

(4) Duties in The Event Of Accident, Claim, Suit or Loss

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS – OF SECTION IV – BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

# 2. Primary and Non-Contributory if Required by Contract

Only with respect to insurance provided to an additional insured in A.1.g. - Additional Insured If Required by Contract, the following provisions apply:

(1) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

(2) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (1) and (2) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, by the method described in SECTION IV-Business Auto Conditions, B. General Conditions. Other Insurance 5.d.

## 3. AUTOS RENTED BY EMPLOYEES

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The SECTION IV- Business Auto Conditions, B. General Conditions, 5. OTHER INSURANCE Condition is amended by adding the following:

e. If an "employee's" personal insurance also applies on an excess basis to a covered "auto" hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

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### 4. AMENDED FELLOW EMPLOYEE EXCLUSION

EXCLUSION 5. - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if you have workers' compensation insurance in-force covering all of your "employees".

Coverage is excess over any other collectible insurance.

### 5. HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is:

- (1) \$100,000;
- (2) The actual cash value of the damaged or stolen property at the time of the "loss"; or
- (3) The cost of repairing or replacing the damaged or stolen property,

whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of \$1000 per "accident".

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

# 6. PHYSICAL DAMAGE - ADDITIONAL TEMPORARY TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of \$50 per day and a maximum limit of \$1,000.

### 7. LOAN/LEASE GAP COVERAGE

Under SECTION III - PHYSICAL DAMAGE COVERAGE, in the event of a total "loss" to a covered "auto", we will pay your additional legal

obligation for any difference between the actual cash value of the "auto" at the time of the "loss" and the "outstanding balance" of the loan/lease.

"Outstanding balance" means the amount you owe on the loan/lease at the time of "loss" less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; lease termination fees; security deposits not returned by the lessor; costs for extended warranties, credit life Insurance, health, accident or disability insurance purchased with the loan or lease; and carry-over balances from previous loans or leases.

### 8. AIRBAG COVERAGE

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

# 9. ELECTRONIC EQUIPMENT - BROADENED COVERAGE

a. The exceptions to Paragraphs B.4 -EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE are replaced by the following:

Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- Permanently installed in or upon the covered "auto";
- (2) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (3) An integral part of the same unit housing any electronic equipment described in Paragraphs (1) and (2) above; or
- (4) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.
- b. Section III, Physical Damage Coverage, Limit of Insurance, Paragraph C.2. is amended to add the following:

\$1,500 is the most we will pay for "loss" in any one "accident" to all electronic equipment (other than equipment designed solely for the reproduction of sound, and accessories used with such equipment) that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

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- Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2) Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
- (3) An integral part of such equipment.
- c. For each covered "auto", should loss be limited to electronic equipment only, our obligation to pay for, repair, return or replace damaged or stolen electronic equipment will be reduced by the applicable deductible shown in the Declarations, or \$250, whichever deductible is less.

### 10. EXTRA EXPENSE - BROADENED COVERAGE

Under Paragraph A. - COVERAGE - of SECTION III - PHYSICAL DAMAGE COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

#### 11. GLASS REPAIR - WAIVER OF DEDUCTIBLE

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

### 12. TWO OR MORE DEDUCTIBLES

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

If another Hartford Financial Services Group, Inc. company policy or coverage form that is not an automobile policy or coverage form applies to the same "accident", the following applies:

- (1) If the deductible under this Business Auto Coverage Form is the smaller (or smallest) deductible, it will be waived:
- (2) If the deductible under this Business Auto Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

# 13. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITIONS 2.a. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the "accident" is known to:

(1) You, if you are an individual;

- (2) A partner, if you are a partnership;
- (3) A member, if you are a limited liability company; or
- (4) An executive officer or insurance manager, if you are a corporation.

# 14. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure.

#### 15. HIRED AUTO - COVERAGE TERRITORY

SECTION IV, BUSINESS AUTO CONDITIONS, PARAGRAPH B. GENERAL CONDITIONS, 7. - POLICY PERIOD, COVERAGE TERRITORY - is added to include the following:

(6) For short-term hired "autos", the coverage territory with respect to Liability Coverage is anywhere in the world provided that if the "insured's" responsibility to pay damages for "bodily injury" or "property damage" is determined in a "suit," the "suit" is brought in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

#### 16. WAIVER OF SUBROGATION

Paragraph 5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - of SECTION IV - BUSINESS AUTO CONDITIONS A. Loss Conditions is amended by adding the following:

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damages under this Coverage Form.

### 17. RESULTANT MENTAL ANGUISH COVERAGE

The definition of "bodily injury" in SECTION V-DEFINITIONS, C. is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by any person, including mental anguish or death resulting from any of these.

#### 18. EXTENDED CANCELLATION CONDITION

Paragraph 2. of the COMMON POLICY CONDITIONS - CANCELLATION - applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

Page 4 of 5 Form HA 99 16 12 21

# 19. HYBRID, ELECTRIC, OR NATURAL GAS VEHICLE PAYMENT COVERAGE

In the event of a total loss to a "non-hybrid" auto for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended as follows:

- a. If the auto is replaced with a "hybrid" auto or an auto powered solely by electricity or natural gas, we will pay an additional 10%, to a maximum of \$2,500, of the "non-hybrid" auto's actual cash value or replacement cost, whichever is less,
- b. The auto must be replaced and a copy of a bill of sale or new lease agreement received by us within 60 calendar days of the date of "loss."
- c. Regardless of the number of autos deemed a total loss, the most we will pay under this Hybrid, Electric, or Natural Gas Vehicle Payment Coverage provision for any one "loss" is \$10,000.

For the purposes of the coverage provision,

 A "non-hybrid" auto is defined as an auto that uses only an internal combustion engine to move the auto but does not include autos powered solely by electricity or natural gas. b. A "hybrid" auto is defined as an auto with an internal combustion engine and one or more electric motors; and that uses the internal combustion engine and one or more electric motors to move the auto, or the internal combustion engine to charge one or more electric motors, which move the auto.

### 20. VEHICLE WRAP COVERAGE

In the event of a total loss to an "auto" for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended to add the following:

In addition to the actual cash value of the "auto", we will pay up to \$1,000 for vinyl vehicle wraps which are displayed on the covered "auto" at the time of total loss. Regardless of the number of autos deemed a total loss, the most we will pay under this Vehicle Wrap Coverage provision for any one "loss" is \$5,000. For purposes of this coverage provision, signs or other graphics painted or magnetically affixed to the vehicle are not considered vehicle wraps.

Form HA 99 16 12 21 Page 5 of 5



### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# WORKERS' COMPENSATION BROAD FORM ENDORSEMENT EXTENDED OPTIONS

Policy Number: 57WEGGH0173 Endorsement Number:

**Effective Date:** 10/10/2023 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: AGS, Inc.

5 Freelon Street

San Francisco, CA 94107-3617

Section I of this endorsement expands coverage provided under WC 00 00 00.

Section II of this endorsement provides additional coverage usually only provided by endorsement.

Section III of this endorsement is a Schedule of Covered States.

You may use the index to locate these coverage features quickly:

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	2 2 2 2 2 2 2 2 2 2 2 2 2 3 3 3 3 3 3 3	B. Part One Does Not Apply C. Application of Coverage D. Additional Exclusions E. West Virginia EXTENDED OPTIONS O1 Employers' Liability Insurance O2 Unintentional Failure to Disclose Hazards O3 Waiver of Our Right to Recover from Others O4 Foreign Voluntary Compensation A. How This Reimbursement Applies B. We Will Reimburse C. Exclusions D. Before We Pay E. Recovery From Others F. Reimbursement For Actual Loss Sustained G. Repatriation H. Endemic Disease O5 Longshore and Harbor Workers' Compensation Act Coverage Endorsement SECTION III

Form WC 99 03 03 B Printed in U.S.A. (Ed. 8/00)

**Process Date:** 10/10/2023

Page 1 of 6 Policy Expiration Date: 10/10/2024

### **SECTION I**

### **PARTS ONE and TWO**

#### 1. WE WILL ALSO PAY

- D. We Will Also Pay of Part One (WORKERS' COMPENSATION INSURANCE); and
- E. We Will Also Pay of Part Two (EMPLOYERS' LIABILITY INSURANCE) is replaced by the following:

### We Will Also Pay

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding, or suit we defend:

- reasonable expenses incurred at our request, **INCLUDING** loss of earnings;
- premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this insurance;
- 3. litigation costs taxed against you;
- interest on a judgment as required by law until we offer the amount due under this law; and
- 5. expenses we incur.

#### **PART THREE**

### 2. How This Insurance Applies

Paragraph 4. of A. How This Insurance Applies of Part 3 (Other States Insurance) is replaced by the following:

4. If you have work on the effective date of this policy in any state not listed in Item 3.A. of the Information Page, coverage will not be afforded for that state unless we are notified within sixty days.

### **PART SIX**

## 3. Transfer Of Your Rights and Duties

C. Transfer Of Your Rights and Duties of Part 6 (Conditions) is replaced by the following:

Your rights or duties under this policy may not be transferred without our written consent.

If you die and we receive notice within **sixty** days after your death, we will cover your legal representative as insured.

### 4. Liberalization

If we adopt a change in this form that would broaden the coverage of this form without extra charge, the broader coverage will apply to this policy. It will apply when the change becomes effective in your state.

### **SECTION II**

# VOLUNTARY COMPENSATION AND EMPLOYERS' LIABILITY COVERAGE

## 5. Voluntary Compensation Insurance

### A. How This Insurance Applies

This insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

- The bodily injury must be sustained by any officer or employee not subject to the workers' compensation law of any state shown in Item 3.A. of the Information Page.
- 2. The bodily injury must arise out of and in the course of employment or incidental to work in a state shown in Item 3.A. of the Information Page.

- 3. The bodily injury must occur in the United States of America, its territories or possessions, or Canada, and may occur elsewhere if the employee is a United States or Canadian citizen, or otherwise legal resident, and legally employed, in the United States or Canada and temporarily away from those places.
- 4. Bodily injury by accident must occur during the policy period.
- 5. Bodily injury by disease must be caused or aggravated by the conditions of the

officer's or employee's employment. The officer's or employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

### B. We Will Pay

We will pay an amount equal to the benefits that would be required of you as if you and your employees were subject to the workers' compensation law of any state shown in Item 3.A. of the Information Page. We will pay those amounts to the persons who would be entitled to them under the law.

#### C. Exclusion

This insurance does not cover:

- any obligation imposed by workers' compensation or occupational disease law or any similar law.
- 2. bodily injury intentionally caused or aggravated by you.
- officers or employees who have elected not to be subject to the state workers' compensation law.
- partners or sole proprietors not covered under the Standard Sole Proprietors, Partners, Officers and Others Coverage Endorsement.

### D. Before We Pay

Before we pay benefits to the persons entitled to them, they must:

- 1. Release you and us, in writing, of all responsibility for the injury or death.
- 2. Transfer to us their right to recover from others who may be responsible for the injury or death.
- 3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

### E. Recovery From Others

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

### F. Employers' Liability Insurance

Part Two (Employers' Liability Insurance) applies to bodily injury covered by this endorsement as though the State of Employment was shown in Item 3.A. of the Information Page.

This provision 5. does not apply in New Jersey or Wisconsin.

### **EMPLOYERS' LIABILITY STOP GAP COVERAGE**

### 6. Employers' Liability Stop Gap Coverage

- A. This coverage only applies in Montana, North Dakota, Ohio, Washington, West Virginia and Wyoming.
- B. Part One (Workers' Compensation Insurance) does not apply to work in states shown in Paragraph A above.
- C. Part Two (Employers' Liability Insurance) applies in the states, shown in Paragraph A., as though they were shown in Item 3.A. of the Information Page.
- D. Part Two, Section C. **Exclusions** is changed by adding these exclusions.

This insurance does not cover:

- 5. bodily injury intentionally caused or aggravated by you or in Ohio bodily injury resulting from an act which is determined by an Ohio court of law to have been committed by you with the belief than an injury is substantially certain to occur. However, the cost of defending such claims or suits in Ohio is covered.
- 13. bodily injury sustained by any member of the flying crew of any aircraft.
- 14. any claim for bodily injury with respect to which you are deprived of any defense or defenses or are otherwise subject to penalty because of default in premium under the provisions of the workers' compensation law or laws of a state shown in Paragraph A.
- E. This insurance applies to damages for which you are liable under West Virginia Code Annot. S 23-4-2.

### **EXTENDED OPTIONS**

### 1. Employers' Liability Insurance

OR

**Item 3.B.** of the **Information Page** is replaced by the following:

### B. Employers' Liability Insurance:

 Part Two of the policy applies to work in each state listed in Item 3.A.

The Limits of Liability under Part Two are the higher of:

Bodily Injury by Accident	\$500,000	Each Accident
Bodily Injury by Disease	\$500,000	Policy Limit
Bodily Injury by Disease	\$500,000	Each Employee

2. The amount shown in the Information Page.

This provision 1 of **EXTENDED OPTIONS** does not apply in New York because the Limits Of Our Liability are unlimited.

In this provision the limits are changed from **\$500,000** to **\$1,000,000** in California.

### 2. Unintentional Failure to Disclose Hazards

If you unintentionally should fail to disclose all existing hazards at the inception date of your policy, we shall not deny coverage under this policy because of such failure.

### 3. Waiver of Our Right To Recover From Others

A. We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against any person or organization for whom you perform work under a written contract that requires you to obtain this agreement from us.

This agreement shall not operate directly or indirectly to benefit anyone not named in the agreement.

B. This provision 3. does not apply in the states of Pennsylvania and Utah.

# 4. Foreign Voluntary Compensation and Employers' Liability Reimbursement

### A. How This Reimbursement Applies

This reimbursement provision applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

- 1. The bodily injury must be sustained by an officer or employee.
- 2. The bodily injury must occur in the course of employment necessary or incidental to work in a country not listed in Exclusion C.1. of this provision.
- 3. Bodily injury by accident must occur during the policy period.
- Bodily injury by disease must be caused or aggravated by the conditions of your employment. The officer or employee's last exposure to those conditions of your employment must occur during the policy period.

#### B. We Will Reimburse

We will reimburse you for all amounts paid by you whether such amounts are:

- voluntary payments for the benefits that would be required of you if you and your officers or employees were subject to any workers' compensation law of the state of hire of the individual employee.
- 2. sums to which Part Two (Employers' Liability Insurance) would apply if the Country of Employment were shown in Item 3.A. of the Information Page.

### C. Exclusions

This insurance does not cover:

- any occurrences in the United States, Canada, and any country or jurisdiction which is the subject of trade or economic sanctions imposed by the laws or regulations of the United States of America in effect as of the inception date of this policy.
- 2. any obligation imposed by a workers' compensation or occupational disease law, or similar law.
- 3. bodily injury intentionally caused or aggravated by you.

4. liability for any consequence, whether direct or indirect, of war, invasion, act of Foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power. No endorsement now or subsequently attached to this policy shall be construed as overriding or waiving this limitation unless specific reference is made thereto.

### D. Before We Pay

Before we reimburse you for the benefits to the persons entitled to them, you must have them:

- 1. release you and us, in writing, of all responsibility for the injury or death,
- transfer to us their right to recover from others who may be responsible for their injury or death,
- 3. cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to the benefits paid fail to do these things, our duty to reimburse ends at once. If they claim damages from us for the injury or death, our duty to reimburse ends at once.

### E. Recovery From Others

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we reimbursed. We will pay the balance to the persons entitled to it. If persons entitled to the benefits make a recovery from others, they must repay us for the amounts that we have reimbursed you.

# F. Reimbursement for Actual Loss Sustained

This endorsement provides only for reimbursement for the loss you actually sustain. In order for you to recover loss or expenses under this reimbursement you must:

- 1. actually sustain and pay the loss or expense in money after trial, or
- 2. secure our consent for the payment of the loss or expense.

### G. Repatriation

Our reimbursement includes the additional expenses of repatriation to the United States

of America necessarily incurred as a direct result of bodily injury.

Our reimbursement shall be limited as follows:

- 1. to the amount by which such expenses exceed the normal cost of returning the officer or employee if in good health, or
- in the event of death, to the amount by which such expenses exceed the normal cost of returning the officer or employee if alive and in good health.

In no event shall our reimbursement exceed the bodily injury by accident limit shown in Item 3.B. of the Information Page as respects any one such officer or employee whether dead or alive.

### H. Endemic Disease

The word "disease" includes any endemic diseases.

The coverage applies as if endemic diseases were included in the provisions of the workers' compensation law.

# 5. Longshore and Harbor Workers' Compensation Act Coverage

**General Section C. Workers' Compensation Law** is replaced by the following:

#### C. Workers' Compensation Law

Workers' Compensation Law means the workers or workers' compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page and the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workers' compensation law, other federal occupational disease law or the of any provisions law that provide nonoccupational disability benefits.

Part Two (Employers' Liability Insurance), C. Exclusions, exclusion 8, does not apply to work subject to the Longshore and Harbor Workers' Compensation Act.

This coverage does not apply to work subject to the Defense Base Act, the Outer Continental Shelf Lands Act, or the Nonappropriated Fund Instrumentalities Act.

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City and County of San Francisco
Airport Commission
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### AGS, Inc. Modification No. 3 Contract No. 11365.41

This Modification is made this 1<sup>st</sup> day of June, 2024, in the City and County of San Francisco, State of California, by and between: AGS, Inc., 5 Freelon Street, San Francisco, California 94107 (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

#### Recitals

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") (as defined below) for Project Management Support Services for the International Terminal Building Phase 2 Project; and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On June 16, 2020, by Resolution No. 20-0108, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$4,880,000 for 40 months of services; and
- D. On September 5, 2023, by Resolution No. 23-0221, the Commission approved Modification No. 1 increasing the contract amount by \$4,770,000 for a new total contract amount not to exceed \$9,650,000 and extending the term of the Agreement through June 27, 2026, for a total of 2,172 consecutive calendar days. Updates to the range of rates to adjust for CPI increases to allow for a 2% markup on first-tier subcontractor invoices, addition of new classifications and rates, and standard contractual clauses were also updated through Modification No. 1; and
- E. On April 1, 2024, City and Contractor administratively modified the Agreement to add a new sub-consultant (Abadjis Systems, Ltd. dba ASLPM) through Modification No. 2; and
- F. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to add a new classification (Program Controls Manager) and its range of rates; and
- G. Approval for this Agreement was obtained when the Civil Service Commission approved PSC No. 43332-16/17 on November 20, 2023; and
- H. The Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement.

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

- 1. Article 1, Agreement, Section 1.1 is replaced in its entirety as follows:
- 1.1 "Agreement" means the contract document dated June 16, 2020, Modification No. 1 dated November 16, 2023, Modification No. 2 dated April 1, 2024, including all attached appendices, and

all applicable City ordinances and "Mandatory City Requirements" which are specifically incorporated by reference into the Agreement.

# 2. Appendix B, Calculation of Charges, C. Labor Rates and Fees, Section 5, Direct Labor Rates is hereby replaced in its entirety as follows:

### 5. Direct Labor Rates

The approved direct labor rates are as follows:

	RANGE OF RATES				
CLASSIFICATION	LOW	HIGH			
Administrative Assistant (First Source)	\$26.23	\$36.72			
Administrative/Clerical	\$31.47	\$41.96			
Airport Special Systems Manager	\$78.68	\$94.41			
Apprentice Step 1	\$32.46	\$32.46			
Apprentice Step 2	\$35.16	\$35.16			
Apprentice Step 3	\$37.86	\$37.86			
Apprentice Step 4	\$40.56	\$40.56			
Apprentice Step 5	\$48.67	\$48.67			
Assistant Construction Manager	\$47.21	\$78.68			
Assistant Design Manager	\$41.96	\$68.19			
Assistant Project Controls Manager	\$41.96	\$68.19			
Assistant Resident Engineer	\$47.21	\$78.68			
Building/Construction Inspector Group 1	\$58.27	\$58.27			
Building/Construction Inspector Group 2	\$56.27	\$56.27			
Building/Construction Inspector Group 3	\$49.09	\$49.09			
Building/Construction Inspector Group 4	\$43.09	\$43.09			
Building Inspector	\$52.45	\$94.41			
CBP/TSA Technical Advisor	\$62.94	\$89.17			
Civil Inspector	\$52.45	\$94.41			
Commissioning Agent	\$52.45	\$78.68			
Commissioning Representative	\$73.43	\$89.17			
Construction Manager	\$68.19	\$99.66			
Cost Engineer/Estimator	\$36.72	\$83.92			
Design Manager	\$62.94	\$89.17			
Document Control Manager	\$47.21	\$78.68			
Document Control Tech	\$36.72	\$47.21			
Document Controls	\$31.47	\$62.94			
Electrical Estimator	\$52.45	\$83.92			
Electrical Inspector	\$52.45	\$78.68			
Field Engineer	\$68.19	\$83.92			
Inspector	\$52.45	\$78.68			
Journeyman Group 1	\$58.77	\$58.77			

Journeyman Group 2	\$56.77	\$56.77
Journeyman Group 3	\$49.56	\$49.56
Journeyman Group 4	\$43.59	\$43.59
Journeyman Group 5	\$35.16	\$35.16
Journeyman Group 6	\$32.46	\$32.46
Laboratory Technician	\$35.00	\$55.00
Materials Testing Inspector	\$36.72	\$52.45
MEP Inspector	\$52.45	\$78.68
MEP Manager	\$62.94	\$88.12
MEP Support	\$62.94	\$88.12
Office Engineer	\$31.47	\$62.94
Project Controls	\$60.84	\$76.58
Project Controls Manager	\$52.45	\$140.00
Project Engineer	\$52.45	\$89.17
Project Manager	\$52.45	\$99.66
QA/QC Manager	\$78.68	\$89.17
Resident Engineer	\$68.19	\$99.66
Scheduler	\$47.21	\$83.92
Scheduling Engineer/Estimator	\$47.21	\$73.43
Senior Cost Engineer/Estimator	\$57.70	\$94.41
Senior Engineer	\$62.94	\$73.43
Senior Inspector	\$62.94	\$78.68
Senior Office Engineer	\$47.21	\$62.94
Senior Project Controls Manager	\$85.00	\$105.00
Senior Scheduler	\$68.19	\$94.41
Senior/Lead Scheduling Engineer/Estimator	\$68.19	\$94.41
Senior Special Inspector	\$41.96	\$52.45
SEP Manager	\$62.94	\$94.41
Special Inspector	\$26.23	\$52.45
Special Inspector (ICBO/CWI)	\$58.27	\$58.27
Special Inspector (OSPHD)	\$56.27	\$56.27
Structural Inspector	\$52.45	\$78.68
Sustainability Manager	\$62.94	\$94.41
Unifier Support	\$52.45	\$83.92

# 3. Appendix C, San Francisco Labor and Employment Code Update is hereby added to the Agreement as follows:

### Appendix C

# San Francisco Labor and Employment Code Update\*

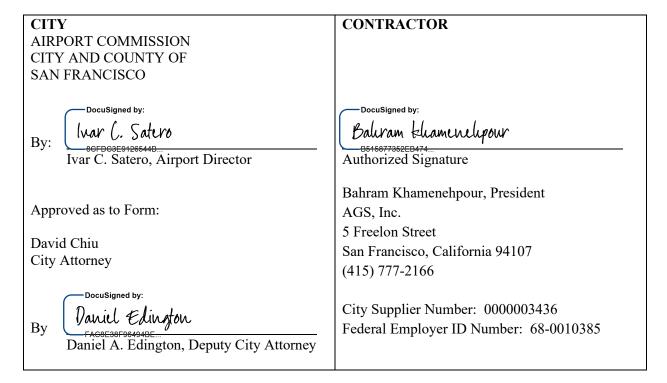
### Cross Reference Table for Citations in AIR-600 Professional Services Agreement

Section of AIR-600 Contract Template	Old Location: San Francisco ADMINISTRATIVE CODE	New Location: San Francisco LABOR & EMPT CODE	Subject Matter
3.6.1 (Covered Services)	Chapter 21C	Article 102	Miscellaneous Prevailing Wages Requirements
3.6.7 (Compliance Monitoring)	Chapter 21C	Article 102	Miscellaneous Prevailing Wages Requirements
10.4 (Consideration of Salary History)	Chapter 12K	Article 141	Salary History
10.5.1 (Nondiscrimination in Contracts)	Chapter 12B Chapter 12B.2	Article 131 Article 131.2	Nondiscrimination in Contracts
	Chapter 12C Chapter 12C.3	Article 132 Article 132.3	Nondiscrimination in Property Contracts
10.5.2 (Nondiscrimination in Employee Benefits)	Chapter 12B.2	Article 131.2	Nondiscrimination in Employee Benefits
10.7 (Minimum Compensation Ordinance)	Chapter 10.7	Article 111	Minimum Compensation Ordinance
10.8 (Health Care Accountability Ordinance)	Chapter 12Q Chapter 12Q.3	Article 121 Article 121.3	Health Care Accountability Ordinance
10.14 (Consideration of Criminal History in Hiring and Employment Decisions) 10.14.1 10.14.2	Chapter 10.14	Article 142	Consideration of Criminal History in Hiring and Employment Decisions

<sup>\*</sup>A number of the City's contracting provisions have been redesignated in a new Labor and Employment Code, which is operative as of January 4, 2024. The redesignation did not change the substance or meaning of the provisions; it has simply changed where the provisions can be found and how they are referred to.

- **4. Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.
- **5. Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

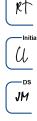
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.



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CITY	AND COUNTY OF SAN F	RANCISO	CO	Original				Department: 27 Airport Commission			Controller No.: 0000444548; 0000747587, 0000827022	
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SET FORTH HEREIN TO UPDATE THE APPENDIX B, CALCULATION OF CHARGES, AND TO ADD A NEW SUB-CONSULTANT (HILL INTERNATIONAL, INC.) AND ITS							rof. Liab	ab \$2,0		000,000	10/10/2025	
	SSIFICATION AND RA		,	LL INTERNATION	AL, INC.)	AND II						
	PSC 43332-16/17 (05/17/17 - 12/31/26) AMOUNT \$420,000,000 PSC 43332-16/17 FORM 2 AMOUNT \$9,650,000					R	Mail Invoice to: RICK THALL					
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By:	52A7CD5A297846B	T			Б. 1					ъ .		T
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City and County of San Francisco Airport Commission P.O. Box 8097 San Francisco, California 94128

AGS, Inc.

### **Modification No. 4**

# Contract No. 11365.41 Project Management Support Services for the International Terminal Building Phase 2 Project

This Modification is made this 1st day of October 2024, in the City and County of San Francisco, State of California, by and between AGS, Inc. 5 Freelon Street, San Francisco, California 94107 (the "Contractor") and the City and County of San Francisco, a municipal corporation (the "City"), acting by and through its Airport Commission (the "Commission").

### Recitals

- A. City and Contractor have entered into the Agreement for the San Francisco International Airport (the "Airport" or "SFO") for Project Management Support Services for the International Terminal Building Phase 2 Project; and
- B. The Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and
- C. On June 16, 2020, by Resolution No. 20-0108, the Commission awarded this Agreement to the Contractor for an amount not to exceed \$4,880,000 for 40 months of services; and
- D. On September 5, 2023, by Resolution No. 23-0221, the Commission approved Modification No. 1 increasing the contract amount by \$4,770,000 for a new total contract amount not to exceed \$9,650,000 and extending the term of the Agreement through June 27, 2026, for a total of 2,172 consecutive calendar days. Updates to the range of rates to adjust for CPI increases to allow for a 2% markup on first-tier subcontractor invoices, addition of new classifications and rates, and standard contractual clauses were also updated through Modification No. 1; and
- E. On April 1, 2024, City and Contractor administratively modified the Agreement to add a new sub-consultant (Abadjis Systems, Ltd. dba ASLPM) through Modification No. 2; and
- F. On June 1, 2024, City and Contractor administratively modified the Agreement to add a new classification and its range of rates through Modification No. 3; and
- G. City and Contractor desire to administratively modify the Agreement on the terms and conditions set forth herein to update the Appendix B, Calculation of Charges, and to add a new sub-consultant (Hill International, Inc.) and its classification and range of rates; and
- H. Approval for this Agreement was obtained when the Civil Service Commission approved DHRPSC0004369 (formerly PSC No. 43332-16/17) on November 20, 2023; and

I. Contractor represents and warrants that it is qualified to perform the services required by City under this Agreement.

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

- **1. Section 1.1 Agreement** is replaced as follows:
- 1.1 "Agreement" means the contract document dated June 16, 2020, Modification No. 1 dated November 16, 2023, Modification No. 2 dated April 1, 2024, Modification No. 3 dated June 1, 2024, including all attached appendices, and all applicable City ordinances and "Mandatory City Requirements" which are specifically incorporated by reference into the Agreement.
- 2. Appendix B, Calculation of Charges, B. Method of Payment, is hereby replaced in its entirety as follows:

### **B.** Method of Payment

- 1. Unless approved otherwise by the Airport, Contractor's services shall be invoiced on a monthly basis and payment will be made within 30 days of receipt of an acceptable invoice with satisfactory backup documentation, approved by the Airport Project Manager. The term "invoice" shall include Contractor's bill or other written request for payment under this Agreement for Services performed. All invoices shall be made in writing and delivered or mailed to the Airport to the mailing address listed in Section 11.1, "Notices to the Parties," of the Agreement.
- 2. Contractor shall invoice for the Services performed in conformance with procedures approved by the Airport.
  - a. Such invoices shall segregate current costs from previously invoiced costs.
  - b. Costs for individual labor shall be segregated by tasks and subtasks, if any.
  - c. In no case shall Contractor's invoices include costs which the Airport has disallowed or otherwise indicated that it will not recognize. Costs shall be invoiced by Contractor's accounting categories and shall be subject to the audit provisions of this Agreement.
  - d. Each invoice shall clearly distinguish Contractor's personnel invoiced at either the home office or field office overhead rate.
  - e. Such invoices shall be, as a minimum: (i) mechanically accurate, (ii) substantially evidenced and properly supported, and (iii) in compliance with generally accepted accounting principles.
- 3. Contractor shall also certify, for each invoice, that (i) the rates for direct labor to be paid under this Agreement, whether for Contractor or its subcontractor(s), are not in excess of the rates actually being paid to Contractor or subcontractor employees engaged in the performance of Services under this Agreement at that time; and (ii) that such rates are in conformance with the Agreement.
- 4. The Airport reserves the right to withhold payment(s) otherwise due to Contractor in the event of Contractor's material non-compliance with any of the provisions of the

Agreement, including, but not limited to, the requirements imposed upon Contractor in Article 5, "Insurance and Indemnity," of the Agreement. The Airport shall provide notice of withholding and may continue the withholding until Contractor has provided evidence of compliance that is acceptable to the Airport.

3. Appendix B, Calculation of Charges, C. Labor Rates and Fees, is hereby replaced in its entirety as follows:

#### C. Labor Rates and Fees

- 1. Direct Labor Rates and Direct Labor Rate Adjustments
  - a. Salaried personnel shall be paid on a maximum of 40 hours per week with no overtime. Salaried personnel assigned to multiple projects shall be paid on a pro-rata share of a 40-hour week. Contractor shall provide copies of signed timecards or other verifiable time records showing all assigned projects and the shared calculation.
  - b. The approved direct labor rate ranges stated in Paragraph 5, Direct Labor Rates below shall be in effect for the duration of the Agreement, unless modified at the Airport's sole discretion. Any changes to the direct labor rate ranges must be approved by the Airport and included in a written modification to the Agreement.
  - c. Contractor shall request direct labor rate adjustments in accordance with the following procedures:
    - i. At the written request of Contractor, the Airport may approve an adjustment to the direct labor rates for individual staff who have been actively providing services under the Agreement for a minimum of one (1) year.
    - ii. If approved by the Airport, the annual rate adjustment will be based on the December increase in the Consumer Price Index (CPI) for the preceding twelve (12) months for the San Francisco Bay Area as published by the U.S. Department of Labor, Bureau of Labor Statistics, under the title of: "All Urban Consumers San Francisco-Oakland-Hayward, California." This December-based CPI will be used for optional annual rate adjustments for the entire calendar year.
    - iii. The Airport will analyze requests for rate adjustments to determine if the requested adjustment(s) will cause any individual staff direct labor rates to exceed the approved direct labor rate range for their respective classification. Should any of the new rate(s) exceed the approved direct labor rate range(s), and if the rate adjustment is approved by the Airport, the Airport will modify the Agreement. These new rates will be effective upon certification of the contract modification.
    - iv. If all new rates fall within the approved direct labor rate ranges, the new rates will be effective upon receipt of written approval from the Airport Contract Manager.
  - d. No other adjustments will be allowed unless the adjustment is made to meet the requirements of prevailing or minimum wage legislative mandates.

#### 2. Overhead Rates

a. Contractor and approved first-tier subcontractors shall use the following approved overhead rates:

Contractor	Home Office Overhead Rate	Field Office Overhead Rate
AGS, Inc.	160.00%	145.00%

Approved First-Tier Subcontractors	Home Office Overhead Rate	Field Office Overhead Rate
Abadjis Systems, Ltd. Dba ASLPM	100.18%	100.18%
Chaves and Associates	150.00%	145.00%
Construction Management West, Inc.	54.39%	54.39%
Hill International, Inc.	160.00%	112.68%
InnoActive Group	150.00%	145.00%
MCK Americas, Inc.	120.00%	120.00%
MicroEstimating, Inc.	160.00%	145.00%
RES Engineers, Inc.	160.00%	145.00%
Ross & Baruzzini   CAGE	152.54%	145.00%
Stok, LLC	160.00%	145.00%
WSP USA Inc.	135.47%	135.47%

- b. The field office overhead rate shall be applied to the direct labor rates for staff provided with a workstation at the Airport, furnished with normal office equipment and materials including computers, printers, internet access, and office supplies.
- c. The home office overhead rate shall be applied to the direct labor rates for staff working from Contractor's or subcontractor's offices and not provided with an Airport computer. Use of the home office overhead rate requires prior written authorization from the Airport Contract Manager.
- d. Annual adjustments to the overhead rate may be requested only from firms that have their overhead rate audited independently by a certified public accountant or other government agency and must be accompanied by an updated audited overhead report. The audited overhead report must adhere to Generally Accepted Government Auditing Standards. The Airport reserves the right to approve, deny, or modify any changes in overhead rates during the term of the Agreement. Overhead rates shall not exceed 145% for field offices and 160% for home offices.
  - i. If Contractor or subcontractor cannot provide an audited overhead report, they may submit a Statement of Direct Labor, Fringe Benefits and General Overhead (financial statement) for the previous year. The Airport will evaluate and if the overhead rate contained within is accepted, this rate will be firm for the duration of the Agreement.
  - ii. Small Business Enterprise (SBE) and Local Business Enterprise (LBE) subcontractors may request to use the Airport's SBE/LBE standard overhead rate of 120% for work completed from a home office and 90% for work completed from a field office if the subcontractor does not have relevant cost history data to

use as a basis for overhead and the subcontract value is less than \$1,000,000. If approved, this rate will be firm for the duration of the Agreement.

#### 3. Contractor Fee

- a. A maximum profit rate of 10% may be applied to the sum of the direct labor rates and overhead rates for Services performed by Contractor.
- b. A 2% markup may be applied to first-tier subcontractor invoices.
- c. No markups are allowed on any Other Direct Costs, unless pre-approved in writing by the Airport.

#### 4. Sub-Consultant or Subcontractor Fee

- a. Subcontractors performing the Services may apply a maximum profit rate of 10% to the sum of the direct labor rates and overhead rates for Services performed.
- b. No markups are allowed on lower-tier subcontractors.
- c. No markups are allowed on any Other Direct Costs (all tiers), unless pre-approved in writing by the Airport.

#### 5. Direct Labor Rates

	RANGE OF RATES		
CLASSIFICATION	LOW	HIGH	
Administrative Assistant (First Source)	\$26.23	\$36.72	
Administrative/Clerical	\$31.47	\$41.96	
Airport Special Systems Manager	\$78.68	\$94.41	
Apprentice Step 1	\$32.46	\$32.46	
Apprentice Step 2	\$35.16	\$35.16	
Apprentice Step 3	\$37.86	\$37.86	
Apprentice Step 4	\$40.56	\$40.56	
Apprentice Step 5	\$48.67	\$48.67	
Assistant Construction Manager	\$47.21	\$78.68	
Assistant Design Manager	\$41.96	\$68.19	
Assistant Project Controls Manager	\$41.96	\$68.19	
Assistant Resident Engineer	\$47.21	\$78.68	
Building/Construction Inspector Group 1	\$58.27	\$58.27	
Building/Construction Inspector Group 2	\$56.27	\$56.27	
Building/Construction Inspector Group 3	\$49.09	\$49.09	
Building/Construction Inspector Group 4	\$43.09	\$43.09	
Building Inspector	\$52.45	\$94.41	
CBP/TSA Technical Advisor	\$62.94	\$89.17	
Civil Inspector	\$52.45	\$94.41	
Commissioning Agent	\$52.45	\$78.68	

Commissioning Representative	\$73.43	\$89.17
Construction Manager	\$68.19	\$110.00
Cost Engineer/Estimator	\$36.72	\$83.92
Design Manager	\$62.94	\$110.00
Document Control Manager	\$47.21	\$78.68
Document Control Tech	\$36.72	\$47.21
Document Controls	\$31.47	\$62.94
Electrical Estimator	\$52.45	\$83.92
Electrical Inspector	\$52.45	\$78.68
Field Engineer	\$68.19	\$83.92
Inspector	\$52.45	\$78.68
Journeyman Group 1	\$58.77	\$58.77
Journeyman Group 2	\$56.77	\$56.77
Journeyman Group 3	\$49.56	\$49.56
Journeyman Group 4	\$43.59	\$43.59
Journeyman Group 5	\$35.16	\$35.16
Journeyman Group 6	\$32.46	\$32.46
Laboratory Technician	\$35.00	\$55.00
Materials Testing Inspector	\$36.72	\$52.45
MEP Inspector	\$52.45	\$78.68
MEP Manager	\$62.94	\$88.12
MEP Support	\$62.94	\$88.12
Office Engineer	\$31.47	\$62.94
Program Advisor III	\$85.00	\$120.00
Program Controls Manager	\$90.00	\$140.00
Project Controls	\$60.84	\$76.58
Project Controls Manager	\$52.45	\$110.00
Project Engineer	\$52.45	\$89.17
Project Manager	\$52.45	\$140.00
QA/QC Manager	\$78.68	\$89.17
Resident Engineer	\$68.19	\$99.66
Scheduler	\$47.21	\$83.92
Scheduling Engineer/Estimator	\$47.21	\$73.43
Senior Cost Engineer/Estimator	\$57.70	\$94.41
Senior Engineer	\$62.94	\$73.43
Senior Inspector	\$62.94	\$78.68
Senior Office Engineer	\$47.21	\$62.94
Senior Project Controls Manager	\$85.00	\$105.00
Senior Scheduler	\$68.19	\$94.41
Senior/Lead Scheduling Engineer/Estimator	\$68.19	\$94.41
Senior Special Inspector	\$41.96	\$52.45
SEP Manager	\$62.94	\$94.41
Special Inspector	\$26.23	\$52.45

Special Inspector (ICBO/CWI)	\$58.27	\$58.27
Special Inspector (OSPHD)	\$56.27	\$56.27
Structural Inspector	\$52.45	\$78.68
Sustainability Manager	\$62.94	\$94.41
Unifier Support	\$52.45	\$83.92

- **4. Effective Date.** Each of the changes set forth in this Modification shall be effective on and after the date of this Modification.
- **5. Legal Effect.** Except as expressly changed by this Modification, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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

CITY	CONTRACTOR
AIRPORT COMMISSION	
CITY AND COUNTY OF	
SAN FRANCISCO	
DocuSigned by:	DocuSigned by:
By: lvar (. Satero	Baliram Llamenelipour
Ivar C. Satero, Airport Director	Authorized Signature
	Bahram Khamenehpour, President
	AGS, Inc.
	5 Freelon Street
	San Francisco, California 94107
	City Supplier Number: 0000003436
	Federal Employer ID Number: 68-0010385
Approved as to Form:	
5 11 51	
David Chiu	
City Attorney	
DocuSigned by:	
By: Vanul Edington	
Daniel A. Edington, Deputy City Attorney	
Builter 11. Builtgion, Beputy City 1 Morney	



49 South Van Ness Avenue, Suite 1400 San Francisco, CA 94103 628.652.7600 www.sfplanning.org

## **CEQA Exemption Determination**

#### PROPERTY INFORMATION/PROJECT DESCRIPTION

Proje	ct Address		Block/Lot(s)
SFO:	SFO Interior Arriva	als Level Passenger Processing Improvements	
Case	No.		Permit No.
2025-	005297ENV		
l —	dition/ eration	☐ Demolition (requires HRE for Category B Building)	New Construction
The Comprosers improsers france improsers france improsers from the policy improvement in the Comprosers france i	vements to enhand isco International A roposed interior im	San Francisco, by and through the San Francisco ce passenger arrivals processing at Diane Feinste Airport.  Airport would renovate the arrival level to impary immigration screening area and reconfiguring	in International Terminal (DFIT), San prove processing at the Federal
		etermined to be exempt under the California En	
	under 10,000 sq.	g Facilities. (CEQA Guidelines section 15301) Interior ft.	and exterior alterations; additions
	six dwelling units	onstruction. (CEQA Guidelines section 15303) Up to t in one building; commercial/office structures; utili rincipally permitted or with a CU.	- · · · · · · · · · · · · · · · · · · ·
	additions greater (a) The project is policies as well a (b) The proposed substantially sur (c) The project s (d) Approval of the water quality. (e) The site can	I Development. (CEQA Guidelines section 15332) New rethan 10,000 sq. ft. and meets the conditions descess consistent with the applicable general plan designs with applicable zoning designation and regulated development occurs within city limits on a project rounded by urban uses. ite has no value as habitat for endangered rare or the project would not result in any significant effect be adequately served by all required utilities and project.	cribed below: nation and all applicable general plan ons. et site of no more than 5 acres threatened species. s relating to traffic, noise, air quality, or
	Other Not a Project und	der CEQA (see page 4)	
		Exemption (CEQA Guidelines section 15061(b)	(3)). It can be seen with certainty that

ENVI	RONMENTAL SCREENING ASSESSMENT
Com	ments:
See	page 4.
Plan	ner Signature: Don Lewis
_	
PROI	PERTY STATUS - HISTORIC RESOURCE
PROP	ERTY IS ONE OF THE FOLLOWING:
	Category A: Known Historical Resource.
	Category B: Potential Historical Resource (over 45 years of age).
	Category C: Not a Historical Resource or Not Age Eligible (under 45 years of age).
	POSED WORK CHECKLIST
Check	all that apply to the project.
$\Box$	Change of use and new construction. Tenant improvements not included.
	Regular maintenance or repair to correct or repair deterioration, decay, or damage to building.
ΙпΙ	Garage work. A new opening that meets the Guidelines for Adding Garages and Curb Cuts, or
	replacement of a garage door in an existing opening that meets the Residential Design Guidelines.
igdot	Deck, terrace construction, or fences not visible from any immediately adjacent public right-of-way.
	Mechanical equipment installation that is not visible from any immediately adjacent public right-of-way.
П	Dormer installation that meets the requirements for exemption from public notification under Zoning
	Administrator Bulletin No. 3: Dormer Windows.
	<b>Addition(s)</b> not visible from any immediately adjacent public right-of-way for 150 feet in each direction; or does not extend vertically beyond the floor level of the top story of the structure, or does not
	cause the removal of architectural significant roofing features.
	Façade or storefront alterations that do not remove, alter, or obscure character -defining features.
	Restoration based upon documented evidence of a building's historic condition, such as historic
$oxedsymbol{oxedsymbol{oxedsymbol{eta}}}$	photographs, plans, physical evidence, or similar buildings.
Note:	Project Planner must check box below before proceeding.
	Project is not listed.

Project involves scope of work listed above.

## **ADVANCED HISTORICAL REVIEW**

Check	call that apply to the project.				
	Reclassification of property status. (Attach HRER Part I relevan				
Ш	Reclassify to Category A	Reclassify to Category C			
		Lacks Historic Integrity			
		Lacks Historic Significance			
	Project involves a known historical resource (CEQA Category A	Λ)			
	Project does not substantially impact character-defining features	of a historic resource (see Comments)			
	Project is compatible, yet differentiated, with a historic resource.				
	Project consistent with the Secretary of the Interior Standards for	the Treatment of Historic Properties			
	Note: If ANY box above is checked, a Preservatio	n Planner MUST sign below.			
	<b>Project can proceed with EXEMPTION REVIEW</b> . The project has Preservation Planner and can proceed with exemption review.	s been reviewed by the			
	ents by Preservation Planner:				
Preser	vation Planner Signature:				
EXE	MPTION DETERMINATION				
	No further environmental review is required.				
	Project Approval Action:	Signature:			
	N/A - not a project under CEQA	Don Lewis			
		06/12/2025			
İ					
	Supporting documents are available for review on the San Francisco Property Information Map, which can be accessed at <a href="https://sfplanninggis.org/pim/">https://sfplanninggis.org/pim/</a> . Individual files can be viewed by clicking on the Planning Applications link, clicking the "More Details" link under the project's environmental record number (ENV) and then clicking on the "Related Documents" link.				
	Once signed and dated, this document constitutes an exemption pursua	·			
	the San Francisco Administrative Code. Per chapter 31, an appeal of an Supervisors shall be filed within 30 days after the approval action occurs				
	days after posting on the planning department's website (https://sfplanni	ng.org/resource/ceqa-exemptions) a			
	written decision or written notice of the approval action, if the approval is not made at a noticed public hearing.				

#### **Environmental Screening Comments (Continued)**

The proposed improvements and associated project management support services (PMSS) contracts are defined as "Not a Project" for the following reasons:

- 1) CEQA Guidelines Sections 15378 and 15060 (c)(2). The implementation of interior renovations to improve international passenger arrivals processing are in sterile and secured areas of the arrivals level and would not result in a direct or indirect physical change to the environment; and
- 2) SFEP's Processing Guidance: Not a project under CEQA memo, dated September 18, 2013, bullet point #3, which reads: "Interior renovations of publicly-accessible structures involving no change or expansion of use, where the interior of the structure is not historically significant and/or does not contribute to the building's historic significance;"



#### San Francisco International Airport

#### **MEMORANDUM**

June 16, 2020

TO:

AIRPORT COMMISSION

Hon. Larry Mazzola, President Hon. Eleanor Johns, Vice President Hon. Richard J. Guggenhime Hon. Everett A. Hewlett, Jr.

Hon. Malcolm Yeung

20-0108

JUN 1 6 2020

FROM:

Airport Director

SUBJECT:

Award of Professional Services Contract No. 11365.41, Project Management Support

Services for the International Terminal Building Phase 2 Project

DIRECTOR'S RECOMMENDATION: AWARD PROFESSIONAL SERVICES CONTRACT NO. 11365.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE INTERNATIONAL TERMINAL BUILDING PHASE 2 PROJECT, TO AGS, INC., IN THE NOT-TO-EXCEED CONTRACT AMOUNT OF \$4,880,000 WITH THE CONTRACT DURATION OF 40 MONTHS OF SERVICES.

#### **Executive Summary**

The International Terminal Building Phase 2 Project (Project) will renovate the Arrivals Level of the International Terminal Building to increase passenger processing through improvements to the Federal Inspection Service primary immigration screening area and reconfiguration of Customs and Border Protection support areas.

The Project Management Support Services consultant will provide overall management expertise and oversight of the Project. The scope of work for this Contract will include design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

In light of the COVID-19 crisis and its impact on Airport finances, the Airport has structured its capital program to fund the highest priority projects with the funding available through the last bond issuance, with the intent of extending the implementation of the Ascent Program to allow for conditions to improve in the bond market. Staff confirms that this project is a priority, and this action conforms with the above.

#### Background

On October 1, 2019, by Resolution No. 19-0251, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals (RFQ/RFP) for Project Management Support Services for the Project and to negotiate with the highest-ranked shortlisted proposer. Refer to Attachment A – Summary of Commission Actions for this Contract.

On January 27, 2020, the Airport received six proposals. Two of the proposers were Local Business Enterprise (LBE) firms and two of the proposers were joint ventures with LBE firms. One of the proposers was deemed non-responsive for failing to meet the applicable LBE sub-consulting participation

THIS PRINT COVERS CALENDAR ITEM NO.



AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED LARRY MAZZOLA ELEANOR JOHNS

VICE PRESIDENT

RICHARD J. GUGGENHIME

EVERETT A. HEWLETT, JR. MALCOLM YEUNG

IVAR C SATERO AIRPORT DIRECTOR requirement and the good faith outreach requirement applicable to LBE participation. Proposers certified as LBEs received a bonus of 10% added to their scores and proposers who were joint ventures with LBE firms received a bonus of 7.5% added to their scores, for the purposes of evaluation.

The Airport convened a three-member selection panel, consisting of one Airport Commission employee, one member from the San Francisco Department of Public Works, and one member from the aviation industry, to review and score responsive proposals in accordance with the criteria stated in the RFQ/RFP. On April 22, 2020, the selection panel interviewed the three shortlisted proposers receiving the highest scores, including key personnel, and thoroughly appraised their qualifications.

Based on the results of the evaluation of the technical proposals and oral interviews, the final rankings are as follows:

		Evaluation Score (550 max.)	LBE Rating Bonus	Final Score
1.	AGS, Inc.	489.33	10%	538.27
2.	ITB Refresh 2 Joint Venture	468.67	7.5%	503.82
3.	The Allen Group, LLC/Hollins Consulting, Inc., a Joint Venture	391.67	7.5%	421.04

Staff negotiated the scope of services, Contract terms and conditions, and fee with AGS, Inc. for this Contract. The agreed upon not-to-exceed Contract amount for AGS, Inc. will be \$4,880,000 with a Contract duration of 40 months.

Staff will periodically review and adjust the staffing provided by this Contract based on the dynamic needs of the Project. Staff will report to the Commission bi-annually on the performance of the consultant team through off-calendar memoranda. Staff will evaluate performance based on retention of key personnel and the proficiency of the team to perform the required tasks.

The City's Contract Monitoring Division (CMD) reviewed the RFQ/RFP documentation, proposals, and scoring, and determined that the selection process was in compliance with the requirements of San Francisco Administrative Code Chapter 14B. CMD approved an LBE sub-consulting participation requirement of 18% for this Contract. AGS, Inc. has committed to achieving 18% LBE sub-consultant participation.

#### Recommendation

I recommend the Commission award Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project, to AGS, Inc., in the not-to-exceed Contract amount of \$4,880,000 with a Contract duration of 40 months of services.

Airport Director

Prepared by: Geoffrey W. Neumayr
Chief Development Officer
Planning, Design & Construction

Satero

## **ATTACHMENT A**

## **SUMMARY OF COMMISSION ACTIONS**

June 16, 2020

Contract No.: 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project

Consultant: AGS, Inc.

**Award of Contract** 

Date	Modification No.	Resolution No.	Description	Scope	Amount
10/1/2019	-	19-0251		Authorization to Issue Request for Qualifications/Request for Proposals	\$0
			·		

**Authorized Contract Amount to Date** 

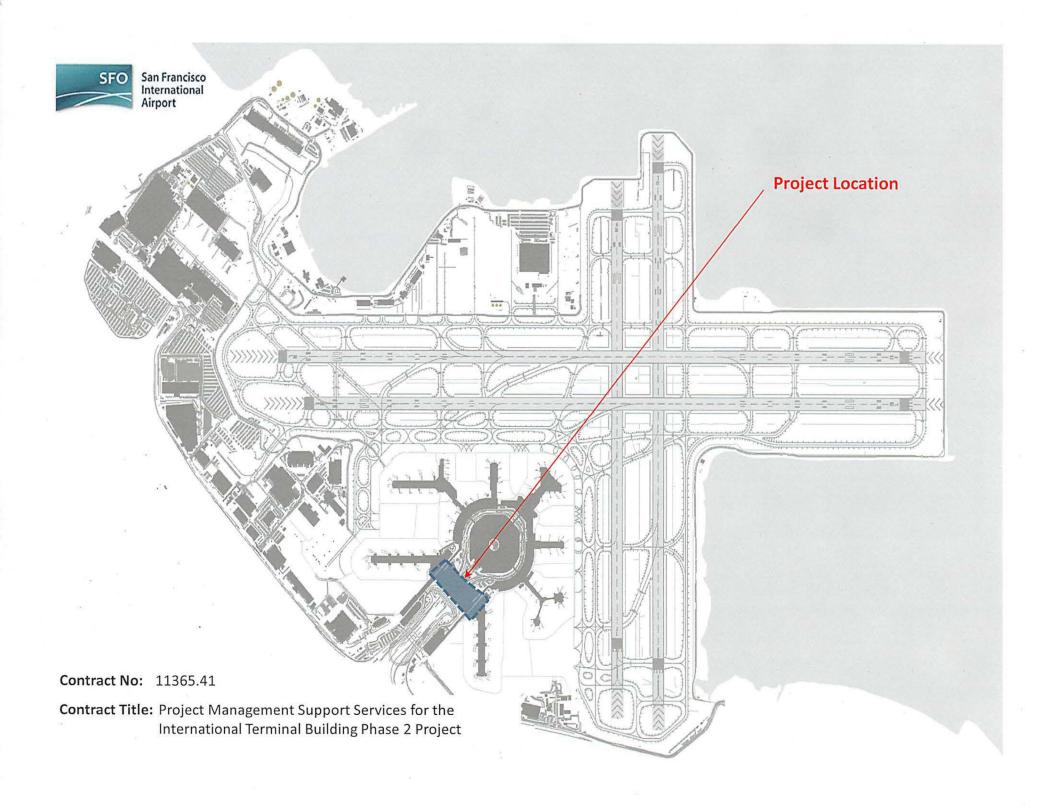
\$0

**Award of Contract** 

\$4,880,000

**Proposed Contract Amount** 

\$4,880,000



#### AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO RESOLUTION NO. 20-0108

AWARD OF PROFESSIONAL SERVICES CONTRACT NO. 11365.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE INTERNATIONAL TERMINAL BUILDING PHASE 2 PROJECT, TO AGS, INC., IN THE NOT-TO-EXCEED CONTRACT AMOUNT OF \$4,880,000 WITH THE CONTRACT DURATION OF 40 MONTHS OF SERVICES

- WHEREAS, the International Terminal Building Phase 2 Project (Project) will renovate the Arrivals Level of the International Terminal Building to increase passenger processing through improvements to the Federal Inspection Service primary immigration screening area and reconfiguration of Customs and Border Protection support areas; and
- WHEREAS, the Project Management Support Services consultant will provide overall management expertise and oversight of the Project including design and construction management services, project controls, contract administration, cost estimating services, and field inspections; and
- WHEREAS, on October 1, 2019, by Resolution No. 19-0251, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals for Project Management Support Services for this Project and to negotiate with the highestranked shortlisted proposer; and
- WHEREAS, on January 27, 2020, the Airport received six proposals; and
- WHEREAS, the Airport convened a three-member selection panel that thoroughly reviewed responsive proposals, interviewed the shortlisted proposers and key personnel, and determined that AGS, Inc. is the highest-ranked proposer; and
- WHEREAS, Staff negotiated with AGS, Inc. the scope of services, Contract terms and conditions, not-to-exceed Contract amount of \$4,880,000, and Contract duration of 40 months of services; and
- WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise (LBE) sub-consulting participation requirement of 18% for this Contract and AGS, Inc. has committed to achieving 18% LBE sub-consultant participation; now, therefore, be it
- RESOLVED, that the Commission hereby awards Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project, to AGS, Inc., in the not-to-exceed Contract amount of \$4,880,000 with a Contract duration of 40 months of services.

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

at its meeting of

JUN 1 6 2020

at its meeting of



#### San Francisco International Airport

#### **MEMORANDUM**

September 5, 2023

TO:

AIRPORT COMMISSION

Hon. Malcolm Yeung, President

Hon. Everett A. Hewlett, Jr., Vice President

Hon. Jane Natoli

Hon, Jose F. Almanza

CED

5 2023

23-0221

FROM:

Airport Director

SUBJECT:

Approval of Modification No. 1 to Professional Services Contract No. 11365.41,

Project Management Support Services for the International Terminal Building

Phase 2 Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 11365.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE INTERNATIONAL TERMINAL BUILDING PHASE 2 PROJECT, WITH AGS, INC., TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$4,770,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$9,650,000 AND TO EXTEND THE CONTRACT DURATION FOR AN ADDITIONAL 954 CONSECUTIVE CALENDAR DAYS.

#### **Executive Summary**

The International Terminal Building (ITB) Phase 2 Project (Project) will renovate the Arrivals Level of the ITB to increase passenger processing through improvements to the Federal Inspection Services primary immigration screening and reconfigure the Customs and Border Protection (CBP) support areas.

In October 2020, the Airport suspended most of the original ITB Phase 2 scope of work due to the COVID-19 pandemic's impact on Airport finances. On-going work included the Arrivals Level Federal Inspection Services portal and door vestibules renovation. The Airport ended the suspension, and work resumed on January 30, 2023.

The Project Management Support Services (PMSS) consultant provides overall management expertise and oversight of the Project. The scope of work for the Contract includes design and construction management services, project controls, contract administration, cost estimating services, and field inspection.

Modification No. 1 would increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and extend the Contract duration for an additional 954 consecutive calendar days.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO THIS PRINT COVERS CALENDAR ITEM NO.

LONDON N. BREED

MALCOLM YEUNG
PRESIDENT

EVERETT A. HEWLETT, JR. VICE PRESIDENT JANE NATOLI

JOSE F. ALMANZA

IVAR C. SATERO
AIRPORT DIRECTOR

#### Background

On October 1, 2019, by Resolution No. 19-0251, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals for PMSS for the Project. Refer to Attachment A – Summary of Commission Actions for the Contract.

On June 16, 2020, by Resolution No. 20-0108, the Commission awarded the Contract to AGS, Inc., in an amount not to exceed \$4,880,000 for 1,218 days of services.

Modification No. 1 would increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and extend the Contract duration for an additional 954 consecutive calendar days of services for a total duration of 2,172 days. This will account for the suspension of work following the onset of the COVID-19 pandemic, as well as the updated project phasing approach that aligns with operational constraints to complete the Project. Staff and AGS, Inc. have agreed on scope, staffing, and fees.

The current budget for the Contract is \$9,650,000, with an anticipated total duration of 2,172 calendar days. The Contract is funded from the Ascent Program – Phase 1 under the Airport's Capital Improvement Plan.

Staff will review and adjust staffing provided by this Contract based on the dynamic needs of the Project. Staff will evaluate performance based on the retention of key personnel and the proficiency of the team to perform the required tasks. The Airport will report to the Commission on the performance of the Consultant through off-calendar memoranda.

The City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 18% for the Contract. AGS, Inc. has committed to meeting this requirement.

#### Recommendation

I recommend the Commission approve Modification No. 1 to Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project, to AGS, Inc., to increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and to extend the Contract duration to a total of 2,172 consecutive calendar days.

Prepared by: Judi Mosqueda

Ivar C. Satero Airport Director

Chief Development Officer Design & Construction

Attachments

## **ATTACHMENT A**

## SUMMARY OF COMMISSION ACTIONS

September 5, 2023

Contract No.: 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project

Consultant: AGS, Inc.

Modification No. 1

Date	Modification No.	Resolution No.	Description	Scope	Amount
10/1/2019	-	19-0251	Issue RFQ/RFP	Authorization to Issue Request for Qualifications/Request for Proposals	\$0
6/16/2020	-	20-0108	Award of Contract	Project Management Support Services	\$4,880,000
				-	

**Authorized Contract Not-To-Exceed Amount to Date** 

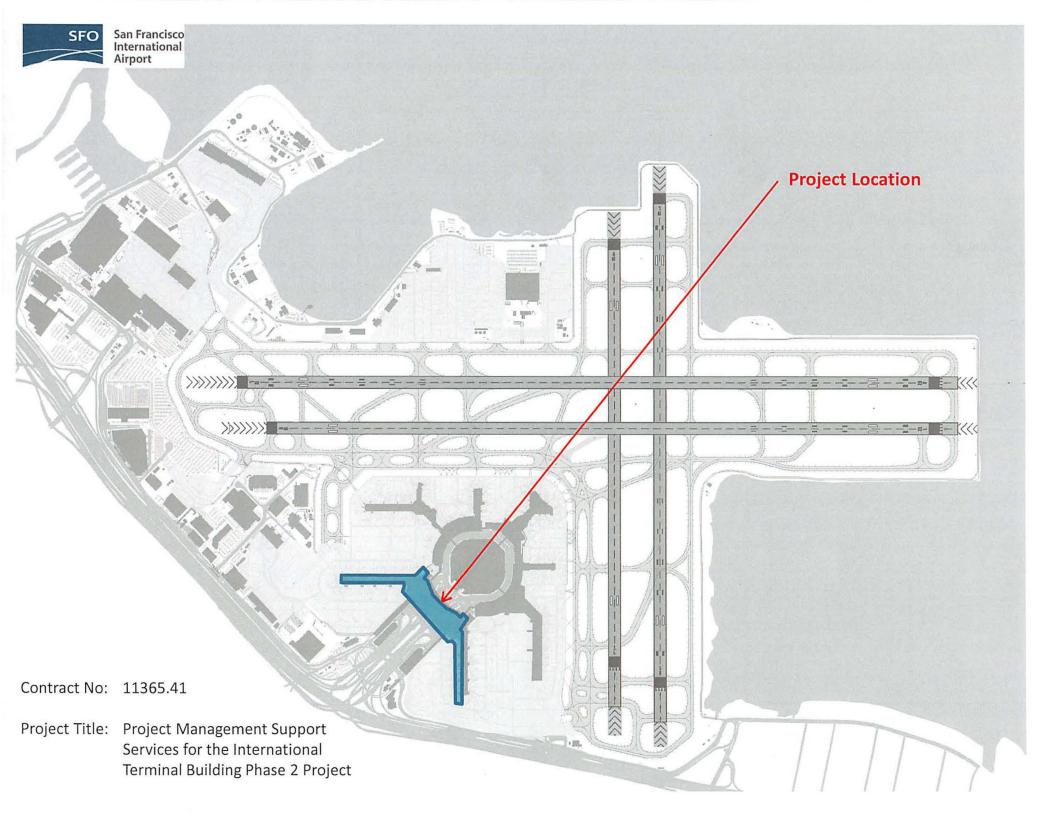
\$4,880,000

Proposed Contract Modification No. 1 Amount

\$4,770,000

**Proposed Modified Contract Not-To-Exceed Amount** 

\$9,650,000



#### AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO RESOLUTION NO. 23-0221

APPROVAL OF MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 11365.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE INTERNATIONAL TERMINAL BUILDING PHASE 2 PROJECT, TO AGS, INC., TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$4,770,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$9,650,000 AND TO EXTEND THE CONTRACT FOR AN ADDITIONAL 954 CONSECUTIVE CALENDAR DAYS

- WHEREAS, the International Terminal Building (ITB) Phase 2 Project (Project) will renovate the Arrivals Level of the ITB to increase passenger processing through improvements to the Federal Inspection Services primary immigration screening area and reconfiguration of Customs and Border Protection support areas; and
- WHEREAS, the Project Management Support Services consultant will provide overall management expertise and oversight of the Project including design and construction management services, project controls, contract administration, cost estimating services, and field inspections; and
- WHEREAS, on October 1, 2019, by Resolution No. 19-0251, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals for Project Management Support Services for this Project and to negotiate with the highestranked shortlisted proposer; and
- WHEREAS. on July 16, 2020, by Resolution No. 20-0108, the Commission awarded the Contract to AGS, Inc. in the initial Contract amount of \$4,880,000 with an initial Contract duration of 1,218 consecutive calendar days; and
- WHEREAS, Modification No. 1 would increase the Contract not-to-exceed amount by \$4,770,000 and extend the Contract duration for an additional 954 consecutive calendar days of services to account for the suspension of work following the onset of the COVID-19 pandemic, as well as the updated project phasing approach; and
- WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise (LBE) sub-consulting participation requirement of 18% for this Contract, and AGS, Inc. has committed to meeting this requirement; now, therefore, be it
- RESOLVED, that the Commission hereby approves Modification No. 1 to Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project, to AGS, Inc., to increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and to extend the Contract duration to a total of 2,172 consecutive calendar days.

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

at its meeting of\_\_\_\_\_

5 2023



\$5-0100

JUL 1 2025

## MEMORANDUM July 1, 2025

TO:

AIRPORT COMMISSION

Hon. Malcolm Yeung, President

Hon. Jane Natoli, Vice President

Hon. Jose F. Almanza

Hon, Mark Buell Hon. Susan Leal

FROM:

Airport Director

SUBJECT:

Approval of Modification No. 5 to Professional Services Contract

No. 11365.41, Project Management Support Services for the International

Terminal Building Phase 2 Project

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 5 TO PROFESSIONAL SERVICES CONTRACT NO. 11365.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE INTERNATIONAL TERMINAL BUILDING PHASE 2 PROJECT, WITH AGS, INC. TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$2,850,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$12,500,000 AND TO EXTEND THE CONTRACT FOR AN ADDITIONAL 187 CONSECUTIVE CALENDAR DAYS.

## **Executive Summary**

The International Terminal Building (ITB) Phase 2 Project (Project) will renovate the Arrivals Level of the ITB to increase passenger processing through improvements to the Federal Inspection Services primary immigration screening and reconfigure the Customs and Border Protection (CBP) support areas.

The Project Management Support Services (PMSS) consultant provides overall management expertise and oversight of the Project. The scope of work for the Contract includes design and construction management services, project controls, contract administration, cost estimating services, and field inspections.

Modification No. 5 would increase the Contract not-to-exceed amount by \$2,850,000 for a new Contract amount not to exceed \$12,500,000 and extend the Contract duration for an additional 187 consecutive calendar days.

#### Background

On October 1, 2019, by Resolution No. 19-0251, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals for PMSS for the Project. Refer to Attachment A – Summary of Commission Actions for the Contract.

THIS PRINT COVERS CALENDAR ITEM NO.



On June 16, 2020, by Resolution No. 20-0108, the Commission awarded the Contract to AGS, Inc., in an amount not to exceed \$4,880,000 for 1,218 days of services.

In October 2020, the Airport suspended most of the original ITB Phase 2 scope of work due to the COVID-19 pandemic's impact on Airport finances. On-going work included the Arrivals Level Federal Inspection Services portal and door vestibules renovation. The Airport ended the suspension, and work resumed on January 30, 2023.

On September 5, 2023, by Resolution No. 23-0221, the Commission approved Modification No. 1 to increase the Contract not-to-exceed amount by \$4,770,000 for a new Contract amount not to exceed \$9,650,000 and extend the Contract duration for an additional 954 consecutive calendar days of services for a total duration of 2,172 days. This accounted for the suspension of work following the onset of the COVID-19 pandemic.

Modification Nos. 2 through 4 were administrative modifications to update contractual provisions, approve changes to subconsultants, and modify labor and overhead rates with no change to the Contract amount or duration.

Modification No. 5 would increase the Contract not-to-exceed amount by \$2,850,000 for a new Contract amount not to exceed \$12,500,000 and extend the Contract duration for an additional 187 consecutive calendar days. Final completion of the Project is anticipated to be achieved in June 2026.

In 2023, when the Project suspension was lifted, Staff estimated the total Contract amount would not exceed \$9,650,000 with a total Contract duration of 2,172 consecutive calendar days. Staff now seeks to increase the Contract amount and duration to accommodate the resources and duration necessary to align with completion of the construction contract. The additional Contract amount fits within the overall Project budget. Staff and AGS, Inc. have agreed on scope, staffing, and fees for the remaining services.

The current budget for the Contract is \$12,500,000. The Contract is funded by the Ascent Program Phase 1.5 under the Airport's Capital Improvement Plan.

Because the Contract will exceed \$10,000,000 with this modification, pending Commission authorization, the Airport will seek the Board of Supervisors' approval as required by the San Francisco Charter Section 9.118(b) for this modification.

Staff will periodically review and adjust the staffing provided by the Contract based on the dynamic needs of the Project. Staff will report to the Commission periodically on the performance of the consultant team through off-calendar Memoranda. Staff will evaluate performance based on the retention of key personnel and the proficiency of the team to perform the required tasks.

The City's Contract Monitoring Division approved a Local Business Enterprise subconsulting participation requirement of 18% for the Contract. AGS, Inc. has committed to meeting this requirement.

#### Recommendation

I recommend the Commission approve Modification No. 5 to Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project, with AGS, Inc. to increase the Contract not-to-exceed amount by \$2,850,000 for a new Contract amount not to exceed \$12,500,000 and to extend the Contract duration to a total of 2,359 consecutive calendar days.

I also recommend that the Commission direct the Director of Commission Affairs to seek the Board of Supervisors' approval of Modification No. 5 consistent with San Francisco Charter Section 9.118(b).

Sincerely,

Mike Nakornkhet Airport Director

Prepared by: Judi Mosqueda

Chief Development Officer Design & Construction

Attachments

#### **ATTACHMENT A**

## **SUMMARY OF COMMISSION ACTIONS**

July 1, 2025

Contract No.: 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project

Consultant: AGS, Inc.

Modification No. 5

Date	Modification No.	Resolution No.	Description	Scope	Amount
10/1/2019	-	19-0251	Issue RFQ/RFP	Authorization to Issue Request for Qualifications/Request for Proposals	\$0
6/16/2020	-	20-0108	Award of Contract	Project Management Support Services	\$4,880,000
9/5/2023	1	23-0221	Contract Increase and Extension	Extension of Contract capacity & duration after unsuspension of base scope	\$4,770,000
4/1/2024	2	-	Administrative Modification	Update of Contract Agreement and approved sub-consultants	\$0
6/1/2024	3	-	Administrative Modification	Update of Labor Rates	\$0
10/1/2024	4	-	Administrative Modification	Update of Overhead Rates	. \$0

**Authorized Contract Not-To-Exceed Amount to Date** 

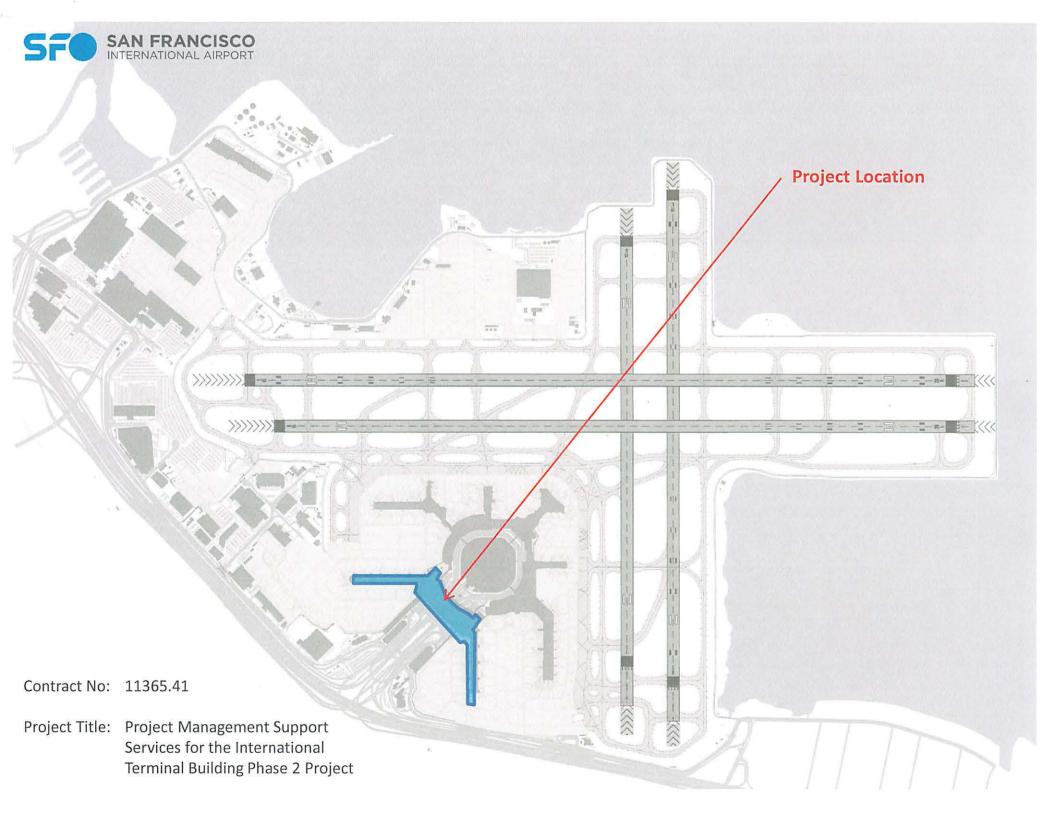
\$9,650,000

Proposed Contract Modification No. 5 Amount

\$2,850,000

**Proposed Modified Contract Not-To-Exceed Amount** 

\$12,500,000



#### AIRPORT COMMISSION

# CITY AND COUNTY OF SAN FRANCISCO RESOLUTION NO. $\frac{1}{8}5 - 0100$

APPROVAL OF MODIFICATION NO. 5 TO PROFESSIONAL SERVICES CONTRACT NO. 11365.41, PROJECT MANAGEMENT SUPPORT SERVICES FOR THE INTERNATIONAL TERMINAL BUILDING PHASE 2 PROJECT, WITH AGS, INC. TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$2,850,000 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$12,500,000 AND TO EXTEND THE CONTRACT FOR AN ADDITIONAL 187 CONSECUTIVE CALENDAR DAYS

- WHEREAS, the International Terminal Building (ITB) Phase 2 Project (Project) will renovate the Arrivals Level of the ITB to increase passenger processing through improvements to the Federal Inspection Services primary immigration screening area and reconfiguration of Customs and Border Protection support areas; and
- WHEREAS, the Project Management Support Services (PMSS) consultant will provide overall management expertise and oversight of the Project including design and construction management services, project controls, contract administration, cost estimating services, and field inspections; and
- WHEREAS, on October 1, 2019, by Resolution No. 19-0251, the Commission authorized the Director to issue a Request for Qualifications/Request for Proposals for PMSS for this Project and to negotiate with the highest-ranked shortlisted proposer; and
- WHEREAS, on June 16, 2020, by Resolution No. 20-0108, the Commission awarded the Contract to AGS, Inc. in the initial Contract amount of \$4,880,000 with an initial Contract duration of 1,218 consecutive calendar days; and
- WHEREAS, on September 5, 2023, by Resolution No. 23-0221, the Commission approved Modification No. 1 to the Contract to increase the Contract not-to-exceed amount by \$4,770,000 and extend the Contract duration for an additional 954 consecutive calendar days of services to account for the suspension of work following the onset of the COVID-19 pandemic, as well as the updated Project phasing approach; and
- WHEREAS, the Director executed administrative Modification Nos. 2 through 4 to update contractual provisions, approve changes to subconsultants, and modify labor and overhead rates with no change to the Contract amount or duration; and

#### AIRPORT COMMISSION

RESOLUTION NO. \$5-0100

- WHEREAS, Modification No. 5 would increase the Contract not-to-exceed amount by \$2,850,000 for a new Contract amount not to exceed \$12,500,000 and extend the Contract duration for an additional 187 consecutive calendar days to align with completion of Project's construction contract; and
- WHEREAS, the City's Contract Monitoring Division approved a Local Business Enterprise sub-consulting participation requirement of 18% for the Contract. AGS, Inc. has committed to meeting this requirement; now, therefore, be it
- RESOLVED, that the Commission hereby approves Modification No. 5 to Professional Services Contract No. 11365.41, Project Management Support Services for the International Terminal Building Phase 2 Project, with AGS, Inc. to increase the Contract not-to-exceed amount by \$2,850,000 for a new Contract amount not to exceed \$12,500,000 and to extend the Contract duration for an additional 187 consecutive calendar days; and, be it further
- RESOLVED, that the Commission hereby directs the Director of Commission Affairs to seek the Board of Supervisors' approval of Modification No. 5 to the Contract consistent with San Francisco Charter Section 9.118(b).

Page 2 of 2

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

at its meeting of\_\_

JUL 1 2025

Secretary



#### San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102 Phone: 415.252.3100 . Fax: 415.252.3112 ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 250773

1

Bid/RFP #:

## **Notification of Contract Approval**

SFEC Form 126(f)4 (S.F. Campaign and Governmental Conduct Code § 1.126(f)4) A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: https://sfethics.org/compliance/cityofficers/contract-approval-city-officers

1. FILING INFORMATION	
TYPE OF FILING	DATE OF ORIGINAL FILING (for amendment only)
	40
Original	0,,
AMENDMENT DESCRIPTION – Explain reason for amendment	10
	<b>1</b>
	X

2. CITY ELECTIVE OFFICE OR BOARD		
OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER	
Board of Supervisors	Members	

3. FILER'S CONTACT	
NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
Office of the Clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT			
NAME OF DEPARTMENTAL CONTACT		DEPARTMENT CONTACT TELEPHONE NUMBER	
Cathy Widener		650-821-5184	
FULL DEPARTMENT NAME		DEPARTMENT CONTACT EMAIL	
AIR	San Francisco International Airport	Cathy.Widener@flysfo.com	

5. CONTRACTOR			
NAME OF CONTRACTOR		TELEPHONE N	IUMBER
AGS, Inc		415-777-	2166
STREET ADDRESS (including City, State and Zip Code)		EMAIL	
5 Freelon Street, San Francisco, CA 94107		bahram.k	hamenehpour@agsinc.com
6. CONTRACT			
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/	RFP NUMBER	<b>FILE NUMBER (</b> If applicable) 250773
DESCRIPTION OF AMOUNT OF CONTRACT			
Not-to-exceed \$12,500,000			
NATURE OF THE CONTRACT (Please describe)			
The contractor provides project management supp Building Phase 2 for the San Francisco Internat PMSS services involve project coordination, sch peer review, and supervision of the Project's D Airport Project Manager. Additionally, the PMSS the entire International Terminal Building, inc between adjacent programs, providing program-le support, and overseeing program-level activitie	ional Airpo eduling, co esign-Build scope enco luding coor vel reporti	rt ("Airpo st estimat <sup>:</sup> er under tl mpasses pro dinating so	rt). The contractor's ion, project controls, he guidance of the ogram-wide support for chedules and logistics
7. COMMENTS			
8. CONTRACT APPROVAL			
This contract was approved by:			
THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM			

THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES

Board of Supervisors

#### 9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

cont	contract.				
#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	ТҮРЕ		
1	Khamenehpour	Bahram	Board of Directors		
2	Wong	Chi Pin	Board of Directors		
3	Wong	Robert	Board of Directors		
4	Wong	Dennis	Board of Directors		
5	Prime Flight Aviation Se	9	Subcontractor		
6	Chaves & Associates	7.0.	Subcontractor		
7	CM West, Inc.	30	Subcontractor		
8	MCK Americas Inc		Subcontractor		
9	Micro Estimating, Inc.		Subcontractor		
10	RES Engineers, Inc.		Subcontractor		
11	Stok LLC		Subcontractor		
12	WSP USA, Inc		Subcontractor		
13	Cage Inc.		Subcontractor		
14	Hill International		Subcontractor		
15	Abadjis Systems		Subcontractor		
16	Hallmark Aviation Services		Subcontractor		
17					
18					
19					

#### 9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

COIT	contract.				
#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	ТУРЕ		
20	6				
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22	(				
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38					

## 9. AFFILIATES AND SUBCONTRACTORS List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract. LAST NAME/ENTITY/SUBCONTRACTOR **FIRST NAME** TYPE 39 40 41 42 43 44 45 46 47 48 49 50 Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.

10. VERIFICATION	
I have used all reasonable diligence in preparing this statement knowledge the information I have provided here is true and cor I certify under penalty of perjury under the laws of the State of	mplete.
recently under penalty of perjury under the laws of the State of	camornia that the foregoing is true and correct.
SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK	DATE SIGNED
BOS Clerk of the Board	



July 17, 2025

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

Subject: Contract Modification No. 5 – AGS, Inc. – Project Management Support Services for the International Terminal Building Phase 2 Project—Not to Exceed \$12,500,000

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding for the Board of Supervisors' approval a contract between the City and County of San Francisco, by and through its Airport Commission ("Commission") and AGS, Inc., for Project Management Support Services.

The Commission awarded this contract to AGS, Inc., by Resolution 20-0108 on June 16, 2020. On September 5, 2023, by Resolution No. 23-0108, the Airport Commission approved Modification No. 1 to the contract, increasing the contract not-to-exceed amount to \$9,650,000 and extending the term of the Agreement through June 27, 2026.

Modifications Nos. 2, 3, and 4 were administrative in nature and executed by the Airport Director.

By Resolution 25-0100, dated July 1, 2025, the Commission approved Modification No. 5 to this contract, authorizing a new contract not to exceed the amount of \$12,500,000 and extending the Contract term to December 31, 2026.

One (1) set of the following documents is enclosed for review:

- Proposed Board of Supervisors Resolution;
- Adopted Airport Commission Resolution No. 20-0108;
- Memorandum recommending Resolution No. 20-0108;
- Adopted Airport Commission Resolution No. 23-0221;
- Memorandum recommending Resolution No. 23-0221;
- Adopted Airport Commission Resolution No. 25-0100;
- Memorandum recommending Resolution No. 25-0100;
- San Francisco Planning Department's determination of "not a project" under CEQA Guidelines Sections 15378 and 15060(c)(2);
- Form SFEC-126 for the Board of Supervisors;
- Copy of Airport Contract No. 11365.41 with AGS, Inc.
- Certified Modification No. 1;
- Certified Modification No. 2;
- Certified Modification No. 3:
- Certified Modification No. 4; and
- Modification No. 5 (partially executed)

Please contact Dyanna Volek, Airport Governmental Affairs Manager, at (650) 821-4005 if you have questions or concerns.

Angela Cavillo, Clerk of the Board
July 21, 2025
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Very truly yours,

Kantrice Ogletree /s/

Kantrice Ogletree Director of Commission Affairs

#### Enclosures

cc:

Dyanna Volek Cathy Widener Claudia Luquin Rick Thall

Victor M. Madrigal Jr.