

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

Modification No. 1

THIS MODIFICATION (this "Modification") is made as of April 3, 2018, in San Francisco, California, by and between **Hallmark Aviation Services, L.P.** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission, hereinafter referred to as "**Commission.**"

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. The City has approved the contracting-out of the services under the Agreement upon the certification of the Controller that the services can be performed by a contractor at a lower cost than by City employees at current salary and benefit levels, see Board of Supervisors Resolution No. 307-16, adopted July 19, 2016; and
- C. On October 18, 2016, by Resolution No. 16-0265, the Commission awarded the Agreement to the Contractor for a term of 18 months and a not-to-exceed amount of \$11,550,000; and
- D. On December 13, 2016, by Resolution No. 533-16, the Board of Supervisors approved the Agreement under San Francisco Charter Section 9.118; and
- E. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the performance period, increase the contract amount, modify the scope of services and calculation of charges, and update standard contractual clauses; and
- F. On April 3, 2018, by Resolution No. 18-0096, the Commission exercised the first of three two-year options to extend and approved this Modification, extending the term of the Agreement by two years, increasing the total contract not-to-exceed amount to \$27,353,224 and modifying the Scope of Work and Calculation of Charges; and
- G. On _____, by Resolution No. _____, the Board of Supervisors approved the Modification under San Francisco Charter Section 9.118; and
- H. City has approved the contracting-out of the services under this Agreement upon the certification of the Controller that the services can be performed by a contractor at a lower cost than by City employees at current salary and benefit levels, see Board of Supervisors Resolution No. 307-16, adopted July 19, 2016; and
- I. The Local Business Entity ("LBE") subcontracting participation requirement for this Agreement is 5 %.

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

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

1.1. Agreement. The term "Agreement" shall mean the Agreement dated October 19, 2016 between Contractor and City.

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

2. Section 2. Term of the Agreement is hereby amended to extend the term of the contract for two years for a new ending date of June 30, 2020.

3. Section 5. Compensation is hereby amended to increase the total compensation payable by an amount not to exceed \$15,803,224 for a new total not to exceed amount of \$27,353,224.

4. New Section 11.19 Airport Commission Rules and Regulations is hereby added to the Agreement as follows:

11.19 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: <http://www.flysfo.com/about-sfo/the-organization/rules-and-regulations>.

5. New Section 11.20 Federal Fair Labor Standards Act is hereby added to the Agreement as follows:

11.20 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.

6. New Section 11.21 Occupational Safety and Health Act of 1970 is hereby added to the Agreement as follows:

11.21 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.

7. New Section 11.22 Federal Nondiscrimination Requirements is hereby added to the Agreement as follows:

11.22 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:

11.22.1 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.

11.22.2 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.

11.22.3 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.

11.22.4 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.

11.22.5 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:

11.22.5.1 Withholding payments to the contractor under the contract until the contractor complies; and/or

11.22.5.2 Cancelling, terminating, or suspending a contract, in whole or in part.

11.22.6 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.

11.22.7 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);
- 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.*).

8. Section B.2 “Services to be Performed” of Appendix A is deleted and replaced in its entirety as follows:

2. *Services to be Performed:*

- a) Provide trained staff who are articulate, courteous, and welcoming during FIS operational hours. Typically, the FIS operational hours are 6:00 am – 1:30 am on Boarding Area ‘G’ and 7:30 am – 10:30 pm on Boarding Area ‘A’; however, these times could vary, with or without advance notice, due to airline schedule changes or delays.



- b) Provide a staffing plan based on airline flights schedules. Additional staff will be required at peak times, but as a minimum per boarding area during FIS operational hours, the Ambassadors shall be staffed at the following locations:
- One Ambassador inside the sterile corridor of each boarding area to welcome and provide way finding assistance.
 - Two Ambassadors to direct passengers at the entrance of the passport processing area to provide way finding assistance.
 - One Ambassador to manage the stanchion layout and queuing lanes.
 - Two Ambassadors to assist with kiosk operations.
 - One Ambassador at the kiosk area exits to review the kiosk receipts and provide directional assistance.
 - One Ambassador in the baggage carousel area to provide way finding assistance.
- c) Respond to requests for interpretive services.
- d) Staff will assist incoming guests with completing entry requirements on SFO's APC kiosks as follows:
- When requested by a passenger or in apparent need, the SFO Arrival Ambassador will provide assistance on the kiosks functions such as choosing the appropriate language, beginning the transaction, properly placing the passport or permanent resident card into the scanner, or positioning of the fingers for fingerprint scanning.
 - Assisting with kiosk photo functionality such as requests for passenger to remove hats, glasses, etc.; positioning the customer and/or camera to obtain a valid photo.
 - Reviewing the transaction receipt and providing directional assistance to the appropriate queue.
- e) Upon request from Customs staff, escort arriving customers from primary immigration desks to secondary interview office.
- f) Staff exit lanes from Immigration and provide wayfinding assistance to customers.
- g) The following additional services are to be provided:
- APC kiosk basic maintenance support including cleanliness of the exterior of the kiosk, reloading of paper stock, clearing printer jams, periodic cleaning of the fingerprint scanners and, when necessary, escalating issues to the Airport's Help-Desk for additional repairs.
 - Offer initial greeting and queue assistance in the arrivals hallway.
 - Offer secondary greeting and queue separation, including guidance to Global Entry, APC, Mobile Passport Control, Airline Crew, Visitor, U.S. Citizen/Permanent Resident, Diplomat, New Immigrant and other lines for passport processing.
 - Manage queuing process and stanchions for all lines.
 - Dispatch customers to available kiosks.
 - Offer personalized assistance at kiosks.
 - Staff the triage area and guide customers accordingly.
 - When appropriate, move customers between queuing areas to maximize efficiency and reduce line wait time.
 - Staff baggage areas and offer additional information and guidance to customers.

- Other duties as assigned and required such as escorting VIP arrivals, medical emergencies, participating in emergency drills and exercises, etc.
- h) Staff will manage all queuing functions to encourage efficient flow and minimize wait times including ensuring customers are in the proper line for processing, opening and closing stanchion lanes, escorting priority passengers and generally ensuring that all arriving passengers are moving and queued correctly per CBP policies and processes.
- i) Staff will ensure that passengers' documents are in order to the extent possible.
- j) Staff will employ their language skills to assist customers in need, respond to their concerns, or respond to Custom's request for foreign language assistance in processing areas. (See Appendix D)
- k) Staff will provide basic kiosk maintenance support, including keeping machines clean and stocked to ensure continuous operations, and notifying Airport Help-Desk of any maintenance issues.
- l) Manage delivery of customs supplies and materials including APC kiosk supplies, writing instruments and Customs and Immigration forms. (see Appendix F)
- m) SFO Arrivals Ambassadors are prohibited from engaging in law enforcement actions and answering questions related to CBP's law enforcement policies.

9. **Section D.5 "Performance Measures" of Appendix A** is deleted and replaced in its entirety as follows:

5. *Performance Measures*

The San Francisco International Airport (SFO) strives to offer all guests exceptional service. Services are offered at moments where customers are in need of information, assistance, or special consideration. In order to appropriately represent SFO and provide exceptional service, specific performance criteria, measurements, and standards have been established and must be met.

The Airport Director or designee will perform unannounced spot checks and a quarterly review of the Contractor's performance based on the following criteria:

Performance Criteria:

- Staffing
- Reporting – Transit Sales
- Reporting – Desk Activity
- Roster & Turnover
- Reporting – Lost & Found
- Complaints
- Complaint Response
- Language Requirement
- Report – Language Activity
- Uniforms



Performance Measurements:

A number-grading method will be used to measure Contractor's performance to determine if the Contractor is meeting expectations. Every quarter, the Contractor will begin with a maximum score of 100 points. In an event of performance deficiencies from any of the performance criteria, point(s) will be deducted per the performance standards measures as follows:

- '5' Outstanding = 0 Point Deduction
- '4' Very Good = 1 Point Deduction
- '3' Satisfactory = 2 Point Deduction
- '2' Poor = 3 Point Deduction
- '1' Unacceptable = 4 Point Deduction

After each performance criteria has been rated and final score has been determined, the final score will be categorized according to the following scale:

- 100 – 90 Excellent
- 89 – 85 Very Good
- 84 – 80 Satisfactory
- 79 – 75 Poor
- Below 75 - Unacceptable

The Contractor should strive to maintain an average score of at least '80' for the duration of the contract. The Contractor must submit an improvement plan to the Airport for any Performance Criteria that is rated '2' or under based on the standards described below. The improvement plan is due 30 days after the rating is communicated to the Contractor.

Performance Standards:

- a) Staffing. Contractor must staff all duty locations during the designated service hours. Staffing a location 10 minutes or more after designated start time, or closing 10 minutes or more before the designated closing time, ten (10) times or more per quarter constitutes poor performance and will result in a score of '2.' Failing to staff a location more than five (5) times in a quarter will result in a score of '1.'
- b) Reporting - Transit Sales. Contractor will provide a quarterly report of transit sales electronically. Accurate reports submitted on time will be scored a '5'. Failure to provide complete and accurate reports by the deadline shall result in a point deduction for each seven-day delay beginning with a score of '2'.
- c) Reporting – Desk Activity. Contractor will provide a monthly report of desk activity electronically. Contractor will advise on what the earliest reporting date is, and report on that date each month. Accurate reports submitted on time will be scored a '5'. Failure to provide complete and accurate reports by the deadline shall result in a point deduction for each seven-day delay beginning with a score of '2'.
- d) Roster & Turnover. Contractor will provide quarterly roster of staff by classification within ten (10) days after quarter end and calculate turnover rate. A turnover rate in excess of 25% without adequate explanation for the turnover constitutes poor performance and will receive a score of '2'

or less. Contractor will advise on what the earliest reporting date is, and report on that date each quarter. Accurate reports submitted on time will be scored a '5'. Failure to provide complete and accurate reports by the deadline shall result in a point deduction for each seven-day delay beginning with a score of '2'.

- e) Reporting—Lost & Found. Contractor will provide a weekly report of Lost and Found activity. Contractor will advise what the earliest reporting date is, and shall report on that day every week. The report shall include a review of items found, lost reports, reunification data, shipment info, phone calls received, and inventory data, including status of items held more than 30 days. Accurate reports submitted on time will be scored a '5'. Failure to provide complete and accurate reports by the deadline shall result in a point deduction for each seven-day delay beginning with a score of '2'.
- f) Complaints. Contractor will strive to deliver exceptional, caring service to guests and treat all with courtesy and respect. Frequent complaints about staff performance will not be tolerated. If no more than one (1) substantiated complaint is received per quarter, the Contractor will score '5.' If two (2) substantiated complaints are received in any quarter, the score will be '4' or '3' at the Airport's discretion based on the severity of the complaints. More than three (3) substantiated complaints in a quarter will result in a score of '2' or '1' at the Airport's discretion based on the severity of the complaints.
- g) Complaint Response. All complaints received must be investigated, reported, and responded to within one (1) week of receipt with a copy of the response provided to Guest Services. Failure to timely respond to and properly address any complaint is unacceptable and will result in Contractor receiving a score of '1' for that quarter.
- h) Language Requirement. Contractor will meet the foreign language requirements as stated in the contract. Failure to do so on three (3) to five (5) occasions per quarter will result in a score of '2.' Failure to do so on more than five (5) occasions per quarter will result in a score of '1.'
- i) Reporting - Language Activity. Provide a monthly report of foreign language activity electronically. Accurate reports submitted on time will be scored a '5'. Failure to provide complete and accurate reports by the deadline shall result in a point deduction for each seven-day delay beginning with a score of '2'.
- j) Uniforms. Contractor will meet the uniform requirement as stated in the contract. Failure to do so on three (3) to five (5) occasions will result in a score of '2.' Failure to do so on more than five (5) occasions will result in a score of '1.'

10. **Appendix B- Calculation of Charges** has been replaced in its entirety with the **New Appendix B-1 Calculation of Charges** as follows:



Appendix B-1
Calculation of Charges

Compensation under this contract shall consist of two categories: Reimbursable Costs and Management Fee Amount.

1. Reimbursable Costs

Contractor acknowledges and agrees that as the employer, it alone shall be responsible for fulfilling its obligation to its employees under the law and under any collective bargaining agreement(s), if applicable.

The Airport shall reimburse only actual costs supported by documentation acceptable to the Airport. There shall be no mark-up on reimbursable costs.

a) Direct Labor Costs

Direct Labor Costs include hourly wage rates and cost of fringe benefits for guest-facing staff as indicated below:

Hourly Wage Rates

Contractor shall submit payroll records supported by timecards or other verifiable documentation to support any application for reimbursement of Direct Labor Costs. The City shall reimburse actual hourly wages not to exceed the amounts set forth in the attached Cost Proposal. In the event the Airport's minimum compensation requirement applicable to Contractor exceeds any of the hourly wage rates set forth on the attached Cost Proposal, Contractor shall submit a revised Cost Proposal consistent with such minimum compensation requirement for the Airport's consideration. Any such modification to the Cost Proposal proposed by Contractor that would increase the total contract not-to-exceed amount must be approved by the Airport Commission and the San Francisco Board of Supervisors.

Fringe Benefits

The City shall reimburse the Contractor for the actual, documented cost of fringe benefits incurred by the contractor for front line staff at the rate established at the time of contract award for the first term of the Agreement. This shall be the 'baseline'. In the event the actual cost of fringe benefits in subsequent contract years exceeds the baseline, as prorated for a twelve-month period, the cost of the increase shall be borne equally by the Contractor and the City.

b). Indirect Labor Costs

The following Indirect Labor Costs are not reimbursable:

- Employee Recruitment
- Initial background investigations for employee security access badging
- Additional, subsequent background investigations
- Airport photo identification badges
- Replacement of lost or stolen Airport photo identification badges
- Replacement of lost or stolen employee name badges
- Food and beverages



- Payroll Services
- Travel

No other Indirect Labor Costs are reimbursable in the absence of prior written approval by the Airport Director or designee.

The following conditions apply to other Indirect Costs:

Employees

- Uniform costs will be reimbursed provided that each guest-facing employee is provided with a uniform set that is reasonable for the number of hours or days worked per week. Costs for replacements due to normal wear will be reimbursed.
- Dry cleaning of uniform jackets, ties, and pants and initial hemming costs for pants only shall be a reimbursable expense only for line and immediate supervisory personnel. Such costs are to be reasonable.
- Personnel timekeeping equipment and equipment maintenance shall be reimbursable only if such costs are reasonable, necessary to the operation of the contracted scope, and approved by the Airport in advance.
- City shall reimburse Contractor a maximum of \$150 per employee for recognition awards with a cap of \$2,500 per quarter.

Telephone/Intranet

- Airport will provide four (4) telephones and phone lines with voicemail boxes for the Airport Information and Guest Services contract administrative office. Maintenance and replacement (if necessary) of the telephones and telephone lines is the responsibility of the Airport. The costs of local telephone calls are paid for by the Airport. The Airport currently pays for long distance telephone calls that are necessary for operating the Airport Information and Guest Services contract. A log of all long distance telephone calls must be maintained and include: name of person called, phone number called and reason for the call.
- Contractor shall contract with a cellular telephone service that provides excellent coverage at SFO and in the Bay Area and provide up to six (6) cellular phones for use in operating the Airport Information and Guest Services contract. Telephones should retain the same cellular telephone numbers currently in use for the Information Desk Program. Use and monthly fees for said phones authorized by the Airport will be reimbursable expenses. Costs for obtaining cellular phones, maintaining and replacing said phones will be reimbursable provided that said expenses are reasonable, and prior authorization is obtained from the Airport. Costs for replacing phones and equipment that are lost or damaged through employee negligence will not be reimbursed.
- Wireless text messaging services are not reimbursable expenses, unless unlimited text messaging is provided at no additional charge as part of an Airport-approved cell phone contract. Wireless Internet service is not reimbursable.
- Airport will provide broadband Internet access and email accounts on the SFO email system in the Airport Information and Guest Services contract administrative office. Costs for other Internet



providers or email accounts are not reimbursable expenses, unless specifically involved in trip planning, ground transportation applications, and/or ticket sales operations.

- Airport will provide up to six (6) telephones and telephone lines in each information desk. Maintenance and replacement (if necessary) of the telephones and telephone lines is the responsibility of the Airport. The costs of local telephone calls are paid for by the Airport. The Airport currently pays for long distance telephone calls that are necessary for operating the Airport Information and Guest Services contract. A log of all long distance telephone calls must be maintained and include: name of person called, phone number called and reason for the call.

Postal Services

- Postage for routine certified, first-class, and priority mail letters emanating from the operation of the Airport Information and Guest Services contract shall be a reimbursable expense. Postage charges for routine certified, first-class, and priority mail letters emanating from offices outside the Airport shall not be a reimbursable expense.
- Express next-day or two-day shipments (e.g., Airborne Express, DHL, Federal Express, UPS, etc.) shall not be a reimbursable expense unless it is part of an Airport-authorized purchase of equipment or other materials and supplies.
- Letterhead and business cards shall not be a reimbursable expense.

Office Equipment

- The Airport will provide and service computers and related peripheral equipment (e.g., printer, monitors) used for administrative office functions.
- The Airport will provide and maintain basic software for use in the computers (e.g., word processing, spreadsheet, database, operating system, anti-virus, and internet browser).
- Computer software programs shall not be a reimbursable expense unless approved in advance by the Airport.
- Computer consumables (e.g., laser cartridges, inkjet cartridges, toner, floppy diskettes, paper) shall be reimbursable upon advanced approval by the Airport only if said costs are reasonable and purchases were essential.
- Airport will provide necessary office furniture (e.g., desk surface, file cabinets, chairs, table(s)) for the office space.
- Airport will provide a safe for securing cash received in transit pass ticket sales.
- Other office equipment, materials, and supplies shall be reimbursable only if such costs are reasonable and have been approved in advance by the Airport

Equipment and Operations



- The Airport will provide a Telecommunications Device for the Deaf (TDD), also known as a Teletypewriter (TTY), in each staffed information desk. Maintenance and replacement (if necessary) of the TDD/TTY is the responsibility of the Airport.
- The Airport will supply chairs for the staffed Information Desks a. If the chairs need maintenance or replacement, these costs will be reimbursable if they are reasonable and have been approved by the Airport in advance.
- Supplies for the Information Desks (e.g., cleaning supplies, first aid kits, facial tissue, cash boxes, etc.) will be reimbursable only if such costs are reasonable and have been approved in advance by the Airport.
- Equipment and software licensing fees for the operation of the Lost and Found Office will be reimbursable up to \$12,000 per year.
- Maintenance and support costs for Point of Sale systems are a reimbursable cost if they are reasonable and have been approved by the Airport in advance.

July 1, 2018 through June 30, 2019 Cost Proposal - Airport Information and Guest Assistance Services

Direct Labor Costs	FTE	Budgeted Hours	Hourly Rate	Total Cost
<i>Hallmark</i>				
International Arrival Ambassador	62.0	128,960	\$ 17.00	\$ 2,192,320.00
Lost & Found Agent	5.1	10,608	\$ 17.00	\$ 180,336.00
Lost & Found Lead	1.4	2,912	\$ 19.47	\$ 56,696.64
International Arrival Ambassador Lead	4.2	8,736	\$ 19.47	\$ 170,089.92
Totals - Hallmark	72.7	151,216		\$ 2,599,442.56
<i>Polaris</i>				
Guest Service Ambassador	26.2	54,496	\$ 18.74	\$ 1,021,255.04
Guest Service Ambassador Supervisor	8.4	17,472	\$ 20.09	\$ 351,012.48
Volunteer Program Coordinator	2.0	4,160	\$ 37.89	\$ 157,622.40
Volunteer Program Coordinator - PT	1.0	2,080	\$ 37.89	\$ 78,811.20
Totals - Polaris	37.6	78,208		\$ 1,608,701.12

TOTAL DIRECT LABOR \$ 4,208,143.68

Indirect Labor Costs	Fringe Percent	Total Cost
<i>Hallmark</i>		
Health, Dental, Life Insurance	0.1771	\$ 460,361.28
Worker's Compensation	0.0354	\$ 92,020.27
FICA, FUTA SUI	0.11	\$ 285,938.68
Personal Leave	0.0462	\$ 120,094.25
Holiday premium	0.0192	\$ 49,909.30
401K Matching	0.032	\$ 83,182.16
Staff Welfare & Morale	0.0095	\$ 24,694.70
Totals - Hallmark		\$ 1,116,200.64

Indirect Labor Costs	Fringe Percent	Total Cost
<i>Polaris</i>		
Health, Dental, Life Insurance	0.1425	\$ 229,239.91
Worker's Compensation	0.02	\$ 32,174.02
FICA, FUTA SUI	0.1013	\$ 162,961.42
Personal Leave	0.147	\$ 236,479.06
Holiday premium	0.0192	\$ 30,887.06
401K Matching	0.0335	\$ 53,891.49
Staff Welfare & Morale	0.008	\$ 12,869.61
401K Profit Sharing	0.04	\$ 64,348.04
Totals - Polaris		\$ 822,850.62

TOTAL INDIRECT LABOR \$ 1,939,051.26



Management Fee July 1, 2018 through June 30, 2019
Management Fee \$ 1,485,648.00

TOTAL MANAGEMENT FEE \$ 1,485,648.00

Other Direct Costs

Office Equipment and Technical Support	\$ 57,110.00
Reward & Recognition	\$ 10,000.00
Uniforms and Dry Cleaning	\$ 85,000.00
ADM Customer Support Supplies	\$ 15,000.00
Performance Bond	\$ 38,000.00
Fringe Reimbursement	\$ 5,000.00

TOTAL OTHER DIRECT COSTS \$ 210,110.00

Total July 1, 2018 through June 30, 2019 Cost Proposal \$ 7,842,952.94

July 1, 2019 through June 30, 2020 Cost Proposal - Airport Information and Guest Assistance Services

Direct Labor Costs	FTE	Budgeted Hours	Hourly Rate	Total Cost
<i>Hallmark</i>				
International Arrival Ambassador	62.0	128,960	\$ 17.35	\$ 2,237,456.00
Lost & Found Agent	5.1	10,608	\$ 17.35	\$ 184,048.80
Lost & Found Lead	1.4	2,912	\$ 19.88	\$ 57,890.56
International Arrival Ambassador Lead	4.2	8,736	\$ 19.88	\$ 173,671.68
Totals - Hallmark	72.7	151,216		\$ 2,653,067.04
<i>Polaris</i>				
Guest Service Ambassador	26.2	54,496	\$ 19.13	\$ 1,042,508.48
Guest Service Ambassador Supervisor	8.4	17,472	\$ 20.51	\$ 358,350.72
Volunteer Program Coordinator	2.0	4,160	\$ 38.68	\$ 160,908.80
Volunteer Program Coordinator - PT	1.0	2,080	\$ 38.68	\$ 80,454.40
Totals - Polaris	37.6	78,208		\$ 1,642,222.40
TOTAL DIRECT LABOR				\$ 4,295,289.44

Indirect Labor Costs	Fringe Percent	Total Cost
<i>Hallmark</i>		
Health, Dental, Life Insurance	0.1771	\$ 469,858.17
Worker's Compensation	0.0354	\$ 93,918.57
FICA, FUTA SUI	0.11	\$ 291,837.37
Personal Leave	0.0462	\$ 122,571.70
Holiday premium	0.0192	\$ 50,938.89
401K Matching	0.032	\$ 84,898.15
Staff Welfare & Morale	0.0095	\$ 25,204.14
Totals - Hallmark		\$ 1,139,226.99

Indirect Labor Costs	Fringe Percent	Total Cost
<i>Polaris</i>		
Health, Dental, Life Insurance	0.1425	\$ 234,016.69
Worker's Compensation	0.02	\$ 32,844.45
FICA, FUTA SUI	0.1013	\$ 166,357.13
Personal Leave	0.147	\$ 241,406.69
Holiday premium	0.0192	\$ 31,530.67
401K Matching	0.0335	\$ 55,014.45
Staff Welfare & Morale	0.008	\$ 13,137.78
401K Profit Sharing	0.04	\$ 65,688.90
Totals - Polaris		\$ 839,996.76

TOTAL INDIRECT LABOR \$ 1,979,223.74



Management Fee	July 1, 2019 through June 30, 2020
Management Fee	\$ 1,485,648.00

TOTAL MANAGEMENT FEE \$ 1,485,648.00

Other Direct Costs

Office Equipment and Technical Support	\$ 57,110.00
Reward & Recognition	\$ 10,000.00
Uniform and Dry Cleaning	\$ 70,000.00
ADM Guest Support Supplies	\$ 20,000.00
Performance Bond	\$ 38,000.00
Fringe Reimbursement	\$ 5,000.00

TOTAL OTHER DIRECT COSTS \$ 200,110.00

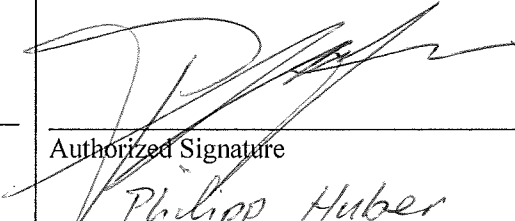
Total July 1, 2019 through June 30, 2019 Cost Proposal \$ 7,960,271.18

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

12. 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, Contractor and City have executed this Modification as of the date first referenced above.

CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	CONTRACTOR
By: _____ Ivar C. Satero, Airport Director	 _____ Authorized Signature
Attest:	_____ Printed Name
By _____ Jean Caramatti, Secretary Airport Commission	_____ President Title
Resolution No: _____	_____ Hallmark Aviation Services L.P. Company Name
Adopted on: _____	_____ 74707 / 0000019096 City Vendor Number
Approved as to Form: Dennis J. Herrera City Attorney	_____ 5757 W Century Blvd, Suite 860 Address
By _____ Luke Bowman Deputy City Attorney	_____ Los Angeles, CA 90045 City, State, ZIP
	_____ 310 215 7213 Telephone Number
	_____ 95-421-7627 Federal Employer ID Number

