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

Agreement between the City and County of San Francisco and

Hayden AI Technologies, Inc.

Contract No. SFMTA-2025-86-LOC

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One South Van Ness Ave., 7th Floor
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Agreement
between the City and County of San Francisco and Hayden AI Technologies, Inc.
Contract No. SFMTA-2025-86-LOC

This Agreement is made as of _____, in the City and County of San Francisco (City), State of California, by and between Hayden AI Technologies, Inc. (Contractor), and City, a municipal corporation, acting by and through its Municipal Transportation Agency (SFMTA).

Recitals

A. The SFMTA wishes to procure a Commercial Off-the-Shelf (COTS) automated transit only lane and transit stop enforcement system and Services (System) from Contractor.

B. Contractor was competitively selected pursuant to a Request for Proposals (RFP) entitled SFMTA-2025-86-LOC: Next Generation Transit Lane and Transit Stop Enforcement System issued through Sourcing Event ID: SFGOV 0000011265.

C. This Agreement is for Services and the Local Business Enterprise (LBE) subcontracting participation requirement for the Services has been waived pursuant to waiver CMD14B0005937.

D. Contractor represents and warrants that it is qualified to perform the Services required by the SFMTA as set forth under this Agreement.

E. Approval for the Agreement was obtained on January 1, 2026, from the Civil Service Commission under PSC number DHRPSC0005942 in the amount of $700,000 for the period of two years.

F. The SFMTA has filed Ethics Form 126f2 (Notice of Submission of Proposal) because this Agreement has a value of $100,000 or more in a fiscal year and will require the approval of the Board of Supervisors.

G. The SFMTA will file Ethics Form 126f4 (Notification of Contract Approval) within five days of execution of the Agreement because this Agreement has a value of $100,000 or more in a fiscal year and will require the approval of the Board of Supervisors.

H. The SFMTA's Board of Supervisors approved this Agreement by _____ on _____.

I. As required under Charter Section 9.118, this Amendment is consistent with approval obtained from the City's Board of Supervisors under Resolution No._____, approved

on_____, in the amount of $55,045,595 for an initial term of three years, and three one-year options to extend, totaling six years.

Now, THEREFORE, the Parties agree as follows:

Article 1 Definitions

The following definitions apply to this Agreement. Where any word or phrase defined below, or a pronoun in place of the word or phrase, is used in any part of this Agreement, it shall have the meaning set forth below:

1.1 "**AB-917**" means California Assembly Bill No. 917, attached hereto as Appendix G and incorporated by this reference, as interpreted by the City Attorney's Office.

1.2 "**Acceptance**" means a notice from the City to Contractor that the System meets the specifications and requirements contained in the Documentation and Appendices. The City's Acceptance of the System shall be governed by the procedures set forth in Section 5.2.

1.3 "**Acceptance Period**" means the period allocated by City to test the System to determine whether it conforms to the applicable specifications and, if appropriate, properly operates in the defined operating environment, is capable of running on a repetitive basis, and is otherwise in compliance with the Service Level Obligations and Performance Metrics without failure.

1.4 "**Agreement**" means this contract document, including all Appendices, and all applicable City Ordinances and Mandatory City Requirements which are specifically incorporated into this Agreement by reference as provided herein.

1.5 "**Appendices**" means the appendices listed in Article 15 (Appendices) herein.

1.6 "**Artificial Intelligence**" or "**Artificial Intelligence Model**" means an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that can influence physical or virtual environments.

1.7 "**Artificial Intelligence System**" means a machine-based system that is designed to operate with varying levels of autonomy and that may exhibit adaptiveness after deployment, and that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments.

1.8 "**Authorized User**" means a person authorized by City to access and use the System, including any City employee, contractor, or agent, or any other individual or entity authorized by City.

1.9 **"Award"** means notification from the SFMTA to Contractor of acceptance of Contractor's Proposal, subject to the execution and approval of a satisfactory Contract and bond

to secure the performance of the Contract, and to such other conditions as may be specified or otherwise required by law.

1.10 "**Back-Up Environment**" means Contractor's back-up Data Center for the SaaS Services.

1.11 "**CCO**" means the SFMTA Contract Compliance Office.

1.12 "**City**" or "**the City**" means the City and County of San Francisco, a municipal corporation, acting by and through its Municipal Transportation Agency.

1.13 "**City Data**" means that data as described in Article 14 of this Agreement, which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement. City Data includes, without limitation, Confidential Information, including Data resulting from the use of the Services.

1.14 "**City Portal**" means an electronic gateway to a secure entry point via Contractor's Website that allows City and its Authorized Users to log in to an area where they can view and download information or request assistance regarding the System and Services.

1.15 "**CMD**" means the Contract Monitoring Division of the City.

1.16 "**Confidential Information**" means confidential City information including, but not limited to, video image records and other Data obtained by the System that is confidential under AB-917, personal 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/California Consumer Privacy 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). Confidential Information includes, without limitation, City Data.

1.17 **"Contractor**" means Hayden AI Technologies, Inc., 460 Bryant St., Ste. 100, San Francisco, 94107.

1.18 "**Contractor's Website**" means the Website that provides Authorized User access to the SaaS Application Services.

1.19 "**Controller**" means the Controller of the City.

1.20 "**Data Breach**" means any access, destruction, loss, theft, use, modification or disclosure of City Data by an unauthorized party or that is in violation of the Agreement terms and/or applicable local, state or federal law.

1.21 "**Data Center(s)**" means a physical location within the United States where Contractor (or its subcontractor) houses and operates the hardware (including computers, computer servers, routers, and other related equipment and devices) on which Contractor (and or its subcontractor) hosts via the Internet the Software and City Data pursuant to this Agreement.

1.22 "**Day**" (whether or not capitalized) means a calendar day, unless otherwise designated.

1.23 "**Deliverable Data**" means any data that is required to be delivered to City as a Deliverable, or as a part of a Deliverable, under this Agreement.

1.24 "**Deliverables**" means Contractor's or its subcontractors' work product, including any partially completed work product and related materials, resulting from the Services 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 Work" attached as Appendix A.

1.25 "**Disabling Code**" means computer instructions or programs, subroutines, code, instructions, data or functions (including but not limited to viruses, worms, date bombs or time bombs), including but not limited to other programs, data storage, computer libraries and programs that self-replicate without manual intervention, instructions programmed to activate at a predetermined time or upon a specified event, and/or programs purporting to do a meaningful function but designed for a different function, that alter, destroy, inhibit, damage, interrupt, interfere with or hinder the operation of City's access to the SaaS Services through Contractor's Website and/or Authorized User's processing environment, the system in which it resides, or any other software or data on such system or any other system with which it is capable of communicating.

1.26 "**Documentation**" means technical publications relating to use and maintenance of the System, including the Software and Hardware, such as reference, installation, maintenance, administrative training, troubleshooting, and programmer manuals, provided by Contractor to City.

1.27 "**Effective Date**" means the date the Director of Transportation executes the Contract.

1.28 "**End Users**" means any Authorized User who accesses Contractor's Website and uses the SaaS Application and Services.

1.29 **"Enforcement Zone"** means transit only lanes and transit stops maps configured in the System where general parking is not permitted.

1.30 "**Errors, Defects and Malfunctions**" means either a deviation between the function of the Software and the Documentation furnished by Contractor for the Software, or a failure of the Software which degrades the use of the Software.

1.31 "**Evidence Packages**" means the Data uploaded to the System for parking violations occurring in transit-only traffic lanes and at transit stops in compliance with AB-917

and the Evidence Package Requirements identified in (Section A.3.c.vi) of Appendix A, Scope of Work.

1.32 "**Fix**" means repair or replacement of source, object or executable code in the Software to remedy an Error, Defect or Malfunction.

1.33 "**Generative Artificial Intelligence**" means Artificial Intelligence that can generate derived synthetic content, such as text, images, video, and audio, that emulates the structure and characteristics of the Artificial Intelligence's training data.

1.34 "**Hardware**" means the automated forward facing parking control devices on City-owned public transit vehicles, as defined in Section 99211 of the Public Utilities Code, installed for the purpose of video imaging of parking violations occurring in transit-only traffic lanes and at transit stops, in compliance with AB-917, including components or equipment installed on buses, such as cameras, GPS units, storage, processing units, and power modules.

1.35 **"Hotlist"** means list of vehicles provided to Contractor by the SFMTA, marked as either stolen or wanted.

1.36 "**Internet**" means that certain global network of computers and devices commonly referred to as the "internet," including, without limitation, the World Wide Web.

1.37 "**Issue**" means a problem with the Services identified by City that requires a response by Contractor to resolve.

1.38 "**Maintenance Services**" means the activities to investigate, resolve System Issues and correct product bugs arising from the use of the System in a manner consistent with the published specifications and functional requirements defined during implementation and stated in this Agreement.

1.39 "**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.

1.40 "**Net Revenue**" means the total revenue collected from citations generated exclusively by the System minus the Program Costs.

1.41 "**Object Code**" means the machine-readable form of the Software provided by Contractor.

1.42 "**Open Source Software**" means software with either freely obtainable source code, a license for modification, or permission for free distribution.

1.43 "**Party**" and "**Parties**" mean the City and Contractor, either collectively or individually.

1.44 "**Patch**" means a temporary repair or replacement of code in the Software to remedy an Error, Defect or Malfunction. Patches may be made permanent and released in Subsequent Releases of the Software.

1.45 "**Performance Credit**" means credit due to the City by Contractor with regard to Contractor's service level obligations in Appendix E (Service Level Obligations).

1.46 "**Performance Metrics**" means the accuracy, performance, and functional requirements included in Appendix A (Scope of Work).

1.47 "**Personal Identifiable Information (PII)**" means information that identifies, relates to, describes, is reasonably capable of being associated with or could reasonably be linked, directly or indirectly, with a particular individual or household. Personal information includes, but is not limited to, the following if it identifies, relates to describes, is reasonably capable of being associated with, or could be reasonably linked, directly or indirectly, with a particular individual or household as further defined in the California Consumer Privacy Act.

1.48 "**Pilot**" means the installation of the System on two buses and operation of the System for a thirty (30) day period to validate that the System meets all operational and performance requirements in Contract.

1.49 "**Precedence**" means that, notwithstanding the terms of any other document executed by the Parties as a part of this Agreement, the terms of this Agreement shall control over any discrepancy, inconsistency, gap, ambiguity, or conflicting terms set forth in any other Contractor pre-printed document.

1.50 "**Preexisting Data**" means data possessed or owned by each Party that exists prior to the Agreement start date.

1.51 "**Priority Category**" means a priority assigned to an Error, Defect or Malfunction, designating the urgency of correcting an Error, Defect or Malfunction. Assignment of a Priority Category to an Error, Defect or Malfunction is based on City's determination of the severity of the Error, Defect or Malfunction and Contractor's reasonable analysis of the priority of the Error, Defect or Malfunction.

1.52 "**Priority Protocol**" means a priority based on the Priority Category, rules specifying the turnaround time for correcting Errors, Malfunctions and Defects, escalation procedures, and personnel assignment.

1.53 **"Program"** means enforcement of parking violations in City's transit only lanes and transit stops to improve accessibility, safety, service quality, and operational timeliness.

1.54 "**Program Costs**" means all City costs of operating the Program, including but not limited to City staff time and consultant fees, citation issuance costs, and collection costs.

1.55 "**Project Data**" means data that is first produced in the performance of this Agreement.

1.56 "**Purchase Order**" means the written order issued by the City to the Contractor, authorizing the Effective Date as provided in Section 3.2.

1.57 "**San Francisco Municipal Transportation Agency**" or "**SFMTA**" means the agency of City with jurisdiction over all surface transportation in San Francisco, as provided under Article VIIIA of the City's Charter.

1.58 "**Schedule**" refers to the implementation schedule identified in Appendix B.

1.59 "**Scheduled Maintenance**" means the time (in minutes) during the month, as measured by Contractor, in which access to the System is scheduled to be unavailable for use by City due to planned system maintenance and major version Upgrades.

1.60 "**Services**" or "**SaaS Services**" means the work performed by Contractor under this Agreement as specifically described in the "Scope of Work" attached as Appendix A, including all services, Deliverables, labor, supervision, installation, hosting, actions, and other requirements to be performed and furnished by Contractor under this Agreement.

1.61 "**Severity Level**" means a designation of the effect of an Issue on City. The severity of an Issue is initially defined by City and confirmed by Contractor. Until the Issue has been resolved, the Severity Level may be raised or lowered based on mutual agreement between Contractor and the City.

1.62 "**Software**" or **SaaS Application**" or "**SaaS Software**" means the licensed and hosted computer program and associated documentation, as listed in this Agreement and Appendices, and any modification, integration, or Upgrades or modifications to the program(s), residing in Contractor's servers that provides the SaaS Services that may be accessed by Authorized Users through the Internet. The Software may include Contractor provided Third-Party Software. All Software, revisions and versions provided by Contractor shall be subject to the terms and conditions of this Agreement, including any amendments thereto.

1.63 "**Software Error**" means any failure of Software to conform in all material respects to the requirements of this Agreement or Contractor's published specifications.

1.64 "**Software Error Correction**" means either a modification or addition that, when made or added to the Software, brings the Software into material conformity with the published specifications, or a procedure or routine that, when observed in the regular operation of the Software, avoids the practical adverse effect of such nonconformity.

1.65 "**Software Revision**" means an update to the current Software Version of the Software code that consists of minor enhancements to existing features and code corrections. Software Revisions are provided and included with the annual service payments made by City to Contractor for the Service.

1.66 "**Software Version**" means the base or core version of the Software that contains significant new features and significant fixes and is available to City. Software Versions may occur as the Software architecture changes or as new technologies are developed. The nomenclature used for updates and upgrades consists of major, minor, build, and fix and these correspond to the following digit locations of a release, a, b, c, d, an example of which would be

NCC 7.4.1.3, where the 7 refers to the major release, the 4 refers to the minor release, the 1 refers to the build, and the 4 refers to a fix. All Software Versions are provided and included as part of this Agreement upon request or approval from City for the upgrade.

1.67 "**Source Code**" means the human readable compliable form of the Licensed Software to be provided by Contractor.

1.68 "**Specifications**" mean the functional and operational characteristics of the Licensed Software as described in Contractor's current published product descriptions and technical manuals.

1.69 "**Subcontractor**" refers to any firm under contract to the Contractor, or any lower-tier party subcontractor engaged by the Subcontractor, for services under this Agreement.

1.70 "**Subsequent Release**" means a release of the Software for use in a particular operating environment which supersedes the Software. A Subsequent Release is offered and expressly designated by Contractor as a replacement to a specified Software product. A Subsequent Release will be supported by Contractor in accordance with the terms of this Agreement. Multiple Subsequent Releases may be supported by Contractor at any given time.

1.71 "**Successor Service Provider**" means a new service provider, if any, selected by City in the event the Services are terminated under this Agreement.

1.72 "**Support Services**" means the Software support service required under this Agreement. Support Services include correcting an Error, Defect or Malfunction; providing telephone and/or online support concerning the installation and use of the Software; training in the installation and use of the Software; on-site consulting and application development services; detection, warning and correction of viruses; and disabled/disabling code.

1.73 "**Surveillance Technology Policy**" means the Surveillance Technology Policy for this System, as may be amended, incorporated herein by this reference and described in Appendix H, "Surveillance Technology Policy", as interpreted by the City Attorney's Office.

1.74 "**System**" means the Hardware and the Software needed to capture video imaging of parking violations occurring in transit-only traffic lanes and at transit stops and create Evidence Packages for the SFMTA to review to issue citations in compliance with AB-917, and to perform the Services described in Appendix A (Scope of Work).

1.75 "**Third-Party Software**" means the software described in Appendix J, "Third-Party Software-Included in this Agreement."

1.76 "**Training data**" means data used for training an AI system through fitting its learnable parameters.

1.77 "**Transition Services**" means that assistance reasonably requested by City to effect the orderly transition of the Services, in whole or in part, to City or to Successor Service Provider.

1.78 "**Upgrade**" means either an enhancement to the Software code to add new features or functions to the system or software programming revisions containing corrections to Errors, Defects and Malfunctions that have been reported by users or discovered by the Contractor.

1.79 **"Whitelist"** means list of vehicles provided to the Contract by the SFMTA exempt from parking violations in transit only lanes and transit stops.

1.80 **"Workaround**" means a change in the procedures followed or end user operation of the Software to avoid an Error, Defect or Malfunction without significantly impairing functionality or degrading the use of the Software.

Article 2 Term of the Agreement

2.1 **Term.** The term of this Agreement shall commence on the Effective Date and expire three years from the Effective Date, unless earlier terminated as otherwise provided herein.

2.2 **Options to Extend.** The SFMTA has three options to extend the term of this Agreement for a period of one year, totaling three additional years. The SFMTA may exercise this option at the Director of Transportation's sole and absolute discretion by modifying this Agreement as provided in Section 12.5 (Modification of this Agreement). Extensions may be for the whole or partial period provided for above.

2.3 **Time of the Essence.** Contractor agrees that, with respect to Contractor's performance of Contractor's covenants, conditions, and obligations under this Agreement, time is of the essence.

2.4 **Notice(s) to Proceed.** Authorization for Contractor to proceed with performance of the Services will be provided through the SFMTA's issuance of Notice(s) to Proceed as further described in Appendix A (Scope of Work). The SFMTA anticipates issuance of the first Notice to Proceed for the Pilot on the Effective Date.

2.5 **Implementation Period.** As a material consideration for entering into this Agreement, Contractor hereby commits and the SFMTA is relying on Contractor's commitment, to perform the Services, including implementing the System, including all Hardware and Software, in accordance with the Schedule attached hereto as Appendix B. The Parties shall use the Schedule for planning and monitoring the progress of Contractor's work under this Agreement.

2.6 **Operation and Maintenance Period.** Contractor shall perform the operation and maintenance tasks identified in Appendix A at the Service Level Obligations and Performance Metrics provided in Appendix E.

Article 3 Financial Matters

3.1 Certification of Funds; Budget and Fiscal Provisions

3.1.1 Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of Section 3.105 of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of the City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability, or expense of any kind to the 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. The City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. The 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.

3.1.2 Maximum Costs. The City's payment obligation to Contractor cannot at any time exceed the amount certified by the 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 12.5 (Modification of this Agreement).

3.2 Authorization to Commence Work. Contractor shall not commence any work under this Agreement until the City has issued formal written authorization to proceed, such as a purchase order, task order or notice to proceed. Such authorization may be for a partial or full scope of work.

3.3 Compensation

3.3.1 Calculation of Charges and Contract Not to Exceed Amount

(a) The amount of this Agreement shall not exceed Fifty-Five Million, Forty Five Thousand, Five Hundred Ninety Five Dollars ($55,045,595), the breakdown of which appears in Appendix D, (Calculation of Charges). This amount is based on the City's estimated spend over the advertised initial base contract term and the option periods based on the installation, maintenance and operation of the System for all Hardware and Services described in the Appendices on up to 212 buses during the initial base term of 36 months, and the option, in

the SFMTA's sole discretion, to expand the System on up to 600 additional buses. Should the City's actual spend exceed its estimated spend for the initial term or options periods, the City may in its sole discretion increase the contract not-to-exceed amount. The City shall not be liable for interest or late charges for any late payments. The City will not honor minimum service order charges for any Services covered by this Agreement.

(b) Compensation Structure

(i) Pilot. As further described in Appendix A (Scope of Work), Contractor shall conduct a Pilot following the issuance of Notice to Proceed No. 1. During the Pilot, Contractor must demonstrate, to the satisfaction of the SFMTA, that its System is capable of meeting the requirements in this Agreement. The SFMTA's Acceptance of the System on the two Pilot buses will only be provided upon successful completion of the Pilot as further described in Appendix A. If Contractor does not demonstrate, to the satisfaction of the SFMTA, that its System is capable of meeting the requirements of this Agreement during the Pilot, the SFMTA may terminate this Agreement in accordance with the provisions of Section 9.1.4.

(ii) Capital Costs. City shall pay Contractor the lump sum price per bus identified in Item 1 ("Capital Costs") on Appendix D (Calculation of Charges) for the purchase of the Hardware and the installation of the System on up to 212 buses in an amount not to exceed One Million, Nine Hundred Eight Thousand Dollars ($1,908,000). The SFMTA shall have the option, in the SFMTA's sole discretion, to purchase the Hardware and order the installation of the System on additional buses, up to approximately 600 additional buses for a total of approximately 812 buses, based on the lump sum price per bus identified in Item 6 of Appendix D. The Contract Not-to-Exceed Amount includes the option to purchase the System on up to 600 additional buses. If the SFMTA decides to purchase the System on additional buses, the Parties will execute an amendment to this Agreement in compliance with Section 12.5 (Modification of Agreement) of this Agreement. The SFMTA may in its sole discretion increase the Contract Not-to-Exceed Amount for the additional Capital Costs under this Section. The Capital Costs include payment for Hardware, planning, design, installation, configuration/calibration, integration and training services. The SFMTA, in its sole discretion, will determine the number of buses on which the System will be installed under this Agreement. The SFMTA shall retain the Hardware upon expiration or termination of this Agreement.

(iii) Allocation for the Removal and Reinstallation of the System on Buses. The SFMTA may in its sole discretion determine that the Hardware would be more beneficial to the Program on a different bus than which it was originally installed. For example, if a bus is out of commission for any period of time due to maintenance or repairs, or if the SFMTA determines that the Hardware would be more beneficial on a different line, the SFMTA may order the removal and reinstallation of the Hardware on a different bus in the SFMTA's fleet. The SFMTA may in its sole discretion issue a Purchase Order for the removal

and reinstallation of the System on a different bus in the SFMTA's fleet, and City shall pay Contractor the lump sum price per bus identified in Item 8 of Appendix D.

(iv) Flexible Payment Plan. Contractor shall receive 100% of the Net Revenue collected by the SFMTA per bus per month, which was generated from tickets issued exclusively from the System, up to the amount identified in Items 2, 3, 4, 5, and 7 of Appendix D as the "Flexible Payment Plan Rate". Compensation for Services rendered shall be made in monthly payments for the System on each bus, based on a calendar year, on or before the first day of each month following the Acceptance of the System on each bus by City. The total amount paid per month will not exceed the Flexible Payment Plan Rate multiplied by the number of buses on which the System is Accepted. The Flexible Payment Plan Rate will include payment for all Services pertaining to operation of the System, including but not limited to System operation and maintenance, warranty, licensing and unlimited full access to the Contractor hosted SaaS and Software. In no event shall City be liable to Contractor for any amounts in excess of the Net Revenue collected by the SFMTA generated from tickets issued exclusively from the System. If the Net Revenue collected by the SFMTA, generated by the System, exceeds the Flexible Payment Plan Rate per month per bus, the City shall retain the amount in excess of the Flexible Plan Rate per month per bus, subject to the following:

- If Net Revenue is below the Flexible Payment Plan Rate per bus per month, then Contractor shall accrue the amount of difference between 100 % Net Revenue and the Flexible Payment Plan Rate per bus per month. The amount accrued/deferred can be applied to future Net Revenue in excess of the Flexible Payment Plan Rate per month during each calendar year.
- If the Net Revenue collected during a month exceeds the amount of Flexible Payment Plan Rate per bus for the same month, the SFMTA shall pay Contractor the deferred amount up to the Net Revenue collected during each calendar year.
- Beginning on January 1, 2028, the accrued/deferred amount will not extend beyond the current calendar year and will reset to $0 each year on January 1.
- Contractor acknowledges that, pursuant to California Vehicle Code Section 40240, subsection (b), City is required to issue only warning notices for 60 days prior to commencement of issuing notices of parking violations.
- Contractor further acknowledges that the SFMTA retains the sole discretion to determine whether to remove buses

from revenue service, and Contractor does not have a claim for additional compensation based on the removal of bus(es) from revenue service.

(v) Allocation for As-Needed Non-Warranty Spare Parts and Labor. During the term of this Agreement, the SFMTA may from time-to-time issue Purchase Orders for non-warranty spare parts and labor on an as-needed basis, as described in the price list attached hereto as Appendix K (Non-Warranty Spare Parts Price List and Labor Rates) in an amount not to exceed One Hundred Thousand Dollars ($100,000). A Purchase Order shall describe the Services and Equipment that Contractor shall provide, the compensation (price), and submission or delivery dates. A Purchase Order shall be issued by the SFMTA. The terms of the Purchase Order shall follow the order of precedence described in Section 3.3 of this Agreement.

3.3.2 Payment Limited to Satisfactory Deliverables. Contractor is not entitled to any payments from City for the Services, Software, Hardware and Deliverables described herein until these have been Accepted by the City. Payments to Contractor by City shall not excuse Contractor from its obligation to replace Deliverables, including Software and Hardware, that do not conform to applicable Specifications, even if the unsatisfactory character of such Deliverables may not have been apparent or detected at the time such payment was made. Deliverables that do not conform to applicable Specifications may be rejected by City, and in such case Contractor must cure any non-conformity without delay and at no cost to the City, unless such non-conformity is directly attributable to the actions or inactions of the SFMTA, or a result of vandalism.

3.3.3 Payment Schedule

(a) Capital Costs. Subject to Section 3.3.1, City will make payment for the Capital Costs of the Hardware on each bus after the System is Accepted by City, according to Acceptance requirements of this Agreement, and properly invoiced. No payment shall be due for the Capital Costs of System on the two initial buses during the Pilot, until the Contractor successfully completes the Pilot and properly invoices City.

(b) Hardware Removal and Reinstallation. Subject to Section 3.3.1, City will make payment for the removal and reinstallation of the Hardware on different buses after the System is Accepted by the City, according to Acceptance requirements of this Agreement, and properly invoiced.

(c) Monthly System Operational Expenses – Flexible Payment Plan. The City will make monthly payments for System in accordance with Section 3.3.1(b)(iv) following the Acceptance by City of the System on each bus and within 30 days of receipt of a proper invoice. Contractor shall invoice the City at the end of each month for the Flexible Payment Plan Rate multiplied by the number of buses on which the System is Accepted, along with any deferred/accrued amounts, as described in Section 3.3.1(b)(iv). If the monthly Net

Revenue is less than the Flexible Plan Payment Rate, the City will provide documentation of the collected Net Revenue for the Program for that month with the City's payment.

(i) The SFMTA shall have the right to audit Program Costs every 90 days to confirm the Net Revenue accounted for all incurred Program Costs. If there was an overpayment due to additional unaccounted Program Costs, City shall receive a credit to apply to future Flexible Payments starting with the month following the audit. The SFMTA shall provide Contractor with documentation supporting the credit.

(d) Non-Warranty Spare Parts and Labor. The City will make payment for each order of non-warranty spare parts after Acceptance by the SFMTA, and Acceptance by the SFMTA of non-warranty labor, and within 30 days of receipt of a proper invoice.

3.3.4 Withhold Payments. If Contractor fails to provide Services, Software, Hardware and Deliverables in accordance with Contractor's obligations under this Agreement, or if the System fails to meet the Service Levels and Performance Metrics in Appendix A (Scope of Work) and Appendix E (Service Level Obligations), the City may withhold any and all payments due to 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 herein.

3.3.5 Invoice Format. Invoices submitted by Contractor under this Agreement must be in a form acceptable to the Controller and the SFMTA and include a unique invoice number and a specific invoice date. Payment shall be made by the City as specified in Section 3.3.7, or in such alternate manner as the Parties have mutually agreed upon in writing. All invoices must show the PeopleSoft Purchase Order ID Number, PeopleSoft Supplier Name and ID, Item numbers (if applicable), complete description of goods delivered or Services performed, sales/use tax (if applicable), contract payment terms, and contract price. Invoices that do not include all required information or contain inaccurate information will not be processed for payment.

3.3.6 Reserved. (LBE Payment and Utilization Tracking System)

3.3.7 Grant Funded Contracts

(a) Grant Terms. The funding for this Agreement is provided in full or in part by a Federal or State Grant to City. As part of the terms of receiving the funds, City is required to incorporate some of the terms into this Agreement. The incorporated terms may be found in Appendix I "Grant Terms: Low Carbon Transit Operations Program". To the extent that any Grant Term is inconsistent with any other provisions of this Agreement such that Contractor is unable to comply with both the Grant Term and the other provision(s), the Grant Term shall apply.

(b) Disallowance. If Contractor requests or receives payment from City for Services, reimbursement for which is later disallowed due to Contractor's non-

compliance with the Grant Terms, Contractor shall promptly refund the disallowed amount to City upon City's request. At its option, City may offset the amount disallowed from any payment due or to become due to Contractor under this Agreement or any other agreement between Contractor and City.

(c) Subgrantees. Contractor shall insert each Grant Term into each lower tier subcontract. Contractor is responsible for compliance with the Grant Terms by any subcontractor, lower-tier subcontractor or service provider.

3.3.8 Payment Terms

(a) Payment Due Date. Unless the SFMTA notifies Contractor that a dispute exists, Payment will be made within 30 Days, measured from (1) the rendering of the Services or (2) the date of receipt of the invoice, whichever is later. Payment is deemed to be made on the date City issued a check to Contractor or, if Contractor agreed to electronic payment, the date City has posted the electronic payment to Contractor.

(b) Reserved. (Payment Discount Terms)

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 copies from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights 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 Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Any contractor or Subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section.

3.6 Reserved. (Payment of Prevailing Wages)

Article 4 License

4.1 Software. Subject to the terms and conditions of this Agreement, Contractor hereby grants City and Authorized Users a renewable, irrevocable, non-exclusive, royalty-free, and worldwide license to access, display, and execute the System during the Term of this Agreement and any renewals thereof.

4.1.1 Click-Wrap Disclaimer. No "click to accept" agreement that may be required for City and/or Authorized Users' access to the Services or Contractor's Website and no terms of use, terms of service, or privacy policy referenced therein or conditioned for use of the Services or Contractor's Website shall apply. Only the provisions of this Agreement as amended from time to time shall apply to City and/or Authorized Users for access thereto and use thereof. The Parties acknowledge that City and/or each Authorized User may be required to click "Accept" as a condition of access to the Services through Contractor's Website, but the provisions of such "click to accept" agreement and other terms (including terms of use, terms of service, and privacy policy) contained or referenced therein shall be null and void for City and/or each such Authorized User. The foregoing does not apply to City's own click-wrap agreements in the event City chooses to have Contractor include terms of use, terms or service, privacy policies, or similar requirements drafted and approved by City.

4.1.2 Authorized APIs. City shall be permitted to access and use Contractor's Program Interfaces (APIs) when commercially available to develop and modify, as necessary, macros and user interfaces for use with any existing or future City systems and infrastructure. For purposes of this Agreement, such development shall be deemed an authorized modification but will not be supported by Contractor unless provided for in this Agreement. Functionality and compatibility of City developed macros will be sole responsibility of City. Any such macros or user interfaces developed by City shall become the property of City. All flat-file exchanges will be over an encrypted file transport service (ftps/vsftpd/scp/sftp) to a secure private ftp site.

4.1.3 Software is Proprietary to Contractor

(a) Notwithstanding anything to the contrary contained in this Agreement, it is understood that City receives no title or ownership rights to the Software that Contractor provides City under this Agreement, and all such rights shall remain with Contractor or its suppliers.

(b) City agrees that the Software provided to it by Contractor under this Agreement shall, as between the Parties, be treated as proprietary and a trade secret of Contractor or its suppliers and be subject to the provisions of Article 14 ("Data and Security").

(c) Restrictions on Use. City is authorized to use the Software only for City's municipal purposes. City agrees that it will, through its best efforts, not use or permit the Software to be used in any manner, whether directly or indirectly, that would enable any other person or entity not authorized by this Agreement, to use the Software.

(d) Proprietary Markings. City agrees not to remove or destroy any proprietary markings or proprietary legends placed upon or contained within the System or any related materials or Documentation.

(e) Documentation. Contractor shall provide the SMFTA with a digital copy of the Documentation for all Software it provides the SFMTA under this

Agreement. Contractor grants to City permission to duplicate all printed Documentation for City's municipal use.

4.1.4 Delivery. Contractor shall deliver one copy of each of the Software products (including Updates) in computer readable form, as provided in Appendix A.

4.1.5 Risk of Loss. Contractor shall replace any Software or Hardware provided under this Agreement if any of the Software or Hardware is lost or damaged during the term of this Agreement, at no additional charge to City.

4.1.6 Prohibited Use. City shall not:

(a) make any copies of Software provided under this Agreement or parts thereof, except for archival back up purposes and when making copies as permitted herein, shall transfer to the copy/copies any copyright or proprietary legends or other marking on said Software; or

(b) use said Software for any other purpose than permitted in this Section; or

(c) translate, reverse engineer, adapt, arrange or error-correct or make any other alterations to said Software.

4.1.7 Survival. The obligations of City under this Section shall survive the termination or expiration of this Agreement.

4.2 Contractor's Default. Failure or refusal of Contractor to perform or do any act herein required shall constitute a default. In the event of any default, in addition to any other remedy available to the City, this Contract may be terminated by the City upon ten days written notice. Such termination does not waive any other legal remedies available to the City.

4.3 Nondisclosure. The City agrees that it shall treat the Software with the same degree of care as it treats like information of its own, which it does not wish to disclose to the public, from the date the Software is Accepted by the City until the license is terminated as provided herein. The obligations of the City set forth above, however, shall not apply to the Software, or any portion thereof, which:

4.3.1 is now or hereafter becomes publicly known;

4.3.2 is disclosed to the City by a third party which the City has no reason to believe is not legally entitled to disclose such information;

4.3.3 is known to the City prior to its receipt of the Software;

4.3.4 is subsequently developed by the City independently of any disclosures made hereunder by Contractor;

4.3.5 is disclosed with Contractor's prior written consent;

4.3.6 is disclosed by Contractor to a third party without similar restrictions.

Article 5 Services and Resources

5.1 Services Contractor Agrees to Perform. Contractor agrees to perform the Services stated in Appendix A (Scope of Work). Officers and employees of the City are not authorized to request and the City is not required to compensate for Services beyond those stated.

(a) Installation. Contractor shall install the System in accordance with the Schedule attached hereto as Appendix B.

(b) Maintenance and Support. Contractor shall provide Maintenance/Support in accordance with Appendix A, C and E. Maintenance and Support Services include the provision of upgrades and a service desk, during the term of this Agreement.

(c) Hosting. Contractor shall provide hosting in accordance with Appendix A, C and E, including the following:

(i) Hosting Infrastructure. Contractor shall provide all hosting infrastructure, including, but not limited to, hardware, software and other equipment, at Contractor's hosting site as required to provide hosting and deliver the Services.

(ii) Security. Contractor shall ensure that all electronic transmission or exchange of City Data will be encrypted using current industry standards. Contractor shall also ensure that all data exchanged shall be used expressly and solely by Contractor for the purposes stated in the Agreement. City Data shall not be distributed, repurposed, or shared across other applications, environments, or business units of Contractor not involved in administration of this Agreement, unless otherwise permitted in this Agreement. Remote access to view City Data by Contractor for technical support purposes from outside the United States is prohibited without the formal written approval of City as long as City Data remains hosted solely on hardware residing on Data Centers located in the United States and no City Data is downloaded to or stored on any hardware residing on Data Centers not residing in the United States.

(iii) Access. Contractor shall provide Authorized Users 24/7 access to the System.

(iv) Disaster Recovery and Business Continuity. Contractor shall provide Disaster Recovery Services and assist with Business Continuity as described in Section 5.7.3 and Appendix F.

(d) Service Level Obligations. Contractor shall comply with the support (24/7 service desk) and Service Level Obligations and Performance Metrics described in Appendix A and E.

(e) Training. Contractor will provide training as described in Appendix A at no additional cost to City.

5.2 Acceptance Testing. After Contractor has installed and configured the System on each bus pursuant to Appendix A, the City shall have a period of 5 days ("Acceptance Testing Period") from the date of installation on each bus to verify that the System substantially performs to the specifications contained in the Documentation. In the event that the City determines that the System does not meet such specifications, the City shall notify the Contractor in writing, and Contractor shall modify or correct the System so that it satisfies the Acceptance criteria. The date of Acceptance will be that date upon which the City provides Contractor with written notice of satisfactory completion of Acceptance testing. If the City notifies Contractor after the Acceptance Testing Period that the System does not meet the Acceptance criteria of this section, then the City shall be entitled to terminate this Agreement in accordance with the procedures specified in Section 9.2 ("Termination for Default; Remedies") herein, and Contractor shall not be entitled to the Capital Costs for any work, Services, or Hardware that is not Accepted.

5.3 Qualified Personnel. Contractor represents and warrants that it is qualified to perform the Services required by the 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 the City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at the City's request, must be supervised by Contractor. Contractor shall commit sufficient resources for timely completion within the project schedule.

5.4 Subcontracting. Contractor may subcontract portions of the Services only upon prior written approval of the SFMTA. 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 11 (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.

5.4.1 The SFMTA's execution of this Agreement constitutes its approval of the Subcontractors listed below.

- Trellint
- Autohaus Automotive Solutions

5.5 Independent Contractor; Payment of Employment Taxes and Other Expenses

5.5.1 Independent Contractor. For the purposes of this Section 5.5, "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 is an independent contractor and is wholly responsible for the manner and means by which it performs the Services and work required 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 shall not have employee status with the 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 is liable for its acts and omissions. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state, or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing Services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any of its agents or employees. 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 is not performing in accordance with the requirements of this Section, City shall provide Contractor with written notice of such failure. Within five business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action 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.

5.5.2 Payment of Employment Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past Services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to this Section 5.5 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 the City. Notwithstanding the foregoing, Contractor agrees to indemnify and hold harmless the 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.

5.6 Assignment. The Services to be performed by Contractor are personal in character. This Agreement may not be directly or indirectly assigned, novated, or otherwise transferred unless first approved by the SFMTA by written instrument executed and approved in the same manner as this Agreement. Any purported assignment made in violation of this provision shall be null and void.

5.7 Warranties. In addition to the warranties described in Appendix A, 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 Hardware provided and Services performed are correct and appropriate for the purposes contemplated in this Agreement.

5.7.1 Warranty of Authority; No Conflict. Each Party warrants to the other that it is authorized to enter into this Agreement and that its performance of the Agreement will not conflict with any other agreement.

5.7.2 Manufacturer's Warranty. Contractor hereby assigns all manufacturer's warranties for all Hardware and equipment described herein to City.

5.7.3 Compliance with Description of Services. Contractor represents and warrants that the System and Services specified in this Agreement, and all Upgrades, updates and improvements to the System and Services, will comply in all material respects with the specifications and representations specified Appendix A and the Service Level Obligations and Accuracy Requirements (including performance, capabilities, accuracy, completeness, characteristics, specifications, configurations, standards, functions and requirements) as set forth (i) herein or in any amendment hereto, and (ii) the updates thereto.

5.7.4 Title. Contractor represents and warrants to City that it is the lawful owner or license holder of all Software, materials and property identified by Contractor as Contractor-owned and used by it in the performance of the Services contemplated hereunder and has the right to permit City access to or use of the System and Services and each component thereof. To the extent that Contractor has used Open Source Software (OSS) in the development of the System and Services, Contractor represents and warrants that it is in compliance with any applicable OSS license(s) and is not infringing.

5.7.5 Disabling Code. Contractor represents and warrants that the System and Services, and any information, reports or other materials provided to Authorized Users as a result of the operation of the System and Services, including future enhancements and modifications thereto, shall be free of (i) any Disabling Code; (ii) viruses or other computer programming routines or defects that re intended to damage, detrimentally interfere with, or expropriate any system, data, or information; or (iii) any feature that does, or with the passage of time could, in any way impair the operation of the System and Services now or hereafter.

5.7.6 Warranty of Suitability for Intended Purpose. Contractor warrants that the System and Hosting Services will perform according to applicable requirements in Appendix A (Scope of Work), Appendix C (SaaS Application & Hosting Services) and Appendix E (Service Level Obligations). Contractor shall provide any Upgrades, updates and bug fixes, to meet the requirements under this Agreement and Service Level Obligations and Performance

Metrics stated in Appendix A at no additional cost to the SFMTA during the term of this Agreement.

5.7.7 Right to Grant License. Contractor hereby warrants that it has title to and/or the authority to grant a license of the Software to the City.

5.7.8 Business Continuity. Contractor warrants and represents to City that it has implemented and will maintain a business continuity and disaster recovery plan in accordance with this Agreement.

5.7.9 Conformity to Specifications. Contractor warrants that when the Software specified in the Agreement and all updates and improvements to the Software are delivered to the City, they will be free from defects as to design, material, and workmanship and will perform in accordance with the Contractor's published specifications for the Software during the term of this Agreement and any extensions.

5.8 Reserved. (Liquidated Damages)

5.9 Reserved. (Bonding Requirements)

5.10 Emergency - Priority 1 Service. In case of an emergency that affects any part of the San Francisco Bay Area, Contractor will give the City and County of San Francisco Priority 1 service with regard to the Services procured under this Agreement unless preempted by State and/or Federal laws. Contractor will make every good faith effort in attempting to deliver Services using all modes of transportation available. In addition, Contractor shall charge fair and competitive prices for Services ordered during an emergency and not covered under the awarded Agreement.

Article 6 Insurance and Indemnity

6.1 Insurance

6.1.1 Required Coverages. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(a) Commercial General Liability Insurance with limits not less than $1,000,000 each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.

(b) Commercial Automobile Liability Insurance with limits not less than $1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(c) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than $1,000,000 each accident, injury, or illness.

(d) Professional Liability Insurance, applicable to Contractor's profession, with limits not less than $20,000,000 for each claim with respect to negligent acts, errors or omissions in connection with the Services.

(e) Technology Errors and Omissions Liability Insurance, with limits of $20,000,000 for each claim and each loss. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of Services defined in the Agreement 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.

(f) Cyber and Privacy Liability Insurance with limits of not less than $20,000,000 per claim. Such insurance shall include coverage for liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, PHI or other PII, stored or transmitted in electronic form.

(g) Reserved. (Pollution Liability Insurance).

6.1.2 Additional Insured

(a) The Commercial General Liability Insurance policy must include as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(b) The Commercial Automobile Liability Insurance policy must include as Additional Insured the City and County of San Francisco, and its Officers, Agents, and Employees.

(c) Reserved. (Pollution Auto Liability Insurance Additional Insured Endorsement)

6.1.3 Waiver of Subrogation

(a) The Workers' Compensation Liability Insurance policy(ies) shall include a waiver of subrogation in favor of the City for all work performed by Contractor, its employees, agents, and Subcontractors.

6.1.4 Primary Insurance

(a) The Commercial General Liability Insurance policy shall provide 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 the insurance applies separately to each insured against whom claim is made or suit is brought.

(b) The Commercial Automobile Liability Insurance policy shall provide 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 the insurance applies separately to each insured against whom claim is made or suit is brought.

(c) Reserved. (Pollution Liability Insurance Primary Insurance Endorsement

6.1.5 Other Insurance Requirements

(a) Thirty Days' advance written notice shall be provided to the City of cancellation, intended non-renewal, or reduction in coverages, except for non-payment, for which no less than 10 Days' notice shall be provided to the City. Notices shall be sent to the City address set forth in Section 12.1 (Notices to the Parties). All notices, certificates and endorsements shall include the SFMTA contract number and title on the cover page.

(b) Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, be maintained for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the Agreement term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

(c) 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.

(d) 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.

(e) Before commencing any Services, Contractor shall furnish to City certificates of insurance including additional insured and waiver of subrogation status, as required, 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.

(f) If Contractor will use any Subcontractor(s) to provide Services, Contractor shall require the Subcontractor(s) to provide all necessary insurance and to name

the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds and waive subrogation in favor of the City, where required.

6.2 Indemnification

6.2.1 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 liabilities (legal, contractual, or otherwise), losses, damages, costs, expenses, or claims for injury or damages (collectively, "Claims"), arising from or in any way connected with Contractor's performance of the Agreement, including but not limited to, 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 personal 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; except to the extent such indemnity is void or otherwise unenforceable under applicable law, and except where such Claims are the result of the active negligence or willful misconduct of City and are 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.

6.2.2 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.

6.2.3 Infringement Indemnification. If notified promptly in writing of any judicial action or informal claims brought against City based on an allegation that City's use of the System and Services infringes a patent, copyright, or any right of a third party or constitutes misuse or misappropriation of a trade secret or any other right in intellectual property (Infringement), Contractor will hold City harmless and defend such action at its own expense. Contractor will pay the costs and damages awarded in any such action or the cost of settling such action, provided that Contractor shall have sole control of the defense of any such action and all negotiations or its settlement or compromise, only if Contractor accepts the defense and hold harmless requirements without reservation, and provided, however, that Contractor shall not agree to any injunctive relief or settlement that obligates City to perform any obligation, make an admission of guilt, fault or culpability or incur any expense, without City's prior written consent, which shall not be unreasonably withheld or delayed. In the event a final injunction is obtained against City's use of the System and Services by reason of Infringement, or in Contractor's

opinion City's use of the System and Services is likely to become the subject of Infringement, Contractor may at its option and expense: (i) procure for City the right to continue to use the System and Services as contemplated hereunder; (ii) replace the System and Services with a non-infringing, functionally equivalent substitute; or (iii) suitably modify the System and Services to make its use hereunder non-infringing while retaining functional equivalency to the unmodified version of the System and Services. If none of these options is reasonably available to Contractor, the Agreement may be terminated at the option of either Party hereto and Contractor shall refund to City all amounts paid under this Agreement for such infringing Hardware, Software and/or Services. Any unauthorized modification of the System or attempted modification of the System by City or any failure by City to implement any improvements or updates to the System, as supplied in writing by Contractor, shall void this indemnity unless City has obtained prior written authorization from Contractor permitting such modification, attempted modification or failure to implement. Contractor shall have no liability for any claim of Infringement based on City's use or combination of the System with products or data of the type for which the System was neither designed nor intended to be used, unless City has obtained prior written authorization from Contractor permitting such use.

6.2.4 Under no circumstances will City indemnify or hold harmless Contractor.

Article 7 Liability of the Parties

7.1 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 (CALCULATION OF CHARGES AND CONTRACT NOT TO EXCEED AMOUNT) 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.

7.2 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.

7.3 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 8 Payment of Taxes

8.1 Contractor to Pay All Taxes. Except for any applicable California sales and use taxes charged by Contractor to the City, Contractor shall pay all taxes, including possessory interest taxes levied upon or as a result of this Agreement, or the Services delivered pursuant hereto. Contractor shall remit to the State of California any sales or use taxes paid by the 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 the City under this Agreement.

8.2 Possessory Interest Taxes. Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to timely report on behalf of the City to the County Assessor the information required by San Francisco Administrative Code Section 23.39, as amended from time to time, and any successor provision. 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.

8.3 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 9 Termination and Default

9.1 Termination for Convenience

9.1.1 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 (Notice of Termination). The Notice of Termination shall specify the date on which termination of the Agreement shall become effective (Termination Date).

9.1.2 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 Termination Date and to minimize the liability of Contractor and City to third parties as a result of the 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) Completing performance of any Services that the SFMTA requires Contractor to complete prior to the Termination Date.

(b) Halting the performance of all Services on and after the Termination Date.

(c) Cancelling all existing orders and subcontracts by the Termination Date, and not placing any further orders or subcontracts for materials, Services, Hardware, equipment, or other items.

(d) At the SFMTA's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts cancelled. Upon such assignment, the SFMTA shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the cancellation of such orders and subcontracts.

(e) Subject to the SFMTA's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.

(f) Taking such action as may be necessary, or as the SFMTA may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which the SFMTA has or may acquire an interest.

9.1.3 Within 30 Days after the specified Termination Date, Contractor shall submit to the SFMTA 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 provided prior to the Termination Date, for which the SFMTA has not already made 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 the SFMTA, 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 and returning material or equipment, delivered to the SFMTA or otherwise disposed of as directed by the SFMTA.

(d) A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of such materials and not otherwise recovered by or credited to

the SFMTA, and any other appropriate credits to the SFMTA against the cost of the Services or other work.

9.1.4 Notwithstanding the foregoing, if, in the sole discretion of the SFMTA, the SFMTA determines that Contractor did not demonstrate during the Pilot that the System is capable of meeting the requirements in this Agreement, City will have the right to terminate the Contract at no cost to City. If City terminates this Agreement due to Contractor's failure to successfully complete the Pilot, City shall not be liable for costs incurred by Contractor or profit under this Agreement. The SFMTA's authorization of repairs or Fixes to the System does not constitute a waiver of the City's right to terminate the Contract under this provision.

9.1.5 In no event shall the City be liable for costs incurred by Contractor or any of its Subcontractors after the Termination Date, except for those costs specifically listed in Section 9.1.3. 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 9.1.3.

9.1.6 In arriving at the amount due to Contractor under this Section, the SFMTA may deduct: (i) all payments previously made by the SFMTA for Services covered by Contractor's final invoice; (ii) any claim which the SFMTA may have against Contractor in connection with this Agreement; (iii) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection 9.1.5; and (iv) in instances in which, in the opinion of the SFMTA, 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 the SFMTA's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.

9.1.7 Payment Obligation. City's payment obligation under this Section shall survive termination of this Agreement.

9.2 Termination for Default; Remedies

9.2.1 City shall have the right, without further obligation or liability to Contractor (except as specified in Section 9.4 "Transition Services and Disposition of City Data," hereof), to immediately terminate this Agreement if Contractor defaults on this Agreement and fails to remedy such default within thirty (30) days after written notice by City of such default, in which event, Contractor shall reimburse City in the same manner as for the removal of the Software due to infringement under Section 6.2.3; or (ii) to terminate this Agreement upon ninety (90) days prior written notice for any reason if the license granted hereunder is for any term other than perpetual. In the event the license granted is perpetual, termination of this Agreement by City shall be effective upon receipt by Contractor of written notice of said termination.

9.2.2 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
5.6	Assignment
Article 6	Insurance and Indemnity
Article 8	Payment of Taxes
11.10	Alcohol and Drug-Free Workplace
12.10	Compliance with Laws
Article 14	Data and Security

(b) Contractor fails or refuses to perform the Services or to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default is not cured within 10 Days after written notice thereof from the SFMTA to Contractor or from when Contractor otherwise becomes aware of the Event of Default. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, in addition to all other remedies available to the SFMTA, the SFMTA 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, reorganization or arrangement, 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.

9.2.3 Default Remedies. 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 arising from the Event of Default and/or in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall also 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;(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 City.

9.2.4 Remedies. 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.

9.2.5 Any notice of default must be sent in accordance with Article 12.

9.3 Bankruptcy. In the event that Contractor shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of rights of creditors, then at City's option this Agreement shall terminate and be of no further force and effect. Upon termination of this Agreement pursuant to this Section, Contractor shall within forty-eight (48) hours return City Data in an agreed-upon machine readable format. Once Contractor has received written confirmation from City that City Data has been successfully transferred to City, Contractor shall within thirty (30) calendar days clear, purge or physically destroy all City Data from its hosted servers or files and provide City with written certification within five (5) calendar days that such clear, purge and/or physical destruction has occurred. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 or most current industry standard.

9.4 Transition Services and Disposition of City Data. Upon request of City, expiration, or termination of the SaaS Services under this Agreement:

9.4.1 Transition Services. Contractor shall, upon City's request, for a period of time not to exceed 90 days, provide to City and/or Successor Service Provider assistance to effect the orderly transition of the SaaS Services, in whole or in part, to City or to Successor Service Provider. During the transition period, SaaS Application and City Data access shall continue to be made available to City without alteration. Contractor will provide the Transition Services at Contractor's then-current rates for such services immediately prior to the expiration or termination of this Agreement. Transition costs may include: (i) developing a plan for the

orderly transition of the terminated SaaS Services from Contractor to Successor Service Provider; (ii) if required, transferring City Data to Successor Service Provider; (iii) using commercially reasonable efforts to assist City in acquiring any necessary rights to legally and physically access and use any third-party technologies and documentation then being used by Contractor in connection with the Services; (iv) using commercially reasonable efforts to make available to City, pursuant to mutually agreeable terms and conditions, any third-party services then being used by Contractor in connection with the SaaS Services; and (v) such other activities upon which the Parties may agree. Notwithstanding the foregoing, should City terminate this Agreement due to Contractor's material breach, City may elect to use the Services for a period of no greater than six (6) months from the date of termination at a reduced rate of twenty percent (20%) off of the then-current Services Fees for the terminated Services. All applicable terms and conditions of this Agreement shall apply to the Transition Services.

9.4.2 Disposition of City Data. Contractor may immediately discontinue the SaaS Services and City shall immediately cease accessing the SaaS Application and Services at the conclusion of the Transition Services pursuant to Section 9.4.1. Contractor shall either transition all City Data to the Successor Service Provider or within five (5) calendar days of the expiration or termination of the SaaS Services return City Data in an agreed-upon machine readable format. This provision shall also apply to all City Data that is in the possession of subcontractors, agents or auditors of Contractor. Such data transfer shall be done at no cost to City. Once Contractor has received written confirmation from City that City Data has been successfully transferred to City, Contractor shall within thirty (30) calendar days clear, purge or physically destroy all City Data from its hosted servers or files and provide City with written certification within five (5) calendar days that such clear or purge and/or physical destruction has occurred. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 or most current industry standard.

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

9.6 Rights and Duties upon Termination or Expiration

9.6.1 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 Deliverables
3.4	Audit and Inspection of Records
3.5	Submitting False Claims
4.1	Software
5.5	Independent Contractor; Payment of Employment Taxes

	and Other Expenses
Article 6	Insurance and Indemnity
7.1	Liability of City
7.3	Liability for Incidental and Consequential Damages
Article 8	Payment of Taxes
9.1.7	Payment Obligation
9.2.3	Default Remedies
9.5	Non-Waiver of Rights
10.1	Ownership of Results
10.2	Works for Hire
12.6	Dispute Resolution Procedure
12.7	Agreement Made in California; Venue
12.8	Construction
12.9	Entire Agreement
12.10	Compliance with Laws
12.11	Severability
Article 14	Data and Security

9.6.2 Subject to the survival of the Sections identified in Section 9.6.1, 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 10 Rights in Deliverables

10.1 Ownership of Results. Any interest of Contractor or its Subcontractors, in the Deliverables, any partially-completed Deliverables, and related materials, shall become the property of and will be transmitted to City. Unless expressly authorized in writing by the SFMTA, Contractor may not retain and use copies for reference and as documentation of its experience and capabilities.

10.2 Works for Hire. All copyrights in Deliverables that are considered works for hire under Title 17 of the United States Code, shall be the property of the City. If any such Deliverables are ever determined not to be works for hire under Federal. 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 its 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 provided that any such use is in conformance with the confidentiality provisions of this Agreement.

Article 11 Additional Requirements Incorporated by Reference

11.1 Laws Incorporated by Reference. The full text of the laws listed in this Article 11, 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 http://www.amlegal.com/codes/client/san-francisco_ca.

11.2 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 SFMTA if it becomes aware of any such fact during the term of this Agreement.

11.3 Prohibition on Use of Public Funds for Political Activity. In performing the Services, Contractor shall comply with San Francisco Administrative Code 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.

11.4 Reserved. (Consideration of Salary History)

11.5 Nondiscrimination Requirements

11.5.1 Nondiscrimination in Contracts. Contractor shall comply with the provisions of San Francisco Labor and Employment Code Articles 131 and 132. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 131.2(a), 131.2(c)-(k), and 132.3 of the San Francisco Labor and Employment Code and shall require all Subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Articles 131 and 132.

11.5.2 Nondiscrimination in the Provision of Employee Benefits. San Francisco Labor and Employment Code Article 131.2 applies to this Agreement. 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 Labor and Employment Code Article 131.2.

11.6 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.

11.7 Minimum Compensation Ordinance. Labor and Employment Code Article 111 applies to this contract. Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Labor and Employment Code Article 111, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Article 111. Information about and the text of Article 111 is available on the web at http://sfgov.org/olse/mco. Contractor is required to comply with all of the applicable provisions of Article 111, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Article 111.

11.8 Health Care Accountability Ordinance. Labor and Employment Code Article 121 applies to this contract. Contractor shall comply with the requirements of Article 121. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Article 121.3 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 Article 121, as well as the Health Commission's minimum standards, is available on the web at http://sfgov.org/olse/hcao. Contractor is subject to the enforcement and penalty provisions in Article 121. 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.

11.9 First Source Hiring Program. Contractor must comply with all of the applicable 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.

11.10 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.

11.11 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.

11.12 Reserved. (Slavery Era Disclosure)

11.13 Reserved. (Working with Minors)

11.14 Reserved. (Consideration of Criminal History in Hiring and Employment Decisions)

11.15 Nonprofit Contractor Requirements

11.15.1 Good Standing. If Contractor is a nonprofit organization, Contractor represents that it is in good standing with the California Attorney General's Registry of Charitable Trusts and will remain in good standing during the term of this Agreement. Contractor shall immediately notify City of any change in its eligibility to perform under the Agreement. Upon City's request, Contractor shall provide documentation demonstrating its compliance with applicable legal requirements. If Contractor will use any Subcontractors to perform the Agreement, Contractor is responsible for ensuring they are also in compliance with the California Attorney General's Registry of Charitable Trusts for the duration of the Agreement. Any failure by Contractor or its Subcontractors to remain in good standing with applicable requirements shall be a material breach of this Agreement.

11.15.2 Public Access to Nonprofit Records and Meetings. If Contractor is a nonprofit organization, provides Services that do not include services or benefits to City employees (and/or to their family members, dependents, or their other designated beneficiaries), and receives a cumulative total per year of at least $250,000 in City funds or City-administered funds, Contractor must comply with the City's Public Access to Nonprofit Records and Meetings

requirements, as set forth in Chapter 12L of the San Francisco Administrative Code, including the remedies provided therein.

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

11.17 Reserved. (Distribution of Beverages and Water)

11.18 Tropical Hardwood and Virgin Redwood Ban. Pursuant to 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.

11.19 Reserved. (Preservative-Treated Wood Products)

Article 12 General Provisions

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

To City: Daniel Wu
Technology & Performance
Administration Division
Daniel.Wu@sfmta.com
+1 (415) 646-2336

To Contractor: Claudia Preciado,
Sr. Director of Customer Partnerships and Business Development
460 Bryant St., Ste. 100,
San Francisco, CA 94107
Claudia.preciado@hayden.ai
Copy legal@hayden.ai

Any notice of default or data breach must be sent by certified mail or other trackable hard-copy written communication, and also by e-mail, with the sender using the receipt notice feature. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party at least 10 Days prior to the effective date of such change. If email notification is used, the sender must specify a receipt notice.

12.2 Compliance with Laws Requiring Access for People with Disabilities

12.2.1 Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public,

whether directly or through a contractor, must be accessible to people with disabilities. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against people with disabilities in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

12.2.2 Contractor shall provide technical assistance to City when responding to reasonable accommodation requests from City employees respecting their use of the information content and technology (ICT) and/or Services provided under this Agreement.

12.2.3 Contractor shall ensure that all ICT provided under this Agreement fully conforms to the Department of Justice's Title II rules, prior to delivery and before the City's final acceptance of the Services and/or Deliverables.

12.3 Incorporation of Recitals. The matters recited above are incorporated into and made part of this Agreement.

12.4 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 §7920 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.

12.5 Modification of this Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved as required under City law and under the policy of the SFMTA Board of Directors. Contractor must submit the Contract Modification Form (CMD Form 10) along with the required supporting documentation to the CCO and obtain prior CCO approval when processing amendments, modifications or change orders that cumulatively increase the original contract amount by more than 20%, and then for all subsequent amendments, modifications or change orders that cumulatively increase the last CCO approved value by 20%.

12.6 Dispute Resolution Procedure

12.6.1 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. Disputes will not be subject to binding arbitration. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance 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.

12.6.2 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.

12.7 Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California without regard to conflict of law provisions. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

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

12.9 Entire Agreement. This Agreement, including the Appendices 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 12.5 (Modification of this Agreement).

12.10 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 applicable to 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.

12.11 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 (i) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (ii) 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.

12.12 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.

12.13 Order of Precedence. The Parties agree that this Agreement, including all appendices, sets forth the Parties' complete agreement. If the Appendices to this Agreement include any standard printed terms from 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 in this Agreement shall take precedence, followed by the procurement issued by the department (if any), Contractor's proposal, and

Contractor's printed terms, respectively. Any hyperlinked terms included in Contractor's terms shall have no legal effect.

12.14 No Third-Party Beneficiaries. The representations, warranties and other terms contained herein are for the sole benefit of the Parties hereto and their respective successors and permitted assigns, and they shall not be construed as conferring any rights on any other persons.

12.15 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 any City Data under this Agreement, and in no event later than 24 hours after Contractor 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 13 SFMTA Specific Terms

13.1 Large Vehicle Driver Safety Training Requirements

13.1.1 Contractor agrees that before any of its employees and Subcontractors drive large vehicles within the City and County of San Francisco, those employees and Subcontractors shall successfully complete either (a) the SFMTA's Large Vehicle Urban Driving Safety training program or (b) a training program that meets the SFMTA's approved standards for large vehicle urban driving safety. The SFMTA's approved standards for large vehicle urban driving safety is available for download at www.SFMTA.com/largevehicletrainingstandards. This requirement does not apply to drivers providing delivery services who are not employees or Subcontractors of Contractor. For purposes of this section, "large vehicle" means any single vehicle or combination of vehicle and trailer with an unladen weight of 10,000 pounds or more, or a van designed to carry 10 or more people.

13.1.2 By entering into this Agreement, Contractor agrees that in the event Contractor fails to comply with the Large Vehicle Driver Safety Training Requirements, the City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of up to One Thousand Dollars ($1,000) per employee or Subcontractor who is permitted to drive a large vehicle in violation of these requirements is not a penalty, but is a reasonable estimate of the loss that City will incur based on Contractor's failure to comply with this requirement, established in light of the circumstances existing at the time this Contract was awarded. City may deduct a sum representing the liquidated damages from any money due to Contractor. Such deductions shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply.

Article 14 Data and Security

14.1 Nondisclosure of Private, Proprietary or Confidential Information

14.1.1 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, 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.

14.2 Management of City Data

14.2.1 Ownership of City Data. The Parties agree that as between them, all rights, including all intellectual property rights, in and to City Data and any derivative works of City Data is the exclusive property of City. Contractor warrants that the Software does not maintain, store, or export City Data using a database structure, data model, entity relationship diagram or equivalent.

14.2.2 Use of City Data. Contractor agrees to hold City Data received from, created 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 City. Any work by Contractor or its authorized subcontractors using, or sharing or storage of, City Data outside the United States is prohibited, absent prior written authorization by City. Access to City's 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 City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use, provided, however, that no City Data may be used by Contractor to train, modify or improve any Artificial Intelligence Systems or Models without the City's prior written consent, which may be withheld or withdrawn at the City's sole discretion. Nothing herein shall be construed to confer any license or right to City Data, including user tracking and exception City Data within the system, 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 unrelated commercial purposes, advertising or advertising-related purposes, or for any purpose that is not explicitly authorized other than security or service delivery analysis.

14.2.3 Use of Generative Artificial Intelligence in Deliverables. Contractor is prohibited from using Generative Artificial Intelligence in the development of Deliverables without City's prior written consent. Contractor represents and warrants to City that Deliverables will not be developed in a manner that conflicts with the City's rights in and to the Deliverables

under Article 10 (Rights in Deliverables) or the City Data confidentiality and security requirements under Article 14 (Data and Security) of this Agreement.

14.2.4 Access to and Extraction of City Data. City shall have access to City Data 24-hours a day, 7 days a week. The SaaS Application and Services shall be capable of creating a digital, reusable copy of City Data delivered to the City in an automated manner, in whole and in parts, as a platform independent and machine-readable file. Such file formats include, without limitation, plain text files such as comma-delimited tables, extensible markup language, and javascript object notation. City Data that is stored in binary formats, including without limitation portable document format, JPEG, and portable network graphics files, shall instead be reproducible in the same format in which it was loaded into the SaaS Application. This reusable copy must be made available in a publicly documented and non-proprietary format, with a clearly-defined data structure and a data dictionary for all terms of art contained in the data. For purposes of this Section 14.2.4 (Access to and Extraction of City Data), non-proprietary formats include formats for which royalty-free codecs are available to End Users. Contractor warrants that City shall be able to extract City Data from the SaaS Application on demand, but no later than 24-hours of City's request, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees to Contractor).

14.2.5 Backup and Recovery of City Data. As a part of the Services, Contractor is responsible for maintaining a backup of City Data and for an orderly and timely recovery of such data in the event of data corruption or interruption of the Services. Unless otherwise described in Appendices A and/or C, Contractor shall maintain a contemporaneous backup of City Data that can be recovered within the requirements in this Agreement and as outlined in Appendix E and maintaining the security of City Data as further described herein. Contractor's backup of City Data shall not be considered in calculating storage used by City.

14.2.6 Data Breach; Loss of City Data. In the event of any Data Breach, act, Software Error, omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of City Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of City Data, Contractor shall, as applicable:

(a) Notify City immediately following discovery, but no later than twenty-four (24) hours, of becoming aware of such occurrence or suspected occurrence. Contractor's report shall identify:

(i) the nature of the unauthorized access, use or disclosure;

(ii) the Confidential Information accessed, used or disclosed;

(iii) the person(s) who accessed, used, disclosed and/or received protected information (if known);

(iv) what Contractor has done or will do to mitigate any deleterious effect of the unauthorized access, use or disclosure, and

(v) what corrective action Contractor has taken or will take to prevent future unauthorized access, use or disclosure.

(b) In the event of a suspected Breach, Contractor shall keep City informed regularly of the progress of its investigation until the uncertainty is resolved;

(c) Contractor shall coordinate with the City in its breach response activities including without limitation:

(i) Immediately preserve any potential forensic evidence relating to the breach, and remedy the breach as quickly as circumstances permit;

(ii) Promptly (within 2 business days) designate a contact person to whom City will direct inquiries, and who will communicate Contractor responses to City inquiries;

(iii) As rapidly as circumstances permit, apply appropriate resources to remedy the breach condition, investigate, document, restore City Service(s) as directed by City, and undertake appropriate response activities;

(iv) Provide status reports to the City on Data Breach response activities, either on a daily basis or a frequency approved by the City;

(v) Make all reasonable efforts to assist and cooperate with the City in its Breach response efforts;

(vi) Ensure that knowledgeable Contractor staff are available on short notice, if needed, to participate in City-initiated meetings and/or conference calls regarding the Breach; and

(vii) Cooperate with City in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by City.

(d) In the case of PII , at City's sole election, (a) notify the affected individuals as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or, (b) reimburse City for any costs in notifying the affected individuals;

(e) In the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no fewer than twenty-four (24) months following the date of notification to such individuals;

(f) Perform or take any other actions required to comply with applicable law as a result of the occurrence;

(g) Recreate lost City Data in the manner and on the schedule set by City without charge to City; and

(h) Provide to City a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence.

(i) Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain (at the City's election) information that may include: name and contact information of Contractor's (or the City's) representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor.

(j) 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 City Data is stored.

(k) The City shall conduct all media communications related to such Data Breach, unless in its sole discretion, the City directs Contractor to do so.

14.3 Nondisclosure of Private, Proprietary or Confidential Information

14.3.1 Proprietary or Confidential Information of City. Contractor understands and agrees that, in the performance of the work or Services under this Agreement may involve access to City Data, which includes proprietary or Confidential Information. Contractor and any subcontractors or agents shall use City Data only in accordance with all applicable local, state and federal laws restricting the access, use and disclosure of City Data and only as necessary in the performance of this Agreement. Contractor's failure to comply with any requirements of local, state or federal laws restricting access, use and disclosure of City Data shall be deemed a material breach of this Agreement, for which City may terminate the Agreement. In addition to termination or any other remedies set forth in this Agreement or available in equity or law, the City may bring a false claim action against Contractor pursuant to Chapter 21 of the Administrative Code, or debar Contractor. Contractor agrees to include all of the terms and conditions regarding City Data contained in this Agreement in all subcontractor or agency contracts providing Services under this Agreement.

14.3.2 Obligation of Confidentiality. Subject to San Francisco Administrative Code Section 67.24(e), any state open records or freedom of information statutes, and any other

applicable laws, Contractor agrees to hold all City Data in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such City Data to third-parties other than its employees, agents, or authorized subcontractors who have a need to know in connection with this Agreement or to use such City Data for any purposes whatsoever other than the performance of this Agreement. Contractor agrees to advise and require its respective employees, agents, and subcontractors of their obligations to keep all City Data confidential.

14.3.3 Nondisclosure. Contractor agrees and acknowledges that it shall have no proprietary interest in any City Data and will not disclose, communicate or publish the nature or content of such information to any person or entity, nor use, except in connection with the performance of its obligations under this Agreement or as otherwise authorized in writing by City, any of City Data it produces, receives, acquires or obtains from City. Contractor shall take all necessary steps to ensure that City Data is securely maintained. Contractor's obligations set forth herein shall survive the termination or expiration of this Agreement. In the event Contractor becomes legally compelled to disclose any City Data, it shall provide City with prompt notice thereof and shall not divulge any information until City has had the opportunity to seek a protective order or other appropriate remedy to curtail such disclosure. If such actions by City are unsuccessful, or City otherwise waives its right to seek such remedies, Contractor shall disclose only that portion of City Data that it is legally required to disclose.

14.3.4 Litigation Holds. 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 City Data is stored.

14.3.5 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 any City Data under this Agreement, and in no event later than 24 hours after Contractor 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 City Data is stored.

14.3.6 Cooperation to Prevent Disclosure of City Data. Contractor shall use its best efforts to assist City in identifying and preventing any unauthorized use or disclosure of any City Data. Without limiting the foregoing, Contractor shall advise the City immediately in the event Contractor learns or has reason to believe that any person who has had access to City Data has violated or intends to violate the terms of this Agreement and Contractor will cooperate with the City in seeking injunctive or other equitable relief against any such person.

14.3.7 Remedies for Breach of Obligation of Confidentiality. Contractor acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to

the City, which damage may be inadequately compensable in the form of monetary damages. Accordingly, City may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available, to include, at the sole election of City, the immediate termination of this Agreement, without liability to City.

14.3.8 Surrender of City Data upon Termination. Upon termination of this Agreement, including but not limited to expiration of the term, early termination or termination for convenience, Contractor shall, within five (5) calendar days from the date of termination, return to City any and all City Data received from City, collected or created by Contractor on behalf of City, which are in Contractor's possession, custody, or control. The return of City Data to City shall follow the timeframe and procedure described further in this Agreement (Article 14).

14.3.9 Data Security. To prevent unauthorized access of City Data,

(a) Contractor shall at all times during the Term provide and maintain up-to-date security systems and procedures, and adjust its security systems and procedures in response to relevant changes in technology, with respect to (a) the Services, (b) Contractor's Website, (c) Contractor's physical facilities, (d) Contractor's infrastructure, and (e) Contractor's networks.

(b) Contractor shall provide security for its networks and all Internet connections consistent with industry best practices, and will promptly install all patches, fixes, upgrades, updates and new versions of any security software it employs.

(c) Contractor will maintain appropriate safeguards to restrict access to City Data to those employees, agents or service providers of Contractor who need the information to carry out the purposes for which it was disclosed to Contractor.

(d) For information disclosed in electronic form, Contractor agrees that appropriate safeguards include electronic barriers (e.g., most current industry standard encryption for transport and storage, such as the National Institute of Standards and Technology's Internal Report 7977 or Federal Information Processing Standards [FIPS] 140-2 [Security Requirements for Cryptographic Modules] or FIPS-197 or successors, intrusion prevention/detection or similar barriers) and secure authentication (e.g., password protected) access to hosted City Data.

(e) For information disclosed in written form, Contractor agrees that appropriate safeguards include secured storage of City Data.

(f) City Data shall be encrypted at rest and in transit with controlled access.

(g) Contractor will establish and maintain any additional physical, electronic, administrative, technical and procedural controls and safeguards to protect City

Data that are no less rigorous than accepted industry practices (including, as periodically amended or updated, the International Organization for Standardization's standards: ISO/IEC 27001– Information Security Management Systems – Requirements and ISO-IEC 27002 – Code of Practice for International Security Management, ISO 2708, ISO/IEC 42001 - Artificial Intelligence Management System, NIST AI Risk Management Framework, NIST Special Publication 800-53 Revision 5 or its successor, NIST Special Publication 800-18 or its successor, the Information Technology Library (ITIL) standards, the Control Objectives for Information and related Technology (COBIT) standards or other applicable industry standards for information security), and shall ensure that all such controls and safeguards, including the manner in which City Data is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws, as well as the terms and conditions of this Agreement.

(h) Contractor warrants to the City compliance, in performing its obligations hereunder, with the following (as periodically amended or updated) as applicable:

(i) The California Information Practices Act/California Consumer Privacy Act (Cal. Civil Code §§ 1798 et seq);

(ii) The European General Data Protection Regulation (GDPR);

(iii) Relevant security provisions of the Internal Revenue Service (IRS) Publication 1075, including the requirements that Data not traverse networks located outside of the United States;

(iv) Relevant security provisions of the Social Security Administration (SSA) Document Electronic Information Exchange Security Requirement and Procedures for State and Local Agencies Exchanging Electronic Information with the Social Security Administration;

(v) Relevant security provisions of the Criminal Justice Services (CJIS) Security policy.

14.3.10 Data Privacy and Information Security Program. Without limiting Contractor's obligation of confidentiality as further described herein, Contractor shall establish and maintain a data privacy and information security program and procedures in response to relevant changes in technology and internal and external threats to information security, including physical, technical, administrative, and organizational safeguards, that is designed to: (i) ensure the security and confidentiality of City Data; (ii) protect against any anticipated threats or hazards to the security or integrity of City Data; (iii) protect against unauthorized disclosure, access to, or use of City Data; (iv) ensure the proper disposal of City Data; and (v) ensure that all of Contractor's employees, agents, and subcontractors, if any, comply with all of the foregoing.

14.3.11 City's Right to Termination for Deficiencies. City reserves the right, at its sole election, to immediately terminate this Agreement, without limitation and without liability, if City reasonably determines that Contractor fails or has failed to meet its obligations under this Article 14.

14.3.12 Data Transmission. Contractor shall ensure that all electronic transmission or exchange of system and application data with City and/or any other parties expressly designated by City shall take place via encrypted secure means (e.g. HTTPS or SFTP or most current industry standard established by NIST). Contractor shall also ensure that all data exchanged shall be used expressly and solely for the purposes enumerated in the Agreement. Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Contractor. Contractor shall ensure that no City Data of any kind shall be copied, modified, destroyed, deleted, transmitted, exchanged or otherwise passed to other vendors or interested parties except on a case-by-case basis as specifically agreed to in writing by City. Contractor is prohibited from accessing City Data from outside the United States except as provided for in Section 14.2 of this Agreement.

14.4 City's Required Cybersecurity Review Assessment

14.4.1 Contractor shall make available to City, on an annual basis, any one of the following for the City's Cybersecurity Review Assessment: SOC 2, Type 2 Report City CRA Questionnaire; ISO/IEC 27001; ISO/IEC 42001; CSA STAR Level 2; FedRAMP; StateRAMP; NIST 800-53 Audit + SSP + POA&M; HITRUST CSF; PCI DSS L1 Audit Reports. If Contractor is using a hosting service provider, Contractor shall provide such Audit Reports it receives from its service provider or providers) as follows: (a) the Audit Reports shall include a 365 day (12-month) testing period; and (b) the Audit Reports shall be available to City no later than 30 Days after they are received by Contractor. If Contractor receives a so-called "negative assurance opinion," or the annual Audit Report finds a material data privacy or information security issue, Contractor shall notify City of such opinion within three (3) days of receipt by Contractor. Contractor shall implement reasonably required safeguards as identified by any audit of Contractor's data privacy and information security program or promptly notify City in writing if Contractor is unable to implement mitigation measures to address the issue(s). Upon any such notification, City shall have the right, without further obligation or liability to Contractor, to terminate this Agreement. Any failure by Contractor to comply with this Section shall be a material breach of this Agreement.

14.4.2 Audit of Contractor's Policies. Contractor agrees to make its policies, procedures and practices regarding Data Security available to City, if needed, and agrees that City reserves the rights, including, but not limited to, making a site visit, scanning for malicious codes, and hiring a third-party to perform a security audit if the City determines that the Audit Report is unsatisfactory.

14.4.3 Information Security Audits. Contractor must contract with an independent third party to perform yearly information security audits of their primary and

backup Data Centers. The annual audits must include an outside penetration/vulnerability test, and internal penetration and vulnerability tests with the third-party directly on the internal network. The summary results of the audits must be shared with City. All audit findings must be remedied.

14.4.4 Audit Findings. Contractor shall implement reasonably required safeguards as identified by City or by any audit of Contractor's data privacy and information security program.

14.4.5 Annual Cybersecurity Risk Assessment. If a Cybersecurity Risk Assessment ("CRA") was required before entering the Agreement, the Contractor must complete an annual CRA to demonstrate that it has maintained the data privacy and information security program required for City contractors. If Contractor does not satisfactorily complete an annual CRA, the City shall have the right, without further obligation or liability to Contractor, to terminate this Agreement or exercise any of its other remedies hereunder. Any failure by Contractor to comply with this Section shall be a material breach of this Agreement**.**

14.5 Reserved. (Payment Card Industry (PCI) Requirements)

14.6 Reserved. (Protected Health Information)

Article 15 Force Majeure

15.1 Liability. No Party shall be liable for delay in the performance of its obligations under this Agreement if and to the extent such delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God, riots, civil disorders, or any other cause beyond the reasonable control of such Party (a "Force Majeure Event"). In the case of a Force Majeure Event, Contractor shall immediately commence disaster recovery services as described in Section 15.4.

15.2 Duration. In a Force Majeure Event, the non-performing Party shall be excused from further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such Party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay. Any Party so delayed in its performance shall immediately notify the Party to whom performance is due by telephone (to be confirmed in writing within 2 days of the inception of such delay) describing the nature of the delay and the non-performing Party's estimate of the length of the delay.

15.3 Effect. If a Force Majeure Event substantially prevents, hinders, or delays performance of the Services as critical for more than 15 Days, then at City's option: (i) City may terminate any portion of this Agreement so affected and the charges payable hereunder shall be equitably adjusted to reflect those terminated Services; or (ii) City may terminate this Agreement without liability to City as of a date specified by City in a written notice of termination to

Contractor. Contractor shall not have the right to any additional payments from City for costs or expenses incurred by Contractor as a result of any force majeure condition.

15.4 Disaster Recovery. In the event of a disaster, as defined below, Contractor shall provide disaster recovery services in accordance with the provisions of the disaster recovery plan, with a summary of Contractor's disaster recovery plan that is current as of the time of the disaster but no less than what Contractor has agreed to as of the time of execution of this Agreement attached as Appendix E hereto, or as otherwise set forth in this Agreement or any Statement of Work. Notwithstanding Section 15.1, a Force Majeure Event shall not excuse Contractor of its obligations for performing disaster recovery services as provided in this Section. In the event that a disaster occurs and Contractor fails to restore the hosting services within 24 hours of the initial disruption to Services, City may, in its discretion, deem such actions to be a material default by Contractor incapable of cure, and City may immediately terminate this Agreement. For purposes of this Agreement, a "disaster" shall mean an interruption in the hosting services or the inability of Contractor to provide City with the SaaS Application and hosting services for any reason that could not be remedied by relocating the SaaS Application and hosting services to a different physical location outside the proximity of its primary Data Center.

15.5 Acknowledgment of Obligations. Contractor expressly acknowledges and agrees that in no circumstance will a Force Majeure Event relieve it from any of its security, disaster recovery, and/or business continuity obligations set forth in this Agreement. Additionally, obligations of indemnification under this Agreement will not be relieved, delayed, or limited due to Force Majeure Events.

Article 16 Appendices

16.1 Appendices. The following appendices ("Appendices" in the plural and each an "Appendix" in the singular) are hereby attached and incorporated into this Agreement by reference as though fully set forth herein:

Appendices:

A. Scope of Work
B. Schedule
C. SaaS Application & Hosting Services
D. Calculation of Charges
E. Service Level Obligations
F. Disaster Recovery Plan
G. California Assembly Bill No. 917
H. Surveillance Technology Policy
I. Grant Terms: Low Carbon Transit Operations Program
J. Third-Party Software-Included in this Agreement

K. Non-Warranty Spare Parts Price List and Labor Rates

Article 17 MacBride

17.1 MacBride Principles - Northern Ireland. The provisions of San Francisco Administrative Code Chapter 12F are incorporated herein 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	**CONTRACTOR**
San Francisco **Municipal Transportation Agency** _____ Julie B. Kirschbaum Director of Transportation Authorized By: Municipal Transportation Agency Board of Directors Resolution No: _____ Adopted: _____ Attest: _____ Approved as to Form: David Chiu City Attorney By: _____ Annie Smiddy Deputy City Attorney	**Hayden AI Technologies, Inc.** Sam Dundee Sam Dundee Chief Financial Officer 460 Bryant St., Ste. 100 San Francisco, CA 94107 Acknowledgement of Large Vehicle Driver Safety Training Requirements: By signing this Agreement, Contractor acknowledges that it has read and understands Section 13.1: Large Vehicle Driver Safety Training Requirements. City Supplier Number: 0000059792

4937-5497-7697 v.1

Appendix A
Scope of Work

The following are technical requirements and work tasks assumed necessary to implement a transit only lane and transit stop enforcement System on selected vehicles in the SFMTA's bus fleet.

The SFMTA will procure all vehicle-mounted hardware from the Contractor. The Contractor shall be responsible for providing comprehensive services including installation, operation, and maintenance of the System for automatically detecting parking violations within configured transit-only lanes and transit stops and generating evidence packages suitable for citation issuance by the SFMTA. Additionally, the Contractor shall deliver Software-as-a-Service (SaaS) capabilities that enable SFMTA personnel to securely access, review, and manage evidence packages and system operations.

The sections below describe the requirements for the System and product lifecycle, including an initial Pilot implementation to verify that the System meets minimum operational and performance requirements, as well as other implementation-related activities.

The SFMTA and Contractor will jointly develop and agree upon installation acceptance procedures, consistent with the below Requirements and Specifications, which shall include written acceptance of each unit's installation by the SFMTA. The Pilot implementation must be Accepted by the SFMTA prior to installation of the System on to the remaining 210 buses.

A. Requirements and Specifications

1 Vehicle Installation Requirements

a. Contractor shall be responsible for the installation of all Hardware and Software required to operate the System within the selected SFMTA-operated buses. All work on the SFMTA buses must take place during SFMTA's non-revenue hours (1-4 AM PT).

b. Contractor shall adhere to the mutually developed installation and acceptance procedures and standards. These shall include:

i. Pre-installation and post-installation photographs by Contractor documenting the condition of buses, which shall be provided to the SFMTA prior to the SFMTA's inspection of the buses;

ii. SFMTA inspection and Acceptance in accordance with mutually developed installation and acceptance procedures and standards, and the Performance Metrics and Service Level Obligations contained herein; and

iii. Inspection by SFMTA staff to determine whether any damage to the vehicles has occurred as a result of System installation.

c. Contractor shall provide wiring diagrams and design documentation detailing connection to power sources, and integration with existing on-board vehicle systems for each bus vehicle model.

d. Contractor shall be responsible for provisioning of all Hardware and Software needed for full functionality of the System.

e. Contractor shall provide, before installation, an installation plan and documentation (wiring diagram, install instructions, etc.) for review and approval by the SFMTA's Transit and Bus Fleet Project Teams to ensure the buses' warranties are not adversely affected.

f. Contractor shall be responsible for installation of the System during SFMTA's non-revenue hours (1-4 AM PT) on up to 212 of the approximately 814 New Flyer Xcelsior buses the SFMTA has on site in accordance with the Schedule described in Appendix B. SFMTA may, in its sole discretion, exercise the option to expand the installation, maintenance, and operation of the System to up to 600 additional buses. Due to potential changes impacting acceptance for service operation and other operating priorities, the SFMTA reserves the right to modify both the type of bus as well as the number of buses on which the proposed System will be installed. The following table shows the breakdown of SFMTA vehicles by vehicle model:

Vehicle	**Vehicle Model**	**# of Vehicles**
New Flyer Xcelsior	XDE40	312
New Flyer Xcelsior	XDE60	224
New Flyer Xcelsior	XT40	185
New Flyer Xcelsior	XT60	93

g. Contractor shall, at no additional cost to the SFMTA, ensure that as a future proofing effort, the System supports integration with the SFMTA's upcoming electric bus fleet through open APIs.

h. Contractor shall ensure that the System's vehicle mounted components:

i. Are installed inside the vehicle;

ii. Do not block visibility for bus operators; and

iii. Maintain consistency and blend in with vehicle's current look and feel, without affecting vehicle aesthetics.

2 Equipment/Hardware Requirements

a. General Requirements

i. Contractor shall provide all required System Hardware components for installation on each bus in the scope.

ii. Contractor shall ensure that any failed Hardware component can be replaced within five business days.

1) To support this requirement, Contractor shall provide the SFMTA first line maintenance team with sufficient spare parts and relevant installation instructions to support the replacement of at least ten complete System Hardware installations. In the sole discretion of the SFMTA, the SFMTA's first line maintenance team may replace any failed Hardware with the spare parts provided by Contractor. The SFMTA reserves the right to require Contractor to replace any failed Hardware. The SFMTA's replacement of any failed Hardware component shall not impact or void the warranties contained in this Agreement.

2) Additionally, Contractor shall act in accordance with and maintain a labor rate schedule and hardware parts list including price for Hardware components described in Appendix K (Non-Warranty Spare Parts Price List and Labor Rates) so that the SFMTA can replace vandalized/stolen Hardware.

iii. Contractor shall provide portable or bench test equipment or special tools, if needed, for first line maintenance (i.e., troubleshooting, repair/replacement of Hardware).

iv. Contractor shall provide the SFMTA all required Guarantee & Warranty Information as further described in Section A.13.b.

b. Equipment/Hardware Standards

Contractor shall ensure that:

i. All lines, cables, and hoses shall be properly routed, supported, and secured with adequate clearance to mitigate any potential rubbing, fouling, ruptures, shorts, or similar issues.

ii. All electrical connections shall be of the locking type. All electrical wiring harnesses shall be tie-wrapped and supported at regular intervals.

iii. When wires, cables, hoses, or tubes go through walls or panels, the bulkhead holes shall have protective grommets/molding and the wires, cables, hoses, or tubes shall be clamped on both sides of the bulkhead hold.

iv. Electrical and electronic subsystems and components shall not emit electromagnetic radiation that interferes with onboard systems, components or equipment, telephone service, radio or TV reception, or violate regulations of the Federal Communications Commission.

c. Electromagnetic Compatibility (EMC)/Electromagnetic interference (EMI) requirements

Contractor shall conduct evaluations to ensure electromagnetic compatibility (EMC) and acceptable electromagnetic interference (EMI) levels and address the following criteria:

i. Maintain acceptable levels of radiated emissions from the coach in both low frequency (30 Hz to 30k Hz) and RF frequency (30kHz to 100MHz) ranges shall be identified. A report shall be submitted to the SFMTA following utilizing CISPR12 and ICES-002 guidelines, or equivalent (such as MIL-STD-461 and/or SAE J551). The report shall document testing and approval on existing SFMTA-approved devices, such as: portable/mobile radios, PA systems, fare collection, multiplex and door control systems have been tested and approved.

ii. Define Radio Frequency (RF) susceptibility levels using MILSTD 461 and/or SAE J551 standards, including known properties of existing SFMTA devices, such as: radios, PA systems, fare collection, and door control.

iii. Ensure EMC between all electrical and electronic devices mounted on the coach by utilizing established EMC containment techniques, such as proper shielding, grounding, filtering, signal wiring separation, and switching frequency management.

iv. Conduct adequate EMI/EMC analysis and testing on both the individual components and on the finished coach to confirm that EMI/EMC design goals are met.

If the Contractor does not currently comply with any of the above Equipment/Hardware and EMI/EMC standards, Contractor shall provide justification for the SFMTA's approval and a list of standards to which the Contractor currently adheres.

d. Vehicle Mounted Cameras and Components

i. Contractor shall provide a mounting kit for installation of Vehicle Mounted Cameras and Components on each SFMTA bus. Each kit shall be equipped with the following four components, at a minimum:

1) One (1) detection camera
2) One (1) ALPR camera
3) One (1) System processing/storage unit
4) One (1) Antenna communications unit

ii. Contractor may offer additional components. However, the SFMTA is interested in minimizing the amount of components/housing to be installed on each vehicle and welcomes Contractor to suggest how to achieve this.

iii. Contractor shall ensure all components meet or exceed the minimum technical specifications described in this Scope of Work, be interoperable across SFMTA New Flyer fleet bus types and be approved by SFMTA staff prior to installation.

iv. Components mounted to each bus must not affect or be affected by other vehicle components, systems or other installed vehicle electronics.

v. Contractor shall provide all components required for mounting, cabling, and calibrating each Vehicle Mounted Cameras and Components unit.

vi. Each unit shall meet the following minimum requirements:

1) Assigned a unique Camera ID(s).

2) Power on/off with ignition on/off and have power indicator lights.

3) Perform a graceful shutdown when the ignition is turned off.

4) Detect adverse conditions, including in nighttime and low light conditions.

5) Be compact enough for internal installation without obstructing or reducing the Operator visibility of mirrors, roads, road signs, and signals.

6) Final camera placement and positioning is subject to the SFMTA's approval.

vii. Live streaming and other features may be required to verify positioning, initial and subsequent adjustments to the Vehicle Mounted Camera and Components unit.

e. Ruggedization

All in-vehicle components shall be ruggedized and meet the following minimum requirements:

i. Operational range of 0 degrees Fahrenheit to 115 degrees Fahrenheit.

ii. Secure, tamper-proof enclosures so that the performance is not affected by vehicle vibration or other environmental factors.

f. System Processing/Storage Unit

i. The System processing/storage unit shall not interface with the bus through the J1939 port.

1) A contactless reader may be provided.

2) Detailed schematics for any proposed interface with the bus systems, including failure analysis reports, shall be submitted for SFMTA review and approval.

ii. Data Storage Requirements:

1) In the event of failed uploads, the System processing/storage shall store all onboard evidence package details, including photos, videos, metadata, and other related files including vehicle exemption records, and system maintenance messages for five days.

2) After five days, stored data shall be systematically and permanently deleted and/or overwritten on a first-in, first-out basis.

g. Power

The in-vehicle System shall operate within the bus nominal voltage limits. Voltage available on the buses are 12 V and 24 V nominal supply.

h. GPS Antenna Hardware

i. Contractor shall design the System to utilize an existing antenna if possible.

ii. In the case this is not possible, Contractor may include a bus-mounted wireless GPS antenna and all related components for mounting and cabling.

iii. The GPS Antenna shall record GPS data in a coordinate system determined in coordination with SFMTA.

i. Standalone Communication Network

i. Contractor shall provide, support and maintain a standalone communication network that meets the following requirements:

1) Provide and maintain a standalone, end-to-end cellular data plan for the System.
2) The cellular data plan shall have a minimum of 10 Mbps upload speed for communication between each vehicle mounted System and Contractor's hosted Cloud Software
3) Provide, support, and maintain all communications equipment and any required end-to-end cellular data plan at a minimum of 4G.
4) Submit a plan to the SFMTA for any updates or replacements to the System's standalone communication network. The update plan will allow for SFMTA's review, approval, and scheduling of work.

ii. In the event that the implemented cellular service is no longer available, no longer supported, or requires replacement, Contractor shall provide a suitable alternative subject to approval by the SFMTA.

3 System Software Requirements

a. Enforcement Zones: Configuration of Transit Only Lane and Transit Stop Maps

i. Contractor shall provide the ability, through the web-based Management Portal detailed in Section A.5, to configure and maintain transit only lane and transit stop maps as Enforcement Zones within 30 days of Pilot Acceptance by SFMTA.

ii. Contractor shall maintain a System archive of all transit only lanes and transit stops configured as Enforcement Zones. This archive must include the date a transit only lane or transit stop was added or removed from the configuration as an Enforcement Zone, along with a user ID of the individual making the change.

iii. Contractor shall configure all Enforcement Zones based on the SFMTA's transit only lanes and transit stops for the following routes within 30 days of Pilot Acceptance by SFMTA.

1) 14 Mission
2) 14R Mission Rapid
3) 38R Geary Rapid
4) 30 Stockton
5) 9R San Bruno Rapid
6) 5 Fulton
7) 5R Fulton Rapid

iv. Contractor shall configure all Enforcement Zones for the remaining routes within 180 days of deployment.

1) The SFMTA currently has more than 75 miles of transit lanes, more than 20 miles of red-painted transit only lanes, and more than 3,400 transit stops. There are currently 72 routes, of those 43 are transit only lanes.

2) Transit lanes, transit-only lanes, and transit stops are continually being added or relocated. Contractor shall work with the SFMTA to establish a method (such as Contractor conducting the updates or an SOP for SFMTA to update) for keeping routes updated at no additional cost.

v. Contractor shall train authorized SFMTA personnel to configure Enforcement Zones for each route in the System. Events requiring reconfiguration of Enforcement Zones include relocation of transit stops during construction and social events.

vi. Contractor shall conduct semi-annual audits to ensure Enforcement Zones are accurate and up to date.

b. System Performance Metrics

The System shall meet and maintain the following Performance Metrics prior to the SFMTA's Acceptance of the System and throughout the term of this Agreement, including option periods:

i. Violation Identification

Automatically identify vehicles parked in transit only lanes and transit stops in violation of parking laws under all lighting and weather conditions, including low light, direct sunlight, fog, and rain, without operator intervention.

Requirement: Equal to or greater than (≥) 95%

$$\text{Violation Identification Accuracy} = \frac{\text{Number of Correctly Identified Violations}}{\text{Total Number of Evidence Packages Issued}} \times \mathbf{100}$$

ii. ALPR accuracy

Automatically convert license number and state of issue from license plate images to machine readable text under all lighting conditions including low light, direct light, and adverse weather conditions. This requirement also applies to license plates that are damaged or partially obscured.

Requirement: Equal to or greater than (≥) 98%

$$\text{ALPR Accuracy} = \frac{\text{Correctly Captured License Plates}}{\text{Total License Plates in Evidence Packages}} \times 100$$

iii. Location accuracy

Automatically detect and record the correct physical street address and side of two-way streets for each violation.

Requirement: Equal to or greater than (≥) 95%

$$\text{Location Accuracy } = \frac{\boldsymbol{Correctly\ Captured\ Locations}}{\boldsymbol{Total\ Violations}} \times \mathbf{100}$$

iv. Communications network

Contractor's cellular communications plan shall ensure the upload of valid evidence packages from each vehicle unit to the backend for processing within five minutes of creation at all times the vehicle is turned on.

Requirement: Equal to or greater than (≥) 99.5%

$$\boldsymbol{Compliance} = \frac{\text{Packages uploaded} \leq \text{5 minutes}}{\text{Total packages}} \times \mathbf{100}$$

v. Evidence processing accuracy

a. Duplicates

Reject evidence packages that are duplicates (same license plate + state + street address within a SFMTA configurable time window of 0–60 minutes).

Requirement: 100%

$$\text{Duplicate Rejection Accuracy} = \frac{\text{Number of duplicate packages rejected}}{\text{Total duplicate packages detected}} \times \mathbf{100}$$

b. Whitelist Vehicles

Reject evidence packages for vehicles on the Whitelist at the time of generation.

Requirement: 100%

$$\text{Whitelist Rejection Accuracy} = \frac{\text{Number of packages rejected due to Whitelist}}{\text{Total packages generated for Whitelist vehicles}} \times \mathbf{100}$$

c. Hotlist (Stolen vehicles)

Reject evidence packages for vehicles identified as stolen on the Hotlist at the time of generation.

Requirement: 100%

$$\text{Hotlist Rejection Accuracy} = \frac{\text{Number of packages rejected due to Hotlist}}{\text{Total packages generated for Hotlist vehicles}} \times \mathbf{100}$$

vi. False positives

Evidence package does not meet criteria for a legitimate parking violation in a transit-only lane or transit stop.

Requirement: Less than or equal to (≤) 2%

$$\text{False Positive Rate} = \frac{\text{Number of invalid evidence packages}}{\text{Total evidence packages generated}} \times \mathbf{100}$$

vii. Management Portal

Required Availability: 100%

$$\text{Availability (\%)} = \frac{\text{Total time} - \text{Unscheduled downtime}}{\text{Total time}} \times \mathbf{100}$$

viii. Data retention: Fully comply with ***California Assembly Bill No. 917*** at all times.

The Contractor shall ensure that the system reliably meets all requirements under System Performance Metrics, monitoring and reporting the metrics every 30 days as part of regular system performance reviews.

In the event that the System fails to meet any of the preceding defined Performance Metrics, SFMTA will be due a Performance Credit as described in Appendix E (Service Level Obligations).

c. Evidence Packages

i. Evidence Package System Management

Contractor shall ensure that the System is maintained to continually adhere to the latest updates of all relevant sections of California Assembly Bill No. 917.

ii. Evidence Package Exception – Whitelist

Contractor shall configure the System to support a list of Whitelisted vehicles, maintained by the SFMTA. The Whitelist will consist of vehicle license plate***s***, license plate patterns, and issuer of vehicles which are not cited when parked in a transit only lane or transit stop. These Whitelisted vehicles include, but are not limited to, SFMTA buses, emergency vehicles, government vehicles, and other vehicles on the exception lists as defined by the SFMTA.

iii. Evidence Package Exception – Hotlist

Contractor shall configure the System to support a list of hotlisted vehicles, maintained by the SFMTA. The hotlist will include vehicle license plate, issuing state, and a flag indicating whether a vehicle is stolen. All vehicles on the hotlist, except those which are stolen, are citable for transit only lane and transit stop violations. These hotlisted vehicles include, but are not limited to, vehicles as defined

by the SFMTA from information on stolen and/or wanted vehicles sourced from the San Francisco Police Department (SFPD).

iv. Exception List Maintenance

The System shall provide the following interfaces for the SFMTA to create and maintain the whitelists and hotlists:

1) An API, for single or batch updates
2) Access through the Management Portal

Both the methods shall support list maintenance including Add, Update, and Delete operations.

v. Evidence Package Generation Rules

1) The System shall not capture or store digital images or live video feeds unless triggered by a potentially enforceable violation.
2) For each detected potentially enforceable violation, the System shall generate an evidence package according to the Evidence Package Scenarios (Section A.3.c.vi).

vi. Evidence Package Requirements

1) <u>Scenario A: Violation by Vehicle Not on the Whitelist</u>

Contractor shall configure the System to, upon detection of a vehicle parked in a transit only lane or transit stop where the vehicle is not on the Whitelist, automatically capture and create a full evidence package for each vehicle obstruction.

The System shall generate the following digital files, each stamped with the required metadata below for the triggering event and shall be stored as secure, un-editable files for upload to the System backend for processing:

a) Two (2) context still images zoomed in at different distances

b) One (1) zoomed in license plate still image

c) One (1), 15-second (minimum and configurable between 6 to 20 seconds) context video

d) Metadata

(1) Date (format YYYY-MM-DD)

(2) Time (format HH:MM:SS)

(3) Vehicle license plate characters, state of issuance, registration expiration date, if visible, color of the vehicle, and if possible, make of the vehicle

(4) Location details: leading intersection, street address, side of the street of the violation, GPS latitude and longitude

(5) SFMTA route, bus number, division, and direction of travel

(6) Camera system ID(s)

(7) Compliance with California Assembly Bill No. 917, and all amendments thereto

2) Scenario B: Violation by Whitelisted Vehicle

Contractor shall configure the System to, upon detection of a vehicle parked in a transit only lane or transit stop where the vehicle is on the Whitelist, automatically capture and create a limited evidence package for each vehicle obstruction.

The System shall generate the following digital file, stamped with the required metadata below for the triggering event and stored as a secure, un-editable file for upload to the System backend for processing:

a) Metadata

(1) Date (format YYYY-MM-DD)
(2) Time (format HH:MM:SS)
(3) Vehicle license plate characters, state of issuance, registration expiration date, if visible, color of the vehicle, and if possible, make of the vehicle
(4) Location details: leading intersection, street address, side of the street of the violation, GPS latitude and longitude
(5) SFMTA route, bus number, division, and direction of travel
(6) Flag indicator that the vehicle is on the current Whitelist
(7) Camera system ID(s)
(8) Compliance with California Assembly Bill No. 917 and all amendments thereto

3) Scenario C: Violation by a Hotlisted Vehicle

Contractor shall configure the System to, upon detection of a vehicle parked in a transit only lane or transit stop where the vehicle is on the hotlist, automatically capture and create a full evidence package for each vehicle obstruction.

The System shall generate the following digital files, each stamped with the required metadata below for the triggering event and shall be stored as secure, un-editable files for upload to the System backend for processing:

a) Two (2) context still images zoomed in at different distances

b) One (1) zoomed in license plate still image

c) One (1), 15-second (minimum and configurable between 6 to 20 seconds) context video

d) Metadata

(1) Date (format YYYY-MM-DD)
(2) Time (format HH:MM:SS)
(3) Vehicle license plate characters, state of issuance, registration expiration date, if visible, color of the vehicle, and if possible, the make of the vehicle
(4) Location details: leading intersection, street address, side of the street of the violation, GPS latitude and longitude
(5) SFMTA route, bus number, division, and direction of travel
(6) Camera system ID(s)

(7) Compliance with California Assembly Bill No. 917 and all amendments thereto

vii. Evidence Package Transmission to Backend Processing

Contractor shall configure the System to:

1) Upload valid evidence packages from each vehicle unit to the backend for processing within five minutes of creation; and

2) Delete each evidence package from the System processing/storage unit once the upload to the backend is successfully completed.

viii. Evidence Package Storage

Contractor shall configure the System to store all evidence package details in the backend upon successful upload. The backend storage shall support receiving, preparing, reviewing, updating, approving, exporting, reporting, and electronic sending of evidence details to the citation processing Vendor, where appropriate.

ix. Evidence Package Video Retention and Destruction

Contractor shall ensure video evidence retention complies with the latest updates of all relevant sections of California Assembly Bill No. 917.

x. Evidence Package Pre-Processing

1) Contractor shall configure the System to perform all Vendor-required pre-processing of evidence package data after successful upload to the backend.

2) The System shall flag all evidence packages linked to stolen vehicles on the current Hotlist.

3) The System shall include a configurable flag switch for the SFMTA to select whether evidence packages linked to stolen vehicles on the Hotlist are routed for review to be issued a citation.

4) **Default Configuration**: Evidence packages linked to stolen vehicles on the Hotlist shall not be routed for review or citation. Instead, the System shall generate an alert containing the vehicle plate, issuing state, location, and date and timestamp, which shall be emailed to email address(es) designated by the SFMTA.

5) The System shall delete any evidence package not routed for review in accordance with California Assembly Bill No. 917.

6) The System shall route all other evidence packages to the review queue for SFMTA Parking Control Officers (PCO) through the Management Portal.

xi. Evidence Package Workflows

1) Contractor shall configure the System to route evidence packages to PCO review through the Management Portal. PCOs will determine whether to approve or reject a citation.

2) The System shall allow PCOs to update:

a) The license plate and issuing state if these details are incorrectly recognized by the automated license plate reader.
b) The street name if the GPS records an incorrect street for the violation.

3) The System shall update the evidence package with a record of any corrections, including the correction details, login ID of the individual making the correction, and date and timestamp of the correction in the metadata.

xii. Approval Process Workflow

Upon a PCO's determination that a citation should be issued, the System shall:

1) Record the date and timestamp and login ID of the PCO approving the evidence package.

2) Transmit the citation data from the evidence package to the SFMTA's citation processing Vendor via a secure open API. The use of a secure open API shall allow the SFMTA the option to change citation processing Vendors.

3) Update the metadata with the date and timestamp for the event of successful transmission to the citation processor.

xiii. Rejection Process Workflow – Review

Upon a PCO's determination that a citation should not be issued, the System shall:

1) Record the rejection, including the rejection code reason, date and timestamp, and login ID of the PCO rejecting the evidence package.
2) Move the rejected evidence package to a Parking Control Supervisor review queue.

a) The System shall include a default review period of five calendar days for Parking Control Supervisor review.
b) This default value shall be configurable through the Management Portal to any value between zero and ten calendar days.

3) If a Parking Control Supervisor determines that there is reason to reevaluate the evidence package, the Parking Control Supervisor will flag the evidence package for the System to route the evidence package to a different PCO for a one-time re-review.

4) Record the login ID of the Parking Control Supervisor and date and timestamp in the metadata for each evidence package marked for re-evaluation.

xiv. Rejection Process Workflow – Reject

1) If a citation is marked as rejected and not rerouted for review within five calendar days, the System shall immediately and permanently delete:

- **a)** All context still images
- **b)** All zoomed in license plate still images
- **c)** All context videos
- **d)** All Personally Identifiable Information (PII) contained in the metadata
- **e)** Vehicle license plate number and state of issuance
- **f)** Any other information as determined by the SFMTA

2) Metadata without any PII shall remain accessible through the Management Portal for reporting purposes.

xv. Evidence Package Activity Log

The System shall record the date and timestamp and login ID of the user, (or "System" where applicable) for each of the following event operations:

1) User login
2) Successful upload of an onboard evidence package from vehicle to backend for processing
3) Evidence package available for PCO review
4) Determination of approval or rejection by PCO
5) Parking Control Supervisor decision to route a rejected evidence package for review by a different PCO
6) Final determination of approval or rejection by PCO
7) Successful transmission of data required to generate a citation to the citation processing Vendor

xvi. Evidence Package – Retention

Contractor shall configure and maintain the System to manage video evidence retention in compliance with California Assembly Bill No. 917.

xvii. Evidence Preparation Schedule

1) Contractor shall configure the System to manage the evidence preparation schedule to ensure that an approval or rejection determination of evidence packages is made within the timeframe as required by relevant sections of California Assembly Bill No. 917.

2) Final acceptance of a schedule, and any subsequent changes, will be subject to SFMTA approval.

xviii. Evidence Package Access

1) **SFMTA Users**

- **a)** Contractor shall configure the System to allow the SFMTA to define roles and user groups to access PCO approved evidence packages through the Management Portal.

b) Permissions shall be assigned based on the roles and user groups, allowing the SFMTA to manage access to evidence packages at a granular level.

c) The System shall provide an API through which SFMTA or SFMTA's citation Vendor can retrieve all evidence package contents in real-time 24 hours a day, seven days per week, including:

i. All context still images
ii. All zoomed in license plate still images
iii. All context videos
iv. Vehicle license plate number and state of issuance
v. Any other information as determined by the SFMTA

2) Registered Owner of Cited Vehicle

In accordance with California Assembly Bill No. 917, the registered vehicle owner must be able to view the evidence package of the alleged violation during normal business hours at no cost. SFMTA will host a website allowing registered vehicle owners to view alleged TOLE violation details via citation number or vehicle license plate. SFMTA will retrieve violation details from the application programming interface (API) detailed herein.

4 User Accounts

a. Contractor shall configure the System to support unlimited role-based user accounts for SFMTA personnel to manage access to the web-based Management Portal.

b. The Administrator role shall have permissions to define accessibility profiles for each user account.

c. The Super User role shall have access to permissions for System level configuration, maintenance, and reset/recovery operations, in addition those granted to all other roles.

d. The System shall allow SFMTA personnel with Administrator or Super User roles to perform the following, at no additional cost to the SFMTA:

i. Create and grant access to new users
ii. Grant additional permissions to existing users
iii. Disable or shut down accounts

e. User Authentication shall be implemented through Single Sign-On (SSO) as specified in Section A.9.

5 Management Portal

Contractor shall maintain a web-based Management Portal that enables access to configuration, maintenance, reporting, and other supporting functions related to Enforcement Zones, Evidence Packages, and other backend operations.

a. Availability

The Management Portal shall be available 24/7/365 (24 hours a day/ seven days a week / 365 days a year) and accessible via a standard web browser to an unlimited number of designated SFMTA personnel.

b. Authentication

Authentication to the Management Portal shall be implemented through SSO per Section A.9.

c. Authorization

Authorization shall be determined by roles defined in the System. Individuals may be assigned to one or more roles.

d. Features/Functions

i. The Management Portal shall provide functionality to support administrative and daily operational activities, including:

1) Role management
2) User account management
3) Workflow to review, approve, reject, and re-review Evidence Packages
4) Access to contents of evidence packages, including metadata, photos, and videos
5) Limited editing of evidence package metadata
6) Report generation
7) Remote monitoring of bus mounted System status
8) Maintenance of transit route and transit stop Enforcement Zone maps
9) Maintenance of Whitelisted vehicles
10) Maintenance of Hotlisted vehicles

6 Dashboard

The Management Portal shall also include a dashboard that visually displays real-time monitoring of heartbeat status indicators for each onboard camera system, with detailed status information for components including:

a. System processing/storage unit
b. Camera(s)
c. GPS connection
d. Time synchronization
e. Cellular network connection
f. IMEI # and SIM card # (if applicable)

7 Reporting and Data Access

a. Contractor shall configure the System to provide role-based access to reports through the Management Portal.

b. Reports shall include both pre-defined and ad-hoc reports, with the ability to specify date ranges and parameters (e.g., number of incidents within a given month).

c. The System shall allow viewing and exporting of raw data.

d. Subject to the retention requirements of AB-917, metadata, excluding any Personally Identifiable Information (PII), shall remain available online for twelve months from the time of its initial recording for reporting purposes.

e. Reports must support multiple categories, including:

i. System Configuration: Enforcement Zone mapping and rules, Whitelist and Hotlist reporting, System health status

ii. Key Performance Indicators (KPIs): Violation rates, Violation heat maps/Frequency, Violation times

iii. Performance: Violation detection accuracy, ALPR accuracy, location accuracy, System downtime, Quality of imagery/Data capture, Processing durations

iv. Audit: Access logs, Data event logs

f. The System shall provide the capability for custom, non-standard and specific reporting of data queries on available data through the Management Portal.

g. All reports, alerts, and logs shall be exportable and printable.

8 Data Privacy

Contractor shall provide Services in accordance with the Surveillance Technology Policy attached as Appendix H. Contractor shall configure the System to prevent unauthorized access to any PII. The following data must be logged for any individual accessing PII.

a. User ID

b. Date and timestamp of access

9 Security

Contractor shall configure System to authenticate all users of the Management Portal through SSO with SFMTA's authentication mechanism, preferably utilizing Security Assertion Markup Language (SAML).

10 System Integrations

a. Citation Processing Vendor

Contractor shall ensure successful integration through Contractor's APIs with the SFMTA's current citation processing Vendor as well as any future Vendors designated by the SFMTA, at no additional cost to the SFMTA.

b. Email

Contractor shall configure the System to support the secure emailing of select data elements for vehicles detected on the hotlist to email address(es) designated by the SFMTA.

c. Application Programming Interface (API)

Contractor shall provide secure open-standard non-proprietary APIs that grants the SFMTA unlimited access to secured data and configuration settings within the proposed System. A platform-independent architecture such as RESTful web services using HTTP methods and JSON payloads is preferred. The API shall include methods that enable:

i. Fetching of all violation event data and metadata, including those supporting performance and service analysis.

ii. Fetching/posting/patching of application configuration items, including but not limited to, event thresholds, behaviors, event types, and event statuses.

iii. Fetching/posting/patching of all SFMTA-sourced data, including but not limited to Operator/Employee/User information, vehicle lists, transit routes and transit stops configured as Enforcement Zones.

iv. Fetching all violation event data, metadata, photos, and video files in a non-proprietary format for the duration of the retention period pursuant to California Assembly Bill No. 917.

11 System Monitoring, Alerts, Notification, and Configuration

a. Monitoring Alerts

Contractor shall configure the System to support configurable email and SMS text messages to SFMTA-authorized recipients for real-time alerts and notifications regarding related specific monitored System events.

b. Bus Mounted Components Self-Monitoring and Self-Testing

i. Contractor shall configure the System for continuous real-time self-monitoring, self-testing, and self-reporting of System status, accessible through the Management Portal.

ii. Bus mounted components shall automatically detect and produce alerts for fault conditions in the event of any failure.

iii. Daily self-test results shall be stored and made available through the Management Portal for six months.

c. Data Upload Failure Alerts

i. Contractor shall configure the System to send failure alerts every hour via email and/or SMS text message for each vehicle System that fails to upload collected data successfully within any continuous four hour period.

ii. The data upload failure alert shall be sent after four hours of failed communication.

iii. All data upload failure alerts shall be logged in the System and viewable in the Management Portal until manually cleared.

12 Service Level Obligations (SLO)

a. Contractor shall maintain a Service Level Obligations (SLO) of 99.9% uptime, excluding scheduled maintenance window times and excluding failures of external components outside of Contractor's direct control.

b. Contractor shall perform regular maintenance during an SFMTA approved scheduled downtime.

c. Contractor shall provide monthly performance reports and participate in quarterly reviews with the SFMTA to discuss open tickets, propose resolution timelines, and monitor the overall health of the System. Adjustments shall be made as necessary to meet the SLO.

In the event that the System fails to meet any of the preceding defined Service Level Obligations, SFMTA will be due a Performance Credit as described in Appendix E (Service Level Obligations).

13 Delivery, Warranties, and Maintenance

a. Delivery Schedule

Contractor shall deliver one first article in-vehicle System per vehicle type within 30 calendar days of SFMTA Acceptance of the Pilot and shall fully deliver all System units within 180 calendar days from SFMTA Acceptance of the Pilot in accordance with the Schedule.

b. Warranties

i. Contractor shall be responsible for repairing or restoring any damage to buses resulting from installation, maintenance, or repair activities. All such damage must be reported to SFMTA within two (2) hours of occurrence. SFMTA reserves the right to determine who will perform the necessary repairs and must provide prior written approval for any repair work undertaken. If the SFMTA self-performs the repairs or hires a third party to perform the repairs, Contractor shall reimburse the SFMTA for the repair costs. All repair work shall conform to the requirements of the applicable bus warranties.

ii. Contractor shall provide full warranties covering all System components, Hardware, software, and interfaces for the original term of this Contract, and in any term extension options.

iii. Warranty coverage for each System shall begin with SFMTA's written acceptance of the System's installation on each vehicle.

iv. Warranties shall include:

1) Remote monitoring of all vehicle System components

2) Remote and/or on-site diagnostics to determine the cause of any failed System components

3) Parts and labor for the replacement of failed components at no cost to the SFMTA

4) Hardware, software, and Firmware updates and upgrades required to meet the SLO and Performance Metrics requirements stated herein

v. If the contractor sources components from third-party manufacturers (e.g., cameras, processors, storage units), all those original manufacturer warranties must also be assigned to SFMTA.

c. Warranty Maintenance

i. Contractor shall provide diagnostic and troubleshooting tools to minimize the need to remove and replace any components for warranty repair.

ii. Contractor shall coordinate all maintenance or repair services with the SFMTA according to the procedures in this section.

Contractor is not authorized to perform any warranty maintenance services, including those for Hardware, cloud, Software, and Firmware except as approved in advance by the SFMTA.

iii. ***Response Time***

Contractor shall initiate and complete corrective actions within seventy-two (72) hours from receipt of notification, ensuring full restoration of all Contractor-provided central systems, Hardware, Software, designs, and services outlined in this Scope of Work, irrespective of the number of concurrent system failures, in response to all automated System failure alerts or service requests from the SFMTA.

iv. Vehicle System Component Removal and Replacement

1) If System maintenance or repair is required, Contractor shall be responsible for replacing affected components at no cost to the SFMTA.

2) Contractor shall update all Camera IDs and other relevant identifiers for components replaced.

3) If the System is damaged by Contractor while performing maintenance services, the damaged component shall be replaced by Contractor at no cost to the SFMTA.

4) Repair Scheduling

a) Removal and replacement scheduling shall be coordinated with the SFMTA.
b) Contractor shall be available 24/7 for scheduled repair work.
c) No bus shall be held out of service for System maintenance purposes unless approved by the SFMTA.

5) Onsite Requirements

Contractor staff shall:

a) Sign in/out at entry when arriving and departing any SFMTA bus division facility

b) Be escorted by SFMTA personnel while onsite

c) Comply with SFMTA personnel oversight as necessary during Contractor's maintenance services

d) Adhere to all applicable SFMTA safety requirements

14 Dedicated Account Manager

a. Contractor shall commit a dedicated (single point of contact) and knowledgeable account manager to answer the SFMTA's questions as they arise. This person shall be

made available to a limited, but select number of SFMTA personnel by email or telephone during normal business hours.

B. Work Tasks

1. Notice to Proceed 1: Pilot, User Acceptance Testing, and Acceptance

Contactor shall perform an initial Pilot installation of the System Hardware on two vehicles to operate over a 30-day period to demonstrate System functionality identified in this Scope of Work to the SFMTA's satisfaction. The vehicles selected for the Pilot may include one or more of the major vehicle types identified as in-scope. If significant differences are discovered between vehicle types, Contractor shall develop detailed installation instructions for each vehicle type to ensure proper and consistent deployment.

Within 30 days of the SFMTA issuing NTP 1, Contractor shall provide a Pilot Work Plan and install the System on two buses to commence the Pilot operation period. The Pilot Work Plan must include the following:

a. **Work Plan**: A document detailing work instructions, required materials, and vehicle integration processes.
b. **Quality Control and Testing Plan**: A comprehensive plan outlining the procedures for quality assurance and testing of the automated transit only lane and transit stop enforcement system.
c. **Interface Control Document (ICD):** Documentation of all interfaces between the proposed System and the selected New Flyer Xcelsior vehicle models.
d. **Vehicle Specification Assessment Documentation:** Detailed information on the Hardware and electrical connection for each vehicle configuration type. The documentation shall include a wiring diagram, equipment datasheets, bill of materials, and compliance certificates. Contractor shall be responsible for providing and documenting power consumption calculations and specifying any input voltage conversion or filtering required to reliably operate the equipment on vehicle model types. Contractor shall also document a delayed time off mechanism, if the equipment is powered by the vehicle battery bus.

Contractor shall demonstrate to the SFMTA within 30 calendar days of NTP 1 that the System operates in accordance with the Performance Metrics and Service Level Obligations in this Scope of Work. Following the Pilot period, User Acceptance Testing (UAT) of the Pilot installation will be conducted by the SFMTA. The UAT will include testing of the web portal/user interface and all other components needed for a full functioning System. The SFMTA will validate and approve the Contractor submittals for the success of the UAT. The SFMTA will determine success of the UAT based on requirements traceability included in this RFP. The SFMTA will perform oversight during this UAT of the pilot installation phase and direct the Contractor to make necessary changes.

The SFMTA reserves the right to refine or modify requirements based on the outcome of the Pilot. The Pilot activities shall not impact regular service and may, in the SFMTA's sole discretion, be conducted on night shifts or during weekend timeframes.

Final Acceptance of the Pilot and approval for full deployment will be granted by the SFMTA only if all requirements specified in Section A (Requirements and Specifications) are met during the 30-day pilot. The SFMTA will endeavor to complete the review of the Pilot within 30 days of the completion of the Pilot operation period. Any adjustments to Hardware or Software configurations identified during the Pilot shall be submitted for re-testing prior to SFMTA Acceptance and within thirty (30) days of the installation of the System Hardware for the Pilot.

2. Notice to Proceed (NTP) 2: Planning and Design

Within 10 days of the SFMTA issuing the NTP 2, Contractor shall be responsible for designing, planning, and executing an implementation plan of the System on the selected New Flyer Xcelsior vehicle models (Implementation Plan).

The Implementation Plan shall include:

a. **Schematic Drawings**: Comprehensive wiring diagrams and design documentation detailing connection to power sources, and integration points with existing on-board vehicle systems.

b. **Detailed Installation Plan**: A detailed plan outlining the procedures, tools required, safety protocols, and QA/QC measures necessary for the mounting, calibration, wiring of all Hardware, verification of Firmware, and configuration of all Cloud Software components.

c. **Troubleshooting Guides**: Documentation to assist in diagnosing and resolving Hardware issues that may arise during or after installation.

The SFMTA will determine if the design provided by Contractor in the Implementation Plan is acceptable and approve the method for installation and repeatability of the process. The SFMTA will also determine if vehicle mounting/calibrations/wirings are accurately detailed and installed for the Pilot installation phase.

Contractor shall obtain the SFMTA's written approval of the Installation Plan prior to the installation of the System on any vehicle. The SFMTA reserves the right to observe and/or oversee any installation work performed by Contractor and provide written approval before the buses are released for service operation.

All System designs and work plans shall be subject to review and approval by SFMTA's Transit and Bus Fleet Project Teams prior to commencing work.

3. Notice to Proceed 3 - Deployment

Within 7 days of the SFMTA issuing NTP 3, Contractor shall confirm the proposed deployment schedule from the Project Implementation Plan for SFMTA's approval. The proposed deployment schedule shall be provided in response to this RFP. Contractor shall clearly

show, in the deployment schedule, a plan detailing all work required to complete the deployment within a timeframe approved by the SFMTA.

Contractor will perform a pre-op inspection with photographs and video documenting the condition of each vehicle prior to the Contractor implementation work, and conclude with a post-op inspection with photographs documenting the condition of each vehicle and to verify install quality and that any affected systems on the vehicle still function as expected. Contractor shall provide the SFMTA with copies of the photographs and video taken during these inspections within one business day of the completion of the post-op inspection. SFMTA may provide oversight during the implementation work, and each installation is only accepted after the SFMTA signs off on the post-op inspection in accordance with the installation requirements identified in Section A of this Scope of Work.

The acceptance form and inspection requirements shall be mutually agreed upon by Contractor and the SFMTA after the Pilot installation and before beginning the rest of the fleet.

Contractor shall provide implementation, installation, and deployment services that meet all requirements specified in this Scope of Work, Section A, as well as:

a. Overall access design and installation plan.

b. Delivery, operation, testing, commissioning and go-live of System Hardware and Software.

c. Maintenance Instructions: Adjustment and test procedures shall be provided by Contractor if the supplied Hardware is required to be maintained by the Agency. All preventive maintenance and corrective maintenance procedures shall be provided.

d. A troubleshooting guide for first line maintenance (i.e., repair/replacement of Hardware).

4. Training

Contractor shall be responsible for providing training to SFMTA personnel on the System within six months of the SFMTA's Acceptance of the Pilot, including the following:

a. Hardware Installation and Maintenance: Training for Hardware usage, installation, maintenance, and repair, including replacement, adjustment/calibration, and testing. Training shall include the details of installation, diagnosis, and maintenance procedures.

b. System Software Administrator: Training for Administrators and Super Users on the use of all features and operations available through the Management Portal System.

c. Hands-on training: Training to designated SFMTA personnel in the following areas:

i. Fleet Management Training: Contractor shall provide, upon request, a demonstration of the software application in a one-time Web-Based training session to designated SFMTA Fleet Management personnel. The Web-Based

training shall include, but not be limited to, all Management Portal operations, system configuration, viewing events videos, and understanding ongoing program performance including Key Performance Indicators (KPI) level reporting. The training shall be recorded and be made available for future viewing.

ii. Enforcement: Contractor shall provide, upon request, a demonstration of the software application in a one-time Web-Based training session to designated SFMTA Enforcement personnel. The Web-Based training shall include all operations related to configuration and maintenance of Enforcement Zones, approval/rejection/re-review of evidence packages, system configuration for evidence packages, viewing event videos for evidence packages, updating vehicle information on both the Whitelist and Hotlist, and understanding ongoing program performance including Key Performance Indicators (KPI) level reporting. The training shall be recorded and be made available for future viewing.

iii. Transit Division: Contractor shall provide, upon request, a demonstration of the Software application in a one-time Web-Based training session to designated SFMTA Transit Operations personnel. The Web-Based training shall include, but not be limited to, all operations related to monitoring and reporting on ongoing program performance, reporting on Key Performance Indicators (KPI), configuration and maintenance of Enforcement Zones, and download of raw data for reporting on program performance. The training shall be recorded and be made available for future viewing.

iv. Video Shop: Contractor shall provide, upon request, a demonstration of the software application in a one-time Web-Based training session to designated SFMTA Video Shop personnel. The Web-Based training shall include, but not be limited to, all operations related to replacement and calibration of video and related Hardware. The training shall be recorded and be made available for future viewing.

v. Citation Review: Contractor shall provide, upon request, a demonstration of the software application in a one-time Web-Based training session to designated SFMTA Citation Review personnel. The Web-Based training shall include, but not be limited to, all operations related to viewing details of approved evidence packages. The training shall be recorded and be made available for future viewing.

vi. Administrators/Super Users: Contractor shall provide, upon request, a demonstration of the software application in a one-time Web-Based training session to designated SFMTA Administrators/Super Users personnel. The Web-Based training shall include, but not be limited to, all operations related to management and maintenance of the system. The training shall be recorded and be made available for future viewing.

5. Software and Hardware Licenses

Contractor shall provide the SFMTA with necessary software licenses required for the successful operation, management, configuration and maintenance of the System throughout the Contract Term, including all option periods, in accordance with the terms of the Agreement.

Contractor shall provide all necessary Hardware and Software licenses to allow operation of the System. In addition, Contractor shall provide Software licenses that allow ongoing access to Contractor's web portal application for designated SFMTA personnel.

6. Post Go-Live Support

Contractor shall provide onsite personnel support for four weeks following the implementation and go-live of the System to immediately resolve issues, concerns, and questions. The activities involved during post go-live support include on-site presence of personnel, and/or personnel who are accessible for on-call support.

7. System Maintenance, Software Maintenance, and Support

a. Contractor shall provide SaaS Services, including ongoing support and maintenance, in accordance with Appendix C to the Agreement.

b. Contractor shall respond within 4 hours to all defects and issues that result in 80% or more of deployed System installations being inoperative.

c. Contractor shall restore full System functionality within 72 hours to all defects and issues that result in 80% or more of deployed System installations being inoperative.

d. Contractor shall resolve within forty-eight hours to all defects and issues resulting in limited performance, but the System is not down, for 20% or more of deployed installations.

e. Contractor shall ensure that any software/Firmware upgrades can be automatically downloaded.

f. Contractor shall schedule any downtime for non-emergency software maintenance during SFMTA's non-revenue hours (1-4 AM PT).

g. Contractor shall schedule any downtime for regular System maintenance during SFMTA's non-revenue hours (1-4 AM PT).

h. Contractor shall work with the SFMTA to schedule monthly reporting and quarterly System performance reviews to the SFMTA. In the review, Contractor shall discuss open tickets and propose resolution times to monitor progress and overall health of the deployment over the course of the contract and adjust as necessary to meet the SLO.

i. If the solution provider has servers on-premise, the SFMTA expects that the environment shall be patched at least every 30 days.

C. Non-Warranty Spare Parts and Labor

As part of the Capital Costs, Contractor shall provide any nonstandard tools, materials, or equipment, including any initial spare parts reserve necessary to operate and maintain the System.

Contractor shall act in accordance with and maintain a price list for non-warranty spare parts as described in Appendix K (Non-Warranty Spare Parts Price List and Labor Rates). Appendix K will be used by the SFMTA to order spare parts on an as-needed basis during the term of the Contract. Should additional spare parts be necessary, Contractor shall be able to provide spare parts within 5 business days.

Contractor shall also provide the labor rate(s) for non-warranty labor and additional training beyond the training identified in the Scope of Work.

Appendix B
Schedule

Task Name	Duration	Start	Finish
PROGRAM KICK-OFF	66d	04/01/26	07/01/26
Contract Award	1d	04/01/26	04/01/26
People Mobilization	10d	04/02/26	04/15/26
Requirements Gathering	20d	04/16/26	05/13/26
Business Rules Definition (Hayden AI & SFMTA)	20d	04/16/26	05/13/26
Route List, Priorities and Enforcement Limits	20d	04/16/26	05/13/26
GTFS Bus Feed Provision	20d	04/16/26	05/13/26
Bus Types and Quantities Confirmation	20d	04/16/26	05/13/26
Pilot Buses and Route Selection	10d	04/16/26	04/29/26
Engineering Planning	40d	04/16/26	06/10/26
Clarification of New Development Feature Requirements (SFMTA)	30d	04/16/26	05/27/26
Processor Coordination	30d	04/16/26	05/27/26
API Requirements Clarification (SFMTA)	30d	04/16/26	05/27/26
Schedule for Pre- and Post-Go-Live Feature Releases (Hayden AI)	10d	05/28/26	06/10/26
Pre-Pilot Preparations	55d	04/16/26	07/01/26
Route Surveys - Batch 1 (14, 14R, 38R, 30, 9R, 5, 5R)	7d	04/16/26	04/24/26
Survey of all 4 Bus Types	3d	04/16/26	04/20/26
Supply Chain Planning	10d	04/21/26	05/04/26
Pilot Route Configuration and Annotation	10d	05/14/26	05/27/26
Implementation Plan Preparation	15d	06/11/26	07/01/26
PHASE 1 - PILOT, USER ACCEPTANCE TESTING AND ACCEPTANCE	48d	06/01/26	08/05/26
Pilot Documentation	22d	06/02/26	07/01/26
Submission of Final Business Rules Document (Hayden AI)	5d	06/02/26	06/08/26
Approval of Business Rules Document (SFMTA)	5d	06/02/26	06/08/26
Preparation and Submission of Pilot Work Plan (Hayden AI)	5d	06/02/26	06/08/26
Approval of Pilot Work Plan (SFMTA)	5d	06/09/26	06/15/26
Pilot Installation and Configuration	12d	06/09/26	06/24/26
Agreement on Installation Inspection & Acceptance Procedures (SFMTA & Hayden AI)	3d	06/18/26	06/22/26
Fleet and System Configuration Based on Business Rules	10d	06/09/26	06/22/26
Buses Calibration and Configuration	5d	06/18/26	06/24/26
Pilot Launch and Acceptance	25d	07/02/26	08/05/26
User Acceptance Testing (UAT)	10d	07/16/26	07/29/26
SFMTA Review and Approval of UAT Results	5d	07/30/26	08/05/26

Task Name	Duration	Start	Finish
PHASE 2 - PLANNING AND DESIGN	27d	08/06/26	09/11/26
NTP 2	1d	08/06/26	08/06/26
Project Documentation and Design	26d	08/07/26	09/11/26
Submission of Implementation Plan (Hayden AI) (10 days after NTP 2)	1d	08/07/26	08/07/26
Approval of Implementation Plan (SFMTA)	5d	08/10/26	08/14/26
Preparation and Submission of Bus Installation Manuals (Hayden AI)	10d	08/24/26	09/04/26
Approval of Installation Manuals (including pilot versions)	5d	09/07/26	09/11/26
Submission of Route Configuration File (Hayden AI)	1d	08/21/26	08/21/26
Approval of Route Configuration File (SFMTA)	5d	08/24/26	08/28/26
Preparation and Submission of Violation Processing Document (Hayden AI)	5d	08/07/26	08/13/26
Review and Approval of Violation Processing Document (SFMTA & Trellint)	5d	08/14/26	08/20/26
Preparation and Submission of Acceptance Test Plans (Hayden AI)	20d	08/07/26	09/03/26
Approval of Acceptance Test Plans (SFMTA)	5d	09/04/26	09/10/26
Preparation and Submission of Maintenance Plan (Hayden AI)	20d	08/07/26	09/03/26
Approval of Maintenance Plan (SFMTA)	5d	09/04/26	09/10/26
Prototype Installations	8d	08/17/26	08/26/26
Prototype Installations per Bus Type (excluding pilot types)	5d	08/17/26	08/21/26
Prototype Installation Inspection and Acceptance (SFMTA)	3d	08/24/26	08/26/26
Route Configuration and Annotation	17d	08/07/26	08/31/26
Route Configuration and Annotation - Batch 1	15d	08/07/26	08/27/26
PHASE 3 - DEPLOYMENT	156d	08/06/26	03/11/27
NTP 3	1d	09/14/26	09/14/26
Buses and Routes	128d	09/15/26	03/11/27
Bus Installations	1d	09/15/26	09/15/26
Installation Inspection and Acceptance (SFMTA)	100d	09/15/26	02/01/27
Buses Configuration and Calibration	100d	09/29/26	02/15/27
Engineering	25d	08/06/26	09/09/26
Pre-Go-Live Feature Configuration	25d	08/06/26	09/09/26
Post-Go-Live Feature Configuration (TBD)			
Interface with Processor	28d	08/21/26	09/29/26
Hayden API development	20d	08/21/26	09/17/26
Processor Vendor API Development	20d	08/21/26	09/17/26
Integration and Testing	8d	09/18/26	09/29/26
Testing	15d	09/10/26	09/30/26
Internal System Testing	8d	09/10/26	09/21/26

Task Name	Duration	Start	Finish
Submission of System Acceptance Test Results (Hayden AI)	2d	09/22/26	09/23/26
SFMTA Review and Approve Acceptance Test Results	5d	09/24/26	09/30/26
Training	24d	08/24/26	09/24/26
Deliver Hardware Installation, Replacement, Calibration and Maintenance Training	1d	09/17/26	09/17/26
Submission of Hayden Portal User Manual (Hayden AI)	1d	09/17/26	09/17/26
Portal User Training	1d	09/24/26	09/24/26
Route Configuration & Annotation Training	1d	08/24/26	08/24/26
Go-Live/Project Launch	1d	10/01/26	10/01/26
Go-Live/Project Launch	1d	10/01/26	10/01/26

Appendix C
SaaS Application & Hosting Services

I. Description of the SaaS Application and Hosted Services
II. SaaS Data Centers
III. SaaS Maintenance Services
IV. City Responsibilities
V. Technical Support & Training

I. Description of the SaaS Application and Hosted Services. "SaaS Application and Hosted Services" include the following: A secure web portal with features supporting the effective and efficient administration, management, control, and monitoring of the System as described in Appendix A (Scope of Work). Authentication shall be integrated with SFMTA's Security Assertion Markup Language (SAML) authentication mechanism. SFMTA defined role-based access with audit logging will allow access to functions that include a dashboard for management of the evidence package workflow, access to evidence package details, configuration of Enforcement Zones, access to monitoring and reporting, management of the whitelist and hotlist, and monitoring System status. Contractor shall notify the SFMTA within 5 days of any changes to the Software and Third Party Software listed below, and shall provide an inventory in compliance with San Francisco Administrative Code Chapter 22J (Artificial Intelligence Tools) annually, and within 15 days of any request by the SFMTA.

A. Software. Use of Contractor's Software operating on hosted equipment located at Contractor's facility and/or any Data Center as further outlined under Section II (SaaS Data Centers) of this Appendix C. This includes:

1. StreetSight™
2. Hayden AI
3. AI Perception Engine

B. Third-Party Software:

1. Providing certain third-party software required to operate the SaaS Software, including Cyderes, and other bundled third-party software packages required to support the operation of the SaaS Software.

2. Inclusion of regular Software and Contractor-supplied third-party software updates, patches and fixes as scheduled by Contractor.

C. Remote Software. Contractor shall provide access to and use of a remote software tool for City management of Authorized Users, access rights and other similar role-based controls as they pertain to the SaaS Services. Method will be published through Contractor portal and be made available to Authorized Users with elevated privileges.

D. Back-Up of City Data:

1. Contractor shall provide up to thirty-six (36) months of on-line hourly data retention for SaaS Software operation and functionality.

2. Contractor shall provide incremental City Data backups at a minimum of every four (4) hours to an off-site location other than the primary hosting center.

3. Contractor shall provide weekly, off-site backups with a duration that matches the agreed-upon backup schedule and retention to a location other than the primary hosting center. Off-site backups to include previous eight (8) weeks

E. SaaS Environments. The SaaS Application and Hosted Services shall be hosted in a certified and secure Tier-3 data hosting center.

1. A single Back-up Environment available as needed to serve as the backup or "failover" environment for the SaaS and Hosted Services

2. A single test environment available to City and Contractor for the evaluation and eventual promotion of SaaS Software updates, patches, fixes or otherwise deemed tests. Test Environment shall perform at fifty percent (50%) or better of production environment.

F. Reporting. Contractor shall provide electronic notification within 2 hours of discovery and subsequent monthly reporting of any incidents or breaches that had occurred within the environment or to the hosted application. In the event of a breach, Contractor shall follow the procedures set forth in Section 14.3.5 of the Agreement.

G. Availability of SaaS Services. Contractor (or its Hosting Service contractor) shall host the SaaS Services on computers owned or controlled by Contractor (or its contractor) and shall provide City with access to both a production environment with SaaS Application and data and a test environment with SaaS Application via Internet-access to use according to the terms herein.

1. Hosted System Uptime: Other than Scheduled SaaS Maintenance Services as outlined in Section III, emergency maintenance described below, Force Majeure as described in the Agreement and lack of Internet availability as described below, Contractor shall provide uptime to the SaaS Application and Hosted Service to achieve a 99.9% Service Level Availability.

2. Scheduled SaaS Maintenance

i. Contractor shall conduct Scheduled SaaS Maintenance during the following hours: Saturdays between 12 AM (Pacific Time) and 8 AM (Pacific Time), with the same exclusions noted in subsection 1, above.

ii. Scheduled SaaS Maintenance shall not exceed an average of 4 hours per month over a twelve (12) month period except for major scheduled upgrades.

3. Unscheduled SaaS Maintenance. Contractor shall use commercially reasonable efforts to prevent more than one (1) hour of continuous down time during business hours in any month for which unscheduled SaaS maintenance is required. If Contractor fails to meet this obligation for a period of three successive calendar months, Contractor shall furnish City with a Performance Credit in the amount of ten percent (10%) of the Services Fees (as calculated on a monthly basis for the reporting month).

4. Emergency Maintenance. If Force Majeure Events or emergencies arise or continue, Contractor shall be entitled to take any actions that Contractor, in good faith, determines is necessary or advisable to prevent, remedy, mitigate, or otherwise address actual or potential harm, interruption, loss, threat, security or like concern to any of the SaaS systems or the SaaS Software. Such emergency maintenance may include, but is not limited to: analysis, testing, repair, maintenance, re-setting and other servicing of the hardware, cabling, networks, software and other devices, materials and systems through which access to and/or use of the SaaS Software by City is made available. Contractor shall endeavor to provide advance written notice of such emergency maintenance to City as soon as is reasonably possible.

5. Notice of Unavailability. In the event there will be more than thirty (30) minutes down time of any SaaS or Hosted Service components for any reason, including but not limited to, Scheduled SaaS Maintenance or emergency maintenance, Contractor shall provide notice to users by posting a web page that indicates that the site is temporarily unavailable and to please come back later. Contractor shall also provide advanced e-mail notice to an email address(es) designated by the SFMTA which will include at least a brief description of the reason for the down time and an estimate of the time when City can expect the site to be up and available.

H. Changes in Functionality. During the term of this Agreement, Contractor shall not reduce or eliminate functionality in SaaS Services. Where Contractor has reduced or eliminated functionality in SaaS Services, City, in its sole election, shall: (i) have, in addition to any other rights and remedies under this Agreement or at law, the right to immediately terminate this Agreement and be entitled to a return of any prepaid fees; or, (ii) determine the value of the reduced or eliminated functionality and Contractor shall immediately adjust the Services fees accordingly on a prospective basis. Where Contractor increases functionality in the SaaS Services, such functionality shall be provided to City without any increase in the Services fees.

II. SaaS Data Centers

A. Control: The method and means of providing the Services shall be under the exclusive control, management, and supervision of Contractor, giving due consideration to the requests of City. Contractor, or any previously approved subcontractor, shall provide the Services (including data storage) on Data Centers solely from within the United States.

B. Data Center Standards

Contractor's Data Centers shall have fully redundant and diverse network paths to City endpoints. Data Centers shall be located in geographically different seismic zones characterized

by the lowest predicted chance of damage as defined by the US Geological Survey Earthquake Hazards Program.

Environmental systems must monitor/detect temperature, humidity, fluid leaks, fire/smoke/particulate and have accompanying suppression systems. Fire suppression systems should be dry pipe. Power should be fully conditioned to avoid spikes and other aberrations that can damage equipment. Temporary power units, such as generators, must be in place to support SaaS Services in the event of a power outage for up to three calendar days, and fuel replenishment contracts must be in place to keep temporary power operational for longer periods.

C. Location: The location of the approved Data Centers that will be used to host the SaaS Application are as follows:

Primary Tier 3 data center:
Amazon Web Services (AWS) United States
More information can be found: https://aws.amazon.com/trust-center/data-center/our-controls/

D. Replacement Hosted Provider. In the event Contractor changes the foregoing Hosted Provider, Contractor shall provide City with prior written notice of said change and disclose the name and location of the replacement Hosted Provider. The replacement Hosted Provider shall be a reputable Hosted Provider comparable to Contractor's current Hosted Provider, and said replacement Hosted Provider shall be located within the United States. The replacement Hosted Provider shall perform a SSAE 18, SOC 1 and/or SOC 2, Type 2 Report Audit Report at least annually, in accordance with Section 14.4 of this Agreement.

E. Notice of Change. If the location of the Data Center used to host the SaaS Application is changed, Contractor shall provide City with written notice of said change at least sixty (60) days prior to any such change taking place. Contractor shall disclose the address of the new facility, which shall be within the United States. The Data Centers referenced above are subcontractors that must be approved by City.

F. Subcontractors. Contractor shall not enter into any subcontracts for the performance of the Services, or assign or transfer any of its rights or obligations under this Agreement, without City's prior written consent and any attempt to do so shall be void and without further effect and shall be a material breach of this Agreement. Contractor's use of subcontractors shall not relieve Contractor of any of its duties or obligations under this Agreement.

III. SaaS Maintenance Services

A. The SaaS Software maintained under this Agreement shall be the SaaS Software set forth in Appendix A to this Agreement.

B. The following SaaS Maintenance Services are included as part of this Agreement:

1. Contractor Software Version Upgrades, Software Revisions and Patches. Contractor shall provide and implement all SaaS Software Version upgrades, SaaS

Software Revisions and SaaS Software Patches to ensure: (a) that the functionality of the SaaS Software and Services, as described in the Documentation, is available to Authorized Users; (b) that the functionality of the SaaS Software and Services is in accordance with the representations and warranties set forth herein, including but not limited to, the SaaS Software and Services conforming in all material respects to the specifications, functions, descriptions, standards, and criteria set forth in the Documentation; (c) that the Service Level Standards can be achieved; and (d) that the SaaS Software Services work with the non-hosted browser version.

i. **Planning:** Contractor must assist City with the planning and logistics of upgrades and updates.

ii. **Technical Assistance.** Contractor must provide technical assistance regarding release notes, new functionality, and new application workflows.

iii. **Deployment:** Deployment of these revisions will be mutually agreed upon between Contractor and City.

iv. **Software Releases:** Release of Software revisions as defined will be conducted on a schedule as determined by Contractor. Contractor shall provide no less than a thirty (30) calendar day prior written notice of when any such revision is scheduled to be released. City will be granted a fifteen (15) calendar day evaluation window to review release documentation regarding software modules being impacted and general revision changes.

v. **Testing:** After the evaluation period, Contractor shall conduct a deployment of the revision to City test environment. The Software deployment will be scheduled in writing five (5) calendar days prior to actual deployment activities. As part of the upgrade activities within the Test Environment, Contractor may provide nominal testing to ensure all systems are functional and the revision deployment was successful. Post deployment activities include an e-mail or portal post to serve as written notification that this service has been completed. City shall have forty-five (45) calendar day test window in which City has ability to test and raise issues with Contractor. Test environment deployment activities will be conducted during a mutually agreed-to time window and may not necessarily align with the production maintenance windows as described within this document.

vi. **Severity 1 and Severity 2 Incident Correction:** If a SaaS Severity Level 1 or Severity Level 2 Issue is identified and appropriately triaged and classified by both Contractor and City during the test environment deployment test window, Contractor shall correct the SaaS Issue. The severity of a SaaS Issue will be initially defined by City and confirmed by Contractor. Until the

SaaS Issue has been resolved, the Severity Level may be raised or lowered based on mutual agreement between Contractor and the City. If the SaaS Issue can be corrected and can be redeployed within the remainder of the deployment test window, City will have an additional five (5) testing days in which to evaluate and further test for the SaaS Issue resolution. If the SaaS Issue cannot be corrected within the remainder of the test window, Contractor will deploy immediately upon availability with as much notice as practicable. City will be allowed an additional five (5) testing days to evaluate the correction post the test window if desired.

vii. **Testing Suspension:** If at any time during the testing window City identifies the presence of multiple SaaS Severity Level 1 or Severity Level 2 Issues that can be shown to materially impact City ability to continue testing, City may in writing elect to suspend testing until corrections for the SaaS Issues can be provided. Contractor will deploy corrections immediately upon availability with as much notice as practicable. Upon release of corrections, City will have five (5) calendar days to commence the testing within the then available remaining testing window.

viii. **Software Promotion:** Contractor will promote revision from Test Environment to Production and Back-up environments after the provided test window has elapsed. The Software promotion will be scheduled in writing five (5) calendar days prior to actual deployment activities. As part of the promotion activities within the Production and Back-up environment, Contractor may provide nominal testing to ensure all systems are functional and the revision promotion was successful. Post promotion activities include an e-mail or portal post to serve as written notification that this service has been completed. At the point of e-mail or portal posting, the new revision will be considered “in production” and supported under the maintenance service terms described here within.

ix. **Documentation:** In support of such SaaS Software Version upgrades, SaaS Software Revisions and SaaS Software patches, Contractor shall provide updated user technical documentation reflecting the SaaS Software Version upgrades, SaaS Software Revisions and SaaS Software patches as soon as reasonably practical after the SaaS Software Version upgrades, SaaS Software Revisions and SaaS Software Patches have been released. Updated user technical documentation that corrects SaaS Software Errors or other minor discrepancies will be provided to Contractor’s customers when available.

x. **Training:** Contractor must provide standard training using Contractor's upgrade tools and provide ongoing knowledge transfer to City.

2. Third-Party Software Revisions. At its election, Contractor will provide periodic software revisions of Third-Party Software with the SaaS Software without further charge provided the following conditions are met: (i) the Third-Party Software revision corrects a malfunction or significant publicly disclosed security threat in the Third-Party Software that affects the operation or ability to provide secure use of the SaaS Software; (ii) the Third-Party Software Revision has, in the opinion of Contractor, corrected malfunctions or a significant security threat identified in Contractor's Technology System and has not created any additional malfunctions; and (iii) the Third-Party Software revision is available to Contractor. City is responsible for obtaining and installing or requesting installation of the Third-Party Software revision if the Third-Party Software was not licensed to City by or through Contractor. Contractor Software revisions provided by Contractor are specifically limited to the Third-Party Software identified and set forth in Appendix J to this Agreement.

C. Response to SaaS Issues. Contractor shall provide verbal or written responses to SaaS Issues identified by City in an expeditious manner. Such responses shall be provided in accordance with the Target Response Times defined under Section V (Technical Support).

D. SaaS Software Maintenance Acceptance Period. Unless otherwise agreed to by City on a case-by-case basis, for non-emergency maintenance, City shall have a twenty (20) business day period to test any maintenance changes prior to Contractor introducing such maintenance changes into production. If City rejects, for good cause, any maintenance changes during the SaaS Software Maintenance Acceptance Period, Contractor shall not introduce such rejected maintenance changes into production. At the end of the Maintenance Acceptance Period, if City has not rejected the maintenance changes, the maintenance changes shall be deemed to be accepted by City and Contractor shall be entitled to introduce the maintenance changes into production.

E. SaaS Hardware. Contractor shall use commercially reasonable efforts to ensure that all hardware (including servers, routers, and other related equipment) on which the SaaS Application is deployed are attached to back-up power systems sufficient to maintain the site's availability for so long as any power outage could reasonably be expected to occur, based on the experience of Contractor at its deployment location and consistent with the Tier rating of the Data Center required under Section (I)(E) of this Appendix.

IV. City Responsibilities

A. City shall provide Contractor with timely notification of any SaaS Issues or SaaS Software Errors by either of these methods:

1. **Contacting Contractor's Customer Support:** Reach Claudia Preciado at 1-626.716.4502 and/or Ray Chiang at 415.683.8889.

2. **By entering the problem on Contractor's Service Portal via the Customer Support button in the Hayden AI portal or by emailing: clientsupport@hayden.ai**. Notifications can be submitted through the City Portal. This is the preferred method by which to contact Contractor.

3. If City cannot readily access Contractor's portal, City may contact Contractor's Account Manager at the phone number listed above or at Claudia.preciado@hayden.ai.

B. Support for Problem Investigation. City shall support all reasonable requests by Contractor as may be required in problem investigation and resolution.

C. SaaS Incident Manager: Designation of Point of Contact. City shall assign an individual or individuals to serve as the designated contact(s) for all communication with Contractor during SaaS Issue investigation and resolution.

D. Discovery of SaaS Software Errors. Upon discovery of a SaaS Software Error, City agrees, if requested by Contractor, to submit to Contractor a listing of output and any other data that Contractor may require in order to reproduce the SaaS Software Error and the operating conditions under which the SaaS Software Error occurred or was discovered.

V. 24X7 Technical Support:

A. 24x7 Technical Support: Authorized Users will make Technical Support requests 24/7 by calling or submitting a request via Contractor's service desk web portal. The Technical Support staff shall assign to the request the Incident Severity Level indicated by City. Severity Level 1 and 2 Incidents items will be addressed 24/7/365. Severity Level 3 and 4 Incidents will be addressed during the standard business hours of 6:00 a.m. - 6:00 p.m. US Pacific Time.

Incident Severity Level	***Target Response Time***
Severity Level 1: Requires immediate attention– Critical production functionality is not available or a large number of users cannot access the SaaS Application. Causes a major business impact where service is lost or degraded and no workaround is available, preventing operation of the business.	Request Response Time: 15 minutes. Request Resolution Time Target: < 2 hours from time incident is reported. Maximum Permitted Request Resolution Time: < 12 hours ***City shall be entitled to a Service Credit of 15% of the Monthly Hosting Fee paid for each failure timely to achieve resolution. If Fees are paid annually, the 15% shall apply to 1/12 of that annual fee.***

Incident Severity Level	*Target Response Time*
Severity Level 2: Requires priority attention - Some important production functionality is not available, or a small number of users cannot access the system. Causes significant business impact where service is lost or degraded and no workaround is available; however, the business can continue to operate in a limited fashion.	Request Response Time: 30 minutes Request Resolution Time Target: < 4 hours from time incident is reported. Maximum Permitted Request Resolution Time: < 48 hours ***City shall be entitled to a Service Credit of 10% of the Monthly Hosting Fee paid for each failure timely to achieve resolution. If Fees are paid annually, the 10% shall apply to 1/12 of that annual fee.***
Severity Level 3: Requires attention –There is a problem or inconvenience. Causes a business impact where there is minimal loss of service and a workaround is available such that the system can continue to operate fully and users are able to continue business operations.	Request Response Time: 1 hr. Request Resolution Time Target: < 8 hours from time incident is reported. Maximum Permitted Request Resolution Time: < 96 hours ***City shall be entitled to a Service Credit of 5% of the Monthly Hosting Fee paid for each failure timely to achieve resolution. If Fees are paid annually, the 15% shall apply to 1/12 of that annual fee.***
Severity Level 4: There is a problem or issue with no loss of service and no business impact.	Request Response Time: 4 hr. Request Resolution Time Target: < 96 hours Maximum Permitted Request Resolution Time: < 7 days

1. SERVICE CREDIT ESCALATION

In the event of a Severity Level 1 issue that is not resolved sufficiently quickly as determined in City's sole discretion, City may escalate the problem to Contractor's Chief Technology Officer, Vaibhav Ghadiok at vaibhav.ghadiok@hayden.ai.

2. ROOT CAUSE ANALYSIS

Following the resolution of a Severity Level 1 OR Level 2 incident, Contractor will discuss with City the cause of the failure, the actions Contractor took to resolve the failure, a timeline of the event and the actions Contractor plans to take to prevent such failure from recurring, and, if requested, Contractor will provide City a written summary of such discussion. Contractor will, on request, provide detailed documentation of the root cause analysis and preventative actions taken or planned with clear dates for completion of the action(s).

Appendix D
Calculation of Charges

Item #	Item Name	Unit of Measure	Estimated Quantity/Units*	(Fixed Price Per Unit)	Total Price ($)
1	Capital Costs: Onboard System Hardware All work for a fully functioning system including: Costs to purchase the Hardware, Installation, design, configuration, calibration, training, mapping of routes and transit stops, systems integration, portal setup and configuration.	Per Bus	Up to 212 buses	$9,000	$1,908,000
2	Flexible Payment Plan (Monthly Rate per Bus): Base initial term – 36 months	Per Bus Per Month	Up to 212 buses	$1,600	$12,211.200
3	Flexible Payment Plan (Monthly Rate per Bus): Option Term 1 – 12 months	Per Bus Per Month	Up to 212 buses	$1,500	$3,816,000
4	Flexible Payment Plan (Monthly Rate per Bus): Option Term 2 – 12 months	Per Bus Per Month	Up to 212 buses	$1,500	$3,816,000
5	Flexible Payment Plan (Monthly Rate per Bus): Option Term 3 – 12 months	Per Bus Per Month	Up to 212 buses	$1,500	$3,816,000
Total Price for Part 1 - Capital Costs: Onboard System Hardware (Item 1) and Flexible Payment Plans (Item 2 through 5)					$25,567,200
6	Capital Costs: Onboard System Hardware – Additional Buses	Per Bus	200 (up to 412 buses)	$8,000	$1,600,000
			200 (up to 612 buses)	$7,000	$1,400,000
			200 (up to 812 buses)	$6,000	$1,200,000

7	Flexible Payment Plan (Monthly Rate per Bus)	Per Bus Per Month (Tiered)	Up to 412 Additional Buses	$1,520	$25,103,395
			Up to 612 Additional Buses	$1,444	
			Up to 812 Additional Buses	$1,372	
8	Allocation for the Removal and Reinstallation of the System on Buses	Per Bus	50	$1,500.00	$75,000.00
Total Price for Part 2 – Capital Costs: Onboard System Hardware – Additional Buses (Item 6) and Removal and Reinstallation of the System on Buses (Item 7)					$29,378,395
Allocation for As-Needed Non-Warranty Spare Parts and Labor					$100,000.00
Total Price for all Items (Sum of all values above)					$55,045,595

***Unit numbers are estimates; SFMTA reserves the right to increase or decrease unit quantities; prices shall not be increased based on final unit quantity**

Appendix E
Service Level Obligations

A. Time is of the Essence. For the term of this Agreement, Contractor shall provide SaaS Services, Force Majeure events excepted, during the applicable Service Windows and in accordance with the applicable Performance Metrics and Service Levels as described herein, time being of the essence.

B. Performance Metrics and Service Levels.

- **Performance Metric Standard.** Services shall be provided in accordance with the Performance Metrics described in Appendix A (Scope of Work).

- **Performance Credit.**

  i. **Where Percentage is Greater than Performance Metric Standard**: No Performance Credit will be due to City.

  ii. **Where Percentage is equal to or less than Performance Metric Standard**: City shall be due a Performance Credit in the amount of 20% of the total Flexible Plan Rate (as calculated on a monthly basis for the reporting month) for each 1% reduction in the Performance Metric.

- **Availability Service Level:**

  a. Definitions:

  i. **Actual Uptime**: The total minutes in the reporting month that the Services were actually available to Authorized Users for normal use.

  ii. **Scheduled Downtime**: The total minutes in the reporting month during which Scheduled SaaS Maintenance was performed.

  iii. **Scheduled Uptime**: The total minutes in the reporting month less the total minutes represented by the Scheduled Downtime.

  b. Service Level Standard. Services shall be available to Authorized Users for normal use 100% of the Scheduled Uptime.

  i. **Calculation:** (Actual Uptime / Scheduled Uptime) * 100 = Percentage Uptime (as calculated by rounding to the second decimal point)

  ii. **Performance Credit.**

  1) **Where Percentage Uptime is greater than 99.9%**: No Performance Credit will be due to City.

2) **Where Percentage Uptime is equal to or less than 99.9%**: City shall be due a Performance Credit in the amount of 20% of the total Flexible Plan Rate (as calculated on a monthly basis for the reporting month) for each full 1% reduction in Percentage Uptime.

- **Response Time Service Level.**

a. Definition(s).

i. Response Time: The interval of time from when an Authorized User requests, via the Services, a Transaction to when visual confirmation of Transaction completion is received by the Authorized User. For example, Response Time includes the period of time representing the point at which an Authorized User enters and submits data to the Services and the Services display a message to the Authorized User that the data has been saved.

ii. Total Transactions: The total of Transactions occurring in the reporting month.

iii. Transaction(s): Services web page loads, Services web page displays, and Authorized User Services requests.

b. Service Level Standard. Transactions shall have a Response Time of two (2) seconds or less 99.9% of the time each reporting month during the periods for which the Services are available.

i. Calculation. ((Total Transactions – Total Transactions failing Standard) / Total Transactions) * 100 = Percentage Response Time (as calculated by rounding to the second decimal point).

ii. Performance Credit.

1) **Where Percentage Response Time is greater than 99.9%:** No Performance Credit will be due to City.

2) **Where Percentage Response Time is equal to or less than 99%:** City shall be due a Performance Credit in the amount of 20% of the total Flexible Plan Rate (as calculated on a monthly basis for the reporting month) for each full 1% reduction in Percentage Response Time.

- **Technical Support Problem Response Service Level.**

a. Definition.

i. Total Problems: The total number of problems occurring in the reporting month.

b. Service Level Standard. Problems shall be confirmed as received by Contractor 100% of the time each reporting month, in accordance with the Request Response Time associated with the SaaS Severity Level.

i. Calculation. ((Total Problems – Total Problems failing Standard) / Total Problems) * 100 = Percentage Problem Response (as calculated by rounding to the second decimal point). Note: This Calculation must be completed for each SaaS Severity Level.

ii. Performance Credit.

1) **SaaS Severity Level 1 – 2.**

i) **Where Percentage Problem Response is greater than 99.9%**: No Performance Credit will be due to City.

ii) **Where Percentage Problem Response is equal to or less than 99%:** City shall be due a Performance Credit in the amount of 20% of the Services Fees (as calculated on a monthly basis for the reporting month) for each full 1% reduction in Percentage Problem Response.

2) **SaaS Severity Level 3 – 4.**

i) **Where Percentage Problem Response is greater than 99.9%**: No Performance Credit will be due to City.

ii) **Where Percentage Problem Response is equal to or less than 99%:** City shall be due a Performance Credit in the amount of 20% of the total Flexible Payment Plan Rate (as calculated on a monthly basis for the reporting month) for each full 1% reduction in Percentage Problem Response.

C. Service Level and Performance Metric Reporting. On a monthly basis, in arrears and no later than the fifteenth (15^{th}) calendar day of the subsequent month following the reporting month, Contractor shall provide reports to City describing the performance of the SaaS Services and of Contractor as compared to the service level standards described herein. The reports shall be in a form agreed-to by City, and, in no case, contain no less than the following information: (a) actual performance compared to the Service Level Standard and Performance Metric standard; (b) the cause or basis for not meeting the service level standards and Performance Metric standard described herein; (c) the specific remedial actions Contractor has undertaken or will undertake to ensure that the service level standards and Performance Metric standard described herein will be subsequently achieved; and, (d) any Performance Credit due to City. Contractor and City will meet as often as shall be reasonably requested by City, but no less than monthly, to review the performance of Contractor as it relates to the service level standards described herein. Where Contractor fails to provide a report for a service level standard or

Performance Metric standard; described herein in the applicable timeframe, the service level standard or Performance Metric standard shall be deemed to be completely failed for the purposes of calculating a Performance Credit. Contractor shall, without charge, make City's historical service level standard and Performance Metric standard reports to City upon request.

D. Failure to Meet Standards. In the event Contractor does not meet a standard described herein, Contractor shall: (a) owe to City any applicable Performance Credit, as liquidated damages and not as a penalty; and, (b) use its best efforts to ensure that any unmet standard described herein is subsequently met. Notwithstanding the foregoing, Contractor will use its best efforts to minimize the impact or duration of any outage, interruption, or degradation of Service. In no case shall City be required to notify Contractor that a Performance Credit is due as a condition of payment of the same.

E. Termination for Material and Repeated Failures. City shall have, in addition to any other rights and remedies under this Agreement or at law, the right to immediately terminate this Agreement and be entitled to a return of any prepaid fees where Contractor fails to meet any standards described herein: (a) to such an extent that City's ability, as solely determined by City, to use the SaaS Services is materially disrupted, Force Majeure events excepted; or, (b) for four (4) months out of any twelve (12) month period.

F. Audit of Service Levels and Performance Metrics. No more than quarterly, City shall have the right to audit Contractor's books, records, and measurement and auditing tools to verify service level obligations and Performance Metrics achievement and to determine correct payment of any Performance Credit. Where it is determined that any Performance Credit was due to City but not paid, Contractor shall immediately owe to City the applicable Performance Credit.

Appendix F
Disaster Recovery Plan

Contractor shall maintain a high availability configuration in the primary data center, with a mirrored instance of City production system and supporting infrastructure in the secondary data center. Contractor shall maintain a standard procedure that governs the management of business continuity events. A disaster recovery test plan must be reviewed and exercised at least annually. Upon reasonable notice from City, disaster recovery testing documentation shall be made available to City. Contractor will provide City's Chief Information Security Officer with access to review business continuity and disaster recovery plan within 30 days of SFMTA issuing NTP-1 Notice to Proceed 1: Pilot, User Acceptance Testing, and Acceptance.

Contractor shall provide City with a business continuity strategy and disaster recovery plan and procedures that can be implemented in the event of a catastrophic failure at the primary hosting site. Such a strategy should provide how quickly the secondary site will be available to Authorized Users. The business continuity strategy must include drills and exercises to test the readiness to execute the disaster recovery plan. If requested, the first drill must happen within six months of contract signing and then once per year thereafter. The drill plans, action items and project plan for follow-ups must be shared with City**.**

Appendix G
California Assembly Bill No. 917 (2021-2022)*

California Assembly Bill No. 917 (2021-2022) is provided below. Any subsequent amendments to California Vehicle Code Section 40240, et. seq. are hereby incorporated by reference.

Assembly Bill No. 917

CHAPTER 709

An act to amend, repeal, and add Sections 40240 and 40241 of, and to repeal and add Section 40240.5 of, the Vehicle Code, relating to vehicles.

[Approved by Governor October 08, 2021. Filed with Secretary of State October 08, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 917, Bloom. Vehicles: video imaging of parking violations.

Existing law authorizes the City and County of San Francisco (San Francisco) and, until January 1, 2022, the Alameda-Contra Transit District, to enforce parking violations in specified transit-only traffic lanes through the use of video imaging and to install automated forward facing parking control devices on city-owned public transit vehicles for the purpose of video imaging parking violations occurring in transit-only traffic lanes, as specified. Existing law requires a designated employee, who is qualified by San Francisco, or a contracted law enforcement agency for the Alameda-Contra Costa Transit District, who is qualified by the city and county or the district to issue parking citations, to review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane and to issue a notice of violation to the registered owner of a vehicle within 15 calendar days, as specified. Existing law makes these video image records confidential, and provides that these records are available only to public agencies to enforce parking violations. Existing law provides that if the Alameda-Contra Costa Transit District implements an automated enforcement system as described above, the district is required to submit a report to specified committees of the Legislature by no later than January 1, 2021.

This bill would extend the authorization described above to any public transit operator in the state until January 1, 2027, and to the City and County of San Francisco indefinitely, if the examiner or issuing agency, as specified, of a violation allows for the reduction or waiver of parking penalties for indigent individuals, as defined. The bill would authorize a designated employee or law enforcement agency to decline to issue a ticket, if there is evidence in the video of hardship. The bill would expand the authorization to enforce parking violations to include violations occurring at transit stops. The bill would repeal the obsolete reporting requirement of the Alameda-Contra Costa Transit District but would, except as specified, require an operator who implements an automated enforcement system to report to specified committees of the Legislature on the system’s effectiveness and impact on traffic outcomes, among other things.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings regarding the need to make certain video image records confidential.

This bill would make legislative findings and declarations as to the necessity of a special statute for the City and County of San Francisco.

Digest Key
Vote: MAJORITY Appropriation: NO Fiscal Committee: NO Local Program: NO

Bill Text
The people of the State of California do enact as follows:

SECTION 1.

Section 40240 of the Vehicle Code is amended to read:

40240.

(a) A public transit operator, as defined in Section 99210 of the Public Utilities Code, may install automated forward facing parking control devices on city-owned or district-owned public transit vehicles, as defined by Section 99211 of the Public Utilities Code, for the purpose of video imaging of parking violations occurring in transit-only traffic lanes and at transit stops. Citations shall be issued only for violations captured during the posted hours of operation for a transit-only traffic lane or during the scheduled operating hours at transit stops. The devices shall be angled and focused so as to capture video images of parking violations and not unnecessarily capture identifying images of other drivers, vehicles, and pedestrians. The devices shall record the date and time of the violation at the same time as the video images are captured. Transit agencies may share the relevant data, video, and images of parking violations collected by automated forward facing parking control devices with the local parking enforcement entity and local agency in the jurisdiction where the violation occurred. A transit operator, including the City and County of San Francisco and the Alameda-Contra Costa Transit District, may only install forward facing cameras pursuant to this section if the examiner or issuing agency, as described in Section 40215, includes options to reduce or waive the payment of a parking penalty if the examiner or issuing agency determines that the person is an indigent person as defined in Section 40220.

(b) Prior to issuing notices of parking violations pursuant to subdivision (a) of Section 40241, a public transit operator, in partnership with a city, county, city and county, or local enforcement authority, shall commence a program to issue only warning notices for 60 days and shall also make a public announcement of the program and provide the public with information about the

enforcement program, existing parking regulations, and the payment options available for low-income persons at least 60 days prior to commencement of issuing notices of parking violations.

(c) A designated employee of a city, county, city and county, or a contracted law enforcement agency for a special transit district, who is qualified by a city, county, city and county, or district to issue parking citations, shall review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane or at a transit stop. A violation of a statute, regulation, or ordinance governing vehicle parking under this code, under a federal or state statute or regulation, or under an ordinance enacted by a city, county, city and county, or special transit district occurring in a transit-only traffic lane or at a transit stop observed by the designated employee in the recordings is subject to a civil penalty.

(d) The registered owner shall be permitted to review the video image evidence of the alleged violation during normal business hours at no cost.

(e) (1) Except as it may be included in court records described in Section 68152 of the Government Code, or as provided in paragraph (2), the video image evidence may be retained for up to six months from the date the information was first obtained, or 60 days after final disposition of the citation, whichever date is later, after which time the information shall be destroyed.

(2) Notwithstanding Section 26202.6 of the Government Code, video image evidence from forward facing automated enforcement devices that does not contain evidence of a parking violation occurring in a transit-only traffic lane or at a transit stop shall be destroyed within 15 days after the information was first obtained. Video image data and records collected pursuant to this section shall not be used or processed by an automated license plate recognition system, as defined in Section 1798.90.5 of the Civil Code, unless the public transit operator, city, county, city and county, or local enforcement authority meets the requirements in this paragraph and paragraph (1), the requirements of subdivision (f), and the requirements of subdivision (e) of Section 40241.

(f) Notwithstanding Section 6253 of the Government Code, or any other law, the video image records are confidential. Public agencies shall use and allow access to these records only for the purposes authorized by this article.

(g) The following definitions shall apply for purposes of this article:

(1) “Local agency” means a public transit operator as defined in Section 99210 of the Public Utilities Code or a local city, county, or city and county parking enforcement authority.

(2) “Transit-only traffic lane” means any designated transit-only lane on which use is restricted to mass transit vehicles, or other designated vehicles including taxis and vanpools, during posted times.

(h) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 2.

Section 40240 is added to the Vehicle Code, to read:

40240.

(a) The City and County of San Francisco may install automated forward facing parking control devices on city-owned or district-owned public transit vehicles, as defined in Section 99211 of the Public Utilities Code, for the purpose of video imaging of parking violations occurring in transit-only traffic lanes and at transit stops. Citations shall be issued only for violations captured during the posted hours of operation for a transit-only traffic lane or during the scheduled operating hours at transit stops. The devices shall be angled and focused so as to capture video images of parking violations and not unnecessarily capture identifying images of other drivers, vehicles, and pedestrians. The devices shall record the date and time of the violation at the same time as the video images are captured. Transit agencies may share the relevant data, video, and images of parking violations collected by automated forward facing parking control devices with the local parking enforcement entity and local agency in the jurisdiction where the violation occurred. The City and County of San Francisco may only install forward facing cameras pursuant to this section if the examiner or issuing agency, as described in Section 40215, includes options to reduce or waive the payment of a parking penalty if the examiner or issuing agency determines that the person is an indigent person as defined in Section 40220.

(b) Prior to issuing notices of parking violations pursuant to subdivision (a) of Section 40241, the City and County of San Francisco shall commence a program to issue only warning notices for 60 days and shall also make a public announcement of the program and provide the public with information about the enforcement program, existing parking regulations, and the payment options available for low-income persons at least 60 days prior to commencement of issuing notices of parking violations.

(c) A designated employee of the City and County of San Francisco who is qualified to issue parking citations shall review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane or at a transit stop. A violation of a statute, regulation, or ordinance governing vehicle parking under this code, under a federal or state statute or regulation, or under an ordinance enacted by the City and County of San Francisco occurring in a transit-only traffic lane or at a transit stop observed by the designated employee in the recordings is subject to a civil penalty.

(d) The registered owner shall be permitted to review the video image evidence of the alleged violation during normal business hours at no cost.

(e) (1) Except as it may be included in court records described in Section 68152 of the Government Code, or as provided in paragraph (2), the video image evidence may be retained for up to six months from the date the information was first obtained, or 60 days after final disposition of the citation, whichever date is later, after which time the information shall be destroyed.

(2) Notwithstanding Section 26202.6 of the Government Code, video image evidence from forward facing automated enforcement devices that does not contain evidence of a parking

violation occurring in a transit-only traffic lane or at a transit stop shall be destroyed within 15 days after the information was first obtained. Video image data and records collected pursuant to this section shall not be used or processed by an automated license plate recognition system, as defined in Section 1798.90.5 of the Civil Code, unless the public transit operator, city, county, city and county, or local enforcement authority meets the requirements of this paragraph and paragraph (1), the requirements of subdivision (f), and the requirements of subdivision (e) of Section 40241.

(f) Notwithstanding Section 6253 of the Government Code or any other law, the video image records are confidential. Public agencies shall use and allow access to these records only for the purposes authorized by this article.

(g) For purposes of this article, "transit-only traffic lane" means any designated transit-only lane on which use is restricted to mass transit vehicles or other designated vehicles, including taxis and vanpools, during posted times.

(h) This section shall become operative on January 1, 2027.

SEC. 3.

Section 40240.5 of the Vehicle Code is repealed.

SEC. 4.

Section 40240.5 is added to the Vehicle Code, to read:

40240.5.

(a) A public transit operator, including the Alameda-Contra Costa Transit District, that implements an automated enforcement system to enforce parking violations occurring in transit-only traffic lanes and at transit stops pursuant to this article, shall provide to the transportation, privacy, and judiciary committees of the Legislature an evaluation report of the enforcement system's effectiveness, impact on privacy, impact on traffic outcomes, cost to implement, change in citations issued, and generation of revenue, no later than January 1, 2025. This section shall not apply to the City and County of San Francisco.

(b) A report submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 5.

Section 40241 of the Vehicle Code is amended to read:

40241.

(a) A designated employee of the local agency, including a contracted law enforcement agency, shall issue a notice of parking violation to the registered owner of a vehicle within 15 calendar days of the date of the violation. A designated employee or contracted law enforcement agency may decline to issue a ticket based on the evidence in the video illustrating hardship. The notice of parking violation shall set forth the violation of a statute, regulation, or ordinance governing

vehicle parking under this code, under a federal or state statute or regulation, or under an ordinance enacted by the local agency occurring in a transit-only traffic lane or at a transit stop, a statement indicating that payment is required within 21 calendar days from the date of citation issuance, and the procedure for the registered owner, lessee, or rentee to deposit the parking penalty or contest the citation pursuant to Section 40215. The notice of parking violation shall also set forth the date, time, and location of the violation, the vehicle license number, registration expiration date, if visible, the color of the vehicle, and, if possible, the make of the vehicle. The notice of parking violation, or copy of the notice, shall be considered a record kept in the ordinary course of business of the local agency and shall be prima facie evidence of the facts contained in the notice. The local agency shall send information regarding the process for requesting review of the video image evidence along with the notice of parking violation.

(b) The notice of parking violation shall be served by depositing the notice in the United States mail to the registered owner's last known address listed with the Department of Motor Vehicles. Proof of mailing demonstrating that the notice of parking violation was mailed to that address shall be maintained by the local agency. If the registered owner, by appearance or by mail, makes payment to the processing agency or contests the violation within either 21 calendar days from the date of mailing of the citation, or 14 calendar days after the mailing of the notice of delinquent parking violation, the parking penalty shall consist solely of the amount of the original penalty.

(c) If, within 21 days after the notice of parking violation is issued, the local agency determines that, in the interest of justice, the notice of parking violation should be canceled, the local agency shall cancel the notice of parking violation pursuant to subdivision (a) of Section 40215. The reason for the cancellation shall be set forth in writing.

(d) Following an initial review by the local agency, and an administrative hearing, pursuant to Section 40215, a contestant may seek court review by filing an appeal pursuant to Section 40230.

(e) A local agency or a contracted law enforcement agency, may contract with a private vendor for the processing of notices of parking violations and notices of delinquent violations. The local agency shall maintain overall control and supervision of the program.

(f) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 6.

Section 40241 is added to the Vehicle Code, to read:

40241.

(a) A designated employee of the City and County of San Francisco, including a contracted law enforcement agency, shall issue a notice of parking violation to the registered owner of a vehicle within 15 calendar days of the date of the violation. A designated employee or contracted law enforcement agency may decline to issue a ticket based on the evidence in the video illustrating hardship. The notice of parking violation shall set forth the violation of a statute, regulation, or ordinance governing vehicle parking under this code, under a federal or state statute or

regulation, or under an ordinance enacted by the City and County of San Francisco occurring in a transit-only traffic lane or at a transit stop, a statement indicating that payment is required within 21 calendar days from the date of citation issuance, and the procedure for the registered owner, lessee, or rentee to deposit the parking penalty or contest the citation pursuant to Section 40215. The notice of parking violation shall also set forth the date, time, and location of the violation, the vehicle license number, registration expiration date, if visible, the color of the vehicle, and, if possible, the make of the vehicle. The notice of parking violation, or copy of the notice, shall be considered a record kept in the ordinary course of business of the City and County of San Francisco and shall be prima facie evidence of the facts contained in the notice. The City and County of San Francisco shall send information regarding the process for requesting review of the video image evidence along with the notice of parking violation.

(b) The notice of parking violation shall be served by depositing the notice in the United States mail to the registered owner's last known address listed with the Department of Motor Vehicles. Proof of mailing demonstrating that the notice of parking violation was mailed to that address shall be maintained by the City and County of San Francisco. If the registered owner, by appearance or by mail, makes payment to the processing agency or contests the violation within either 21 calendar days from the date of mailing of the citation, or 14 calendar days after the mailing of the notice of delinquent parking violation, the parking penalty shall consist solely of the amount of the original penalty.

(c) If, within 21 days after the notice of parking violation is issued, the City and County of San Francisco determines that, in the interest of justice, the notice of parking violation should be canceled, the City and County of San Francisco shall cancel the notice of parking violation pursuant to subdivision (a) of Section 40215. The reason for the cancellation shall be set forth in writing.

(d) Following an initial review by the City and County of San Francisco and an administrative hearing pursuant to Section 40215, a contestant may seek court review by filing an appeal pursuant to Section 40230.

(e) The City and County of San Francisco or a contracted law enforcement agency may contract with a private vendor for the processing of notices of parking violations and notices of delinquent violations. The City and County of San Francisco shall maintain overall control and supervision of the program.

(f) This section shall become operative on January 1, 2027.

SEC. 7.

The Legislature finds and declares that Sections 1 and 2 of this act, which amend and add Section 40240 of the Vehicle Code, impose a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to protect the individual privacy rights of those individuals depicted in video camera footage relating to parking violations, it is necessary that this act limit the public's right of access to the images captured by an automated parking control device installed on public transit vehicles owned by a city, county, city and county, or transit district.

SEC. 8.

The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because, at the time of this enactment, the City and County of San Francisco has demonstrated by its participation in the pilot program and reporting to the Legislature that it has adequately addressed various privacy and equity impacts of an automated enforcement system to enforce parking violations occurring in transit-only traffic lanes.

Appendix H
Surveillance Technology Policy

Contractor shall comply with the Surveillance Technology Policy, which may be amended from time to time. The Surveillance Technology Policy can be found at:

https://www.sfmta.com/media/34196/download?inline

Appendix I
Grant Terms

CALTRANS
Low Carbon Transit Operations Program

Contractor shall comply with the SFMTA's Certifications and Assurances for the CALTRANS Low Carbon Transit Operations Program, and all Program requirements, which may be amended from time to time.

The Low Carbon Transit Program requirements can be found at:

https://dot.ca.gov/programs/rail/low-carbon-transit-operations-program-lctop

Appendix J
Third-Party Software-Included in this Agreement

- AWS Security Hub: For IT Security
- Cyderes: For IT Security

Appendix K
Non-Warranty Spare Parts Price List and Labor Rates

Hardware Detail	
COMPONENT - COMPUTE BOX (AI PERCEPTION ENGINE)	
COMPUTE BOX (AI PERCEPTION ENGINE)	$5,541.93
BRACKET	$229.85
LOCKING PLATE	$22.59
Total	$5,794.37
COMPONENT - CAMERA MODULE(S)	
ALPR CAMERA	$570.73
CONTEXT CAMERA	$673.03
GOLDEN EYE MODULE	$442.42
CAMERA MECHANICALS	$982.67
TOP MOUNTING BRACKET	$124.43
Total	$2,793.28
COMPONENT - ANTENNA	
ANTENNA	$333.96
ANTENNA BASE PLATE	$56.35
Total	$390.31
COMPONENT - EXTERNAL CABLES	
POWER CABLE	$279.98
LTE CABLE	$115.76
WIFI CABLE	$134.61
GNSS CABLE	$56.53
CAN CABLE	$601.28
CAMERA CABLE	$191.14
ADDITIONAL POWER CABLE	$142.74
Total	$1,522.04
Total Per Bus Hardware	$10,500.00

*Each out-of-warranty replacement will incur an additional $250 in labor fees per visit.