

THIS PRINT COVERS CALENDAR ITEM NO.: 11

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Transit

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute Contract No. SFMTA-2027-02-LOC with Universal Protection Service, LP, dba Allied Universal Security Services (Allied Universal), for a short-term sole-source security services and transition support agreement, for an initial three-month term, with an option to extend for up to three additional months, and an amount not to exceed \$5,678,417.

SUMMARY:

- The SFMTA needs security services to deter inappropriate activity, ensure the safety of SFMTA personnel and the public, protect SFMTA property, and guard against vandalism and other activity that could disrupt transit operations.
- In 2020, the SFMTA awarded Contract No. SFMTA-2018-48 to Allied Universal for Unarmed and Armed Security Guard Services, and that contract expires on March 30, 2027.
- The SFMTA is preparing a competitive procurement for a successor multi-year security services contract, and the evaluation, negotiation, approval, execution, and contractor-mobilization may extend beyond the expiration of the current contract.
- To ensure uninterrupted security service operations during the successor procurement process or any transition to a new contractor, if needed, SFMTA staff negotiated a short-term bridge agreement with Allied Universal that would begin in April 2027, provide essential security services for up to six months, and include transition-support activities not contained in the existing contract.
- Staff request Board approval to authorize the Director of Transportation to execute the bridge contract in an amount not to exceed \$5,678,417.

ENCLOSURES:

1. SFMTAB Resolution
2. Contract No. SFMTA-2027-02-LOC

APPROVALS:

		DATE
DIRECTOR		July 30, 2026
SECRETARY		July 30, 2026

ASSIGNED SFMTAB CALENDAR DATE: August 4, 2026

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PURPOSE

Authorizing the Director of Transportation to execute Contract No. SFMTA-2027-02-LOC with Universal Protection Service, LP, dba Allied Universal Security Services (Allied Universal), for a short-term sole-source security services and transition support agreement, for an initial three-month term, with an option to extend for up to three additional months, and an amount not to exceed \$5,678,417.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This action supports the following SFMTA Strategic Plan Goals:

Goal 5: Deliver reliable and equitable transportation services.

This action accomplishes this by improving the safety, security, and functionality of SFMTA work environments and publicly accessible facilities.

This action also supports the City's Transit First Policy with the following principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

DESCRIPTION

The SFMTA has over 400 facilities throughout the City, including transit stations, vehicle storage yards and service centers. Security services are required to act as a first deterrent for inappropriate activity, ensure the safety of SFMTA personnel and the public, protect SFMTA property and public access areas within the property, and guard against activity that could disrupt transit operations. The SFMTA's Chief Security Officer oversees all security-related services, with the assistance of a security services contractor that provides personnel for various security-related functions.

The SFMTA's Security Services Program is essential to both public and SFMTA employee safety. The program helps protect SFMTA employees; safeguards SFMTA property at rail and bus yards and revenue operations; and serves as a visible deterrent to crime at SFMTA transit sites that could otherwise disrupt transit operations.

In December 2019, the SFMTA Board of Directors adopted Resolution No. 191203-151, and the Board of Supervisors adopted Resolution No. 99-20, approving Contract No. SFMTA-2018-48 with Allied Universal to provide Armed and Unarmed Security Guard Services. The term of

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the contract was three years, with three one-year options to extend for a total of six years, and a not-to-exceed amount of \$59,028,401.

In February and March 2026, the SFMTA Board of Directors adopted Resolution No. 260217-010, and the Board of Supervisors adopted Resolution No. 122-06, approving the fourth amendment, which extended the term of Contract No. SFMTA-2018-48 until March 30, 2027 and increased the contract amount by \$5,911,925 to \$64,940,326. This contract amendment maintained security services while the SFMTA reassessed the Security Services Program, evaluated long-term operational needs, and developed a competitive procurement for a successor contract.

Contract No. SFMTA-2018-48 is set to expire on March 30, 2027. The proposed short-term bridge contract would not take effect until March 31, 2027, and would be used only if needed to prevent a lapse in security coverage or to support transition to a successor contractor.

Longer-Term Competitive Procurement

The SFMTA is developing a competitive procurement, RFP No. SFMTA-2026-47-LOC, for a longer-term security services contract. The RFP will ask proposers to address updated service requirements, stronger performance management measures, technology-supported service delivery, opportunities for alternative service-delivery approaches, and long-term cost control. Staff plans to seek Board approval to issue the RFP in September.

The procurement process will require proposal evaluation, contract negotiations, SFMTA Board and Board of Supervisors approvals, contract execution, and mobilization of the selected contractor. These activities may extend beyond March 30, 2027.

The proposed short-term bridge agreement would provide continuity only if the successor contract is not yet executed or the selected contractor requires time to mobilize, thereby maintaining uninterrupted security services and supporting an orderly transition to the longer-term contract.

Proposed Short-Term Bridge Agreement

The proposed agreement is a separate, short-term contract that would allow Allied Universal to continue providing security services, beginning on March 31, 2027, if needed, while the SFMTA completes the successor procurement and any required transition.

A separate bridge contract is appropriate because the potential transition-support tasks are distinct, contingent, and tied specifically to implementation of the successor contract.

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The agreement would have an initial term of three months. The Director of Transportation may extend the agreement for up to three additional months, in whole or in part.

Transition Support Services

In addition to continuing security services during any bridge period, the proposed agreement establishes transition-support obligations to facilitate an orderly handover to the successor contractor, if needed. These obligations are limited, contingent, and tied specifically to the transition period, and would require Allied Universal to:

- Maintain required services through the transition date established by the SFMTA without reducing staffing, supervision, management support, response capability, reporting, or other required services without prior written approval.
- Participate in transition planning meetings, site walkthroughs, and other coordination activities requested by the SFMTA.
- Transfer operational information and records needed for continued service delivery, including staffing and assignment information, schedules, open incident information, and equipment and credential inventories.
- Support applicable employee-retention requirements and the return, transfer, modification, or deactivation of SFMTA property, credentials, and equipment.

Contract Amount, Rates, and Transition Support Costs

The Collective Bargaining Agreement (CBA) governing security guard wages and benefits expired on June 30, 2026. To account for potential wage and benefit increases under a successor CBA, the proposed short-term bridge agreement includes a \$0.90 per hour increase to each 2027 billing rate under Contract No. SFMTA-2018-48.

The proposed agreement amount will not exceed \$5,678,417. This amount consists of an estimated six-month labor cost of \$5,360,397, reflecting the \$0.90 billing-rate increase; a separate allocation of \$50,000 for transition support services; and a five-percent labor cost contingency of \$268,020.

STAKEHOLDER ENGAGEMENT

During the development of the longer-term RFP, Security program and Contracts & Procurement staff communicated with and held working sessions with various stakeholders, including SFMTA staff in the Security Operations Center, Revenue Collection and Sales, Transit Division staff. Feedback from these sources has informed the scope of the RFP for the upcoming long-term contract.

ALTERNATIVES CONSIDERED

The SFMTA considered several alternatives before recommending a short-term bridge contract.

The SFMTA considered taking no action at this time and trying to complete the long-term competitive procurement and all transition activities before the March 30, 2027 expiration of Contract No. SFMTA-2018-48. Staff rejected this alternative because it would leave the Agency without a contingency in case the successor procurement or transition cannot be completed on time, creating an unreasonable risk of a lapse in essential security services or an ineffective and potentially costly transition if circumstances beyond staff control prevent completion by March 30, 2027.

The SFMTA also considered seeking approval from the Board of Directors and the Board of Supervisors for a Fifth Amendment to Contract No. SFMTA-2018-48. Staff instead determined a separate short-term contract was a preferable approach for two reasons. First, it provides a separate contract for administering the temporary transition and service-continuity services and related obligations, if needed. Second, it allows the bridge contract to be negotiated and approved before release of the successor RFP, allowing the bridge procurement and the competitive procurement to proceed independently without one unnecessarily influencing the other.

The SFMTA also considered conducting a separate competitive procurement for the short-term period. Staff determined that this approach would invest unreasonable staff time in contracting process that would interfere with the longer-term competitive procurement work.

FUNDING IMPACT

The total cost of the proposed agreement, including the initial three-month term and the optional additional three-month period, will not exceed \$5,678,417. The agreement will be funded through the Transit Division operating budget.

This proposed amount is approximately \$428,417 more than the estimated \$5.25 million cost of providing six months of services at current Contract No. SFMTA-2018-48 rates. The increase reflects the \$0.90 hourly rate increase to address potential CBA-related costs, the \$50,000 costs for transition support services, and the five-percent labor-only contingency of \$268,020.

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ENVIRONMENTAL REVIEW

On July 29, 2026, the SFMTA, under authority delegated by the Planning Department, determined that the proposed agreement is not defined as a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The Director of Transportation approved a sole-source waiver for this contract.

The Contract Compliance Office has reviewed the proposed agreement and set an LBE subcontractor participation goal of 20 percent for this contract.

The City Attorney has reviewed this calendar item.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation to execute Contract No. SFMTA-2027-02-LOC with Universal Protection Service, LP, dba Allied Universal Security Services (Allied Universal), for a short-term sole-source security services and transition support agreement, for an initial three-month term, with an option to extend for up to three additional months, and an amount not to exceed \$5,678,417.

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS**

RESOLUTION No. _____

WHEREAS, The SFMTA needs security services to deter inappropriate activity, ensure the safety of SFMTA personnel and the public, protect SFMTA property, and guard against vandalism and other activity that could disrupt transit operations; and,

WHEREAS, In 2020, the SFMTA awarded Contract No. SFMTA-2018-48 to Universal Protection Service, LP, dba Allied Universal Security Services (Allied Universal), and that contract expires on March 30, 2027; and,

WHEREAS, The SFMTA is developing a competitive procurement for a longer-term security services contract, and the evaluation, negotiation, approval, execution, and contractor-mobilization activities may extend beyond the expiration of the current contract; and,

WHEREAS, To ensure uninterrupted security operations during the successor procurement process or any transition to a new contractor, if needed, SFMTA staff negotiated a short-term sole source bridge agreement with Allied Universal that would begin in April 2027, maintain uninterrupted security services for up to six months, and include transition-support activities not contained in the existing contract; and,

WHEREAS, The proposed agreement provides an initial three-month term, with an option to extend for up to three additional months, and an amount not to exceed \$5,678,417, consisting of an estimated six-month labor cost of \$5,360,397 based on a \$0.90 hourly increase billing rate increase, \$50,000 for transition support services, and a five-percent labor-only contingency of \$268,020; and,

WHEREAS, On July 29, 2026, the SFMTA, under authority delegated by the Planning Department, determined that the proposed agreement is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary of the SFMTA Board of Directors, and is incorporated herein by reference; now, therefore be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute Contract No. SFMTA-2027-02-LOC with Universal Protection Service, LP, dba Allied Universal Security Services (Allied Universal), for a short-term sole-source security services and transition support agreement, for an initial three-month term, with an option to extend for up to three additional months, and an amount not to exceed \$5,678,417.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of August 4, 2026.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

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

Agreement between the City and County of San Francisco and

**Universal Protection Service, LP,
dba
Allied Universal Security Services**

Contract No. SFMTA-2027-02-LOC

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**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
Universal Protection Service, LP, dba Allied Universal Security Services**

Contract No. SFMTA-2027-02-LOC

This Agreement is made as of _____, in the City and County of San Francisco (City), State of California, by and between Universal Protection Service, LP, dba Allied Universal Security Services (Contractor), and City, a municipal corporation, acting by and through its Municipal Transportation Agency (SFMTA).

Recitals

A. The SFMTA wishes to contract with Contractor to provide short-term service continuity and transition support (Services) to maintain essential security services at its properties and transit facilities, and to support an orderly transition to the longer-term security services contract that will result from the SFMTA’s pending competitive procurement.

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

C. Contractor was selected pursuant to San Francisco Administrative Code Section 21.5(b) pursuant to a sole-source waiver granted by the Director of Transportation.

D. The Local Business Enterprise (LBE) subcontracting participation requirement established for this project is 20%. Contractor has committed to 20% LBE subcontracting under this Agreement.

E. The Services covered by this Agreement constitute security services under Proposition J (as defined by the 2023 PSC Policy of the Civil Service Commission) and, as such, are exempt from Civil Service Commission review.

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 “Agreement” means this contract document, including all attached Appendices, and all applicable City Ordinances and Mandatory City Requirements specifically incorporated into this Agreement by reference as provided herein.

1.2 “**Appendices**” means the appendices listed in Article 14 (Appendices) herein.

1.3 “**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.

1.4 “**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.

1.5 “**CCO**” means the SFMTA Contract Compliance Office.

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

1.7 “**City Data**” means all data collected, used, maintained, processed, stored, and/or generated by or on behalf of the City in connection with this Agreement. City Data includes, without limitation, Confidential Information and Deliverable Data.

1.8 “**CMD**” means the Contract Monitoring Division of the City.

1.9 “**Confidential Information**” means confidential City information including, but not limited to, 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. Confidential Information includes, without limitation, City Data.

1.10 “**Contractor**” means Universal Protection Service, LP, dba Allied Universal Security Services, 400 Montgomery Street, Suite #700, San Francisco, CA 94104.

1.11 “**Controller**” means the Controller of the City.

1.12 “**Day**” (whether or not capitalized) means a calendar day, unless otherwise designated.

1.13 “**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 Services” attached as Appendix A.

1.14 “**Effective Date**” means the date the Director of Transportation executes the Contract.

1.15 “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.

1.16 “Local Business Enterprise” or “LBE” means a business that is certified as a micro or small LBE under Section 14B.3 of the San Francisco Administrative Code.

1.17 “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.

1.18 “Notice to Proceed” means written notice to the Contractor of the date on which it shall begin prosecution of the work to be done under the Contract.

1.19 “Party” and “Parties” means the City and Contractor either individually or collectively.

1.20 “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.

1.21 “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.

1.22 “Services” means the work performed by Contractor under this Agreement as specifically described in Appendix A (Scope of Services), including all services, labor, supervision, materials, equipment, actions, and other requirements to be performed and furnished by Contractor under this Agreement.

Article 2 Term of the Agreement

2.1 Term. The term of this Agreement shall commence on March 31, 2027, and expire on June 30, 2027, unless earlier terminated as otherwise provided herein.

2.2 Options to Extend. The SFMTA has the option to renew the Agreement for a period of three additional months. The SFMTA may exercise this option at the Director of Transportation’s sole and absolute discretion by modifying this Agreement as provided in Section 11.5 (Modification of this Agreement). Extensions may be for the whole or partial period provided for above.

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 11.5 (Modification of this Agreement).

3.2 Compensation

3.2.1 Contract Not to Exceed Amount. The amount of this Agreement shall not exceed **Five Million Six Hundred Seventy-Eight Thousand Four Hundred Seventeen Dollars (\$5,678,417)**, the breakdown of which appears in Appendix B (Calculation of Charges). 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.

3.2.2 Rate Adjustments. The current collective bargaining agreement (CBA) governing the City locations subject to this Agreement expires on June 30, 2026, and a successor CBA has not yet been finalized. Contractor's Billing Rates (as set forth in Appendix B) include estimated increases in the cost of medical, welfare and other benefit costs (CBA Costs) under future CBAs, which have yet to be negotiated for the portion of the term after June 30, 2026. From time to time and as soon as reasonably practicable, either Party may submit a written notice to the other Party requesting to discuss and negotiate a possible adjustment in the Billing Rates to the extent actual increases or decreases in CBA Costs exceed or are lower than the estimated CBA Costs included in the Billing Rates (Rate Adjustment Request or Request). A Rate Adjustment Request may relate to a time period prior to the date of the Rate Adjustment

Request in the event execution of a new CBA is delayed beyond the expiration date of the predecessor CBA. A Party shall include with its Rate Adjustment Request a written explanation of the reasons and calculations supporting the Billing Rate adjustment. As part of its Request, Contractor shall provide satisfactory written evidence that any proposed Bill Rate increase does not include costs other than CBA Costs and that any such CBA cost increases have not already been factored into the Billing Rates. Within five business days of the Request, the parties shall undertake genuine and good faith negotiations regarding the Request with a view to reaching a mutually acceptable resolution of the issue. Failure to agree shall trigger the dispute resolution procedure in Section 11.6.1.

3.2.3 Payment Limited to Satisfactory Services. Contractor is not entitled to any payments until the SFMTA approves the Services delivered. Payments to Contractor by the City shall not excuse Contractor from its obligation to replace the unsatisfactory Services even if the unsatisfactory character was apparent or could have been detected at the time such payment was made. Non-conforming Services may be rejected by the SFMTA and in such case must be replaced by Contractor without delay at no cost to the SFMTA.

3.2.4 Withhold Payments. If Contractor fails to provide the Services in accordance with Contractor's obligations under this Agreement, 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.

3.2.5 Invoicing. Contractor shall invoice the SFMTA for the Services provided under this Agreement on a timely basis, and in no event later than 30 Days after delivery of the Services or as specified in Appendix B, except for the last invoice of the fiscal year which must be submitted within 15 Days before the end of July. Invoices submitted by Contractor 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 3.3.8, 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 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.

3.2.6 LBE Payment and Utilization Tracking System. LBE Subcontracting Participation Requirements apply to this Agreement. Contractor shall: (a) within three business days of the SFMTA's payment of any invoice to Contractor, pay LBE subcontractors as provided under Chapter 14B.7(H)(9); and (b) within 10 business days of the SFMTA's payment of any invoice to Contractor, confirm its payment to subcontractors using the B2GNow System (<https://sfmta.diversitycompliance.com/>) unless instructed otherwise by CCO. Failure to submit all required payment information to the B2GNow System with each payment request may result in the withholding of 20% of subsequent payments due.

3.2.7 Reserved. (Grant-Funded Contracts)

3.2.8 Payment Terms

(a) Payment Due Date. Unless the SFMTA notifies Contractor that a dispute exists, Payment shall 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)

3.3 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 of 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. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.4 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.

3.5 Payment of Prevailing Wages

3.5.1 Covered Services. Services to be performed by Contractor under this Agreement will involve the performance of work covered by Articles 101 through 107 of the San Francisco Labor and Employment Code, as applicable, including without limitation the California Labor Code provisions incorporated therein (collectively, "Covered Services"), all of which is incorporated into this Agreement as if fully set forth herein and will apply to any Covered Services performed by Contractor and its subcontractors. Contractor shall specifically refer to Section 102.11 (Prevailing Rate of Wages for Security Guard Services in City Contracts and for Events on City Property).

https://codelibrary.amlegal.com/codes/san_francisco/latest/sf_laboremployment/0-0-0-2187

3.5.2 Wage Rates. The latest prevailing wage rates for private employment on public contracts as determined by the San Francisco Board of Supervisors, as such prevailing wage rates may be changed during the term of this Agreement, are hereby incorporated as provisions of this Agreement. Contractor agrees that it shall pay not less than the highest general Prevailing Rate of Wages to all workers employed by Contractor who perform Covered Services under this Agreement. Copies of the Prevailing Rate of Wages as fixed and determined in accordance with Labor and Employment Code Section 103.2 are available from the City's Office

of Labor Standards and Enforcement (OLSE) and are on file at the Department's principal office or at the job site and shall be made available to any interested party on request.

3.5.3 Subcontract Requirements. Contractor shall insert in every subcontract for the performance of Covered Services under this Agreement a provision requiring subcontractor to pay all persons performing labor in connection with Covered Services under the subcontract not less than the highest general prevailing rate of wages as determined by the Board of Supervisors for such labor and services.

3.5.4 Job Site Notices and Records. Contractor shall prominently post at each job site a sign informing employees that the work is subject to the City's Prevailing Wage requirements and that these requirements are enforced by OLSE. Contractor shall also maintain a sign-in and sign-out sheet in a format prescribed by OLSE showing which employees are present on the job site.

3.5.5 Payroll Records. Contractor shall keep or cause to be kept, for a period of four years from the date of completion of the subject work, complete and accurate payroll records for all workers performing Covered Services, including without limitations time cards, trust fund reports, apprenticeship agreements, accounting ledgers, tax forms, proof of payment, and superintendent and foreperson daily logs for all trades workers performing work. Such records shall include the name, address and social security number of each worker who provided Covered Services, including apprentices, their classification, a general description of the Services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every subcontractor who shall perform any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives.

3.5.6 Certified Payrolls . Contractor shall prepare certified payrolls for the period involved for all employees, including those of subcontractors, who performed Covered Services. Contractor and each subcontractor performing Covered Services shall electronically submit certified payrolls to the City using OLSE's certified payroll reporting system. Contractor and all subcontractors that will perform Covered Services shall attend a training session on the preparation and electronic submission of certified payroll records provided by City. Contractor and applicable subcontractors shall comply with electronic certified payroll requirements (including training) at no additional cost to the City.

3.5.7 Compliance Monitoring. Covered Services performed under this Agreement are subject to compliance monitoring and enforcement of prevailing wage requirements by OLSE. Contractor and any subcontractors performing Covered Services will cooperate fully with OLSE and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements. Contractor agrees that (i) OLSE shall have the right to engage in random inspections of job sites and have access to the

employees of the Contractor, employee time sheets, inspection logs, payroll records and employee paychecks, and (ii) OLSE may audit such records of Contractor and any subcontractors as it reasonably deems necessary. Failure to comply with these requirements may result in penalties and forfeitures pursuant to the California Labor Code, including Section 1776(h), as amended from time to time, and San Francisco Labor and Employment Code Article 101 through 107, as applicable.

3.5.8 Remedies. Should Contractor, or any subcontractor performing Covered Services, fail or neglect to pay to the persons who perform Covered Services under this Agreement or subcontract for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus the penalties set forth in the San Francisco Labor and Employment Code and/or California Labor Code Section 1775. City, when certifying any payment which may become due under the terms of this Agreement, shall deduct from the amount that would otherwise be due on such payment the amount of said forfeiture.

Article 4 Services and Resources

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

4.2 Qualified Personnel. Contractor represents and warrants that it is qualified to perform the Services for which it is contracted to provide through this Agreement, 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.

4.3 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 10 (Additional Requirements Incorporated by Reference) of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void. City's execution of this Agreement constitutes its approval of the subcontractors listed below and/or in the Appendices.

- Black Bear Security Services, Inc.
- Marina Security Services, Inc.
- Treeline Security, Inc.

4.4 Independent Contractor; Payment of Employment Taxes and Other Expenses

4.4.1 Independent Contractor. For the purposes of this Section 4.4, “Contractor” shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor 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, including its agents and employees will not represent or hold itself/themselves out to be employees of the City at any time. Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor 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 Section 4.4. Should City determine that Contractor is not performing in accordance with the requirements of Section 4.4, 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.

4.4.2 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 Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and hold harmless City and its officers, agents and

employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from Section 4.4.

4.5 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 accordance with City law and SFMTA policies, including but not limited to the Contract Approval and Delegation Policy. Any purported assignment made in violation of this provision shall be null and void.

4.6 Liquidated Damages.

4.6.1 By entering into this Agreement, Contractor agrees that its failure to perform certain obligations under this Agreement during the respective time limits imposed will cause the SFMTA to incur cost and inconvenience not contemplated under this Agreement, which cost and inconvenience will constitute damage to the SFMTA, the City and the public, and that the exact amount of such damage will be impractical or extremely difficult to determine.

4.6.2 The amounts described as liquidated damages in Appendix A, Section 12 of this Agreement are not penalties, but represent a fair and reasonable estimate of the damages that the SFMTA will incur by reason of Contractor's failure to perform and are fair compensation to City for its losses. Failure by the SFMTA to impose liquidated damages for specified violations will not be a waiver of the right to enforce this Section, nor will it constitute a waiver of any other right of the SFMTA under this Agreement.

4.6.3 The SFMTA may deduct a sum representing the liquidated damages assessed from any money due to Contractor under this Agreement. Should an assessment take place, the SFMTA will send written notification to the Contractor for its information. Assessments within a given month shall not exceed 50 percent of the monthly fees paid to Contractor. Liquidated damages in excess of 50 percent for a month will be carried over to the following month. If two or more failures are determined for a particular event, Contractor will be charged for the failure with the highest assessment of liquidated damages.

4.7 Bonding Requirements.

4.7.1 Within 10 Days of the City's issuing notice of award of the contract, Contractor shall furnish and maintain for the term of the Agreement, the following bonds, on forms furnished by the City, and at no expense to the SFMTA:

(a) A performance and payment bond in a form acceptable to the City, in a sum of not less than 10 percent of the annual amount of the contract to guarantee the faithful performance of this contract and to guarantee the payment of labor, materials, supplies, and equipment used in the performance of the contract.

(b) A scheduled fidelity bond covering each employee who performs tasks relating to SFMTA Revenue Collections and Sales for \$50,000 or a crime policy

(Employee Dishonesty Coverage) covering all officers and employees in an amount of not less than \$100,000, and including the SFMTA as additional obligee or loss payee as its interest may appear.

4.7.2 Corporate sureties issuing these bonds shall be legally authorized to engage in the business of furnishing surety bonds in the State of California. All sureties shall have a current A.M. Best rating not less than "A-, VIII" or as otherwise approved by the City's Risk Management Division and Controller.

4.7.3 The bonds shall be renewed annually for the term of the contract, as it may be extended. Contractor and the surety shall provide the SFMTA a minimum of 60 Days advance notice in the event that the surety intends to cancel or not renew the bond. In such event, Contractor shall, prior to the effective date of cancellation or termination, substitute another, and sufficient, surety to be approved by City. During the period covered by the Contract, if any of the sureties upon the bond become insolvent or, in the opinion of City, unable to pay promptly the amount of such bond to the extent to which the surety might be liable, Contractor, within 60 Days after notice given by City to Contractor, shall buy a supplemental bond or substitute another and sufficient surety approved by City in place of the surety becoming insolvent or unable to pay.

4.7.4 If, due to cancellation, failure to renew, or insolvency, Contractor fails to substitute another and sufficient surety within the applicable time period, City, in addition to any other remedies available to it under law, and notwithstanding any other provision of this agreement to the contrary, shall have the option to immediately declare a material breach of this Contract, terminate the Contract, and/or bring any proper suit or proceeding against monies then due or which thereafter may become due Contractor under the Contract.

Article 5 Insurance and Indemnity

5.1 Insurance

5.1.1 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 Insurance, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness.

(d) Reserved. (Professional Liability Insurance)

- (e) Reserved. (Technology Errors and Omissions Liability Insurance)
- (f) Reserved. (Cyber and Privacy Insurance)
- (g) Reserved. (Pollution Liability Insurance)

5.1.2 Additional Insured

(a) The Commercial General Liability Insurance policy must include as Additional Insured the City and County of San Francisco, and 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 Additional Insured Endorsement)

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

5.1.4 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 as Primary Insurance)

5.1.5 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 11.1 (Notices to the Parties).

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

5.2 Indemnification.

5.2.1 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, experts, and related costs, and City's costs of investigating any claims against the City.

5.2.2 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.

5.2.3 Contractor shall indemnify, defend, and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's Services.

Article 6 Liability of the Parties

6.1 Liability of City. CITY'S TOTAL LIABILITY UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ITS PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1 (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.

6.2 Liability for Use of Equipment. City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.

6.3 Liability for Incidental and Consequential Damages. Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions.

Article 7 Payment of Taxes

7.1 Contractor to Pay All Taxes. Except for any applicable California sales and use taxes charged by Contractor to 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 City under this Agreement.

7.2 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.

7.3 Withholding. Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

Article 8 Termination and Default

8.1 Termination for Convenience

8.1.1 City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination (Notice of Termination). The Notice of Termination shall specify the date on which termination of the Agreement shall become effective (Termination Date).

8.1.2 Upon receipt of the Notice of Termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the 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, 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 cancelled 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.

8.1.3 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.

8.1.4 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 8.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Services under this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under Section 8.1.3.

8.1.5 In arriving at the amount due to Contractor under this Section, 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 8.1.4; 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.

8.1.6 Payment Obligation. City's payment obligation under Section 8.1 (Termination for Convenience), shall survive termination of this Agreement.

8.2 Termination for Default; Remedies

8.2.1 Each of the following shall constitute an immediate event of default (Event of Default) under this Agreement:

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

- | | |
|------------|---------------------------------|
| 3.5 | Submitting False Claims |
| 4.5 | Assignment |
| Article 5 | Insurance and Indemnity |
| Article 7 | Payment of Taxes |
| 10.3.6 | Alcohol and Drug-Free Workplace |
| 11.2 | Compliance with Laws |
| Article 13 | 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.

8.2.2 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; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City.

8.2.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

8.2.4 Any notice of default must be sent in accordance with Article 11.

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

8.4 Rights and Duties upon Termination or Expiration

8.4.1 Section 8.4 (Rights and Duties upon Termination or Expiration) and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.3	Payment Limited to Satisfactory Services
3.4	Audit and Inspection of Records
3.5	Submitting False Claims
Article 5	Insurance and Indemnity

6.1	Liability of City
6.3	Liability for Incidental and Consequential Damages
Article 7	Payment of Taxes
8.1.6	Payment Obligation
8.2.2	Default Remedies
9.1	Ownership of Results
9.2	Works for Hire
11.6	Dispute Resolution Procedure
11.7	Agreement Made in California; Venue
11.8	Construction
11.9	Entire Agreement
11.10	Compliance with Laws
11.11	Severability
Article 13	Data and Security

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1 above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Promptly upon expiration of this Agreement, or promptly upon receipt by Contractor of notice of termination of this Agreement, Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any Deliverables, work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City.

Article 9 Rights in Deliverables

9.1 Ownership of Results. Any interest of Contractor or its subcontractors in the Deliverables, 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.

9.2 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 subcontractors. With City's prior written approval, Contractor and its subcontractors 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 10 Additional Requirements Incorporated by Reference

10.1 Laws Incorporated by Reference. The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement (Mandatory City Requirements) are available at http://www.amlegal.com/codes/client/san-francisco_ca/%20.

10.2 Governmental Conduct Related Contractual Obligations

10.2.1 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.

10.2.2 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.

10.2.3 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 12 months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

10.3 Employment Related Contractual Obligations

10.3.1 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Contractor shall comply with all applicable provisions of San Francisco Administrative Code Chapter 14B (LBE Ordinance). Contractor is subject to the enforcement and penalty provisions in Chapter 14B. Contractor shall meet the LBE subcontracting commitment percentage(s) included in its submittal documents. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor's LBE subcontracting commitments.

10.3.2 Minimum Compensation Ordinance. San Francisco Labor and Employment Code Article 111 applies to this Agreement. Contractor shall pay covered employees no less than the minimum compensation required by 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.

10.3.3 Health Care Accountability Ordinance. San Francisco Labor and Employment Code Article 121 applies to this Agreement. Contractor shall comply with the requirements of Article 121. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 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.

10.3.4 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.

10.3.5 Reserved. (Working with Minors).

10.3.6 Alcohol and Drug-Free Workplace. City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of

final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

10.3.7 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.

10.3.8 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 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 Article 131.2.

10.4 Environmental Related Contractual Obligations.

10.4.1 Reserved. (Packaged Water Prohibition).

10.4.2 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.

10.4.3 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.

10.4.4 Reserved. (Sugar-Sweetened Beverage Prohibition).

10.5 Reserved. (Slavery Era Disclosure).

10.6 Reserved. (Nonprofit Contractor Obligations)

Article 11 General Provisions

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

To City: Kimberly Burrus
Chief Security Officer
San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 8th floor
San Francisco, CA 94103
Kimberly.Burrus@sfmta.com
(415) 646-4322

To Contractor: Christian Arno
Senior Regional Vice President
Allied Universal Security Services
400 Montgomery, Suite #700
San Francisco, CA 94104
Christian.Arno@AUS.com
(415) 926-6411

Any notice of default or data breach must be sent by certified mail or other trackable 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.

11.2 Compliance with Laws Requiring Access for People with Disabilities.

11.2.1 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.

11.2.2 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.

11.2.3 Reserved. (Web and Mobile Content Accessibility)

11.3 Incorporation of Recitals. The matters recited in the Recitals section of this Agreement are a substantive portion of this Agreement and are hereby incorporated into and made part of this Agreement.

11.4 Sunshine Ordinance. Contractor acknowledges that this Agreement and all City records related to its formation, Contractor's performance of Services, and City's payment may be subject to the California Public Records Act, (California Government Code §7920.000 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

11.5 Modification of this Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement 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 for any 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%.

11.6 Dispute Resolution Procedure

11.6.1 Negotiation; Alternative Dispute Resolution. The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. The City may elect, in its sole discretion, to participate in informal dispute resolution proceedings. 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 Section 11.6.

11.6.2 Government Code Claim Requirement. No suit for money or damages may be brought against the City until a written claim therefor has been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the California Government Code Claim requirements set forth in San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq.

11.7 Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. 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.

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

11.9 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 11.5 (Modification of this Agreement).

11.10 Compliance with Laws. Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner 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.

11.11 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (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.

11.12 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of the City and Contractor, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

11.13 Order of Precedence. The Agreement and its appendices shall be interpreted as a single integrated contract. In the event of any discrepancy, inconsistency, gap, ambiguity, or conflict among the Agreement and its incorporated documents and the Contractor's terms, the City's terms shall take precedence. Any hyperlinked terms included in Contractor's terms shall have no legal effect.

11.14 Notification of Legal Requests. Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests, and other legal requests (Legal Requests) related to 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 12 SFMTA Specific Terms

12.1 Large Vehicle Driver Safety Training Requirements

12.1.1 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/largevehicletestingstandards. 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.

12.1.2 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 13 Data and Security

13.1 Nondisclosure of Private, Proprietary or Confidential Information

13.1.1 Protection of Private Information. If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 City Data; Confidential Information . In the performance of Services, Contractor may have access to, or collect on City's behalf, City Data, which may include proprietary or Confidential Information that if disclosed to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, or Contractor collects such information on City's behalf, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information.

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

13.3 Reserved. (Business Associate Agreement)

13.4 Management of City Data

13.4.1 Use of City Data. Contractor agrees to hold City Data received from, or 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 the 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 the City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. City Data shall not be distributed, repurposed, or shared across other applications, environments, or business units of Contractor. 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 City's prior written consent, which may be withheld or withdrawn at City's sole discretion. Nothing herein shall be construed to confer any license or right to City Data, 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, and/or machine learning from the 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.

13.4.2 Reserved. (Use of Generative Artificial Intelligence in Deliverables)

13.4.3 Disposition of City Data. Except as otherwise provided for in this Agreement, upon City's request, termination or expiration of this Agreement, or the expiration of any required document retention period or litigation hold, Contractor shall promptly, but in no event later than 30 Days, return all City Data given to or collected or created by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from the City that City Data has been successfully transferred to the City, Contractor shall within 10 business days, securely dispose, clear, purge, and/or physically destroy, all copies of all City Data from its servers, files hosted environments used in performance of this Agreement (including its subcontractors' environments), work stations used to process or produce the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide the City with written certification that such secure disposal occurred within five (5) business days of the disposal. 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 the most current industry standard.

13.5 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 the City.

13.6 Loss or Unauthorized Access to City’s Data; Security Breach Notification. Contractor shall comply with all applicable laws that require the notification to individuals in the event of unauthorized release of PII, PHI, or other event requiring notification. Contractor shall notify City of any actual or potential exposure or misappropriation of City Data (any “Leak”) within 24 hours of the discovery of such, but within 12 hours if the Data Leak involved PII or PHI. Contractor, at its own expense, will reasonably cooperate with City and law enforcement authorities to investigate any such Leak and to notify injured or potentially injured parties. The remedies and obligations set forth in this subsection are in addition to any other the City may have. The City shall conduct all media communications related to such Leak.

13.7 Reserved. (Cybersecurity Risk Assessment). A Cybersecurity Risk Assessment is not required because this Agreement does not authorize Contractor to provide, host, or implement information technology systems; connect Contractor-owned systems to the City’s network; or store or process City Data outside SFMTA-approved systems.

Article 14 Appendices

14.1 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:

- A: Scope of Services
- B: Calculation of Charges
- C: Prevailing Wage, Hours, and Related Information for Security Employees

Article 15 MacBride And Signature

15.1 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	Universal Protection Service, LP, dba Allied Universal Security Services
Julie B. Kirschbaum Director of Transportation	Christian Arno Senior Regional Vice President
Authorized By:	
Municipal Transportation Agency Board of Directors	<u>Acknowledgement of Large Vehicle Driver Safety Training Requirements:</u>
Resolution No: _____	By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements.
Adopted: _____	
Attest: _____	
Secretary to the Board	
Approved as to Form:	
David Chiu City Attorney	
By: _____	
Isidro Alarcón Jiménez Deputy City Attorney	City Supplier Number: 0000025762

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Appendix A Scope of Services

I. DEFINITIONS

For the purpose of the Special Conditions in this Contract, the following terms shall have the following meanings:

- A. Agreement, Contract.** The contract to be executed by the SFMTA and the successful Proposer, which shall include the Scope of Services of this Request for Proposals, the Contractor's Proposal, the Post Orders, Staffing Plan, Facility Patrol Plan, Training Plan, Standard Operating Procedures, and all other attachments and appendices to those documents.
- B. Americans with Disabilities Act, ADA.** The Americans with Disabilities Act of 1990, as amended, including all relevant regulations adopted by the U.S. Department of Justice and the U.S. Department of Transportation.
- C. As-Needed Guard Services.** Armed and unarmed Guard requests that are not a part of the regular schedule, as set forth in the current monthly Staffing Plan, where SFMTA has provided at least four hours' notice.
- D. Business Days.** Monday through Friday, 9 a.m. to 5 p.m., excluding City-designated holidays.
- E. CCTV.** Closed circuit television.
- F. Chief Security Officer.** The City employee appointed to the position of Chief Security Officer by the Director of Transportation, or his or her designee.
- G. Condition Report.** The report guards are required to submit when they observe unsafe working conditions or damage or defects to physical security features at a facility, such as fences, door locks, or surveillance cameras.
- H. Contractor.** Universal Protection Service, LP, dba Allied Universal Security Services, 400 Montgomery Street, Suite #700, San Francisco, CA 94104.
- I. Days.** Calendar days, unless otherwise specified.
- J. Director.** The Director of Transportation for the San Francisco Municipal Transportation Agency, or his/her designee.
- K. Emergency Guard Service.** Armed or Unarmed Guard Services that are requested by the SFMTA with less than four hours' notice.

- L. Fare Media.** Items issued by the SFMTA (1) to users of public transit to provide evidence of payment for use of services or (2) issued to the public as a means for payment for on-street parking.
- M. Firearm Permit.** An identification card issued by the Bureau of Security and Investigative Services that provides proof of weapons certification.
- N. Graffiti.** Any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, shelters, kiosks, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of- way. "Graffiti" does not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).
- O. Graffiti Unit.** Uniformed Mobile Patrol Guards assigned to prevent graffiti from occurring and gather photographic evidence to prosecute vandals.
- P. Guard; Security Guard.** A trained, equipped, and qualified employee of Contractor assigned to security guard duties as required under this Contract.
- Q. Incident Report.** The report required to be filed to document events on SFMTA property that represent a security concern, an unanticipated event that results in injury, death or property damage, or any other circumstances as further defined in Section X.B.2.
- R. Mobile Patrol Guards.** Guards assigned to the Graffiti Unit with orders to patrol unstaffed SFMTA Sites such as LRV platforms, kiosks, facilities, subway stations and bus shelters using a vehicle supplied by Contractor.
- S. Observers.** Personnel hired by the Contractor to assist with the ADA Observer's Program.
- T. Records.** All documents created, received, or maintained by Contractor in connection with performance under this Agreement, including, but not limited to, books, accounts, invoices, maintenance and service logs, database information, contracts, construction documents, payroll information, maintenance, construction and service logs and other

documents, whether or not kept in electronic format.

- U. **Relief.** A Guard assigned to cover an authorized break, sick leave, or vacation of a Guard who is regularly assigned to an SFMTA facility or other function.
- V. **Revenue Collections & Sales; Revenue.** The division of the SFMTA that manages citations processing, parking permits, fare revenue operations, and fare programs, located at One South Van Ness Avenue.
- W. **Security Control Consoles.** A control panel containing the radio base station, CCTV monitors, digital video recorder (DVR), and the employee access control system.
- X. **Security Guard License; Guard Card.** An identification card that verifies that a person has completed the required classes and clearances to work as a Security Guard, as issued by the Bureau of Security and Investigative Services (see Business and Professions Code section 7583.12).
- Y. **Security Operations Center.** The SFMTA security operations center located at 1455 Market Street, Suite 700C, Room 705.
- Z. **Services.** The Security Guard and other services to be provided by Contractor in accordance with the requirements and specifications of this Contract.
- AA. **SFMTA.** The Municipal Transportation Agency of the City and County of San Francisco.
- BB. **SFMTA Properties.** The Sites listed in Section VII, and any other real property in which the SFMTA has a property interest or acquires such interest during the duration of this Contract.
- CC. **Site.** A property or facility to which Guards are assigned pursuant to this Contract or which may be established during the term of this Contract. Current Sites are listed in Section VII.
- DD. **Standard Operating Procedure (SOP).** Written procedures, policies and guidelines used by the Contractor in day-to-day operations.
- EE. **Supervisor.** An employee of Contractor whose primary job duties include oversight, supervision, scheduling and managing assigned Guards on duty, certifying Guard time records and collecting Guard reports for each shift. Specific duties of Supervisors under this Contract are further defined in subsections VIII.G.2.c-i,ii,and iv.
- FF. **Training Plan.** The plan that describes the curriculum and other training requirements for new Security Guards and ongoing training that is required by the California Bureau of Security and Investigative Services and this Agreement.

- GG. Transportation Management Center, TMC.** The facility that includes the rail line management and dispatch center, Station Operations Dept., Scheduling Dept., Security Operations Center, Video Surveillance Unit, Departmental Operations Center, and other offices located at 1455 Market Street, Suite 700C.
- HH. Unavoidable Delay.** A delay in Contractor's performance of its duties under the Contract that could not have been avoided by Contractor's exercise of due care, prudence, foresight, or diligence and that arises directly from: an act of God; fire; flood; windstorm; tornado; earthquake; war; riot; insurrection; epidemic; quarantine restrictions; acts of terrorism; inability of Contractor to procure labor to the extent that such inability is not caused by disputes related to collective bargaining; inability of Contractor to procure material; accident; the prevention by the City of Contractor from commencing or prosecuting any of its duties under the Contract; inability of Contractor to obtain applicable permits and licenses from relevant governmental authorities; or failure of public utility service. Contractor bears the burden of demonstrating an Unavoidable Delay within 10 Days of City's demand.

II. CONTRACTOR RESPONSIBILITIES-OVERVIEW

A. General Service Requirements

Contractor agrees that the Services to be performed, including the locations where and the hours during which Services are to be performed, and the number of Guards to be furnished by the Contractor, shall be subject to the approval of the SFMTA. Contractor agrees that the schedules set forth in a staffing plan may be changed at any time, without any penalty to the SFMTA, provided the SFMTA gives at least five Business Days' notice of the change.

The Contractor shall provide and supervise Guards for all shifts. Contractor shall provide Guards for assignment to duties and locations as described in the Scope of Services or other times or locations designated by the SFMTA.

B. Service Continuity and Transition Support

If necessary, and upon written direction of the SFMTA, Contractor shall provide transition support necessary to maintain uninterrupted security services and support the commencement of services under a longer-term contract resulting from a competitive procurement.

Contractor shall continue to provide all required Services under this Agreement through the date specified, within the term of this Agreement, by the SFMTA and shall not reduce staffing, supervision, management support, response capability, reporting, or other required Services without the SFMTA's prior written approval.

Contractor shall designate a representative to coordinate transition activities and shall participate in transition planning meetings, site walkthroughs, and other coordination activities requested by the SFMTA.

Contractor shall cooperate in transferring operational information and records necessary for continued Service delivery, including, staffing and assignment information, schedules, open incident information, and equipment and credential inventories. Contractor shall also support applicable employee-retention requirements and the return, transfer, modification, or deactivation of SFMTA property, credentials, equipment.

III. INITIAL CONTRACT DELIVERABLES

A. List of Assigned Guards

Prior to starting any work, Contractor must furnish the SFMTA with a complete list of all Guards assigned and their assignments (Post Orders). Contractor must check records of criminal convictions, driving history, military service, education, and employment prior to the assignment of any Guard.

B. Training Plan

1. No later than 10 Days after the Effective Date, Contractor shall provide the SFMTA with a draft Training Plan consisting of the following: (a) the proposed curriculum for each required subject matter listed in Section VIII.G below; and

(b) the dates, times, and location(s) of each block of instruction. SFMTA shall review and return the draft Training Plan to Contractor with any instructions for revisions. Contractor shall deliver the completed Training Plan to the SFMTA for its approval prior to the commencement of training required by this Contract. The final approved Training Plan is incorporated by reference and shall become part of the Agreement as though fully set forth herein.
2. In addition to the initial training required above, Contractor shall provide 24 hours of training each year of the Contract to all Guards used in performance of the Contract. Training shall include, but are not limited to, industry standard training topics for an industrial and transportation setting.

C. Proof of Training

1. Individual Guards

Prior to assignment of any Guard, Contractor shall provide proof of required training for that Guard. Such proof shall include, on a form to be approved by the SFMTA, and signed by the Contractor and the Guard,

documentation that each type of training required by this Contract has been completed. Falsified training documentation shall be grounds for immediate removal and replacement of a Guard and is a material breach of the Agreement.

2. All Guards

Within 30 Days of the Effective Date of the Agreement, Contractor must provide proof of having completed the required training of all Guards assigned to this Contract.

3. Training

Contractor shall provide proof of attendance for at least 24 hours of annual training with attendance sheets signed off by Guards participating in training, along with the day, time, duration, and training subject matter. Contractor shall submit proof of attendance to the SFMTA quarterly. See Section VIII.G for further information on training requirements.

D. Proposed Uniform Design

Contractor shall submit proposed Guard uniform designs to the SFMTA for approval within 10 Days of the Effective Date.

E. Supervisor Contact List

Within 24 hours of the Effective Date, Contractor shall provide a list with 24-hour contact information (phone or pager) for all Supervisors.

F. Proposed form of Incident Report

Within 24 hours of the Effective Date, Contractor shall provide a proposed form of Incident Report for SFMTA approval.

G. Report Templates

Within 24 hours of the Effective Date, Contractor shall provide to the SFMTA templates for all reports that are required by this Contract (Training Affidavits, Incident Reports, Guard Timesheets, a Daily Activity Report (DAR), Armed Guard Daily Report, ADA Observer Reports, Condition Reports, and a bi-weekly invoice for SFMTA approval.

The final approved report templates are incorporated by reference and shall become part of the Agreement as though fully set forth herein.

IV. CONTRACTOR DUTIES

A. General Guard Duties

The Contractor shall provide and supervise Guards to provide Services for all shifts and Sites for which Guards are required by this Contract or requested by the SFMTA. Except in Revenue Collection & Sales, Contractor shall make best efforts to assign Guards consistently to certain Sites so that Guards become more familiar with the procedures and authorized persons associated with that Site. Guards shall be required to perform the following duties at all Sites in accordance with SFMTA-approved Standard Operating Procedures unless otherwise provided in the Contract, or as instructed by SFMTA:

1. Protect the safety of persons on the Site.
2. Prevent and minimize fire, theft, damage and trespass on SFMTA properties.
3. Prohibit entry into secure Sites by anyone other than persons carrying valid SFMTA identification or as otherwise instructed by the SFMTA;
4. Report any unusual incidents, hazardous conditions, or damaged or defective physical security measures.
5. Maintain a daily log for each shift in accordance with all policies for the Site (*e.g.*, sign-in and sign-out requirements for visitors);
6. Complete rounds of assigned facilities as required for each Site to ensure that all access doors or other means of controlling ingress to a facility are secure.
7. Maintain a log of all security violations and report occurrences to the SFMTA Chief Security Officer or his or her designee as soon as possible, considering the nature of the violation.
8. Monitor security desk consoles (*i.e.*, employee access control and alarm computer, CCTV video monitors, DVRs); as well as:
 - a. Be familiar with and implement emergency fire or fire alarm procedures; be familiar with floor plans with locations of fire alarm pull boxes, fire extinguishers, fire alarm monitoring panel, and other life/safety systems.
 - b. Be familiar with and implement emergency intrusion alarm procedures, including the use of computer programs, closed circuit television monitors, voice intercom systems, alarms and alarm enunciator panels, and other equipment required for monitoring and control of building access.
 - c. Guards shall be responsible for all building and systems keys in their possession and shall account for the whereabouts of keys at all times. Keys shall not be loaned to anyone for any reason. If

keys are lost or stolen, Guards shall notify Contractor **immediately**, and Contractor shall notify the SFMTA Chief Security Officer or his or her designee immediately upon receiving the Guard's report so that appropriate action can be taken to safeguard the premises. Contractor is responsible for the cost of replacement of lost, stolen or damaged keys, and replacement of door locks, if needed.

9. Be familiar with and implement procedures and protocols for responding to medical emergencies, bomb threats, riots, fires, earthquakes, hazardous spills, floods, and other emergencies.
10. Be familiar with and implement procedures for receiving and forwarding requests for maintenance.
11. Guards shall not use cell phones except as required to perform their duties and may not use or be in possession of any personal electronic devices or reading materials not related to Guard duties at a Site.
12. Guards shall never use cell phones or two-way radios on or near railroad tracks under any circumstances.
13. Guards shall, at all times, be polite, courteous, respectful, and responsive to any person authorized to be on the Site.
14. Guards shall not engage in or conduct any personal business or business outside those described in this Contract at any time while assigned to perform Services except for authorized breaks.
15. Guards shall comply with all FCC rules and regulations when using the SFMTA's radio frequency, radio base station, and handheld radio equipment.

B. Facility Patrols

1. On the Effective Date, Contractor shall submit a Facility Patrol Plan setting forth how guards shall patrol the grounds of SFMTA Property as required by this Contract and as requested by the SFMTA, including subways and rail tracks, to prevent trespassing, vandalism, sabotage, injury, and liability.
2. Guards patrolling property that will bring them into regular contact with rail operations shall complete the SFMTA "On Track and Track Site Safety" (see SFMTA Requirements, subsection VIII.G.2.b).

C. Employee Access Controls

Guards shall monitor the access of employees and members of the public to SFMTA Property as required by this Contract and as requested by the SFMTA. During business hours, most facilities allow employees access to all work areas except for secured areas (e.g., Revenue Collection & Sales offices, the money-counting room, various Revenue storage areas), and restricted areas (e.g., certain parts or tools storage areas, dispatch offices, and Central Control). Control of employee access to restricted areas during and after work hours is maintained through a card access system. Guards shall notify Contractor no later than the end of the shift during which any cards in the possession of Guards at the Site are lost or stolen or if any card reader is not working properly, and Contractor shall notify the SFMTA immediately upon receiving the Guard's report. Contractor is responsible for the cost of replacement of lost, stolen, or damaged cards in the possession of Contractor's employees.

D. Revenue Security

Guards shall escort and protect the SFMTA's Revenue Collections & Sales employees who handle cash and negotiable fare media, as requested by the SFMTA. The SFMTA may elect to use armed or unarmed Guards to escort and protect Revenue staff. Revenue staff collects cash from the operating divisions, subway ticket vending machines, and some surface platforms on a daily basis. Some special events also require Revenue staff to sell fare media directly to the public. Contractor must provide sufficient numbers of Guards to ensure uninterrupted protection of Revenue staff during the performance of Revenue operations, as requested by the SFMTA.

1. The daily Revenue operations require constant alarm and video monitoring as well as armed Guards, to ensure both the safety of Revenue personnel and the integrity of the revenue collection and counting process. Guards assigned to Revenue operations must be observant, aware and alert at all times.
2. Contractor must rotate Guard assignments a minimum of once every six months for Revenue-related activities, and take such other measures as required to minimize the opportunity for collusion between Guards and SFMTA employees.
3. Contractor must ensure uninterrupted Guard service for Revenue operations.
4. Guards assigned to the Tower of the Revenue Center must be thoroughly familiar with:
 - a. All of the Site's life safety systems, CCTV video system, alarm and access control systems, operation of Revenue parking garage doors and loading areas.
 - b. SFMTA building security policies.
 - c. Equipment removal policy and procedures.

- d. Procedures for deliveries of freight, supplies, equipment, mail, packages.

E. Failure to Perform Guard Duties

Any acts of vandalism, sabotage or theft of SFMTA vehicles, buildings, or equipment that arises from action or inaction of the Contractor, or Contractor's agents or representatives, failing to perform as required by this Contract, shall result in a credit to the City of up to 100 percent of the damages accruing to the City, including the cost of repair or replacement of the lost, damaged or stolen asset, plus all applicable SFMTA administrative costs and overhead.

V. UNIFORMS

A. Uniform Items

Contractor shall issue all Guards a uniform, which must include, at a minimum, the following items:

1. Shirts (long and short sleeve)
2. Trousers
3. Black Garrison-style belt
4. Cap (optional)
5. Jacket (cold weather use)
6. Sweater (optional)
7. Rain gear in bright yellow or orange with "Security" printed on back
8. Belt keepers
9. Name plate, gold or silver (over left breast pocket with badge number, first initial and last name) and SFMTA-issued photo I.D. badge
10. Keys with key holder
11. Contractor's insignia shoulder patch (each shirt and jacket)
12. Black shoes or boots

B. Uniform Design

All Guards must wear a complete uniform of the type required by this Section at all times while on duty. The design shall be a police/military style uniform subject to the approval of the SFMTA. Guards' shoes must be black with no visible logo, and all uniform items must fit well, be clean and pressed, and must generally present a professional image to the public. Any changes to uniform design or color required by the SFMTA shall be made at no additional cost to the SFMTA.

Shoulder patches with Contractor identification shall not be larger than 4-1/2 inches by 4- 1/2 inches. No other Contractor identification may be worn or displayed on the uniform. Each Guard shall also wear a lettered breast badge displaying the Contractor's name.

C. Uniforms to be Maintained

Contractor must maintain all uniform items for all Guards provided to perform the Services under this Contract, including outdoor clothing appropriate for the weather and season, with necessary safety clothing and equipment. The Contractor shall be responsible for the cleaning, pressing, and repair costs for all uniforms.

VI. EQUIPMENT

Contractor shall issue all Guards equipment, which must include, at a minimum, the following items:

- A. Flashlight and batteries
- B. Flashlight holder, black, ring or snap-style
- C. Radio holder, black
- D. Handcuffs and case or pouch (if required)
- E. Expandable baton (if required by the SFMTA)
- F. Expandable baton holder, black (if required)
- G. Whistle (thunder type) with chain attachment
- H. Semi-automatic pistol for armed Guards only
- I. Approved chemical agent (subject to prior approval by the Chief Security Officer);
- J. Body armor to the extent determined necessary by Contractor;
- K. Vehicles for the Field Supervisor, Video Surveillance Unit, and Graffiti Unit;
- L. Cellular telephones for all Supervisors;
- M. All other equipment determined by Contractor to be necessary to the successful performance of the Services.

VII. SITES

A. Requested Locations

Contractor shall provide armed and unarmed Guards at any location within the City and County of San Francisco within 12 hours of the SFMTA's request.

B. Regular Locations

Contractor shall provide regular Guard and/or Mobile Patrol Services as required, permanently or temporarily, at the following Sites in accordance with the schedule set forth in Appendix D. The SFMTA reserves the right during the term of the Agreement to add Sites or to eliminate any Sites.

1. **6th and King** – located at 6th and King St., this location has a trailer facility that supports Transit Operations.
2. **700 Pennsylvania** – located at the corner of Pennsylvania and 22nd St., this complex currently houses facilities and track maintenance staff, including the crafts, special machine shop and custodial crew, and fleet engineering.
3. **1399 Marin Facility** – This building is currently a bus acceptance and storage facility.
4. **Burke Avenue Warehouse** – An SFMTA Materials Management warehouse at 1570 Burke Ave. is used for overhead lines operations and for storage of transit vehicle parts before distribution to individual storerooms at the divisions.
5. **Cable Car Division** – The Cable Car Division, located at Washington and Mason Streets, houses the cable power and machinery for operating the City’s historic cable cars, the maintenance and storage facility for cable cars, and the Cable Car Museum.
6. **Cameron Beach Yard** – The smaller portion of Green Center is located at 2301 San Jose Avenue and is primarily the maintenance center and storage area for the SFMTA’s historic fleet.
7. **Curtis E. Green Light Rail Center** – Green Light Rail Center, located at 425 Geneva Avenue, is a rail operations and maintenance complex that houses major maintenance and storage facilities for light rail vehicles and historic streetcars, dispatch offices, storage of maintenance equipment and supplies, and administrative offices for the Maintenance Division.
8. **Geneva Yard (Back Gate)** – located at 425 Geneva Avenue is the back gate to the Green Light Rail Center.
9. **Islais Creek Motor Coach Facility** – Islais Creek is located at 1301 Cesar Chavez and provides storage and maintenance for 50 to 175 standard motor coaches.
10. **John M. Woods Motor Coach Center** – The John M. Woods Center, located at 22nd and Indiana Streets, is the largest maintenance and storage facility for the SFMTA’s standard motor coaches and includes administrative offices for operations dispatch

and maintenance, parts storage, heavy repair, light repair, machine shops, body and paint functions, and a carpentry shop.

11. **Kirkland Motor Coach Division** – Kirkland Division is located at North Point and Stockton Streets and is the operations, maintenance and storage facility for about 142 standard motor coaches.
12. **Muni Metro East** – MME is located at 25th St. & Illinois St. and houses approximately 100 light rail vehicles, dispatch facilities, and extensive maintenance facilities.
13. **Potrero Trolley Coach Division** – Potrero Division, located at Hampshire and Mariposa Streets, is the SFMTA’s largest trolley coach division. This facility includes storage and maintenance facilities for standard and articulated trolleys and offices for SFMTA’s street supervisors.
14. **Presidio Trolley Coach Division** – The Presidio Division, located at Geary Blvd. and Presidio Avenue, houses system safety and training divisions classrooms and offices in addition to the maintenance and storage of trolley coaches.
15. **Revenue Control Center** – located in the basement of 1 South Van Ness Avenue, this location supports the collection, counting and storage of cash collected from fare boxes and ticket vending machines.
16. **Security Operations Center** – located within the TMC at 1455 Market St., 7th Floor, Room 705, where the Security Operations Center Supervisor is located and conducts oversight and deployment of unarmed guards.
17. **SFMTA Headquarters** – located at 1 South Van Ness Avenue, the building is owned by the City for use by the SFMTA and other City departments. The SFMTA currently occupies the third, sixth, seventh, and half of the eighth floors, as well as the basement level at 11 Van Ness Avenue. SFMTA Headquarters is occupied by the Executive Offices; Taxi and Accessible Services; Human Resources; Capital Programs and Construction; Finance and Information Technology; Safety; Security, Investigations and Enforcement; Sustainable Streets; and Transit Services.
18. **Subways** – The SFMTA has responsibility for the operation and upkeep of the Muni areas in eight subway stations that are owned by the Bay Area Rapid Transit (BART) District: Embarcadero Station, Montgomery Station, Powell Station, Civic Center Station, Van Ness Station, Church Station, Castro Station and West Portal Station. The SFMTA owns and operates the Forest Hill Station.

19. **Trackways** – The SFMTA’s Metro System encompasses over 70 miles of trackways throughout the City, primarily along the E, F, J, K, L, M, N and T light rail lines. The remaining trackways access tracks linking the Metro Center to other tracks. 6.2 miles of this system is in the Metro Subway running from Embarcadero Station to the West Portal Station at the end of the Twin Peaks Tunnel.
20. **Video Surveillance Unit** – located within the TMC at 1455 Market St., 7th Floor, Room 705 where system wide video surveillance is recorded, reviewed and analyzed.
21. **Welton M. Flynn Motor Coach Division** – Flynn Division, located at 1940 Harrison Street, is an operations, maintenance and storage facility for the motor coach fleet.
22. **Woods/Tubbs** – located at 40 Tubbs St., is the bus entry to the Woods Bus Maintenance Facility.
23. **Central Subway Platforms:** Chinatown Station, Union Square Station and Third Street Station –.
24. Additional sites as requested by the SFMTA.

VIII. PERSONNEL

A. Contractor Responsible for Personnel

Contractor shall provide adequate numbers of trained and qualified personnel to fully staff all posts for all locations for which Guard Services are required to be provided by this Contract. All Guards must be employees of the Contractor; however, Contractor may provide Guards through a subcontractor only after written approval from the SFMTA. Contractor shall take full responsibility for hiring, training, payment of wages and benefits, uniforms, equipment, supervision, transportation costs, direction and discharge of Guards. The payment of federal, state, and local taxes and all wages shall also be the responsibility of the Contractor. Contractor shall comply with all required federal, state and local employment laws and regulations. The Contractor shall provide relief for Guards who are on authorized breaks or leaves.

B. Removal without Cause

The SFMTA may request Contractor to remove any Guard from performing Services under this Contract at any time it desires and for any business reason. Contractor shall remove and replace personnel within 24 hours when requested by the SFMTA.

C. Removal with Cause

Contractor shall remove and replace a Guard within 30 minutes of an SFMTA request for any cause or condition that renders the Guard incapable of performing his or her duties, which shall include, but not be limited to, sleeping on duty, theft, and alcohol or illegal drug use. Contractor shall remove and replace personnel within 24 hours for other violations or performance failures set forth in the Agreement when requested by the SFMTA.

D. Reassignment, Augmentation, Reduction of Workforce

Within five Days of a request by the SFMTA, Contractor shall reassign Guards, and such reassignment shall be at no cost to the SFMTA. If the SFMTA's need for Services increases or decreases the number of Guards required to fulfill this Contract, the City's cost shall be based on actual hours of Services provided at the billing rates set forth in this Contract.

E. Drug and Alcohol Screening

Federal Transit Administration (FTA) regulations require that all armed personnel undergo random substance (drug and alcohol) abuse screening as a condition of employment or contracting with the SFMTA, as follows:

1. In implementation of the Omnibus Transportation Employee Testing Act of 1991 (49 U.S.C. App. 1618a), the FTA, in February 1994, issued regulations requiring its grant recipients to institute drug and alcohol testing programs. These regulations, as amended, are found in Title 49 of the Code of Federal Regulations, Part 655. Additionally, 49 CFR Part 40 contains procedures for collecting and analyzing drug and alcohol specimens.
2. Generally speaking, FTA requires testing of all transit system employees, including part-time employees, certain volunteers and contractors who perform "safety-sensitive functions." A safety-sensitive function includes, for purposes of this Agreement, **carrying a firearm for security purposes**.
3. Accordingly, Contractor shall: (1) implement its own drug and alcohol testing program in compliance with FTA regulations; (2) use the services of a third party administrator to fulfill these requirements; or (3) participate in the SFMTA's program.
4. The drug and alcohol testing requirements include, but are not limited to:
 - a. Testing for alcohol, by means of a breathalyzer test
 - b. Testing for the following drugs (cocaine, marijuana, amphetamines, PCP,

and opioids) by means of a urine specimen

- c. Six types of testing: pre-employment, random, post-accident, reasonable suspicion, return-to-duty, and follow-up
 - d. Adoption of a policy statement explaining the various testing requirements, including procedures and the consequences for those employees who test positive. The policy must be distributed to all of the contractor's safety-sensitive employees.
 - e. Training of all safety-sensitive employees. Each safety-sensitive employee will need a minimum of one hour of training on the effects and consequences of prohibited drug use and on the signs and symptoms indicating prohibited drug use. Supervisors who may make reasonable suspicion determinations need an additional two hours of training on the indicators of probable drug use and alcohol misuse.
 - f. Referral of employees who test positive to a Substance Abuse Professional
 - g. Recordkeeping and reporting. The regulations include requirements for retention of records and annual reporting of drug and alcohol testing information by the SFMTA to FTA.
 - h. Obtaining information from previous employers on all applicants who apply for safety-sensitive positions
5. One hundred percent of all armed Guards assigned to the SFMTA shall be subject to required testing. Contractor must provide written proof of pre-employment testing of each armed Guard prior to that Guard providing any Services under this Contract. On a quarterly basis, Contractor shall provide new employee names to the SFMTA for testing to be performed by the SFMTA. For testing performed by the Contractor, it shall provide documentation of testing to the SFMTA on a quarterly basis.
6. **Options 1 and 2:** (If the Contractor implements its own program or contracts with a third party administrator)
- a. The Contractor agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655 and 49 CFR Part 40, produce any documentation necessary to establish its compliance with Parts 40 and 655, and permit any authorized representative of the U.S. Department of Transportation or its operating administrations, the California Public Utilities Commission (in its capacity as state oversight agency), or the City and County of San Francisco to inspect the facilities and records associated with the implementation of the drug and alcohol testing program and review the testing process. The Contractor agrees further to certify annually its compliance with Part 655 by December 1st of the calendar year and to submit the

Management Information System (MIS) reports before March 1st (for the prior calendar year) to the Manager of the SFMTA's Employee Services Section. To certify compliance, the Contractor shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register.

- b.** The Contractor further agrees to submit within 30 days of the Effective Date: (1) verification that its safety-sensitive employees are included as part of a safety-sensitive random testing pool; (2) a copy of Contractor's policy statement developed to implement its drug and alcohol testing program; and (3) the name of its third party administrator, if applicable. Failure to submit such documents within the prescribed time period, or failure to submit any other documentation relevant to the testing requirements as required by SFMTA, shall be cause for withholding payments to Contractor until the requirements of this section are met.

7. Option 3: (If the Contractor's employees perform work at the SFMTA and the Contractor chooses to participate in SFMTA's program.)

- a.** Contractor agrees that its safety-sensitive employees will participate in the SFMTA's federally mandated drug and alcohol testing program. This participation shall include the following services: training, testing and collection, laboratory, medical review officer, and substance abuse professional. The SFMTA will bill Contractor its fees for these services at the rates identified on Appendix E hereto. Payment shall be due within 30 Days of the date of invoice. Contractor agrees that if it does not timely pay the SFMTA for such services, the SFMTA may withhold the unpaid amount of the invoice from its payments to Contractor.
- b.** Contractor shall be responsible for preparation and adoption of a policy statement in compliance with the requirements of 49 CFR Part 655 and for complying with any other federal requirements, including, but not limited to, obtaining required previous employment information regarding applicants for safety-sensitive positions (in compliance with 49 CFR § 40.25). Contractor shall also be responsible for the costs of any rehabilitation or employee assistance benefits for its employees.

F. Qualified Employees

Employees hired by the Contractor as Guards shall possess the following skills and abilities:

1. Guards shall have the ability to speak, read, write, understand, and properly use documents written in English.
2. Contractor shall communicate all written materials provided by the SFMTA to Guards, including rules, procedures, regulations, guidelines and instructions, and shall ensure that Guards adhere to the standards set forth in such materials.
3. Each Guard provided under this Contract shall have the minimum qualifications required for the position for which he/she is provided as set forth herein, to include a license from the Department of Consumer Affairs, Bureau of Security and Investigative Services, Private Investigation Act, Section 7512.13 (commonly known as a "Guard Card"). Records shall be retained for a period of not less than two years. All such records shall be available for inspection by the bureau at the licensee's principal place of business and copies shall be submitted to the bureau upon request. The SFMTA may require proof of such qualifications at any time from either the Guard or the Contractor.
4. Guards must be at least 21 years of age. This requirement may be waived for veterans of military service with the written approval of the SFMTA.
5. Any Guard assigned to armed duty shall meet all qualifications and have a valid Firearms Permit, or Firearms Qualification Card, or Exposed Firearms Permit issued by the California Bureau of Security and Investigative Services to carry firearms. Pursuant to the Business and Profession Code Section 7583.2, the California Code of Regulations Title 16 CCR § 634, the Contractor required firearms records shall contain the following information: make, model and serial number of the firearm, the name of the person who has title of ownership, the name of each person authorized to possess a firearm, and evidence that such person is proficient in the use of the particular caliber of firearm which the person carries, uses or possesses. **In addition, the SFMTA requires that such person only carries, uses or possesses the firearm on record that he/she has shown evidence of proficiency with that particular firearm.** Such records shall be retained for a period of not less than two years. All such records shall be available for inspection by the bureau at the licensee's principal place of business and copies shall be submitted to the bureau upon request. The SFMTA may require proof of such qualifications at any time from either the Guard or the

Contractor.

6. The following persons are not qualified to work as Guards:
 - a. Guards removed for cause at any time during this Agreement;
 - b. Guards who do not possess the required certifications or training specified in this Agreement.
7. Should any employee be found unqualified for the position to which he/she is assigned, Contractor shall remove such employee immediately and provide a replacement within four hours at no additional cost to the SFMTA.
8. The SFMTA shall not pay for any Service provided by Contractor's employees who do not meet the qualifications set forth herein. In the event that the SFMTA discovers, at any time, that it has already paid the Contractor for Services provided by an unqualified employee of the Contractor, the Contractor shall refund any such payment to the SFMTA within 10 business days of notification by the SFMTA. The SFMTA may, at its option, deduct an equal amount from any payment due or to become due to the Contractor under this Agreement or any other agreement.

G. Training Requirement

1. State Requirements

Contractor shall require all Guards to have a current Security Guard License (Guard Card) issued by the California Bureau of Security and Investigative Services in their possession. Contractor shall provide to the SFMTA a photocopy of the current Security Guard License for all Guards assigned to SFMTA facilities 10 days prior to the Effective Date. Contractor shall provide photocopies of valid Guard Cards for new employees 24 hours prior to their start date at SFMTA Sites and shall provide photocopies of Guard Card renewals or proof of payment for the renewals quarterly. In addition to the Guard Card, all Armed Guards must have in their possession a Firearm Permit issued by the California Bureau of Security and Investigative Services. Contractor shall provide to the SFMTA a photocopy of the current Firearms Permit for all Armed Guards assigned to SFMTA facilities 10 days prior to the Effective Date.

2. SFMTA Requirements

- a. Within five days of the Effective Date of the Agreement, Contractor and the SFMTA will meet to develop written training plans and implement a training program. Contractor and the SFMTA will have five days to complete the training plan and four weeks to complete all training.

- b. Prior to assignment at any SFMTA Site, all Guards assigned to any location or function that will bring them into regular contact with rail operations shall complete the SFMTA “**On Track and Track Site Safety**” course (4 hours). Training will include SFMTA-specific curriculum to address safety issues related to work at a transit **rail** facility and CALOSHA safety training.
- c. Additional training requirements for more specialized positions (the type of training depends on assigned duties) are as follows:

- i. Field Supervisor - 32 hours

Training will include learning the location and routes to all SFMTA facilities, all identified security vulnerabilities, alarm response procedures, safe vehicle operation, and proper radio usage procedures to assist in monitoring deployment of unarmed staff. The field supervisor will also learn how to train new unarmed Guards assigned to conduct a foot patrol of the Site, to document their activities, and to issue radios, tour system readers and other needed equipment as needed.

- ii. Security Operations Center Supervisor-Unarmed (1455 Market St., 7th Floor, Room 705) - 40 hours

Training will include proper radio usage procedures and documentation of calls to assist in monitoring deployment of unarmed personnel, abiding by FCC rules, and inventory and key control.

Training will also include CCTV & alarm monitoring procedures, alarm response duties and emergency contact procedures, and incident report writing. Those assigned to this position will also be trained on how to staff open posts and weekly scheduling of unarmed Guards.

- iii. Tower Guard-Unarmed (Revenue Center-1 SVN basement) 8 hours

Training will include proper radio procedures, inventory control, CCTV and alarm monitoring procedures, alarm response duties, and emergency contact procedures, and approved procedures to control access to revenue loading dock and secured areas to authorized personnel.

- iv. Armed Revenue Supervisor (Revenue Center-1 SVN basement) - 40 hours

Training for this position will include all procedures required for armed revenue Guards. The armed supervisor will be trained in revenue loading dock procedures. Those assigned to this position will also be trained on how to schedule/rotate armed Guards through different collections as required by the Contract and how to

staff open posts.

- v. Armed Revenue Guards (Revenue Center-1 SVN basement) - 3 days

Training will include orientation to all subway platforms, sites and facilities to which armed Guards escort revenue staff during revenue operations. During this training Guards will be instructed on each area's vulnerabilities, as well as proper placement and responsibilities while on escort duty and when returning to base. These Guards will also be instructed on proper radio usage.

- vi. Graffiti Patrol-Unarmed - 24 hours

Training will include learning the routes to all SFMTA bus yards, facilities, portals, stations and platforms where graffiti is likely to occur, pictorial and written documentation of procedures for graffiti attacks, as well as safe vehicle usage. These Guards will also be instructed on proper radio usage.

- vii. Facility Guard-Unarmed - 8 to 24 hours as needed

Training will include identification of the facility vulnerabilities and the assigned patrol area, instruction on other duties including proper radio usage, verifying employee credentials, and keeping unauthorized people out of restricted areas.

- viii. ADA Observer-Unarmed - 4 hours

Training will include an orientation on all ADA compliance issues that operators are required to follow while driving a transit vehicle, documentation of non-compliance, and filling out ride reports and time sheets.

- ix. Video Data Assistant- 40 hours

Video Data Assistants are responsible for retrieving video data storage units from buses and light rail vehicles, viewing footage, and preparing DVD or other electronic copies for the SFMTA Security, Transit, and Safety groups, the San Francisco Police Department, and other City departments.

- x. Ongoing Training Requirements

The Contractor must ensure that training described in this subsection c. is conducted annually or when a Contractor hires any new Supervisor, armed Guard or a group of 10 unarmed Guards within a given quarter. The SFMTA

reserves the right to test Guards' knowledge of the training curriculum required by this Contract.

The Contractor shall ensure that all Guards have completed an anti- discrimination and harassment course (4 hours) within one year of assignment to this Contract.

xi. Training Waivers

Contractor may request the training requirement to be waived for a particular Guard if Contractor submits adequate documentation to demonstrate that the Guard's skills already exceed the training requirements and the SFMTA approves the waiver request. No waivers for safety and CALOSHA training are allowed under this Agreement.

xii. Training Records

Facsimiles of all training records for the Contractor and subcontractors will be maintained by the Contractor's Account Manager (see 8.F below), or his or her designee, at 1 South Van Ness Avenue or an SFMTA facility approved by the Chief Security Officer. Facsimiles shall be maintained for the entire term of the Agreement. Upon request of the SFMTA, the Account Manager shall provide such facsimiles to the SFMTA the same day they are requested.

IX. TYPES OF SERVICES

A. Armed Personnel

Contractor shall provide the following Guards and Services in accordance with Exhibit 2:

1. Armed Revenue Escort Security Officer Guards

Contractor shall provide Armed Revenue Escort Security Guards who are assigned to Revenue escort duties. These Guards must be armed and fully equipped (with semi- automatic pistol, handcuffs, baton, approved chemical agent, holsters, and other equipment as required) to escort Revenue staff.

2. Armed Revenue Guard Supervisor

Contractor shall provide an Armed Revenue Guard Supervisor, who shall supervise all armed Guards assigned to the Revenue Section to ensure that the Guards follow all established procedures. This includes but is not

limited to checking in armed Guards, issuing equipment, collecting reports, scheduling of armed Revenue Guards and Relief, and additional duties as requested.

B. Unarmed Personnel

Contractor shall provide the following unarmed personnel:

1. Revenue Tower Officers

Guards posted at the Tower will be stationed in an elevated control room at 1 South Van Ness Ave. in the basement area connected to the Revenue vault section to secure the vault and adjacent areas. Guards at this post must be proficient in PC-based software, CCTV, and employee access control and alarm systems, and monitor and control all entry into the garage area and vault sections.

2. Security Operations Center Supervisor

One Security Operations Center Supervisor shall be responsible for monitoring the deployment of Guards and supervising all consoles and unarmed Guard operations, managing communications, and reporting directly to the Contractor's Account Manager. The Security Operations Center Supervisor shall be responsible for scheduling all Guards and Relief, as well as monitoring all access and CCTV systems. The SFMTA requires a minimum of one unarmed Console Supervisor to be assigned to Security Control Consoles for each eight-hour shift.

3. Security Control Console Monitors

Contractor shall provide Guards to monitor Security Control Consoles at Muni Metro East and at Revenue in the basement at 1 South Van Ness Avenue, 24 hours per day, 7 days per week.

4. Field Supervisor

Contractor shall provide one unarmed Field Supervisor, whose primary responsibility shall be to patrol the SFMTA's various facilities and Sites and respond to all requests for response by the Security Operations Center Supervisor. When requested, or when there is an incident that requires such response, the Field Supervisor shall meet San Francisco Police Department (SFPD) and/or SFMTA staff at the location with keys or access cards as required to in order to allow them access into the building. The Field Supervisor must remain in contact with the Security Operations Center Supervisor while on patrol using a handheld radio to be provided by the SFMTA.

5. Graffiti Unit Guards

- a. Contractor shall provide uniformed Mobile Patrol Guards to prevent graffiti from occurring and gather photographic evidence to prosecute vandals. The locations that must be patrolled by the Graffiti Unit include, but are not limited to, T-line platforms on Third Street and the perimeters of all SFMTA facilities. Graffiti Unit Guards may not be used as Relief without permission from the Chief Security Officer or his or her designee.
- b. The Graffiti Unit must patrol the affected SFMTA Property following the report of a graffiti attack on any bus, trolleys or light rail vehicle while parked on SFMTA property. After arriving on site, Graffiti Unit Guards shall inventory vehicles with graffiti, interview SFMTA employee(s) who reported or saw the incident, get a track sheet indicating where the coaches marred by Graffiti are located in the yard, and take digital photographs of the individual Graffiti "tags." The Guard will advise the Security Operations Center Supervisor to contact the SFMTA Transit Management Center (TMC) with a request for SFPD to respond to the Site to issue a police report. The Guard shall remain on-site to assist SFPD. The Incident Report will include an SFPD case number along with photographs and a tracking sheet.

C. Supervisor Duties

1. Each Supervisor of an upcoming shift shall, prior to shift change, determine the readiness of Guards preparing to be posted and ensure that an adequate number of properly uniformed and equipped Guards are available for the shift.
2. Each Supervisor shall communicate any changes in post assignments or procedures, any special instructions, announcements, or any other pertinent information that may affect security operations.
3. On-duty Supervisors shall be available at all times during their shift to receive and implement orders or special instructions from the SFMTA concerning matters which affect the operation and security of assigned areas.
4. Supervisors shall instruct Guards as to their daily duties at the beginning of each shift. Guard duties shall not interfere with the operations of the SFMTA.
5. No on-duty Supervisor may perform the duties of a Guard on patrol or Relief except in emergencies. During emergencies, the Supervisor may staff a post for a period not to exceed two hours in any consecutive eight-hour period, unless this requirement is waived by the SFMTA. A report shall be submitted to SFMTA by the

Supervisor no later than the next business day after the emergency.

D. Contract Security Administrative Support

Contractor shall provide all necessary administrative support to manage its employees; to prepare reports, compile statistics, and provide information as requested by the SFMTA.

E. As-Needed and Emergency Guard Service

1. In addition to requested scheduled Services, Contractor shall provide as-needed Guard Services whenever requested by the SFMTA, so long as the SFMTA gives at least four hours' notice of a request for additional Services. As-needed Guards shall be compensated in accordance with applicable Federal, State, and local law.
2. Contractor may be asked to provide armed or unarmed Guards for Emergency Guard Service. Contractor shall provide an Emergency Guard within one hour of the SFMTA request. Contractor may charge an overtime rate for the first eight hours of such Services only. After the first eight hours, the rate of pay will revert to regular rates.

F. Account Manager

1. Contractor shall provide an Account Manager to coordinate Contract Services. The Account Manager shall be responsible for managing the SFMTA account and responding to all SFMTA requests for additional Services or any other SFMTA concerns regarding staffing or security issues. The Account Manager shall report directly to SFMTA's Chief Security Officer.
2. The Account Manager must be available to participate in security audits and evaluations of SFMTA facilities, practices and procedures. This requirement is a material term of the Contract.

G. Observer Program

Contractor shall provide unarmed plain-clothes personnel as needed and as approved by the SFMTA to act as field observers. The purpose of the Observer Program is to ensure the SFMTA's adherence to ADA requirements. The Observer will be assigned to specific SFMTA operators where complaints about non-compliance with ADA requirements have been reported. Observers shall complete a daily written report in a form to be provided by the SFMTA, documenting their observations while riding each vehicle. Although the primary purpose of Field Observers is to document ADA compliance by SFMTA operators, such Observer report may also include observation of other transit service- related issues, such as fare

evasion, customer service problems, or vandalism. No single individual employed as part of the Observer Program may work as an Observer more than 15 hours per week unless approved by the SFMTA in writing. The Observer shall, at a minimum, document the following observations on a form provided by SFMTA's Accessible Services Division:

1. Whether the operator calls out stops and transfer points.
2. Whether the operator is courteous and accommodating to patrons with disabilities.
3. Whether the wheelchair ramp or the coach is lowered when needed.
4. Whether wheelchair patrons are properly secured in the designated wheelchair area when the coach is in motion.
5. That the designated seats are kept open for patron(s) who are elderly or who have disabilities.
6. Whether the bus is operated safely with a minimum amount of jerking motions.
7. Whether all service animals are allowed on the vehicle.
8. Whether the fare boxes on the vehicle are functioning properly.

X. TIMES OF SERVICE

A. Time Records

1. At the beginning and end of each shift, Guards shall sign their own time records. No Guard, Supervisor or individual may sign time records on behalf of another Guard.
2. Contractor shall maintain all original time records and payroll records for an employee for which the SFMTA is charged within 10 miles of San Francisco. Contractor shall retrieve such records within 24 hours of an SFMTA request.
3. The Account Manager shall maintain facsimiles of all time records for the Contractor and subcontractors, at 1 South Van Ness Avenue or an SFMTA facility approved by the Chief Security Officer. Facsimiles shall be maintained for the entire term of the Agreement. Upon request of the SFMTA, the Account Manager shall provide such facsimiles to the SFMTA the same day they are requested.
4. Contractor shall maintain electronic records of actual daily Guard assignments and functions in a standard and reportable manner (e.g., MS Office).
5. Contractor shall make all time records and payroll records

available for inspection, copying or audit for the entire term of the Agreement and for a minimum of three years after the term of the Agreement. This section shall survive termination or expiration of the Agreement.

6. Time records shall be co-signed at the end of each shift by the shift Supervisor certifying the accuracy of the time record for that Guard.

B. Hours of Service

1. Shift Schedule

- a. The Contractor shall provide Guards to fill all shifts listed in Appendix D. SFMTA reserves the right to change the times or locations of the shifts listed in Exhibit 1. Contractor agrees that the Services, including the locations and areas where Services are to be performed, the hours for which such Services are to be maintained, and the number of trained, equipped and qualified Guards to be furnished by the Contractor hereunder shall be subject to the approval of the SFMTA. Contractor agrees that the scheduled work hours and days of Services may be changed at any time, without any penalty to the SFMTA, provided the SFMTA gives 10 business days' notice of any changes to Exhibit 1, except in emergencies.
- b. One week prior to commencement, the Contractor must provide the assignment of duties and locations for Guards for approval by the Chief Security Officer. Contractor must also describe how arrangements will be made for rotating coverage during breaks for Guard stations at Revenue locations and must show assignment rotation a minimum of once every six months for Revenue-related activities.

2. Limitation on Overtime

No Guard shall work more than 12 hours on one or more Sites, for other clients of Contractor, or for or any other job in any 24-hour period unless the work periods are separated by an eight-hour non-duty period. The SFMTA may excuse a failure to comply with this requirement where Contractor demonstrates in writing, within one business day after the event, any condition that prevented Contractor's compliance with this requirement. All requests for an exception to this requirement must receive prior written approval from the SFMTA. The Contractor must obtain a written confirmation of the waiver of this requirement from the SFMTA for each occurrence.

C. Holidays

Contractor shall provide Services on the following official City holidays:

1. New Year's Day
2. Martin Luther King's Birthday
3. President's Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Columbus Day
8. Veterans Day
9. Thanksgiving Day
10. Day after Thanksgiving
11. Christmas
12. Any additional official City holidays during the term of the Agreement.

D. Special Events

The Contractor shall provide additional Services for miscellaneous special events that require armed or unarmed Guard coverage. The SFMTA will provide at least five business days' notice of the number of Guards needed for a Special Event. These Events include, but are not limited to:

1. Bay to Breakers (armed)
2. Halloween (armed and unarmed)
3. New Year's Eve (armed and unarmed)
4. Gay Pride Weekend (armed and unarmed)
5. San Francisco Giants baseball games (armed)
6. Golden State Warriors basketball games (TBD)
7. Any other Special Events designated by the SFMTA as requiring Guard Services.

XI. REPORTS AND MEETINGS

A. Meetings

Contractor's Account Manager shall attend monthly meetings when

requested by the Chief Security Officer and/or other SFMTA staff to discuss issues related to the Agreement, including, but not limited to, performance, invoice payments, Agreement status, and personnel issues.

B. Reports

1. General Report Requirements

Contractor shall submit written reports as requested by the SFMTA. Whenever a written report is required under the Agreement, any such report must be written in legible English. Format for the content of such reports shall be determined by the SFMTA. The timely submission of all reports is a necessary and material term and condition of this Agreement. All reports must be submitted in a Microsoft Word or compatible format in the approved template set forth in Section III.G. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible. Any changes to report content or formats requested by the SFMTA shall be made at no cost to the SFMTA. All written reports are to be submitted by the beginning of the next business day to:

**Chief Security Officer
One South Van Ness Avenue, 8th floor,
Room 8225 San Francisco, CA 94103**

2. Incident Reports

Guards must submit Incident Reports whenever there is an event or condition on or adjacent to SFMTA Property involving injury to persons or property, criminal activity, security breaches, departures from required procedures, suspicious activity, unauthorized persons on SFMTA property, or any significant confrontations or altercations among or between SFMTA employees, contractors (including Contractor's employees) or members of the public. Guards who witnessed and/or responded to the incident shall prepare Incident Reports no later than the end of the shift during which an incident occurs. The Incident Report shall include a description of the incident and its status (i.e., "no incident, "all clear" or "further investigation and follow-up required"). The Incident Report shall be submitted electronically to the SFMTA Chief Security Officer, or a designated representative each business day for the prior business day's incidents. An Incident Report must be filed in any of the following circumstances:

- a.** Guard is required to intervene between any two or more persons, including other Guards, members of the public or SFMTA staff;
- b.** A Guard witnesses any crime or suspected crime, including assault;

- c. A Guard witnesses any incident in which there is a potential personal injury, whether or not medical attention is requested or required, or in which loss or damage to public or private property occurs;
- d. A Guard is required to give direction or an order to any person on a Site and they protest or express their unwillingness to comply;
- e. A Guard discovers any unlocked doors or any activated alarms, false or otherwise;
- f. A Guard discovers any evidence of an area being used and/or occupied by vagrants or loiterers.
- g. A Guard observes suspicious or unusual activities, intrusion alarm information, or graffiti attacks.

3. Annual Summary Reports

Ninety days before each anniversary date of the Contract, Contractor must furnish a report of the total Services ordered during the preceding 12 months. The report must be in a format acceptable to SFMTA and must list by department or location the following: (a) all Services ordered under the Contract; and (2) total quantity and dollar value of each Service ordered.

4. Other Required Reports

- a. The Security Operations Center contains SFMTA equipment for which Contractor shall be responsible. All malfunctions, vandalism and loss of said equipment stored in the Security Operations Center must be reported within four hours of the occurrence.
- b. When a Guard observes suspicious or unusual activities, intrusion alarms, or a graffiti attack, a report must be telephoned in to SFMTA Central Control within five minutes of the occurrence.
- c. Beginning with the Effective Date, Contractor shall submit a monthly staffing plan that includes the number of Guards that will be designated for each assignment listed in Exhibit 1 for the upcoming month. The first staffing plan shall include the first two months of the Contract, and each subsequent staffing plan shall be submitted 30 days in advance of the month covered by the staffing plan. Supervisors must report any variances from established staffing plans and schedules that occur within a given shift by location and hour, within one business day of the variance. The staffing plan must include arrangements for

rotating coverage during breaks for Guards stationed at Revenue Sales locations and must show assignment rotation a minimum of once a month for Revenue-related Activities.

- d. Daily Activity Report (DAR): a log of a Guard's activity during an assigned shift. Items to be filled out include, but are not limited to, time of patrols and breaks/lunch. The DAR is kept on file at the SFMTA facility per the instructions of the Chief Security Officer.
- e. Armed Guard Daily Report: A log of activity of Armed Guards during a given shift. Log includes arrival and departure time and the name of the SFMTA revenue worker to whom they have been assigned. Log is submitted to the Armed Guard Supervisor or his or her designee at the end of each shift.

XII. MATERIALS TO BE PROVIDED BY SFMTA

- A. SFMTA-required Standard Operating Procedures.
- B. Site's life safety systems, CCTV, computer system, alarm systems, operation of revenue parking garage doors and loading areas, SFMTA building security policies, and key and access card control.
- C. Emergency fire or fire alarm procedures, including floor plans with locations of fire alarm pull boxes, fire extinguishers, fire alarm monitoring panel and other life/safety systems.
- D. Emergency intrusion alarm procedures including computer programs, CCTV monitors, voice intercom systems, alarms and alarm enunciator panels and other equipment required for monitoring and control of building access.
- E. Procedures and protocols for responding to medical emergencies, bomb threats, riots, fires, earthquakes, hazardous spills, floods and other emergencies.
- F. Procedures for deliveries of freight, supplies, equipment, mail, and packages to the Revenue Center.
- G. Equipment removal policy and procedures.
- H. Procedures for receiving and forwarding requests for maintenance.
- I. Procedures and protocols for issuing, canceling, using, replacing, and confiscating access control devices, including keys and access cards.
- J. SFMTA Security shall provide the Contractor with a list of contact names and departments, with land line, cell phone and pager numbers.

These names are to be used when Contractor needs to notify various individuals or departments about incidents, or to request information and assistance.

XIII. LIQUIDATED DAMAGES

The SFMTA may exercise its authority to assess liquidated damages from Contractor up to the maximum amounts provided herein for each instance of Contractor's failure to comply with the requirements and performance standards enumerated in this section, except to the extent that any delay by Contractor constitutes an Unavoidable Delay.

- A.** For failure to submit Post Orders within 15 days of the Effective Date as set forth in Section III.A, Contractor shall pay \$100 per 24-hour period of delay.
- B.** For failure to provide a draft Training Plan no less than 10 Days prior to commencement of training as set forth in Section III.B.1, Contractor shall pay \$100 per 24-hour period of delay.
- C.** For failure to provide Proof of Training as set forth in Section III.C, Contractor shall pay \$100 per employee for whom Proof of Training was omitted.
- D.** For submitting false documentation for training verification as set forth in Section II.C.3., Contractor shall pay \$2,500 per incident.
- E.** For failure to submit proposed Guard uniform designs to SFMTA for approval within 10 Days of the Effective Date as set forth in Section III.D, Contractor shall pay \$50 per 24-hour period of delay.
- F.** For failure to submit a Supervisor Contact List on the Effective Date as set forth in Section III.E, Contractor shall pay \$50 per 24-hour period of delay.
- G.** Failure to provide the all Report Templates to be used by the Contractor on the Effective Date as set forth in Section III.G, Contractor shall pay \$50 per 24-hour period of delay.
- H.** For failure to submit a Facilities Patrol Plan on the Effective Date as set forth in Section IV.B, Contractor shall pay \$100 per 24-hour period of delay.
- I.** For failure to provide all Report Templates to be used by the Contractor on the Effective Date as set forth in Section III.G, Contractor shall pay \$50 per 24-hour period of delay.
- J.** For failure to provide Services at all times during Revenue operations as set forth in Section IV.D, Contractor shall pay \$100 per incident.

- K.** For failure to perform Guard Duties-Section IV.E. Any acts of vandalism, sabotage or theft of SFMTA vehicles, buildings or equipment that is the direct result of the Contractor, or Contractor's agents or representatives, failing to perform as required by the Agreement in Post Orders, Contractor shall pay up to 100 percent of the cost of repair or replacement of the lost, damaged or stolen asset, plus all applicable SFMTA administrative costs and overhead.
- L.** For failure to ensure that Guards report to duty with all uniform elements required by Section V.A, Contractor shall pay \$250 per incident
- M.** For failure to ensure that each Guard reports for duty with all required equipment required by Section VI, Contractor shall pay \$250 per incident.
- N.** For failure to provide Guards to SFMTA Sites listed in Section VII, in accordance with Exhibit 1, Contractor shall pay \$1,000 per day per shift not covered by a Guard.
- O.** For failure to remove and replace Guards as set forth in Section VIII.C and within deadlines in the Agreement, Contractor shall pay \$50 per 30-minute delay.
- P.** For failure to reassign Guards within 24 hours of an SFMTA request (at no cost to the SFMTA), as set forth in Section VIII.B, Contractor shall pay \$150 per incident.
- Q.** For failure to provide all new employee names and documentation of drug testing to the SFMTA for each armed Guard as set forth in Section VIII.E, Contractor shall pay

\$1,000 per incident.
- R.** For failure to submit an Incident Report within the deadline set forth in Section X.B.2, Contractor shall pay \$50 per day of delay.
- S.** For failure to provide any required personnel and hours of coverage for the Account Manager as set forth in Section IX.F, Contractor shall pay \$500 per day per staff person not provided.
- T.** For failure to provide any required personnel and hours of coverage for the Observer Program as set forth in Section IX.G, Contractor shall pay \$200 per day per staff person not provided.
- U.** For failure to provide the adequate level of personnel and hours of coverage for Special Events as described in Section X.D, Contractor shall pay \$500 per day per staff.
- V.** For failure to provide any report as set forth in Section X.B.1, Contractor shall pay \$250 per incident.

XIV. SERVICES PROVIDED BY ATTORNEYS

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

XV. DEPARTMENT LIAISON

In performing the Services provided for in this Agreement, the **SFMTA** point of contact will be the Chief Security Officer.

Appendix B

Calculation of Charges

The SFMTA will pay Contractor for actual hours of Services satisfactorily performed at the Billing Rates in Table 1. The hours and costs in Tables 2 and 3 are estimates used to calculate the Contract Not-to-Exceed Amount and do not guarantee any minimum quantity of Services. Contract Months 4 through 6 are option months and apply only if exercised by the SFMTA under Section 2.2.

The contingency is not a separate payment to Contractor and may be used only for Services authorized by the SFMTA under this Agreement.

If directed in writing by the SFMTA, Contractor shall provide transition support services as described in Appendix A. Upon completion and SFMTA acceptance of the required transition support services, Contractor may invoice a one-time lump-sum payment of \$50,000. Acceptance shall not be unreasonably withheld or delayed. If the SFMTA does not direct Contractor to provide transition support services, the payment will not be due.

Table 1 – 2027 Billing Rates

Service Classification	Hourly Billing Rate
Unarmed Officer	\$40.19
Video Surveillance	\$41.48
Security Console	\$41.48
Mobile Patrol	\$41.48
Armed Officer	\$43.76
ADA Observer	\$38.91
Badging Clerk	\$44.60
Armed Supervisor	\$46.27

Table 2 – Estimated Hours per Contract Month

Service Classification	Contract Month 1	Contract Month 2	Contract Month 3	Contract Month 4 (Option Month 1)	Contract Month 5 (Option Month 2)	Contract Month 6 (Option Month 3)	Six-Month Total
Unarmed Officer	16,943	16,943	16,943	16,943	16,943	16,943	101,658
Video Surveillance	902	902	902	902	902	902	5,412
Security Console	902	902	902	902	902	902	5,412
Mobile Patrol	971	971	971	971	971	971	5,826
Armed Officer	1,690	1,690	1,690	1,690	1,690	1,690	10,140
ADA Observer	195	195	195	195	195	195	1,170
Badging Clerk	174	174	174	174	174	174	1,044
Armed Supervisor	174	174	174	174	174	174	1,044
Totals	21,951	21,951	21,951	21,951	21,951	21,951	131,706

Table 3 – Estimated Cost by Contract Month

Service Classification	Contract Month 1	Contract Month 2	Contract Month 3	Contract Month 4 (Option Month 1)	Contract Month 5 (Option Month 2)	Contract Month 6 (Option Month 3)	Six-Month Total
Unarmed Officer	\$680,939.17	\$680,939.17	\$680,939.17	\$680,939.17	\$680,939.17	\$680,939.17	\$4,085,635.02
Video Surveillance	\$37,414.96	\$37,414.96	\$37,414.96	\$37,414.96	\$37,414.96	\$37,414.96	\$224,489.76
Security Console	\$37,414.96	\$37,414.96	\$37,414.96	\$37,414.96	\$37,414.96	\$37,414.96	\$224,489.76
Mobile Patrol	\$40,277.08	\$40,277.08	\$40,277.08	\$40,277.08	\$40,277.08	\$40,277.08	\$241,662.48
Armed Officer	\$73,954.40	\$73,954.40	\$73,954.40	\$73,954.40	\$73,954.40	\$73,954.40	\$443,726.40
ADA Observer	\$7,587.45	\$7,587.45	\$7,587.45	\$7,587.45	\$7,587.45	\$7,587.45	\$45,524.70
Badging Clerk	\$7,760.40	\$7,760.40	\$7,760.40	\$7,760.40	\$7,760.40	\$7,760.40	\$46,562.40
Armed Supervisor	\$8,050.98	\$8,050.98	\$8,050.98	\$8,050.98	\$8,050.98	\$8,050.98	\$48,305.88
Labor Cost	\$893,399.40	\$893,399.40	\$893,399.40	\$893,399.40	\$893,399.40	\$893,399.40	\$5,360,396.40

Table 4 – Calculation of Contract Not-to-Exceed (NTE) Amount

Description	Amount
Estimated Six-Month Labor Cost (Table 3)	\$5,360,396.40
Transition Support Services	\$50,000.00
5% Contingency (Labor Only)	\$268,019.82
Final Contract Not-to-Exceed Amount	\$5,678,416.22

Note: The 5% contingency is calculated only on labor cost. The \$50,000 transition support payment is excluded from the contingency calculation.

Appendix C

Prevailing Wage, Hours, and Related Information for Security Employees

Labor and Employment Code Article 102.11 - Security Employees

This chart is submitted as the prevailing hourly wage rate and fringe benefits required for Security Guard Services at any facility or any property owned or leased by the City.

Rates effective January 1, 2026, until superseded.

Classification	EMPLOYER PAYMENTS			STRAIGHT-TIME		E OVERTIME HOURLY	
	A, B Basic Hourly Rate	C Health & Welfare (Varies. Shown with employee only)	D (Varies. Shown at 5 years)	Hours	Total Hourly Rate	1.5X	2X
Security Officer	\$ 21.20	\$ 4.08	\$ 0.82	8	\$ 26.10	\$ 36.70	\$ 47.30

Footnotes

- A. No work performed on a named holiday is paid at 8 hours straight time. Work performed on a named holiday is paid at 1.5 times the basic hourly rate. Work performed on a named holiday during a shift in excess of 8 hours will be paid at 2 times the basic hourly rate. The named holidays are New Year's Day, July 4th, Juneteenth, Martin Luther King, Jr. Day, Labor Day, President's Day, Thanksgiving Day, Memorial Day, Christmas Day.
- B. Unless an employer provides uniform cleaning services, the employee shall receive \$0.25 per hour uniform maintenance benefit.
- C. Single employee contributions begin at 90 days of service; dependent benefits begin with 3 years. Required hourly rates: employee only \$4.08, capped at \$705.68 monthly; employee + 1 = \$7.84 capped at \$1,356.93 monthly; employee + 2 or more = \$11.34, capped at \$1,962.60 monthly. "Dependent" means dependent as defined in the Internal Revenue Code (26 U.S.C. sec. 152). Note that if Health and Welfare payments are not required, other San Francisco benefit requirements, such as the Health Care Security Ordinance and Minimum Compensation Ordinance may still apply.
- D. Upon completion of 1 year of continuous service and 1600 hours, vacation is paid at +1, 3, 6, and 15 year rates. Partial rates - defined as 50% of the full rate - are for 6 months or more continuous service and 800 hours in a year.

	> 1 year	3+ Years	6+ Years	15+ Years
Security Officer	\$ 0.41	\$ 0.82	\$ 1.22	\$ 1.63

E. 1.5X Overtime rates = (1.5 x basic hourly rate) + health and welfare + vacation. All work in excess of 8 hours in one day, 40 hours in one week, or on the 6th consecutive day of work week is paid at 1.5X rate. 2X Overtime rates = (2 x basic hourly rate) + health and welfare + vacation. All work performed in excess of 12 hours in one day or on the 7th consecutive day of work week is paid at 2X rate.

Note: Seniority-based benefits are calculated using the date of hire with Employer.

The table is based on the Collective Bargaining Agreement between Universal Protection Service LP, dba Allied Universal Security Services, Securitas Security Services USA, Inc., GardaWorld Security, ProGuard Security, ABC Security Services, Chenega Security California Corp., Prosecur Security, Genesis Security, PalAmerican Security and Services Employees International Union, United Services Workers West from October 1, 2022 through June 30, 2026.